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**The Determinants of Employees' Affective  
Commitment to the Organisation under Downsizing:  
The Case of the Banking Industry in Korea**

**by**

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A thesis submitted in fulfilment of the requirements for the degree  
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## **Abstract**

This thesis sets out to solve a paradox: maintaining a high level of employees' affective commitment to the organisation is assumed to be a critical factor for successful downsizing, but downsizing tends to reduce employees' affective commitment to the organisation. In seeking to resolve this paradox, the thesis aims to provide insights into how employees' affective commitment to the organisation under downsizing can be managed.

The thesis first explores the mechanism through which downsizing exerts its influence on employees' affective commitment to the organisation, i.e. it examines whether downsizing affects employees' affective commitment to the organisation directly and/or indirectly through employees' daily work experiences, and seeks to determine which impact is stronger. Then, it examines whether employees' affective commitment to the organisation is really important in terms of organisational citizenship behaviour. Finally, the thesis identifies the determinants of employees' affective commitment to the organisation and investigates how and why these determinants have such effects.

The results of the research show that the indirect impact of downsizing on employees' affective commitment to the organisation is much stronger than its direct impact. That is, employees' affective commitment to the organisation is slightly reduced by downsizing, but it can be maintained or enhanced if the change of employees' daily work experiences caused by downsizing is favourable to them. Moreover, employees' affective commitment to the organisation appears to be very important in terms of organisational citizenship behaviour. Finally, employees' daily work experiences affect employees' affective commitment to the organisation through their impacts on the three mediating variables (organisation-based self-esteem, perceived organisational support, and self-efficacy). The results also show that organisation-based self-esteem is the key mediating variable.

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## Abbreviations

AC	Affective Commitment to the Organisation
ACS	Affective Commitment Scale
BIS	Bank for International Settlement
CCS	Continuance Commitment Scale
CFI	Comparative Fit Index
FSC	Financial Supervisory Commission
GFI	Goodness-of-Fit Index
IFI	Incremental Fit Index
JDS	Job Diagnostic Survey
ML	Maximum Likelihood
NCS	Normative Commitment Scale
NFI	Normed Fit Index
NNFI	Non-Normed Fit Index
OBSE	Organisation-Based Self-Esteem
OCB	Organisational Citizenship Behaviour
OCQ	Organisational Commitment Questionnaire
PGFI	Parsimonious Goodness-of-Fit Index
PNFI	Parsimonious Normed Fit Index
POS	Perceived Organisational Support

RMR	Root Mean Square Residual
SEM	Structural Equation Modelling
SMEs	Small and Medium Sized Enterprises
SPOS	Survey of Perceived Organisational Support

## Declaration

The author presents this thesis in accordance with the regulations for the degree of Doctor of Philosophy. The work presented in this thesis is entirely original and the author's own, unless otherwise indicated. Moreover, this thesis has not been submitted for a degree at any other university. The interpretations in this thesis represent neither the views of the case study organisations nor Warwick Business School. The interpretations are the sole responsibility of the author.

The following paper based on work on the thesis has been submitted to a journal before submission:

Jaewon Lee, An analysis of the antecedents and consequences of organization-based self-esteem in two Korean Banks, *International Journal of Human Resource Management* (under review)

# Chapter 1: Introduction

This thesis seeks to identify and analyse the determinants of employees' affective commitment to the organisation under downsizing with particular reference to the Korean banking industry. This chapter addresses the background to the research problems, the scope of the research, and the structure of the thesis.

Section 1.1 presents the background information for establishing the general research aims. This section starts from the observation that the majority of downsized organisations have failed to reap the intended benefits of downsizing, such as improved labour productivity and improved labour flexibility (e.g. Dunford et al., 1998). It is suggested that this is because of survivors' poor morale and the failure to maintain a high level of employees' affective commitment to the organisation. In fact, maintaining a high level of employees' affective commitment is assumed to be a critical factor for successful downsizing. These issues are discussed in the first half of Section 1.1 (i.e. Sections 1.1.1, 1.1.2 and 1.1.3), which emphasises the usefulness of employees' affective commitment to the organisation for successful downsizing. Next, Section 1.1.4 deals with a number of issues that need to be solved in order to provide insights into how to manage employees' affective commitment to the organisation under downsizing. Then, Section 1.1.5 briefly discusses the Korean banking industry (the focus of the present research) in terms of changes in the employment system. Finally, Section 1.1.6 summarises the research aims.

Section 1.2 discusses the scope of the research. Because the research area of organisational commitment is so broad, it is essential to define it more precisely in relation to the research aims. Finally, Section 1.3 describes the structure of the thesis.

## **1.1 Background to the Research Problems**

### **1.1.1 Downsizing**

Corporations in many industrial sectors have been faced with a rapidly changing environment involving deregulation (which leads to a blurring of boundaries and therefore the production of new competitors) (Cascio, 1995; Dunford et al., 1998), the rapid development of information technology (Brynjolfsson, 1996), and global competition (Cascio, 1995; Tang and Ibrahim, 1998). Such environmental changes have placed corporations under increased competition domestically and internationally. Thus, much greater emphasis has been placed on flexibility and efficiency (Meyer and Allen, 1997) and downsizing has been one favoured strategy to achieve these goals (Luthans and Sommer, 1999; Mishra and Spreitzer, 1998). For example, at least one third of large and medium-size US companies have downsized their workforces every year since 1988 (Henkoff, 1994), and more than 85 per cent of Fortune 1000 firms pared their white-collar workforce between 1987 and 1991 (Cascio, 1993).

According to Cameron (1994a), downsizing is something that organisational members undertake on purpose. It is not something that happens to an organisation, but



an intentional set of activities. Moreover, downsizing usually involves reductions in personnel and is focused on improving the efficiency of the organisation. Reductions in personnel normally imply that fewer employees are left to do the same amount of work, which tends to affect what work gets done and how it gets done. Thus, downsizing affects work processes wittingly or unwittingly. Therefore, downsizing can be defined as “an intentionally instituted set of activities designed to improve organizational efficiency and performance which affect the size of the organization’s workforce, costs, and work processes” (Cameron, 1994a, p. 194), and is viewed as a legitimate response to increased competition and the need for greater competition by its advocates (Meyer and Allen, 1997). In fact, Dunford et al.’s (1998) research, which investigated 653 Australian companies, shows that corporations’ main objectives in implementing downsizing were to improve labour productivity, reduce labour costs, improve customer service, and improve labour flexibility.

However, only some organisations have reaped the intended benefits of downsizing (e.g. Cascio, 1993; Cameron, 1994b; Cameron et al., 1991; Dunford et al., 1998, Henkoff, 1994; Wagar, 1998). For example, in a study which examined the actual economic results of downsizing in Australian public organisations, Dunford et al. (1998) observed that 32.1, 51.8, 22.1, and 19.4 per cent of organisations achieved improved labour productivity, reduced labour costs, improved customer service, and improved labour flexibility respectively through downsizing. In contrast, numerous researchers have reported that downsizing produces considerable dysfunctional consequences, including the decline of service quality and innovation, and employees’ “survivor syndrome”, as expressed in increasing anxiety and risk aversion (e.g. Brockner and Wiesenfeld, 1993; Cascio, 1993; Cameron et al., 1991; Hui and Lee,

2000). The dysfunctional consequences of downsizing are believed to be mainly due to the poor morale of those who remain after downsizing (hereafter, survivors) and failure to maintain a high level of employees' affective commitment to the organisation (Cascio, 1993; Cameron, 1994a).

### **1.1.2 Survivors' Reactions to Downsizing**

Many studies report that downsizing leads to a reduction in survivors' morale and their affective commitment to the organisation (e.g. Brockner, 1988a; Cameron et al., 1991; Cascio, 1993; Luthans and Sommer, 1999; Mone, 1994; Tomasko, 1990; Wagar, 1998). Downsizing-induced stresses, linked for example to work load increase and uncertainty, may explain this pattern.

People enter organisations with certain needs and desires, and expect a work environment in which they can satisfy those needs and desires. If the organisation provides employees with such a work environment, their affective commitment to the organisation is likely to be enhanced (Mottaz, 1988; Steers, 1977). This coincides with the social exchange view of the mechanism governing the development process of employees' affective commitment to the organisation, i.e. employees are seen to develop their affective commitment to the organisation to the extent that the organisation provides them with what they value.

Before the era of downsizing, individuals (especially, managers in large-scale organisations) could achieve personal feelings of growth and advancement through jobs

that provided the opportunities for both completing certain tasks and pushing forward towards longer-term personal goals. Indeed, the major rewards of the modern managerial career have been constituted by the combined promise of job security and advancement within corporate hierarchies that link incremental increases in authority, status and pay (Goffee and Scase, 1992). If individuals (especially, managers in large-scale organisations) reached a certain level of competence and performance according to their job description, they could be assured of long-term employment. Moreover, there was a job structure that allowed them to be regularly promoted. If they did their work properly and fulfilled their responsibilities, they could ascend the corporate ladder. Thus, there was a sense of achievement and getting ahead, and this propelled them along (Isabella, 1989). In the end, for managers in large-scale organisations, the traditional employment relationship satisfied the needs of their job security and career aspiration. Thus, according to Isabella (1989), employees' affective commitment to the organisation was the by-product of what the organisation provided – i.e. job security, promotions and salary increases.

The traditional employment relationship (especially, for managers in large-scale organisations) was therefore characterised as the straightforward exchange of job security and material rewards for loyalty and commitment between employer and employee (Schalk and Freese, 1997). However, downsizing undermines the fundamental tenet of the employment relationship between employers and employees. Employees may feel a certain level of uneasiness about job security. In fact, one round of downsizing is apt to lead to another round of downsizing. For example, according to Henkoff (1994), two-thirds of corporations that have reduced their workforce will do it again. Thus, employees are afraid that they might be victims of the next round of

downsizing. Moreover, the conventional idea of a good career structure is also undermined. That is, the traditional career structure, and the old idea of getting on and of advancement in one's job can no longer be taken for granted (Isabella, 1989). Thus, the violation of traditional employment relations between the organisation and its employees has the potential to produce anxiety and uncertainty concerning job insecurity and career prospects (Hui and Lee, 2000). Considerable research (e.g. Brockner, 1988a; Cameron, 1994a; Cascio, 1993; Tomasko, 1990; Luthans and Sommer, 1999) reports that many survivors become self-absorbed, narrow-minded, and risk averse, and an attitude of "me-first" becomes dominant after downsizing. Survivors' morale and trust in management are also eroded. As a consequence, employees might invest little in the organisation itself and behave like independent contractors, and they may no longer be committed to the general welfare of the company as a whole. They just do their jobs as prescribed (Isabella, 1989). Thus, Waterman et al. (1994) ask the following questions:

How can an enterprise build capabilities, forge empowered teams, develop a deep understanding of its customers, and – most important – create a sense of community or common purpose unless it has a relationship with its employees based on mutual trust and caring? And how can an enterprise build such a relationship unless it commits something to employees and employees commit something to it? (p. 87)

In fact, survivors are the very people who are supposed to revitalise the organisation and "delight" customers (Henkoff, 1994).

However, some survivors appear to regard downsizing as an opportunity for personal growth. They are energised, as opposed to experiencing emotional distress. For example, Dopson and Stewart's (1993) study reports that delayering makes middle

managers have clearer areas of responsibility, more control over resources, freedom to innovate, and freedom to take on new challenges. In fact, several authors (e.g. Emshoff, 1994; Henkoff, 1994) argue that survivors can regard downsizing as an opportunity for their personal growth if the downsizing results in more favourable changes in their daily work experiences. Some support for their argument is provided by Brockner et al.'s (1993) study, which shows that change in the perceived intrinsic quality of the content of survivors' jobs (in terms of autonomy, task identity, task variety, task significance, and feedback from the job itself) relative to the situation before downsizing is correlated with change in survivors' attitudes/behaviours (as expressed in affective commitment and turnover intention).

Moreover, Cameron's (1994a) study provides an evidence that downsizing does not produce poor survivors' morale if their work experiences in relation to downsizing are positive. In his investigation of 30 downsized organisations, Cameron (1994a) found that organisations had an absence of dysfunctional consequences of downsizing and improved performance if workforce reduction was accompanied by the effective management of the human resource system, which includes increased communication, increased employees' participation, administering downsizing in a trustworthy and fair manner, and training. Brockner's (1990) study also reveals that many survivors become more withdrawn from their jobs and organisations if they perceive that management handles job-losers unfairly (in terms of decision-makers' conduct during the enactment of the decision-making procedure and their caretaking of job-losers). These studies implicitly suggest that employees' daily work experiences in relation to downsizing may affect survivors' reactions to downsizing.

It is worth noting that some employees' daily work experiences, which are seen to affect survivors' reactions to downsizing and are identified in the empirical results (i.e. increased communication, participation, fairness, job enrichment, and training), are the determinants of employees' affective commitment to the organisation (which will be discussed in Section 2.3.1.1). In fact, the existing literature implicitly emphasises the importance of employees' affective commitment to the organisation for successful downsizing.

### **1.1.3 The Importance of Employees' Affective Commitment to the Organisation under Downsizing**

As organisations downsize their workforce, they rely more than ever on survivors to do what is needed for the organisation to survive and succeed (Meyer and Allen, 1997). According to Dunford and his colleagues (1998), downsizing leads to an increase in work pressure because of a number of interrelated factors. These include coping with the demands of increased spans of control, taking on the added tasks and responsibilities of those who have left, and those brought about by the devolution of tasks previously performed by specialist staff. Moreover, tasks may be defined less well. Thus, survivors are required to be more flexible and adaptable, to be acutely aware of all that is going on around them (both internally and externally to the organisation), to have a greater strategic orientation, and to find creative ways of improving their efficiency. Moreover, in cases where the workforce has been slimmed down, absenteeism and tardiness result in grave problems, and turnover (particularly of top

performers) can have serious consequences (Dunford et al., 1998; Meyer and Allen, 1997).

These points underline the importance of employees' affective commitment to the organisation. This is because, as a number of researchers have argued, employees' affective commitment to the organisation has a potential negative impact on turnover intentions, actual turnover, voluntary absence, and passive withdrawal from the dissatisfying situations (Hackett et al., 1994; Meyer et al., 1993; Whitener and Walz, 1993). It also has a positive impact on willingness to suggest improvements (Meyer et al., 1993). Moreover, many studies (e.g. Meyer et al. 1993; Moorman et al., 1993) report that employees' affective commitment to the organisation correlates positively with organisational citizenship behaviour, which promotes the efficient and effective functioning of the organisation and provides the flexibility needed to work through many unforeseen contingencies (Tang and Ibrahim, 1998). Thus, maintaining a high level of employees' affective commitment to the organisation is likely to be a critical factor for successful downsizing. However, as discussed in Section 1.1.2, many studies show that downsizing leads to a reduction in employees' affective commitment to the organisation because of downsizing-induced stresses such as the perception of uncertainty. Thus, some issues need to be solved in order to overcome this paradox, and the next section deals with these issues.

### **1.1.4 Issues Relevant to the Successful Management of Employees' Affective Commitment to the Organisation Under Downsizing**

Although downsizing per se tends negatively to affect employees' affective commitment to the organisation, some studies discussed in Section 1.1.2 (i.e. Brockner et al., 1993; Cameron, 1994a) implicitly suggest that employees' affective commitment to the organisation can be maintained or even increased if changes in employees daily work experiences (caused by or in relation to downsizing) are more favourable compared with the situation before downsizing. These results suggest that there might be a certain mechanism through which downsizing positively and/or negatively affects employees' affective commitment to the organisation. If so, this mechanism might guide us to information for the successful management of employees' affective commitment to the organisation under downsizing.

The downsizing literature tells us little about such a mechanism. Nevertheless, it does provide some clues. Some authors (e.g. Brockner, 1992; Cameron 1994a) stress that downsizing affects the nature of work, which may produce both threats and opportunities for employees. Employees, for instance, might experience an increase in workloads because fewer employees are now doing the same amount of work, which may be viewed as a possible threat. At the same time, their jobs might become intrinsically more enjoyable because of the added responsibility and autonomy, and this might be seen as an opportunity. In fact, a large-scale survey conducted by the Wyatt Company, which polled 1,005 organisations employing a total of more than four million people, shows that 58 per cent of respondents experienced increased work overload as a result of downsizing, but also greater autonomy and more variety, and that their jobs



became more intrinsically enjoyable (Brockner, 1992). Given the fact that employees' work experiences strongly and consistently appear to be the antecedents of employees' affective commitment to the organisation (Meyer and Allen, 1997), as we will see in Chapter 2, if downsizing affects employees' work experiences, it indirectly affects employees' affective commitment to the organisation. Thus, along with its negative direct impact on employees' affective commitment to the organisation, downsizing may affect employees' affective commitment to the organisation indirectly (through employees' daily work experiences). Moreover, if the indirect impact is stronger than the direct impact, practitioners can manage employees' affective commitment to the organisation by making employees' daily work experiences change in a direction that enhances employees' affective commitment to the organisation.

Here, by identifying what kinds of employees' daily work experiences are the determinants of employees' affective commitment to the organisation and by understanding why and how such determinants affect their affective commitment to the organisation, practitioners can manage employees' daily work experiences more effectively in order to enhance employees' affective commitment to the organisation. However, although a number of determinants of employees' affective commitment to the organisation have been identified (and these will be discussed in Section 2.3.1.1), we still do not know how and why such determinants affect employees' affective commitment to the organisation.

This thesis tries to solve these issues with reference to the Korean banking industry. Since, as we shall show, the indirect impact of downsizing on employees' affective commitment to the organisation appears to be much stronger than its direct impact, this thesis will focus mainly on the indirect impact, which includes the

mechanism through which various determinants exert their influence on employees' affective commitment to the organisation. These issues will be examined with particular reference to the Korean banking industry, and the next section briefly describes the Korean banking industry in terms of change in the employment system.

### **1.1.5 The Change in the Employment System in the Korean Banking Industry**

Traditionally, Korean corporations in the primary labour market guaranteed their employees' life-time employment, and their promotion and salary systems were mainly based on seniority. Moreover, employees were provided with welfare benefits such as family and children's allowances. They were recruited straight from schools and universities, and external job markets remained undeveloped. Thus, employees pursued their careers in their employing organisations. However, with the financial crisis at the end of 1997, this employment system was shattered. Many companies have carried out downsizing. Wages and various benefits have been cut. The external job market has been enlarged because many corporations prefer to hire skilled workers, and, at the same time, outsourcing has increased. As a result, employees' views of their employing organisation have changed dramatically. According to a report on "people's views under the IMF regime" published by *Weekly Chosun*<sup>1</sup> (12 November 1998), 60 per cent of respondents feared that they might lose their jobs. 82 per cent of respondents answered that their earnings had been reduced. The changed employment environment has

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<sup>1</sup> This is a Korean weekly magazine that deals with various social issues.

changed people's ideas about their companies and occupations – i.e. people think that their occupation is more important than the company they work for. Employees are trying to enhance the value of their trades. Here, the banking sector embodied the traditional Korean employment system before the financial crisis. Bank employees boasted of their privileged status in terms of job security and high salaries. Moreover, promotion was from within, and individuals pursued their careers in the employing banks. However, this sector was amongst the most badly affected by the financial crisis. Thus, downsizing has been extensively implemented (in terms of job cuts and earning reduction) in the Korean banking industry, and employees have experienced tremendous changes in their employment system.

### **1.1.6 Research Aims**

The discussion up to now highlights several research aims. The first research aim is to explore the mechanism through which downsizing exerts its influence on employees' affective commitment to the organisation, i.e. we need to ask: Does downsizing itself really lead *directly* to a reduction in employees' affective commitment to the organisation? Does downsizing *indirectly* affect employees' affective commitment to the organisation via employees' daily work experiences? If downsizing affects employees' affective commitment to the organisation *directly* and *indirectly*, which impact is stronger? The second research aim is to examine whether employees' affective commitment to the organisation really important. The third research aim is to

identify the determinants of employees' affective commitment to the organisation and to examine why and how such determinants have these effects. These are the three major research aims that will be addressed in the current study in the context of the Korean banking sector. In line with these questions, this thesis will start by examining how the Korean banking sector has changed since the financial crisis.

## **1.2 Scope of the Research**

### **1.2.1 Attitudinal Commitment vs. Behavioural Commitment**

The literature on commitment is clearly divided into two apparently different schools. One school of thought on commitment, which is called "attitudinal commitment", regards commitment largely as an employee attitude or psychological state. The study of this approach has typically involved the measurement of commitment (e.g. Hrebiniak and Alutto, 1972; Mowday et al., 1979; Wiener and Vardi, 1980), other variables assumed to be the antecedents to commitment (e.g. Mowday et al., 1982), and the consequences of commitment (e.g. Buchanan, 1974; Steers, 1977). The other school of thought on commitment views commitment as a type of motivational force tying the individual to a particular course of action. This approach is called "behavioural commitment" and has developed largely out of the work of Becker (1960) and Kiesler (1971). This perspective considers the development of attitudes to be a consequence of commitment to a course of action. Thus, research (e.g. O'Reilly and

Caldwell, 1981; Salancik, 1977) has primarily focused on revealing the conditions under which a behaviour tends to be repeated and on the effects of such behaviour on attitude change. According to Salancik (1977), “the degree of commitment derives from the extent to which a person’s behaviors are binding. Four characteristics of behavioral acts make them binding, and hence determine the extent of commitment: explicitness; revocability; volition; and publicity” (p. 4). Once commitment is made, individuals try to find mechanisms for adjusting to such commitment psychologically to avoid cognitive dissonance or to maintain positive self-perceptions. In their research, which investigated the effects of post-decisional justifications on the job satisfaction and commitments of new employees, O’Reilly and Caldwell (1981) found that individuals who had made the original decision volitionally and who had perceived the choice to be irrevocable were more satisfied and committed six months later than others. They suggest that attitudes and commitment may be created retrospectively through processes of rationalisation and justification.

Mowday et al. (1982) describe the difference between the two approaches:

*Attitudinal commitment focuses on the process by which people come to think about their relationship with the organization.... Behavioral commitment, on the other hand, relates to the process by which individuals become locked into a certain organization and how they deal with this problem. (p. 26)*

Although the distinction between attitudinal and behavioural commitment is useful, one approach is not necessarily superior to the other. Rather, both are closely related in the sense that a self-reinforcing cycle can emerge in the commitment-behaviour link. In the attitudinal approach, the behavioural consequences of commitment are likely to have an impact on conditions that lead to stability or change in

commitment. In the behavioural approach, a behaviour causes the development of congruent attitudes, which in turn leads to further behaviours. Thus, both concepts are useful (see McGee and Ford, 1987; Meyer and Allen, 1991, 1997; Mowday et al., 1982; O'Reilly and Caldwell, 1981; Reichers, 1985; Salancik, 1977; Scholl, 1981).

However, this thesis is concerned with how the organisation, after downsizing, can maintain or increase employees' attachment to the organisation, thereby potentially leading to employees' willingness to go the extra mile on behalf of the organisation. Thus, the focus of this thesis is on employees' psychological attachment to an entity (i.e. the organisation). However, the behavioural commitment approach views employees as becoming committed not so much to an entity as such, but to a particular course of action (Meyer and Allen, 1997). Although employees' attachment to the organisation can develop on the basis of behavioural commitment via retrospective rationality or justification processes, an organisation wanting to foster its employees' attachment to the organisation has difficulty in creating the conditions necessary to include retrospective rationalisation processes (Meyer, 1997). Thus, this thesis is only concerned with attitudinal commitment, and issues related to behavioural commitment are outside the scope of this work.

### **1.2.2 A Three-Component Model**

Mowday et al. (1982) note in their literature review on the topic of organisational commitment that researchers from various disciplines apply their own

definitions to the topic (e.g. Hrebiniak and Alutto, 1972; Porter et al., 1974; Wiener and Vardi, 1980). Thus, little consensus exists concerning the meaning of commitment. However, there is growing agreement that organisational commitment is a multi-dimensional construct. Several authors (e.g. Meyer and Allen, 1991; O'Reilly and Chatman<sup>2</sup>, 1986; Mayer and Schoorman<sup>3</sup>, 1992) have presented their own multi-dimensional concepts of commitment and, of the multi-dimensional models, Meyer and Allen's (1991) three-component model has so far received the most extensive empirical evaluation and has been widely accepted. Thus, this thesis focuses on Meyer and Allen's approach to commitment. Their three-component model of organisational commitment embraces affective commitment, continuance commitment and normative commitment. However, as we will discuss in Chapter 2, affective commitment is likely to be the most relevant to successful downsizing.

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<sup>2</sup> O'Reilly and his colleagues (Caldwell et al., 1990; O'Reilly and Chatman, 1986) argue that commitment is best defined as the basis of an individual's psychological attachment to the organisation that is predicated on three independent foundations: compliance, identification and internalisation. "Compliance occurs when attitudes and behaviors are adopted not because of shared beliefs but simply to gain specific rewards...Identification...occurs when an individual accepts influence to establish or maintain a satisfying relationship;...Internalization occurs when influence is accepted because the induced attitudes and behaviors are congruent with one's own values" (O'Reilly and Chatman, 1986, p. 493). However, several studies find it difficult to distinguish identification and internalisation (e.g. Becker et al., 1995; Caldwell et al., 1990; O'Reilly et al., 1991; Sutton and Harrison, 1993). Even in studies that show that identification and internalisation are distinguishable, they appear to be highly correlated with each other (e.g. Becker, 1992; Becker et al., 1996; Harris et al., 1993). These studies indicate that the dimensionality of O'Reilly and Chatman's (1986) scale, with regard to distinguishing identification and internalisation, is not stable across all samples and contexts (Harris et al., 1993). Moreover, according to Meyer and Allen (1997), while compliance is clearly distinguished from identification and internalisation, a question as to whether it can be considered to be a commitment might be raised. For whereas compliance has been found to be positively related to employee turnover intention and/or actual turnover (e.g. Becker, 1992; O'Reilly and Chatman, 1986), commitment is generally assumed to reduce turnover (e.g. Mowday et al., 1982; Meyer and Allen, 1991).

<sup>3</sup> Mayer and Schoorman (1992) propose a two-dimensional model of organisational commitment: continuance commitment and value commitment. Based on March and Simon's (1958) work, Mayer and Schoorman define value commitment as "a belief in and acceptance of organizational goals and values and a willingness to exert considerable effort on behalf of the organization" (p. 673). Continuance commitment (which should not be confused with continuance commitment in Meyer and Allen's three-component model) is defined as "the desire to remain a member of the organization" (p. 673). However, it can be questioned whether continuance commitment is really commitment. It is perhaps more appropriate to regard "the desire to remain a member of the organization" as a consequence of commitment rather than as commitment itself.

### **1.3 The Structure of the Thesis**

The first half of the thesis is concerned with important conceptual and theoretical elements. Chapter 2 presents the concept of organisational commitment used in the study. Chapter 3 is concerned with the development of theory, i.e. the theoretical basis of the causal model of the determinants of employees' affective commitment to the organisation is presented. Then, in Chapter 4, the three core research aims and hypotheses are identified and discussed in detail. Moreover, relevant research models are also developed on the basis of the causal model of employees' affective commitment to the organisation. Chapter 5 discusses methodology.

The second half of the thesis concerns the empirical testing of the models. Chapter 6 discusses the two case-study banks within which the models are tested, and thereby provides the background information for the subsequent analyses. Chapter 7, which examines the first research aim, investigates the hypothesised mechanisms through which downsizing exerts its influence on employees' affective commitment to the organisation, i.e. it investigates whether downsizing affects employees' affective commitment to the organisation directly and/or indirectly (through employees' daily work experiences) and, if so, which impact is stronger. If the direct impact is stronger, then management has little room to intervene in managing employees' affective commitment to the organisation. On the other hand, if the indirect impact is stronger, management has considerable scope to intervene in managing employees' affective commitment to the organisation through employees' daily work experiences during or after downsizing. Thus, the first research aim is concerned with whether management



has room to intervene in managing employees' affective commitment to the organisation in the process of downsizing. If the indirect impact is stronger, we need to know whether employees' affective commitment to the organisation is worth fostering enough for management to intervene in managing such commitment. Thus, Chapter 8, which investigates the second research aim, examines the consequences of employees' affective commitment to the organisation. If employees' affective commitment to the organisation appears to be important in the downsizing context, it is then important to identify and analyse the determinants of employees' affective commitment to the organisation in order effectively to manage such commitment under downsizing. This is the focus of Chapters 9 and 10, which identify the determinants of employees' affective commitment to the organisation and investigate how and why such determinants affect employees' affective commitment to the organisation (the third research aim) – i.e. the mechanism through which employees' daily work experiences exert their influence on employees' affective commitment to the organisation. Chapter 11 discusses the overall results and the conclusions to be drawn from the study.

# **Chapter 2: The Meaning of Commitment: The Concept and Its Relevance to Downsizing**

## **2.1 Introduction**

This chapter seeks to understand the meaning of commitment, especially in terms of the relevance of its antecedents and consequences to downsizing. These issues are dealt with in Sections 2.2 and 2.3. Moreover, some measurement issues of organisational commitment in relation to this thesis are discussed in Section 2.4. These sections (i.e. 2.2, 2.3 and 2.4) provide the reasons why this thesis only focuses on employees' affective commitment to the organisation. Next, Section 2.5 discusses the psychological mechanism through which various antecedents exert their influence on employees' affective commitment to the organisation. Then, the relationship between employees' affective commitment to the organisation and their psychological contract (which has been used as a tool for describing and explaining the impact of downsizing on employees' organisational commitment) is discussed in Section 2.6. Finally, the cross-cultural applicability of affective commitment is examined in Section 2.7, especially in relation to the Korean context.

## 2.2 Meyer and Allen's Three-Component Model of Commitment

Meyer and Allen (1997) emphasise the importance of formulating a well-defined concept of commitment and its measures:

From a scientific standpoint, we cannot begin to study the development and consequences of commitment systematically until the construct is defined and measures are developed. Similarly, practitioners will have difficulty taking guidance from the scientific literature, as well as from more popular treatments of the topic, until we clarify what we mean by commitment. (pp. 10-11)

However, the work in the area of commitment is characterised by a variety of definitions, e.g. “the nature of the relationship of the member to the system as a whole” (Grusky, 1966, p. 489); “the totality of internalized normative pressures to act in a way that meets organizational goals and interests” (Wiener, 1982, p. 421); “the willingness of social actors to give their energy and loyalty to social systems, the attachment of personality systems to social relations which are seen as self-expressive (Kanter, 1968, p. 499); “an attitude or an orientation toward the organization which links or attaches the identity of the person to the organization” (Sheldon, 1971, p. 143); “a structural phenomenon which occurs as a result of individual-organizational transactions and alterations in side bets or investments over time” (Hrebiniak and Alutto, 1972, p. 556); “a partisan, affective attachment to the goals and values of an organization, to one’s role in relation to goals and values, and to the organization for its own sake, apart from its purely instrumental worth” (Buchanan, 1974, p. 533); “the strength of an individual’s identification with and involvement in a particular organization” (Porter et al., 1974, p.

604); “attitudes toward the organization which are based on expectations and values of loyalty and duty” (Wiener and Vardi, 1980, p. 86). In addition to these diverse definitions, diverse scales have also been offered to measure the commitment construct, including Porter et al.’s (1974) Organizational Commitment Questionnaire (OCQ) and Wiener and Vardi’s (1980) three-item scale.

Thus, the empirical literature concerning commitment is potentially confusing. Moreover, according to Meyer and Allen (1997), it is difficult to say that any particular definition is more correct or more generally accepted than the others. The definitions are merely different. Thus, “it can only confuse the issue if we speak of commitment without indicating which definition we are using” (Meyer and Allen, 1997, p. 11). However, fortunately, as Meyer and Allen (1997) note, “the picture is not as confusing as it first appears” (p. 11). These various definitions can be classified into several categories. Meyer and Allen (1991) observe that the various definitions reflect three broad themes: affective attachment to the organisation; perceived costs associated with leaving the organisation; and obligation to remain with the organisation.

Meyer and Allen (1991) note that common to these three approaches is “the view that commitment is a psychological state that (a) characterizes the employee’s relationship with the organization, and (b) has implications for the decision to continue or discontinue membership in the organization” (p. 67). Thus, committed employees tend to remain in the organisation longer than do uncommitted employees, regardless of which approach is used. Based on the conceptualisation of the three approaches identified above, the authors develop a three-component multi-dimensional model of commitment, i.e. it embraces affective commitment, continuance commitment and normative commitment.

Affective commitment is defined as “the employee’s emotional attachment to, identification with, and involvement in the organisation...Continuance commitment refers to an awareness of the costs associated with leaving the organisation...Finally, normative commitment reflects a feeling of obligation to continue employment” (Meyer and Allen, 1991, p. 67). A common denominator of all three conceptualisations of attitudinal commitment is the binding of the individual to an organisation. However, the nature of the psychological states reflected in each commitment is different:

Employees with a strong affective commitment continue employment with the organization because they *want* to do so....Employees whose primary link to the organization is based on continuance commitment remain because they *need* to do so.... Employees with a high level of normative commitment feel that they *ought* to remain with the organization. (Meyer and Allen, 1991, p. 67)

In fact, the central theme emerging from affective commitment is that of an exchange through which individuals attach themselves to the organisation in return for certain payments from the organisation (see Mottaz, 1988, p. 490; Mowday et al., 1982, p. 27; Steers, 1977, p. 53). On the other hand, continuance commitment is based on Becker (1960)’s side-bet theory<sup>4</sup>, which is consistent with the notion of exchange, where “commitment develops as a result of an employee’s satisfaction with the rewards and inducements an organization offers - rewards that must be sacrificed if the employee

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<sup>4</sup> Becker’s (1960) side-bet theory “represents a process of linking previously irrelevant or extraneous actions and rewards to a given line of action in such a way that the individual loses degrees of freedom in his or her future behaviors” (Mowday et al., 1982, p. 25). The side-bet theory of organisational commitment assumes that commitment increases with the accumulation of side bets or investments (Meyer and Allen, 1984). Generally, according to Meyer and Allen (1984), side-bet “has been used to refer to anything of value the individual has invested (e.g., time, effort, money) that would be lost or deemed worthless at some perceived cost to the individual if he or she were to leave the organization.... The perceived cost of leaving may be exacerbated by a perceived lack of alternatives to replace or make up for the foregone investments.” (p. 373)

leaves the organization” (Jaros et al., 1993, p. 953) (see Allen and Meyer, 1990, pp. 2-3; Farrell and Rusbult, 1981, p. 79; Jaros et al., 1993, p. 953; Meyer and Allen, 1991, pp. 64-66; Meyer and Allen, 1997, p.12). The exchange notion of continuance commitment is different from that of affective commitment in the sense that it reflects the cold calculation of costs and benefits. Here, affect plays a minimal role in the conceptualisation of commitment.

Here, it is important to note that Becker’s side-bet theory has often been discussed in the context of behavioural commitment. This is due to the fact that, like the behavioural approach described by Salancik (1977), Becker’s definition focuses on the tendency to continue a course of action. However, according to Meyer and Allen (1991), the two approaches exhibit an important difference that is often ignored.

For Becker, commitment requires a recognition on the part of the individual of the costs associated with discontinuing an activity. Without this recognition there is no commitment....In contrast, for Salancik (1977), the conditions contributing to the initiation and continuation of behavior may be very subtle and beyond conscious recognition. Moreover, rather than recognition of costs, the psychological state associated with behavioral commitment tends to be a desire to continue the action, or an attraction to the object of that action. That is, under the right conditions (e.g., freedom of choice, irrevocability of the act), agreeing to work for an organization can result in an intention to continue employment, followed by the development of a positive attitude toward the organization that justifies the behavior... (p. 65)

Noting the differences between the two approaches, Meyer and Allen (1991) argue that Becker’s (1960) side-bet theory is more consistent with the framework for the attitudinal approach than that for the behavioural approach, for Becker emphasises the awareness of the costs associated with leaving the organisation. For them, this recognition is a conscious psychological state that is shaped by environmental conditions (e.g. the existence of side bets) and that has implications for behaviour (e.g.

turnover) (see Allen and Meyer, 1990, p. 4; Jaros et al., 1993, p. 953; Meyer and Allen, 1991, pp. 65-66).

Normative commitment is different from affective commitment, for it does not necessarily reflect emotional attachment. Instead, it reflects a sense of duty or obligation to work in the organisation. It also differs from the approach of continuance commitment because it does not necessarily fluctuate with personal calculations of inducements or sunk costs. Because Meyer and Allen's three-component model is based on common themes in the conceptualisation of commitment from the existing literature, the model makes it possible to incorporate the results of a wide range of studies using measures other than those developed specifically to test the model. For example, Allen and Meyer's (1990) and Shore and Tetrick's (1991) studies show that items from the Affective Commitment Scale<sup>5</sup> load on the same factor as items from the Organisational Commitment Questionnaire (OCQ), which provides evidence that the OCQ measures primarily affective commitment. Thus, the many studies using the OCQ can be discussed in the realm of affective commitment.

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<sup>5</sup> Allen and Meyer (1990) developed this to measure affective commitment.

## **2.3 The Antecedents and Consequences of Organisational Commitment**

### **2.3.1 The Antecedents of Organisational Commitment**

Because the three components of organisational commitment are different from each other in terms of the nature of their underlying psychological states, Allen and Meyer (1990) argue that each of the three components of commitment develops independently as a function of different antecedents.

#### **2.3.1.1 Affective Commitment**

Several hundred researchers have examined the correlations between affective commitment and the variables hypothesised as its antecedents. In general, the wide range of variables examined can be categorised into three groups: organisational characteristics, personal characteristics, and work experiences.

Although some studies report that organisational structure variables such as size and centralisation are correlated with affective commitment (e.g. Brooke et al., 1988; Sommer et al., 1996), Mathieu and Zajac's (1990) meta-analytic evidence suggests that the links are neither strong nor consistent. This might be due to the fact that the development of employees' attitudes toward an organisation is related more to their own



day-to-day work experiences than to these macro-level variables (Meyer and Allen, 1997).

Research into personal characteristics has focused on two types of variables: demographic variables (e.g. gender, age, tenure) and dispositional variables (e.g. positive affectivity and negative affectivity). In general, the relationship between demographic variables and affective commitment is neither strong nor consistent. According to Mathieu and Zajac (1990), demographic variables except age and tenure (e.g. education, gender and marital status) are not likely to be related consistently to affective commitment. For dispositional variables, although some studies show that employees' affectivity is related to affective commitment (e.g. Ko et al., 1997), there is scant consistent evidence that individuals with particular personality characteristics are more or less likely to become affectively committed to an organisation. If personality variables are involved in the development of affective commitment, it is more likely to be through their interaction with particular work experiences. For example, a person with a strong need for affiliation might have stronger affective commitment to an organisation that emphasises and encourages teamwork than would a person with a modest need for affiliation (Meyer and Allen, 1997).

Thus far, the vast majority of studies of antecedents have focused on the variables falling into the broad category of work experiences (Meyer and Allen, 1997) and, in many studies, the principle of exchange (mentioned in Section 2.2) has been postulated to be a mechanism operating in the development of employees' affective commitment (e.g. Mottaz, 1988; Steers, 1977). That is, employees want to continue their employment relationship with the organisation if it provides them with positive work experiences because they value these experiences and expect them to continue. In

return, employees are likely to develop affective commitment and contribute to organisational effectiveness, thereby maintaining equity in their relationship with the organisation (Meyer and Allen, 1991). In fact, the literature on the antecedents of commitment shows that affective commitment is correlated with a number of work experiences that “communicate that the organization is supportive of its employees, treats them fairly, and enhances their sense of personal importance and competence by appearing to value their contributions to the organization” (Meyer and Allen, 1997, p. 46). These include co-worker support (e.g. Ko et al., 1997), distributive justice (e.g. Allen and Meyer, 1990; Ko et al., 1997; Rhodes and Steers, 1981), formal procedural justice (e.g. Konovsky and Cropanzano, 1991; Moorman et al., 1993), interactional justice (e.g. Konovsky and Cropanzano, 1991), job challenge (e.g. Allen and Meyer, 1990; Buchanan, 1974; Ko et al., 1997), job security (e.g. Ko et al., 1997), organisational dependability (e.g. Allen and Meyer, 1990; Buchanan, 1974; Dunham et al., 1994; Steers, 1977), participation in decision-making (e.g. Allen and Meyer, 1990; DeCotiis and Summers, 1987; Dunham et al., 1994; Rhodes and Steers, 1981), promotional chances (or career satisfaction) (e.g. Dunham et al., 1994; Ko et al., 1997), role clarity (e.g. Allen and Meyer, 1990; DeCotiis and Summers, 1987; Ko et al., 1997), supervisor support (e.g. DeCotiis and Summers, 1987; Morris and Sherman, 1981; Ko et al., 1997), task autonomy (e.g. Colarelli et al., 1987; Dunham et al., 1994; Ko et al., 1997), training and development (Gaertner and Nollen, 1989), and transferability of organisation-based skills (e.g. Allen and Meyer, 1990).

### **2.3.1.2 Continuance Commitment**

Continuance commitment, on the other hand, seems to be affected by anything that increases the perceived costs of leaving the organisation. Side bets or the investments an employee has made in the organisation (e.g. time and effort, pension contributions) will increase his/her level of continuance commitment because leaving the organisation results in the loss of valuable resources spent in the organisation to enhance his/her well-being. The lack of comparable employment alternatives is also likely to increase employees' continuance commitment (see Allen and Meyer, 1990; Ko et al., 1997).

In fact, research shows that continuance commitment develops through an employee's recognition of the side-bets (or investments) made in the organisation and the lack of comparable employment alternatives. These include pensions (Allen and Meyer, 1990), job alternatives (Allen and Meyer, 1990; Gellatly, 1995; Ko et al., 1997), and the lack of transferability of skills/knowledge.

### **2.3.1.3 Normative Commitment**

Normative commitment is expected to develop as the result of two mechanisms: socialisation experiences and a norm of reciprocity. Socialisation, emphasising commitment to one's employer, includes both family-based experience concerning work (e.g. parents who stress loyalty to one's organisation) and culturally-based experiences (e.g. cultural sanctions against job-hopping) (see Allen and Meyer,

1990, p. 4; Meyer and Allen, 1991, p. 72). Thus, a commitment norm might be a possible antecedent of normative commitment. Normative commitment may also be increased through the receipt of benefits (e.g. tuition payments or skills training) that create within the employee a sense of obligation to reciprocate. That is, if the individual has internalised a reciprocity norm or exchange ideology, access to special favours or investments from the organisation may oblige him or her to remain even if there are other more attractive alternatives (Meyer and Allen, 1991). Thus, social rewards and organisational rewards provided by the organisation are likely to be antecedents of normative commitment. It is worth noting that the concept of reciprocity also plays a key role in developing affective commitment to the organisation. Thus, the concept of reciprocity has been postulated as a mechanism through which both normative and affective commitments are translated into behaviour. However, according to Meyer and Allen (1991), there is a difference in the nature of the reciprocity motive:

The motive arising from affective commitment might best be described as a desire to contribute to the well-being of the organization in order to maintain equity in a mutually beneficial association. In contrast, that arising from normative commitment reflects an obligation to do what is right. The distinction between *reciprocity by desire* and *reciprocity by obligation* has not been made to this point in the commitment literature, perhaps because of the failure to make a clear distinction between affective and normative commitment. Although the behavioral consequences of the two may be difficult to distinguish under normal circumstances, there may be subtle differences that are reflected more in the tone than in the nature of the behavior. For example, obligation may carry with it an underlying resentment and a tendency to keep an accurate account of inputs and outcomes that is absent in the case of desire. Moreover, where normative commitment results from the receipt of advanced rewards, once the debt has been repaid, the employee may choose to leave the organization and/or cut back on the level of effort exerted. (p. 78)

Research has revealed several antecedents that are related to socialisation experiences and the concept of reciprocity, i.e. commitment norm, distributive justice (Ko et al., 1997), feedback, job challenge, job security, organisational dependability

(Allen and Meyer, 1990), promotional chances, and supervisory support (Ko et al., 1997).

#### **2.3.1.4 The Implications for the Antecedents of Organisational Commitment in Relation to Downsizing**

As discussed in Section 1.1.2, downsizing has the potential to undermine the basis of traditional employment, i.e. satisfying the need for employees' job security and career aspiration (and supporting accompanying incremental increases in authority, status and pay)<sup>6</sup>, which is closely related to employees' sense of achievement and getting ahead. In fact, as discussed in Sections 2.3.1.1 and 2.3.1.3, job security and promotional chances appear to be antecedents of affective and normative commitments. Thus, downsizing can lead to a reduction in employees' affective and normative commitments to the organisation. However, as discussed through the example of Dopson and Stewart's (1993) study in Section 1.1.2, for some survivors, downsizing is regarded as an opportunity for personal growth (Emshoff, 1994; Henkoff, 1994; Isabella, 1989).

Mishra and Spreitzer (1998) explain these contradictory empirical survivors' reactions to downsizing using Lazarus's stress theory (Folkman et al., 1986; Lazarus, 1993) and its focus on cognitive appraisal. According to the theory, two processes are identified as critical mediators of stressful person-environment relationships and their immediate and long-term outcomes – i.e. cognitive appraisal and coping. Cognitive

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<sup>6</sup> This is particularly relevant to the Korean context, which will be discussed in Chapter 6.

appraisal is “a process through which the person evaluates whether a particular encounter with the environment is relevant to his or her well-being and, if so, in what way” (Folkman et al., 1986, p. 572). Two kinds of cognitive appraisal exist – i.e. primary cognitive appraisal (“the stakes a person has in a stressful encounter”<sup>7</sup>) and secondary cognitive appraisal (options for coping). According to Mishra and Spreitzer (1998), survivors estimate the potential threat of the downsizing through primary cognitive appraisal. If they trust management (i.e. they perceive that management is competent, reliable, open and concerned about all stakeholders) and they are treated fairly (i.e. the implementation of downsizing is just), their threat assessment will be reduced, which will result in more cooperative survivor response. On the other hand, when there is a lack of trust in top management in terms of openness and honesty and if survivors feel that management is not thinking about the interests of all those with a stake in the organisation, then survivors are more likely to be threatened by the downsizing and to respond in destructive ways.

Survivors also evaluate their capability for coping with the downsizing through secondary cognitive appraisal. According to Mishra and Spreitzer (1998), there is a strong need for survivors to feel empowered to take an active role in their work. Otherwise, they will experience a lack of personal control, which will make them feel inadequate in the face of downsizing and they will respond passively. Similarly, if work is not redesigned to minimise overload or to increase job autonomy (which typically accompany downsizing), then survivors will view themselves as having less capacity to cope with the downsizing, thereby increasing the possibility that they respond passively. On the other hand, an enhanced sense of personal control (due to empowerment) and

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<sup>7</sup> Folkman et al. (1986), p. 571.

increase in intrinsic job quality (due to the redesign of work) will lead to the increasing sense of their capability in coping with the downsizing, which will result in more active responses to the downsizing. Thus, Mishra and Spreitzer (1998) argue that finding more trust and feeling a new sense of control, as well as work redesign, may have a significant influence on survivors during downsizing.

Brockner (1992) argues in the same way. According to him, survivors' sense of uneasiness about job security generally increases after downsizing because the implementation is not on a one-shot basis, but in waves. However, the threat of additional downsizing itself does not cause a high sense of job insecurity. Rather, a sense of job insecurity is caused by employees' perception that there is little they can do to counteract the negative effects of job loss if additional downsizing occurs. If they perceive that they have enough capability to keep their jobs and that the organisation is fair enough to recognise their capability, and if they are capable of finding comparable jobs outside of the organisation, they will not be threatened by additional downsizing.

Both Mishra and Spreitzer (1998) and Brockner's (1992) arguments emphasise that downsizing itself does not threaten survivors. Rather, downsizing can provide a threat or an opportunity depending on survivors' perception of their appraisal of downsizing in terms of their well-being and their coping capability with downsizing. Thus, if survivors perceive that downsizing is justifiable, if the process of downsizing is fair, and if the organisation treats downsizing victims with care, they are likely to perceive that management is reliable and concerned about all stakeholders, thereby resulting in reduced threat assessment of the downsizing. Moreover, if both organisation-based skills/knowledge and formal education are transferable, if employees' jobs become challenging, and if they have more autonomy, employees are

likely to perceive that they have more options for coping with downsizing. As discussed in Section 2.3.1.1, these factors are actually the determinants of employees' affective commitment to the organisation. This implicitly indicates that employees' affective commitment to the organisation is the most important component of commitment for the successful downsizing.

### **2.3.2 The Consequences of Commitment to the Organisation**

The three forms of commitment are related to employee retention. However, commitment researchers are more interested in other work-related behaviours than employee retention. Meyer and Allen (1991) explain the reason:

The binding of the individual to an organization is a common denominator in all three conceptualizations of attitudinal commitment. If reduction of turnover is the only concern of researchers or managers, the differences among the various conceptualizations become somewhat irrelevant - one form of commitment may be as good as another. This focus on turnover, however, may be shortsighted. Organizational effectiveness depends on more than simply maintaining a stable workforce; employees must perform assigned duties dependably and be willing to engage in activities that go beyond role requirements (Katz 1964; Organ 1987). Although remaining in the organization is a necessary precondition for both role-required and extra-role behavior, it is not a sufficient condition for either. (p. 73)

The difference in the nature of underlying psychological states reflected in the three forms of commitment may result in different consequences for such work-relevant behaviours as absenteeism and citizenship (see Allen and Meyer, 1990, p. 4; Dunham et al., 1994, p. 371; Gellatly, 1995, p.470; Irving et al., 1997, p. 445; Meyer and Allen



1991, p. 69-74, 1997, pp. 24-25 ; Meyer et al., 1990, p 710; Meyer et al., 1993, p. 539; Ko et al., 1997, pp. 962-964). According to Meyer and Allen (1997),

Given that an employee with strong affective commitment feels emotional attachment to the organization, it follows that he or she will have a greater motivation or desire to contribute meaningfully to the organization than would an employee with weak affective commitment. Thus, it is expected that employees with strong affective commitment will choose to be absent from work less often and will be motivated to perform better on the job. Such is not the case, however, for employees whose primary link to the organization is based on strong continuance commitment. These employees stay with the organization, not for reasons of emotional attachment, but because of a recognition that the costs associated with doing otherwise are simply too high. All else being equal, there is no reason to expect that such employees will have a particularly strong desire to contribute to the organization. Indeed, it is possible that commitment of this sort, if the sole basis for staying with the organization, could create feelings of resentment or frustration that could lead to inappropriate work behavior.... An employee with strong normative commitment is tied to the organization by feelings of obligation and duty. Meyer and Allen (1991) argued that, generally, such feelings will motivate individuals to behave appropriately and do what is right for the organization. Thus, it is expected that normative commitment to the organization will be positively related to such work behaviors as job performance, work attendance, and organizational citizenship. Because feelings of obligation are unlikely to involve the same enthusiasm and involvement associated with affective attachment, however, these relations might be quite modest. (pp. 24-25)

Many researchers have examined the postulate mentioned in the quotation, and the following sections will discuss their findings.

### **2.3.2.1 Turnover, Attendance at Work, and Other Reactions to Work**

Several studies have reported consistent negative correlations between organisational commitment and both turnover intentions and actual turnover. Although affective commitment appears to have the strongest correlation, all three conceptualisations of commitment are found to have significant correlations with turnover variables (e.g. Hackett et al., 1994; Meyer et al., 1993; Whitener and

Walz, 1993). On the other hand, in the case of attendance at work, whereas the results of studies suggest that affective commitment is significantly (negatively) related to voluntary absence, continuance commitment does not seem to be significantly related to absenteeism. The results of the relationship between normative commitment and absenteeism are limited and mixed<sup>8</sup> (e.g. Gellatly, 1995; Hackett et al., 1994; Meyer et al., 1993; Somers, 1995).

Commitment also appears to be associated with the way employees respond to dissatisfaction at work. Drawing on the work of Hirshman (1970) and Farrell (1983), Meyer et al. (1993) investigated three responses to dissatisfaction at work: voice (willingness to suggest improvements), loyalty (willingness to accept things as they are), and neglect (passive withdrawal in the face of dissatisfaction). This study of a sample of registered nurses shows that affective and normative commitments are positively related to voice and loyalty. Continuance commitment, on the other hand, is positively correlated with the neglect response. Moreover, Begley and Czajka's (1993) study shows that affective commitment to the organisation acts as a buffer between stress and job displeasure<sup>9</sup> during organisational turmoil, when employees face a consolidation of work units and possible staff reductions because of a sharp decrease in work load.

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<sup>8</sup> Normative commitment was found to be negatively correlated with voluntary absence in Meyer et al.'s (1993) study, while it appeared not to have any significant correlation with voluntary absence in Hackett et al.'s (1994) and Somers' (1995) studies.

<sup>9</sup> This means a canonically derived variate combining residualised job dissatisfaction, intent to quit, and irritation.

### 2.3.2.2 Organisational Citizenship Behaviour

Organisations, according to Katz and Khan (1966), require employees' dependable and predictable patterns of behaviour, which is roughly synonymous with those actions specified by role prescriptions of the formal structure. At the same time, however, spontaneous behaviours that meet the demands of unforeseen contingencies are also vital for the effective functioning of the organisation:

The organizational need for actions of an innovative, relatively spontaneous sort is inevitable and unending. No organizational planning can foresee all contingencies within its own operations, can anticipate with perfect accuracy all environmental changes, or can control perfectly all human variability. The resources of people for innovation, for spontaneous cooperation, for protective and creative behavior are thus vital to organizational survival and effectiveness. An organization which depends solely upon its blueprints of prescribed behavior is a very fragile social system. (Katz and Khan, 1966, p. 338)

Especially under the current organisational environment, which is more dynamic and uncertain than ever before, employees' initiative and proactive cooperation are extremely valuable to organisations in terms of much contribution to performance and competitive advantage (see Van Dyne et al., 2000, pp. 3-4). Such spontaneous behaviours meeting the demands of unforeseen contingencies include any of the gestures that facilitate the social dynamics of the organisation but that are not directly included in the usual notion of task performance. Examples include: helping co-workers with a job-related problem; accepting orders willingly; tolerating temporary impositions without complaining; helping to keep the work area clean and tidy; making timely and positive statements about the work unit or its head to outsiders; promoting a work climate that is tolerable and minimises the distractions created by interpersonal conflict;

and protecting and conserving organisational resources (Bateman and Organ, 1983). Because these behaviours are not usually captured by traditional job descriptions, they are more likely to be under personal control; one example of such spontaneous behaviour is organisational citizenship behaviour (Moorman, 1991).

Organisational citizenship behaviour (hereafter, OCB) represents “individual behavior that is discretionary, not directly or explicitly recognized by the formal reward system, and in the aggregate promotes the effective functioning of the organization” (Organ, 1988, p. 4). That is, employees spontaneously contribute more than what is required of them formally without any expectation of receiving explicit recognition or reward (Deluga, 1994). Thus, Organ (1988) states that OCB lubricates the social machinery of the organisation and provides the flexibility needed to work through many unforeseen contingencies<sup>10</sup>. Then, OCB, he suggests, is an important component of job performance because it is that spontaneous and innovative behaviour that Katz and Khan (1966) noted as being crucial to an organisation’s effective performance (Moorman, 1991).

Five categories of OCB identified by Organ (1988) include altruism, courtesy, conscientiousness, sportsmanship and civic virtue (Deluga, 1994). Altruism refers to “discretionary behaviors that have the effect of helping a specific other person with an *organizationally relevant* task or problem” (Podsakoff et al., 1990, p. 115). Conscientiousness refers to “discretionary behaviors on the part of the employee that go *well beyond the minimum role requirements* of the organization, in the areas of attendance, obeying rules and regulations, taking breaks, and so forth” (Podsakoff et al.,

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<sup>10</sup> Organ (1988) also suggests that OCB puts more resources at the disposal of the organisation and takes away the necessity for expensive formal mechanisms to supply other informal functions it could give.

1990, p. 115). Sportsmanship means “willingness of the employee to tolerate less than ideal circumstances without complaining – to avoid complaining, petty grievances, railing against real or imagined slights, and making federal cases out of small potatoes” (Podsakoff et al., 1990, p. 115). Courtesy, on the other hand, refers to “discretionary behavior on the part of an individual aimed at *preventing* work-related problems with others from occurring” (Podsakoff et al., 1990, p. 115). Civic virtue means “behavior on the part of an individual that indicates that he/she responsibly participates in, is involved in, or is concerned about the life of the company” (Podsakoff et al., 1990, p. 115).

One of the original tenets of the concept of OCB is that, aggregated over time and persons, it enhances organisational effectiveness and performance. In fact, as summarised by Organ and Paine (1999), Podsakoff et al.’s (1997) study shows that altruism and sportsmanship have significant impacts on performance quantity, and that altruism significantly affects performance quality. Podsakoff and MacKenzie’s (1994) research also reveals that OCB significantly promotes the unit level of performance. Moreover, in a study by Walz and Niehoff (1996), altruism appears positively to affect the efficient functioning of the organisation, customer satisfaction, revenue per full-time employees, and quality of performance, while it has a negative impact on waste. Sportsmanship and civic virtue have negative impacts on customer complaints.

As for the relationship between OCB and the three components of commitment, several studies report that affective and normative commitment positively correlate with OCB, although there is a weaker relationship between normative commitment and OCB than between affective commitment and OCB (e.g. Meyer et al., 1993; Shore and Wayne, 1993). However, continuance commitment is either unrelated or negatively related to OCB (e.g. Meyer et al., 1993; Shore and Wayne, 1993).

### **2.3.2.3 The Implications for the Consequences of Organisational Commitment**

In Section 1.1.3, the importance of affective commitment in relation to downsizing was discussed in terms of such behaviours as absenteeism, willingness to suggest improvements and OCB. In fact, as discussed in Sections 2.3.2.1 and 2.3.2.2, affective and normative commitments to the organisation have a positive correlation with willingness to suggest improvements, willingness to accept things as they are, and OCB. Moreover, they are negatively correlated with turnover intentions, actual turnover, and passive withdrawal in the face of dissatisfaction. However, affective commitment has a much stronger relationship with them than normative commitment does. Also, affective commitment acts as a buffer against job displeasure in a stressful situation. On the other hand, continuance commitment has a positive impact on passive withdrawal in the face of dissatisfaction. Moreover, it has no, or a negative, impact on OCB. Thus, affective commitment is believed to be the most desirable (and, at the same time, most important) form of commitment for successful downsizing.

## **2.4 Some Measurement Issues of Meyer and Allen's Model Relevant to This Thesis**

Allen and Meyer (1990) developed three measures to test their three-component model: the Affective Commitment Scale (ACS), Continuance Commitment Scale (CCS), and Normative Commitment Scale (NCS). These measures have been put under fairly extensive psychometric evaluations for construct validity, and have received

considerable support (Meyer, 1997). For example, the three scales were found to be distinguishable from each other in both exploratory factor analysis (e.g. Allen and Meyer, 1990; McGee and Ford, 1987; Reilly and Orsak, 1991) and confirmatory factor analysis (e.g. Dunham et al., 1994; Hackett et al., 1994; Meyer et al., 1990; Meyer et al., 1993; Shore and Tetrick, 1991; Somers, 1993). The internal consistency of measures, which has been typically estimated using coefficient alpha, exceeds .70 in most studies (e.g. Allen and Meyer, 1990; Dunham et al., 1994; Hackett et al., 1994; Konovsky and Cropanzano, 1991; McGee and Ford, 1987; Meyer et al., 1989; Meyer et al., 1993; Moorman et al., 1993; Reilly and Orsak, 1991; Shore and Tetrick, 1991). Factor analyses also show that the three commitment constructs are distinguishable from job satisfaction (Shore and Tetrick, 1991), occupational commitment (Meyer et al., 1993), career commitment (Reilly and Orsak, 1991), and perceived organisational support (Shore and Tetrick, 1991). Moreover, as shown in Meyer's (1997) review, studies that have examined the links between the three commitment scales and various antecedents and consequences have generally supported hypotheses about commitment constructs, as discussed in Sections 2.3.1 and 2.3.2.

The evidence so far mentioned (i.e. internal consistency, factor structure, and the match between the pattern of empirical findings and the hypothesised pattern) confirms the construct validity of the three-component model of commitment. According to some findings, however, there is a necessity for further refinements in the measurement of Meyer and Allen's (1991) three-component commitment. First, stronger than expected correlations between the ACS and NCS have also been revealed, and similar patterns of correlation with antecedent and outcome measures tend to be shown by the two scales (e.g. Allen and Meyer, 1990; Ko et al., 1997; Meyer et al., 1993). These suggest that

feelings of affective attachment and the sense of obligation to an organisation may be correlated with one another (Meyer, 1997). In particular, in Ko et al.'s (1997) study, which assessed Meyer and Allen's three-component model of organisational commitment in two Korean organisations, the ACS and the NCS are highly correlated in both samples (sample 1 = .73 and sample 2 = .84). Moreover, except for the commitment norm, the variables examined as the determinants of normative commitment also appeared to be determinants of affective commitment. Thus, Ko et al. (1997) questioned the construct validity of the NCS. Then, they suggested that a new measure adequately representing the concept of normative commitment, and distinct from the ACS, should be developed. Thus, normative commitment is outside the scope of the present research, due to the lack of validity in its measure.

The second concern is the construct validity of CCS in the Korean context. In Ko et al.'s (1997) study, the overall results for the relationships of CCS with its determinants and consequences show that only about one half of the 22 correlations examined are significant. Moreover, even the significant correlations involving co-worker support, parental support, and friends' support are statistically negative, which is not consistent with the predictions. Thus, the construct validity of CCS is questionable in the Korean context. Moreover, viewed from the relationship with its consequences (in terms of attendance at work, willingness to suggest improvement, passive withdrawal in the face of dissatisfaction, and OCB), continuance commitment appears not to be relevant to successful downsizing. Thus, continuance commitment is outside the scope of the present research.

Finally, Vandenberg and Self (1993) found that the factor structure of the ACS and CCS was somewhat unstable during the entry period of employment, and suggested



that the ACS and CCS might not be appropriate measures to use in this time period<sup>11</sup>. However, Meyer and Gardner (1994) conducted similar analyses and found little evidence of instability (Meyer, 1997). According to Meyer and Allen (1997), the difference in Vandenberg and Self's (1993) and Meyer and Gardner's (1994) findings might be due to differences in the timing of measurement in the two studies. Whereas the former was gained after one day, one month, and three months, Meyer and Gardner obtained their measurement after one, six, and twelve months. These findings suggest that great care should be taken in measuring the level of newcomers' affective and continuance commitments. Thus, in this thesis, newcomers (i.e. those whose working experiences in the organisation are less than six months) are excluded from the research sample.

## **2.5 The Development of Affective Commitment**

As discussed in Section 2.3.1.1, a wide range of work experience variables appears to be the antecedents of employees' affective commitment to the organisation. However, little attention has been given to how and why these variables are related to affective commitment, i.e. to the psychological mechanism through which various antecedents exert their influence on commitment. The understanding of such a

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<sup>11</sup> Vandenberg and Self (1993) maintain that work experiences during the entry period which change the newcomers to such an extent that the items take on a different conceptual meaning from one stage to the next might cause this instability. Or, it seems to be unrealistic for newcomers to deepen their understanding of the organisation and its constituent components during the first months of work, so that they are therefore unable to relate meaningfully to these items.

psychological mechanism places the organisation in a better position to anticipate the impact of planned change, thereby making it much easier to intervene effectively in the management of commitment. Nevertheless, according to Meyer and Allen (1997), there are several lines of research that address the possible nature of such a mechanism (in the development process), including considerations about retrospective rationality and personal fulfilment (which covers person-job fit, met-expectation and universal approaches).

The retrospective rationalisation approach argues that affective commitment to an entity develops on the basis of behavioural commitment via the processes of retrospective rationality or justification. Although some limited research (e.g. Kline and Peters, 1991; O'Reilly and Caldwell, 1981) has examined the retrospective rationality process with employees in organisational settings, it has revealed methodological shortcomings and led to mixed results. For example, O'Reilly and Caldwell's (1981) study shows that volition and revocability are correlated with commitment. Kline and Peters' (1991) study also supports the retrospective rationalisation approach, i.e. commitment is positively related to volition and publicness, but negatively correlated with revocability. However, according to Meyer et al.'s (1991) study, unlike O'Reilly and Caldwell's (1981) finding, only volition appears to be positively related to commitment, i.e. those with greater freedom to accept their job (more volition) showed stronger affective commitment to the organisation they chose than did those with less freedom. Although this evidence shows some support for the retrospective rationality idea, because the number of job offers was employed as an index of volition, Meyer et al. suggest that this might reflect prospective rationality – i.e. those who have more offers might choose better jobs and their commitment might be related to better quality

of jobs. Thus, they controlled perceived quality of decision. Then, there was no significant relationship between volition and commitment. Moreover, for Kline and Peters' (1991) findings, Meyer (1997) suspects that the positive relationship between volition and commitment might also reflect quality of choice, because the number of job offers is also used as one index of volition in this research. Moreover, he questions the negative relationship between revocability and commitment due to the employed measure of revocability. For example, according to Meyer, a negative response to the item "I am trying out this job to see if it works out" does not necessarily mean irrevocability. It can also reflect anticipated satisfaction with the job/organisation. Thus, Meyer and Allen (1997) argue that these results seem to reflect that the quality of the job the person accepts has more impact on commitment although these results may show some support for the retrospective rationality idea. (See Meyer, 1997, pp. 195-196; Meyer and Allen, 1997, pp. 49-50).

Another research line emphasises the role of personal fulfilment. According to this approach, employees develop affective commitment to the organisation to the extent that their needs are satisfied, their expectations are met, and their goals are achieved. In other words, affective commitment develops on the basis of psychologically rewarding experiences. This approach is mainly divided into two perspectives – i.e. individual difference and universal approaches.

The individual difference approach argues that individuals are different in personality, values, needs and expectations, and employees will find certain work experiences particularly rewarding or fulfilling according to such differences. This individual difference perspective encompasses both person-job fit and met-expectations arguments. According to the person-job fit approach, to the extent that a particular job

experience is congruent with one person's values and meets his/her needs, his/her affective commitment will develop. Thus, an employee's personal values moderate the extent to which a particular experience is related to affective commitment. On the other hand, the met-expectations approach assumes that a set of expectations an employee has will moderate the extent to which a particular experience is related to affective commitment. That is, to the extent that an employee's expectations are met, his/her affective commitment will develop. Thus, the individual difference approach (encompassing both person-job fit and met-expectations arguments) assumes that personal characteristics moderate the strength of the relation between a particular work experience and affective commitment.

In contrast to the individual difference approach, the universal approach assumes that there is a universal set of work experiences which employees find rewarding and to which they will respond in similar ways. That is, there are some general characteristics of work that most people find rewarding and that thus enhance their affective commitment.

Several studies (e.g. Meglino et al., 1989; O'Reilly et al., 1991) show that person-job fit indices correlate positively with commitment. However, the concern raised by Edwards<sup>12</sup> (1991, 1994) about the meaningfulness of the fit indices used in these studies casts doubt on whether these results can be accepted as evidence supporting the person-job fit hypothesis. For the met-expectations hypothesis, Irving and Meyer (1994) provide a test using analytic procedures similar to those

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<sup>12</sup> Edward criticises the congruence indices that are normally used in person-job fit research. According to him, person-job fit research should be conceptualised in three dimensional relationships (i.e. person, job and outcomes), and it should use techniques allowing the estimation of the three-dimensional relationship (see Edwards, 1991, 1994).

recommended by Edwards (1991). Their findings show only modest support for the hypothesis and suggest that, in order to improve commitment, positive work experiences are more important than confirming experiences – i.e. those who experience positive work experiences appear to have higher commitment, irrespective of what they initially expect.

As discussed above, although the empirical evidence modestly supports the retrospective rationality and individual difference approaches, positive work experiences (as emphasised in the universal approach) appear to be more important. Thus, there might be universally needed personal fulfilment that is very important in developing employees' affective commitment to the organisation. However, this discussion tells us little about the process through which employees' own perceptions and experiences translate into a particular level of affective commitment to the organisation. Here, it is speculated that experiences satisfying "higher-order" needs that enhance a person's sense of self-worth might influence the development of affective commitment. (For a full review of the development of affective commitment, see Meyer, 1997, pp. 190-196; Meyer and Allen, 1997, pp. 49-56).

## **2.6 Affective Commitment and Psychological Contract**

Section 1.1.2 discussed the view that the violation of traditional employment relations between the organisation and its employees has the potential to reduce employees' affective commitment to the organisation. The concept of the psychological

contract is used as a tool for describing and explaining this phenomenon – i.e. what is implicit in employer-employee agreements, and especially the role that reciprocity and exchange play in the process of forming such agreements (Millward and Brewerton, 2000).

A number of authors (e.g. Herriot and Pemberton, 1995; Kotter, 1973; Levinson et al., 1962) have focused on the exchange relationship between the employee and the organisation, where the expectations and obligations of both parties involved need to be considered if one is to determine whether there is agreement of disparity of opinion<sup>13</sup>. This approach assumes a bilateral relationship between the two parties. However, it compares expectations at different levels, i.e. individual and organisational expectations. Moreover, an organisation can hardly be considered to have a uniform set of expectations, i.e. it is a multiple collection of diverse and differing expectations held by a whole set of actors, thereby producing the problem of who or what represents the organisation. Thus, a more narrow definition of the psychological contract is introduced by Rousseau (1990). She conceives the psychological contract to be the individual's beliefs pertaining to reciprocal obligations (i.e. "beliefs about what each party in the relationship is obliged to contribute to that relationship"<sup>14</sup>) and promissory exchange (i.e. "beliefs about the exact nature of the exchange agreement"<sup>15</sup>), in the context of the

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<sup>13</sup> They (Herriot and Pemberton, 1995; Kotter, 1973; Levinson et al., 1962) define the psychological contract as follows: the sum of mutual expectations between the organisation and the employee (Levinson et al., 1962), an implicit contract between an individual and his/her organisation which specifies what each expects to give and receive from each other in their relationship (Kotter, 1973), the perception of both parties to the employment relationship, organisation and individual, of the obligations implied in the relationship (Herriot and Pemberton, 1995).

<sup>14</sup> Millward and Brewerton, 2000, p. 10.

<sup>15</sup> Ibid.

relationship between employer and employee<sup>16</sup>. Anderson and Schalk (1998) note the implication of Rousseau's approach as follows.

By using this definition the perspective shifts from a bilateral relationship between two parties at different levels (individual and organisational) to the unilateral, singular level of the individual. The psychological contract in this view is a subjective, individual perception of obligations of the employee towards the organization and of the obligations of the employer towards the employee... (p. 639)

According to Rousseau and Wade-Benzoni (1995), contracts which are agreements to exchange services (e.g. hard work, loyalty) for compensation (e.g. pay, career opportunity, personal development) have a rich array of possible exchanges (such as effort, learning, sacrificed opportunities, etc) and duration (a day or indefinitely). Such a rich array creates a variety of potential contracts between employee and employer, and two types of psychological contracts are normally identified: transactional and relational. A transactional contract involves short-term and monetisable exchanges between parties – a fair day's work for a fair day's pay. It is concerned with purely economic exchanges for a limited period of time. One example is that of retail clerks hired during the Christmas shopping season. On the other hand, relational contracts involve open-ended and often continuing (and long-lasting) relationships with significant investments (both socio-emotionally as well as economically) by both employees (company-specific skills, long-term career development) and employers (far-reaching training and assistance). They are based on socio-emotional considerations of trust and identification that are not easily restored

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<sup>16</sup> See Anderson and Schalk (1998, pp. 638-639).

when the contract is violated. A more detailed explanation of relational contracts is offered by Millward and Brewerton (2000):

Rousseau (1989) argues that the employment contract signals far more than simple economic forms of exchange (i.e. market-oriented, monetary, competitive). It can involve relationship-based agreements which denote the commitment of parties to maintaining the relationship (i.e. to stay together, continuing employment), providing some form of exchange (such as loyalty and hard work) indefinitely. Where interactions occur over time, and continued interaction is expected, beliefs about what is owed can arise from overt promises and other factors more likely to be taken for granted (e.g. assumptions of fairness and of good faith). Relationship-based agreements compensate for the inability to draw up economic contracts of sufficient coverage and scope to frame the employment relationship over the long term. The more taken for granted the 'considerations' exchanged, the greater the potential for *personal idiosyncrasies in the way the employment contract is interpreted and enacted* (Rousseau, 1989, p. 124) – that is people 'fill in the blanks... in somewhat unpredictable ways' (Rousseau, 1995, p. 1). Even agreements in writing are open to different interpretations, which often only become evident when the contract is violated. The longer the relationship endures, the broader the array of considerations involved in the exchange and the deeper the relationship becomes. (pp. 10-11)

According to Rousseau and Wade-Benzoni (1995), employees' affective commitment to the organisation is most definitely tied to the concept of relational psychological contract. That is, if employees perceive that the organisation meets what it owes to them, their affective commitment to the organisation is likely to develop. However, in transactional situations, neither the employee nor the organisation will seek affective commitment.

Similarly, because psychological contracts are formed on the basis of trust, perceived failure to meet contractual terms (i.e. contract violation) can lead to feelings of betrayal, anger, outrage, injustice and so on, thereby resulting in employees' reduced affective commitment and high levels of tardiness, absenteeism and intention to leave the organisation (Guzzo et al., 1994; Schalk and Freese, 1997). As Schalk and Freese (1997) note, the psychological contract includes beliefs concerning what is acceptable and what is absolutely intolerable in the interaction with the organisation. If employees



perceive that the organisation has overstepped the boundaries, they will experience contract violation. According to Rousseau and Wade-Benzoni (1995),

Contract violation occurs in the context of the individual's experience with a specific organization. On being hired, people form understandings regarding the conditions of their employment, and despite some clarification and shift over time, these understandings remain relatively stable through the course of employment. Workers may view introduction of new performance requirements or threats to job security as contract violations if the initial contract did not specify the possibility of change or limits to job tenure. Unless individuals see changes in contract terms as legitimate and necessary (for example, the organization cannot survive unless it alters its relations with employees), they will likely view changes as contract violation (Rousseau & Aquino, 1993). How the organization manages the transition (for example, reasons it uses to justify changes) and its efforts to create alternative ways of honoring the spirit if not the letter of the contract (for example, generous severance packages and outplacement) influence the employee's response to the transition. Violated contracts are associated with erosion of trust, anger, and at times litigation (Rousseau, 1989; Kaufmann & Stern, 1988). (p. 315)

In fact, the renewed interest in the psychological contract is due to the changes to working relationships between employers and employees in recent years (Guest, 1998a). A new employment deal is said to be characteristic of less job security (resulting from leaner organisational structures), the collapse of traditional promotional channels, and organisational requirements for more flexible ways of working in which empowered employees take on greater responsibility for their work, training and careers. A major psychological feature of this transition for many individuals is its impact on the psychological contract. The relationship between job security and the recent upsurge of interest and activity in training and career development is the central fact of the new psychological contract (Martin et al., 1998). That is, employers should provide employees with an environment in which continuous learning can occur, resulting in an adaptable and skilled workforce that simultaneously provides increased

value to its current organisation and increases its employability in the broader job market (Dunford et al., 1998).

However, Guest (1998b) doubts whether the psychological contract (based on Rousseau's perspective) is different in a clear and coherent way (in terms of its antecedents and consequences) from those associated with organisational commitment. For example, he raises the question of whether violations of the psychological contract are different from unmet expectations. However, drawing on Robinson et al.'s (1994) and Robinson's (1996) studies, Rousseau (1998) argues that the construct validity of the psychological contract is supported. According to her, psychological contract violation is distinct from unmet expectations. That is, Robinson et al.'s (1994) and Robinson's (1996) studies found that violation of contract terms provoked far stronger negative responses than did unmet expectations. Nevertheless, researchers need to show that the psychological contract is different from other well-established constructs such as organisational commitment. As Anderson and Schalk (1998) observe:

A major point of criticism of the basic concept of the psychological contract is that it is redundant, that is to say that it has no *added value* above explanations of organizational behavior on the basis of other theories or constructs (Guest, 1996; this issue). This is indeed an important issue, and one which has not received much attention so far. Although clear relationships have been found between psychological contracts and attitudes and behavior of employees, tests against alternative explanatory constructs have not yet been done. These kinds of studies certainly will have to be done in order to give the concept a robust position in the management sciences. (p. 645)

## **2.7 The Cross-Cultural Applicability of Affective Commitment**

There has been widespread discussion concerning the applicability of Western theories across cultures (e.g. Hofstede, 1980; Markus and Kitayama, 1999; Welsh et al., 1993). Hofstede (1980), for example, argues that people (including the author of a theory) see the world in the way they have learned to see it. Thus, theories may reflect the cultural environment in which they were written. Therefore, when a theory is applied in other countries, the assumptions underlying the respective value systems upon which the theory is based may be invalidated.

These statements raise the question of whether Meyer and Allen's approach to commitment can be applied to the Korean organisations. In fact, most previous research on Meyer and Allen's three-component approach to organisational commitment has been conducted in Western societies. However, Ko et al.'s (1997) study provides an excellent opportunity to test the universal validity of their three-component model of organisational commitment. In this study, the construct validity of affective commitment is supported (in terms of factor analysis, internal reliability, correlation analysis, and the pattern of empirical findings that match the hypothesised pattern). However, as discussed in Section 2.4, the construct validity of continuance and normative commitments is questionable. Because the current thesis excludes an examination of continuance and normative commitments, Meyer and Allen's approach to commitment (i.e. affective commitment) can be applied to the Korean organisations.

However, the cultural factor may indeed play a role in shaping employees' affective commitment. For example, a number of studies (e.g. Kim et al., 1994; Han and

Choe, 1994) suggest that Korean workers have a tendency to exhibit a collective and relational orientation and pursue career success by managing good relationships with co-workers or supervisors (Yoon and Lim, 1999). Thus, social relations in the workplace may be important in influencing the development of employees' affective commitment to the organisation in the Korean organisations. Ko et al. (1997) show that supervisory support is a major antecedent of employees' affective commitment to the organisation. Moreover, Confucian doctrine also emphasises seniority and a high level of respect for hierarchical authority (Mueller et al., 1999). Thus, respect is automatically given to those who are older and whose positions are higher. Moreover, female roles have been downgraded. Thus, women are normally assigned to less important and less responsible work than their male co-workers (Yoon and Lim, 1999). These cultural factors might affect employees' affective commitment to the organisation in relation to demographic characteristics.

## **2.8 Summary**

Employees can experience three forms of commitment: affective, continuance and normative commitments. Of these, employees' affective commitment to the organisation is likely to be the most relevant form of commitment for successful downsizing in terms of its antecedents and consequences. That is, as discussed in Section 2.3, downsizing can be both a threat and an opportunity to survivors according to the stakes survivors have in relation to downsizing and their coping capability. If

survivors perceive that downsizing contributes to their well-being and they have the capability to cope with downsizing, they perceive that downsizing is an opportunity for their personal growth. The factors contributing to survivors' well-being and coping capability with downsizing appear to be the determinants of employees' affective commitment to the organisation. Moreover, employees' affective commitment to the organisation is particularly concerned with the consequences leading to successful downsizing, for example OCB. In addition, the construct validity of continuance and normative commitments is questioned in the Korean context. Thus, this thesis focuses only on employees' affective commitment to the organisation. Here, much research has shown that work experience variables have the strongest and most consistent correlations with affective commitment, and Meyer and Allen (1997) speculate that employees' sense of self-esteem may play a key mediating role between employees' positive work experiences and their level of affective commitment.

# **Chapter 3: The Determinants of Employees' Affective Commitment to the Organisation: Theoretical Framework and Causal Model**

## **3.1 Introduction**

Section 1.1.6 summarised the research aims in general terms. The first research aim is concerned with whether downsizing affects employees' affective commitment to the organisation (hereafter, AC) directly and/or via employees' daily work experiences (which are supposed to be the determinants of employees' AC) indirectly. Here, the examination of the indirect effect of downsizing on employees' AC needs to identify the determinants of employees' AC. Thus, this thesis first seeks to identify the determinants of employees' AC before presenting the detailed research aims, and this chapter discusses the theoretical framework for the determinants of employees' AC and presents the causal model of the determinants of employees' AC.

As discussed in Section 2.3.1.1, researchers (e.g. Steers, 1977; Mottaz, 1988) argue that exchange is the major mechanism governing the development of employees' AC, i.e. employees' AC is likely to increase to the extent that the organisation satisfies an employee's needs. As for organisational rewards that enhance employees' AC, following Meyer and Allen's (1997) suggestion, discussed in Section 2.5, the analysis focuses on employees' sense of self-esteem. Here, based on symbolic interactionism, which is normally seen as the most straightforward theory explaining the formation of self-esteem, the causal model of the determinants of employees' AC is presented.

Section 3.2 discusses social exchange theory in relation to employees' AC and Section 3.3 deals with organisation-based self-esteem, which refers to the individual employee's self-esteem within the organisational context. Then, Section 3.4 presents the causal model of the determinants of employees' AC in which the determinants of employees' AC are identified.

## **3.2 Social Exchange Theory as a Useful Explanation of Affective Commitment**

### **3.2.1 Social Exchange Theory**

Social exchange theory deals with the more or less enduring relations between specific partners as its subject matter and its smallest unit of analysis (Molm and Cook, 1995). Exchange theory begins with the simple metaphor of two persons, each of whom is beneficial to the other and is dependent upon benefits provided by the other. The ability to be beneficial to another is often defined as a resource (Emerson, 1992). Blau (1964) offers a simple definition of the scope condition for the exchange frame of reference: "Social exchange as here conceived is limited to actions that are contingent on rewarding reactions from others" (p. 6), which implies a two-sided, mutually contingent and rewarding process including "transactions" or "exchange" (Emerson, 1976).

Thus, the particular focus of social exchange theory is on the benefits people obtain from, and contribute to, social interaction. People can only obtain from others much of what they value and need in life (e.g. food, companionship and approval). That is, people depend on one another for such valued resources, and can obtain such valued resources only through the process of social exchange. Although the conception of social interaction as social exchange is an extension of the concept of economic exchange, social exchange departs from economic exchange in an important respect (Molm and Cook, 1995). Blau (1964) first differentiated social exchange from economic exchange:

The basic and most crucial distinction is that social exchange entails *unspecified* obligations. The prototype of an economic transaction rests on a formal contract that stipulates the exact quantities to be exchanged....Social exchange, in contrast, involves the principle that one person does another a favor, and while there is a general expectation of some future return, its exact nature is definitely *not* stipulated in advance. (p. 93)

All social exchange theories (e.g. Homans, 1961; Thibaut and Kelley, 1959; Blau, 1964; Emerson, 1976), explicitly or implicitly, have some core assumptions which render them highly parsimonious but broadly applicable as a framework for analysis. The first assumption is that exchange relations develop in circumstances where mutual dependence between actors is formed<sup>17</sup> (Molm and Cook, 1995). It is the social relations people develop that provide the opportunity for them to fulfil and express their desires and interests (Blau, 1964). People form and maintain social relationships in order to obtain rewards<sup>18</sup> (Hewitt, 1997). That is, they provide mutual rewards in the course of

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<sup>17</sup> Actors may be individuals or collectivities (Molm, 1990).

<sup>18</sup> Rewards can be instrumental services (e.g. money, goods) or intangibles such as social approval (Blau, 1964).



interaction, and the rewards each supplies to others serve as inducements to continue to supply rewards (Blau, 1964), thereby establishing a mutual dependence relationship (Molm, 1990).

The second assumption is that actors choose exchange partners and behaviours based on the rewards and costs. The rewards individuals obtain in social associations of various kinds tend to entail a cost to other individuals. This does not mean that most social associations involve zero-sum games in which the gains of some cause the losses of others. On the contrary, individuals associate with others because they stand to profit from their association. However, they do not necessarily gain profits equally, nor do they share equally the costs of providing the rewards. Even in the case where there is no direct cost to participants, this entails the cost of alternatives foregone in consequence of the decisions to expend time and energy on the association in question rather than on other associations (Blau, 1964). This assumption, within its scope, includes not only “rational action” but also “operant behaviour”. Actors may behave rationally through the consideration of the potential benefits and costs of alternative choices of exchange partners and action. Their choices can also reflect the benefits and costs of past behavioural choices, without conscious consideration of alternatives. However, this assumption does not confine the theory to actors’ egocentric behaviour. Although actors are self-interested, they are not necessarily selfish. For example, actors may value getting rich and, at the same time, value providing homeless shelters (Molm and Cook, 1995).

The third assumption is that “actors engage in recurring, mutually contingent exchanges with specific partners over time” (Molm and Cook, 1995, p. 211). According to social exchange theory, social relations are formed and maintained because actors

supply one another with reciprocal benefits over time. An actor for whom another gives a service is expected to express his or her appreciation and return a service if such occasion arises. If the actor reciprocates properly, the rewards the other receives function as inducements to give further assistance. Then, a social bond between the two is created by the resulting mutual exchange of services. Here, social exchange requires trusting others to reciprocate because there is no way to assure an appropriate return for a favour. By reciprocating for services rendered, actors demonstrate their trustworthiness, and a parallel growth of mutual trust accompanies the gradual expansion of mutual service. Here, the benefits implied in social exchange do not have an exact price in every single quantitative medium of exchange. This is a substantive fact, not a methodological problem. The actors themselves cannot estimate the precise worth of approval or of help in the absence of a money price. Accordingly, the obligations incurred by actors in social exchange are defined only in very general, rather diffuse terms. This is why social obligations are unspecific (Blau, 1964). However, if the benefits provided for another are not reciprocated (bearing in mind that the reciprocity need not be equal or immediate), the exchange relationship comes to an end (Molm and Cook, 1995).

In sum, social exchange theory, which starts with a simple metaphor involving two actors, focuses on the flow of benefits through social interaction, but is limited to actions that are contingent on rewarding others' reactions. Social exchange theory provides a useful tool for analysing employment relationships in terms of employees' AC. That is, the view of employment as the trade of effort and loyalty for material and social rewards (e.g. Levinson, 1965; March and Simon, 1958) suggests the usefulness of

the social exchange interpretation of commitment (Eisenberger et al., 1986). This will be discussed further in the next section.

### **3.2.2 The Social Exchange Interpretation of Commitment**

The survival of an organisation ultimately depends on its ability to continue to provide some products or services that are useful to the members of the organisation or other organisations or to the public at large. The organisation, in order to continue to be of use to its prime beneficiary, should not only deal with the problems of the recruitment, proper utilisation, motivation, and integration of the people in it, but should also be able to adapt and manage dynamic environmental change. Especially in business organisations, the company's competitive position relies greatly on the development of new products, new processes for making products, and new ideas, which come from people. Moreover, rapid and unpredictable environmental changes, resulting from technological innovation and the intensification of competition, require organisations to develop flexibility. Thus, organisational survival and growth depends to a large extent on the human resources of the organisation (see Schein, 1980, pp. 20-36).

On the side of employees, work organisation is not seen solely as providing for a continuous source of cash rewards (Fox, 1980). With the erosion of the extended family, neighbourhood, community, and so forth, which once provided for identity, affiliation, meaning and support, the workplace is becoming a primary means of personal fulfilment (Barlett and Ghoshal, 1994; Levinson, 1965). For example, a workplace

providing opportunities for interaction with others offers individuals an opportunity to satisfy their sociability needs (Fox, 1980). Moreover, with the change from self-employed workings and small businesses to large organisations, the individual is recognised less as an individual and more as part of the organisation. That is, individuals are identified not only with their names or trades, but also with their organisations (Levinson, 1965). Furthermore, many people only have the chance to use and display their skills, talents and abilities through their work organisations. Thus, work organisation is a major influence on the individual's sense of self. Thus, both organisations and their employees are mutually dependent.

Employees, by joining an organisation, accept orders and instructions supplied to them by the organisation (March and Simon, 1958) and, at the same time, the organisation has the obligation to treat employees according to the agreed employment contract, e.g. in terms of salary and working hours. However, employment relations are still in many respects unspecific, and each actor has his/her own expectations of others. For example, employees might expect to find a work environment where job security is guaranteed, and/or their abilities are utilised and their basic needs are satisfied (Steers, 1977), while the organisation expects employees to be loyal and to do their best for the sake of the organisation (Schein, 1980).

Here, employees' AC develops based on the satisfaction of an unspecific set of expectations. According to March and Simon's (1958) inducement-contribution model, individuals' contributions or involvement in the organisation are generated in return for certain inducements that the organisation provides for them (Gould, 1979). That is, as Etzioni (1961) suggests, employees become attached to an organisation because of a beneficial or equitable exchange relationship between their contributions to the

organisation and the rewards they receive for service (Shore and Tetrick, 1991). Inducements that do not justify one's level of attachment trigger a search for alternative employment. As a result, "the individual may: (a) leave the organisation, (b) adjust his contribution to reach a new balance, or (c) cognitively adjust his inducements to reach a new balance" (Gould, 1979, p. 53). Thus, the employment relationship can be interpreted according to social exchange theory, since it is a two-sided, mutually contingent, and mutually rewarding process involving exchange, and employees' AC can be regarded as a product of social exchange.

However, social exchange theory "makes no assumption about *what* actors value, but it assumes that they will behave in ways that tend to produce whatever it is they do value"<sup>19</sup> (Molm and Cook, 1995, p. 210). Nevertheless, as discussed in Section 2.3.1.1, positive work experiences appear to be most important in developing employees' AC. According to Meyer and Allen (1997), such experiences may translate into employees' AC through a sense of self-esteem. That is, although social exchange theory tells us little about what actors value, the gurus of the commitment literature (i.e. Meyer and Allen, 1997) suggest that employees may value their sense of self-esteem being satisfied within the organisational context. Thus, the enhancement of the employees' sense of self-esteem in the organisational setting may increase their AC.

Self-esteem is viewed as "a self-evaluation that individuals make and maintain with regard to themselves" (Pierce et al., 1989, p. 625). It expresses the attitude of approval or disapproval toward self. That is, it is a personal evaluation reflecting what people think of themselves as individuals. It indicates the extent to which individuals

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<sup>19</sup> Following the above definition, social exchange theory has been criticised as "circular". However, Emerson (1992) argues that it is just a definition, and all definitions become "circular" when they are used as though they are explanations (see Emerson, 1992, pp 30-34).

believe that they are capable, reflecting a personal judgement of worthiness (Pierce et al., 1989). Locke et al. (1996) point out that self-esteem is a profound psychological requirement - a requirement of a healthy consciousness, like food and water for a healthy body. Baumeister (1995) also argues that the sense of self-worth is one of the pillars supporting a meaningful life regardless of cultural differences. Individuals' need for self-esteem arises from the fact that self-esteem protects people from the anxiety that awareness of their vulnerability and mortality would otherwise create (Greenberg et al., 1999). This connection between self-esteem and protection from anxiety is rooted in the individual's early interactions with his/her parents and other socialising agents, which is explained as follows by Greenberg et al. (1999).

As a variety of theorists have noted, in early childhood, the need fulfillment, love, and protection afforded by the parents comprise the virtually helpless child's primary basis of security (e.g., Bowlby, 1969; Horney, 1937; Rogers, 1959; Sullivan, 1953). Over the course of childhood, these commodities become increasingly contingent on meeting parental standards of goodness and value. As these standards become internalized, this contingency leads to an association between the perception that one is meeting internalized standards of value (self-esteem) and feelings of safety and security. This association is reinforced throughout life, both directly, through the responses of others to one's behavior, and vicariously, through cultural teachings and myths in which the virtuous are rewarded and the evil are punished. (p. 106)

These statements underline the importance of individuals' self-esteem, and their sense of self-esteem within the organisational context may play a key role in developing employees' AC. Symbolic interactionism is the most straightforward theory explaining the formation and development of self-esteem.

## 3.3 The Concept of Organisation-Based Self-Esteem

### 3.3.1 The Concept of Self-Esteem

The self-concept can be defined as all the thoughts and feelings that have reference to the self as an object (Rosenberg, 1979, cited in Deaux et al., 1993). Symbolic interactionists argue that the self-concept is a social product and a social force because social factors play a major role in its formation (Rosenberg, 1992). According to symbolic interactionism, people act toward things on the basis of the meanings that those things have for them. However, the meanings of such things are not given but rather evolve from the verbal and non-verbal interaction with others. Moreover, these meanings are modified and dealt with through the interpretative process used by a person in responding to the things he/she encounters (Blumer, 1969). The concept of the symbol is the most important conceptual building block on which symbolic interactionists have based their analysis of human conduct. The nature of symbols is summarised by Hewitt (1997):

Humans are animals who possess language and whose conduct occurs in a world of words. We are attuned not just to the overt bodily movements of others, but also to a complex set of vocalizations that precede and accompany their acts and our own...these vocal gestures – acts of speech – have the unique property of arousing in the one using them nearly the same response as they arouse in the others to whom they are directed. They are, in Mead's words, "significant symbols". Shouting the word "Fire!" in a public place, for example, does not merely elicit a flight response from those present. The word creates, both in the crowd and in the one who shouts it, a certain attitude – a readiness to act in a particular way, an image of the conduct appropriate to the situation, a plan of action. It is this creation of a common *attitude* in both symbol user and symbol hearer that makes possible the individual's control of his or her own conduct. People who, by anticipating what others will do in response to their acts, are able to plan their own subsequent acts have attained *control* over their own conduct. (pp. 9-10)

The capacity to use symbols in imagining others' reaction to our own acts here gives us the capacity to be conscious of ourselves. In other words, imagining others' response to us leads us to know ourselves indirectly. Likewise, we can grasp the situation of which we are a part by temporarily adopting the perspectives of others. We know what we are doing, what is expected and forbidden, what is typical and what is atypical, what others are doing, and what we are doing with them. This is due to the fact that we have a definition of the situation<sup>20</sup>, "which may be thought of as an overall grasp of the nature of a particular setting, the activities that have taken place there and are seen as likely to occur again, the objects to be sought or taken into account, and the others who are present" (Hewitt, 1997, p. 56). Moreover, we know not only what is happening but also who is making it happen, because we have knowledge of the roles contained in the situation in which we find ourselves and because we know which roles are ours and which are the roles of others. Thus, knowledge of situations and roles gives us both a sense-making and a predictive capacity.

Although symbolic interactionists view the self as a social object (i.e. the self, which is created within each situation, is a product of the combined efforts of those who interact), they do not see human beings as thoroughly controlled by situations or by the actions of others. Because one's activities span many situations in the course of a lifetime and one becomes an object shaped by one's experience as a whole in relation to a variety of other people, rather than only by the interaction of particular situations, the self is also a biographical social object: people have memories and they use them to take stock of, and keep track of, themselves (Hewitt, 1997). The concept of self-schema is

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<sup>20</sup> The definition of the situation is more formally defined as "an organization of perception in which people assemble objects, meanings, and others, and act toward them in a coherent, organized way" (Hewitt, 1997, p. 56).



important here. According to social cognitive theory, people have self-schemas, which can be defined as “cognitive generalizations about the self, derived from experience, that organize and guide the processing of self-related information contained in the individual’s social experiences” (Markus, 1977, p. 64, cited in Deaux et al., 1993, pp. 53-54). Self-schemas have critical effects on perception, memory and influence (Fiske and Taylor, 1991). Thus, however much one becomes absorbed in the situation and role of the moment, one also tends to link the situated performance to his/her own past and future.

However, we should bear in mind that human behaviour entails more than cognitive activity, for people also respond affectively to one another and to the social situation. Because we have emotional responses to what we see, our perceptions of self are not merely cognitive efforts to decide who we are and what we are like. People’s relationships with others create feelings of diverse kinds such as fear, hate and love. These emotions are directed toward the self as much as toward others or toward the social situation. For example, when one basks in the praise of others or takes pride in a job well done, one is likely to feel a sense of pride or joy. Conversely, when one acts in ways that important others condemn, one is apt to feel ashamed. Thus, such emotions play an important part in shaping conduct and are as essential a part of the self as is the social world on which it rests. The affective dimension of self-objectification is called “self-esteem”. Self-esteem embraces that class of sentiments whose object is the self. These sentiments are aroused in us as we attend to ourselves and see ourselves as we imagine others see us. That is, people’s interaction enables them to develop images of each other (in terms of bravery, refinement, tact, competence, intelligence, kindness, cruelty, stupidity and the like). After forming images of others, people imagine how

they will appear to others from the standpoint of those images. Then, they feel good or bad accordingly. This approach to self-esteem emphasises the appraisals of others as perceived by the individual:

In some instances, of course, others mince no words in telling us what they think of us, so that we have direct access to their opinions of us. Words of praise or condemnation from others encourage us to have specific images of ourselves. Much of the time, however, we must rely on role taking, imagining our appearance to the other. In either case, the result is an affective response to ourselves. Whether we are directly told how the other feels about us or we impute a sentiment to the other, the result is that we develop an attitude toward ourselves. (Hewitt, 1997, p. 95)

Thus, although individuals have self-referential feelings of satisfaction or anxiety, love or shame (thus, self-esteem appears to be primarily a property of the individual), self-esteem is in fact a complex product of coordinated social activities, and thus has both situated and biographical forms.

However, among the people with whom we interact, according to symbolic interactionists, we regard some as more important, and we are likely to take their appraisals more seriously:

Some of the people with whom we interact are important to us and so we are apt to take their appraisals more seriously than those of people whose opinions we do not respect...An adult is likely to put more stock in the views of friends of long acquaintance than of strangers. Thus, although each situation in which we interact with others has some impact on our overall level of self-esteem, some situations have greater impact than others. (Hewitt, 1997, p. 95)

Mead (1934) elaborated on this theme in his concept of the “generalised other”, which represents the pooled or collective judgements of the significant others in one’s life.

From such a perspective, if others hold the self in high regard, one's own sense of self-esteem will be high (Harter, 1993).

Symbolic interactionism also assumes a fundamental need to know and control. According to Ashforth (1985), this need drives individuals to understand, to forecast, and ultimately to control the events shaping their lives. People who feel inefficacious linger on their lack of successful management and view situations as full of peril. They exaggerate the difficulty of possible threats and concern themselves excessively with improbable danger. The elevated arousal of stress results in an intense preoccupation with personal inefficacy and potential calamities. The self-perception of coping efficacy decreases the level of arousal in a trying experience, resulting in more positive evaluation of self (Bandura, 1982). Thus, according to symbolic interactionism, people's self-esteem is affected by both appraisal by significant others (or generalised other) and the self-perception of coping efficacy.

### **3.3.2 Self-Esteem within the Organisational Context**

Self-esteem has been conceptualised as a hierarchical and multifaceted phenomenon<sup>21</sup> which possesses different levels of specificity and focus<sup>22</sup>. That is, self-esteem has been measured in terms of global self-esteem, role-specific self-esteem, and task-specific or situation specific self-esteem<sup>23</sup>.

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<sup>21</sup> See Korman (1970) and Marsh (1993).

<sup>22</sup> See Gardner and Pierce (1998).

<sup>23</sup> Global self-esteem is an overall evaluation of self-worth; role-specific self-esteem is a self-evaluation arising from one of life's many roles, such as those of parent and student; task-specific or situation

According to the principle of compatibility formulated by Ajzen and Fishbein (1977; Ajzen, 1989), if an attitude is framed in a context which is similar to that of the mode of behaviour or other attitudes that one wants to predict, then there will be a closer relationship between the two variables<sup>24</sup>. Based on the principle of compatibility, Pierce and his colleagues (1989) argue that “the more self-esteem is framed in a context consistent with the behavior or attitude to be predicted, the higher will be the observed correlation between the two variables” (pp. 623-624). That is, task-specific self-esteem will predict task-related phenomena more strongly than will global self-esteem, while global self-esteem scales will be appropriate for research concerned with individuals within the context of their total lives. In fact, Tharenou (1979) notes that skill-training effects are more likely to predict the measures of task-specific self-esteem than the measures of global self-esteem.

Thus, in order to examine the role of self-esteem with reference to the development of employees' AC, self-esteem should be framed in the organisational context. In an effort to reflect the beliefs that employees form about themselves from their roles within an organisational context, Pierce and his colleagues (1989) extended the scope of self-esteem and introduced organisation-based self-esteem (hereafter, OBSE), which is defined as “the degree to which organizational members believe that they can satisfy their needs by participating in roles within the context of an organization” (p. 625). Thus, OBSE reflects the extent to which their need for self-esteem is fulfilled by performing organisational roles.

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specific self-esteem is a self-evaluation resulting from behaviour in a specific situation and representing a person's competence (Pierce et al., 1989).

<sup>24</sup> The importance of the principle of compatibility has been documented extensively (see Ajzen and Fishbein, 1977).

In relation to OBSE, the organisation itself may be an important significant other. Thus, the appraisal of the organisation may affect employees' OBSE. That is, if employees perceive that the organisation supports them, their OBSE may increase. Thus, one's perceived organisational support (hereafter, POS) is likely to have an impact on OBSE. Moreover, self-efficacy (in relation to dealing with job) may reflect the self-perception of coping efficacy in the organisational context. Thus, OBSE is likely to be affected by both POS and self-efficacy.

### **3.4 The Causal Model of the Determinants of Employees' Affective Commitment to the Organisation**

Lewin's (1943) field theory suggests that employees' reactions to their environment (e.g. as expressed in commitment to the organisation) are interrelated, so that the more distal factors exert their influence on employees' reactions to environments indirectly through more proximal factors. This field theory provides useful insights in developing a model of the determinants of employees' AC. Section 3.2.2 suggested that employees' daily work experiences that enhances a person's self-esteem might influence the development of their AC. In Section 3.3.2, OBSE was presented as the concept reflecting employees' sense of self-esteem in the organisational context, and both POS and self-efficacy were presented as having impacts on OBSE. Thus, distal causes of employees' AC (i.e. their daily work experiences) are likely to exert their influence on their AC indirectly through proximal causes (i.e. OBSE, POS and self-efficacy). Thus, in the causal model of the determinants of employees' AC,

employees' daily work experiences are presented as independent variables, while OBSE, POS and self-efficacy are presented as intermediate variables (or mediating variables). Finally, employees' AC is presented as the dependent variable.

### **3.4.1 Organisation-Based Self-Esteem (OBSE)**

Symbolic interactionism suggests that individuals come to see themselves by perceiving how they are viewed by significant others. Here, feedback is the primary vehicle through which individuals know others' views and evaluations about themselves (Brockner, 1988b). Thus, the more individuals interact with a world which encourages certain systems of beliefs about the self, the more those beliefs become part of the self (Korman, 1971). Supervisory and co-worker supports are likely to play a powerful role in shaping self-perceptions of one's importance in a work setting. Bowers' (1963) study shows that supervisory support has an impact on employees' self-esteem.

Self-evaluative feedback is also provided through employees' transactions with the work itself (Brockner, 1988b). Tharenou's (1979) review of the self-esteem literature suggests that job characteristics have the most consistent relationship with individuals' assessment of their own work, task competence and worth. Among job characteristics, the amount of challenge and autonomy in a job is the most influential job characteristic for developing high self-esteem. When employees are given increased autonomy and challenge, this can heighten their perceived control and/or value with the organisation, especially if they are the sort of individuals who are willing and able to

exercise autonomy (Brockner, 1988b). However, Stone and Gueutal's (1985) study of the dimensions along which job characteristics are perceived shows that employees seem to view jobs as a Gestalt or summary dimension that might be labelled job complexity, rather than as having certain levels of variety, autonomy, task significance and so forth. According to Hackman and Oldham (1975), by experiencing complex tasks, employees come to experience a sense of responsibility and see their organisational roles as meaningful. Through this process, employees develop a cognitively consistent view of the self and, as a result, individuals' OBSE is enhanced (Pierce et al., 1989).

The literature on the origins of self-esteem (Korman, 1970) suggests that self-esteem may be enhanced by the implicit signals that confirms the person is competent and worthy (Gardner and Pierce, 1998). Participatory management and job security may send such signals to employees. For example, participation in decision-making may lead employees to perceive that the organisation recognises the critical value of human capital to the success of the organisation, and the importance of employees' creativity and initiative for organisational responsiveness in today's competitive external environment (Spreitzer, 1996). Individuals with a high sense of job security might also perceive that they keep their jobs because the organisation regards them as important, meaningful and worthwhile assets. Thus, participatory management and job security concern may increase employees' OBSE. A number of studies actually show that employees' self-esteem is affected by participatory management (e.g. French and Caplan, 1972; Margolis et al., 1974) and job security (Kohn and Schooler, 1973).

A high level of OBSE implies a correspondingly high level of experienced personal competence and organisational worth. Such a psychological state is need-

satisfying and thereby leads employees to position the organisation as a need-satisfying agent in their life. In other words, because the organisation satisfies needs, employees are likely to integrate the organisation into their lives, to internalise the organisation, and to make its goals and value systems part of their own (Pierce et al., 1989). Thus, high OBSE will lead to high AC.

### **3.4.2 Self-Efficacy**

Self-efficacy results from the gradual acquisition through experience of complex cognitive, social, linguistic, and/or physical skills (Gist, 1987). Bandura (1986) defines self-efficacy as “people’s judgements of their capabilities to organize and execute courses of action required to attain designated types of performances. It is concerned not with the skills one has but with the judgements of what one can do with whatever skills one possesses” (p. 391, cited in Lee and Bobko, 1994, p. 364).

This definition can be reinterpreted in three respects. First, self-efficacy may be seen as a comprehensive summary of the individual’s perceived capability to perform a specific task. Secondly, self-efficacy is a dynamic construct – i.e. the assessment of efficacy changes with the acquisition of new information and experience. Thirdly, efficacy beliefs involve a mobilisation component; self-efficacy reflects a more complex and generative process that involves the construction and orchestration of adaptive performance to fit changing circumstances. Thus, those who have the same skills may perform differently according to the utilisation, combination and sequencing of their



skills in an evolving context. In sum, self-efficacy is an important motivational construct which affects individuals' goals, choices, effort, emotional reactions, and coping and persistence (Gist and Mitchell, 1992).

In an organisational context, the information gained from individuals, work tasks and the work environment may contribute to the wide-ranging assessment of capability. However, the actual impact of certain related information on a person's feeling of self-efficacy relies on how the person cognitively evaluates the information. Subjective perceptions of personal and situational factors have more influence than objective reality on the efficacy expectations. In particular, in relation to enactive mastery experience, which is defined as repeated performance accomplishments and is regarded as the most influential information cue in enhancing self-efficacy, the change of self-efficacy comes not from performance itself, but from what the individual personally makes of diagnostic information resulting from that performance. Thus, the estimation of personal efficacy is a cognitive process that involves more factors than just executed action, and includes situational factors (such as type of supervision) and a person's perception of whether ability is perceived as a given entity or an acquirable skill. If employees conceive ability as an incremental skill, they tend to spend more time diagnosing the task, and to be less prone to the negative impact of failures, thereby ultimately maintaining higher levels of personal efficacy (Stajkovic and Luthans, 1998). Here, several factors are presented as the situational factors that make employees conceive ability as an incremental skill: job complexity, participatory management, favourable training policies and practices, role clarity, job security concern, co-worker support, and supervisory support.

Gist and Mitchell (1992) argue that complexity pertaining to a job is an important factor in the formation of self-efficacy. In fact, Zhou's (1998) study reveals that feedback style and autonomy interact to affect employees' creativity through intrinsic motivation. That is, when the feedback recipients receive are in control of their own behaviours and actions (informational feedback), as opposed to the feedback giver's demands or restrictions being imposed on the feedback recipients, their creativity increases. Employees' increased creativity provides employees with the potential to be continuously exposed to enactive mastery.

Participatory management emphasises employees' initiative and contribution to organisational responsiveness in a competitive external environment. In participative climates, the acknowledgement, creation and liberation of employees are valued. On the other hand, control, order and predictability are valued in non-participative climates (Spreitzer, 1996). Because employees are encouraged to be creative and show initiative in participative climates, they may expose themselves more to enactive mastery. Thus, participatory management may increase their self-efficacy.

Favourable training policies and practices can be an effective part of learning (Tannenbaum, 1997). As a strategy to increase employees' self-efficacy, Gist and Mitchell (1992) suggest that the organisation provides employees with training that directly improves their abilities (or understanding of how to use abilities successfully in performing the task). Thus, favourable training policies and practices may enhance employees' self-efficacy.

Role clarity and job security concern can also affect employees' continuous learning. If employees' roles are very clear, they are more likely to grasp what abilities they should develop. Likewise, if they feel that their jobs are safe, they might more

actively develop skills required in their jobs, which would contribute to their learning. Thus, role clarity and job security might help employees to increase their level of self-efficacy.

The persuasion of others whose expectations are positive may create the so-called Pygmalion effect<sup>25</sup>, and self-efficacy may be involved in this. In fact, information about self-efficacy can be derived from persuasion, and the success of persuasion relies on the dependability of the source and the source's knowledge of task demands (Gist, 1987). Supervisors and co-workers are likely to be others whom the employee trusts and sees as competent in the workplace. Thus, supervisors' and co-workers' positive evaluation may enhance the individual's belief that he/she has what it takes, thereby increasing his/her self-efficacy.

Moreover, individuals who have high efficacy expectations (high self-efficacy) are likely to regard themselves as persons with a sense of personal adequacy as organisational members. Thus, individuals with a high sense of self-efficacy are likely to perceive themselves as important, meaningful and worthwhile organisational members (Gardner and Pierce, 1998). Hence, self-efficacy is likely to increase OBSE.

### **3.4.3 Perceived Organisational Support (POS)**

POS refers to the employees' global beliefs concerning "the extent to which the

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<sup>25</sup> "The Pygmalion effect refers to enhanced learning or performance resulting from the positive expectations of others" (Gist, 1987, p. 477).

organization values their contributions and cares about their well-being” (Eisenberger et al., 1986, p. 500). Beliefs about organisational support may be encouraged by employees’ anthropomorphic ascription of dispositional traits to the organisation (Shore and Shore, 1995). Levinson (1965), as summarised by Eisenberger et al. (1997), suggests that such personification of the employer is instigated by its legal, moral and financial responsibility for the actions of its agents; by organisational policies, norms and precedents that provide continuity and prescribe role behaviour; and also by the power that the organisation exerts over its employees through its agents.

Whereas organisational commitment is concerned with employees’ attitudes toward the organisation, POS is related to employees’ perceptions of the organisation’s attitude toward them (Shore and Tetrick, 1991). Exploratory and confirmatory factor analyses demonstrate that POS is empirically distinguishable from affective commitment (Shore and Tetrick, 1991; Eisenberger et al., 1990), continuance commitment (Shore and Tetrick, 1991), effort-reward expectancies (Eisenberger et al., 1990), leader-member exchange (Wayne et al., 1997; Settoon et al., 1996), and job satisfaction (Eisenberger et al., 1997).

Organisational policies and decisions are often taken as the demonstration of the organisation’s intent rather than the attribution to the inclinations of particular individuals (Eisenberger et al., 1997); and, the organisation’s action that benefit employees should be seen as discretionary and as reflective of positive evaluation by the organisation in order for POS to be enhanced (Shore and Shore, 1995). Thus, POS will be increased if employees perceive that increases in material rewards and symbolic rewards are provided by the organisation’s own disposition. However, POS will be reduced if such rewards are perceived as emanating from external factors such as a

strong union or government regulation (Eisenberger et al., 1986). Thus, POS is influenced by policies, procedures and decisions indicative of the organisation's concern with employee welfare and a positive evaluation of employee contributions (Armeli et al., 1998). In fact, a positive relation has been found between POS and the following discretionary actions that benefit employees: high-quality employee-supervisor relationships, favourable developmental training experiences, and promotions (Wayne et al., 1997); participation in goal setting and the receipt of performance feedback (Hutchison and Garstka, 1996); low role conflict and ambiguity (Jones et al., 1995); and procedural justice in performance-appraisal decisions (Fasolo, 1995). These results suggest that POS is affected by (1) employees' perceptions that supervisors (or top management) are trustworthy and supportive, and (2) discretionary human resource practices that benefit employees.

Based on the above statements, 11 variables are here identified as the antecedents of POS: role clarity, favourable training policies and practices, job complexity, promotional chances, job security concern, participatory management, skills/knowledge transferability, distributive justice, formal procedural justice, interactional justice, and supervisory support.

Some human resource practices, including job security, distributive justice, participatory management, promotional chances, and favourable training policies and practices, may signal that the organisation values employees' contributions and cares about their well-being (Wayne et al., 1997). That is, employees may view job security, participatory management and distributive justice as representative of the value placed by the organisation on their contributions to the organisation (Hutchison and Garstka, 1996). Moreover, the organisation's policies that are designed to give employees more

promotional chances and favourable training may lead employees to perceive that the organisation trusts their potential and cares about their well-being.

Formal procedural justice may also affect employees' POS. The self-interest model (Lind and Tyler, 1988) assumes that people are motivated to maximise the material outcomes received from their exchange relationships. Although people ideally prefer to maximise both their short-term and long-term outcomes, they are relatively unaffected by negative short-term outcomes if they believe that the outcomes are favourable in the longer term. Here, because the procedures used to make the resource allocation decision are usually perceived to be stable and enduring, the information about procedures is used to make inferences about long-term outcomes (Brockner and Wiesenfeld, 1996). Thus, the more individuals perceive that procedures enacted by the organisation are fair, the more they are certain about their long-term outcomes, and this therefore leads them to infer that the organisation is supportive. Thus, formal procedural justice is likely to increase POS.

Moreover, given employees' anthropomorphic ascription of dispositional traits to the organisation, employees view many actions executed by organisational agents as representing the organisation itself (Eisenberger et al., 1997). In the workplace, supervisors are instrumental in providing career advice, training opportunities and emotional support as well as in determining salary increases (Wayne et al., 1997). Thus, employees are likely to view supervisory support and interactional justice as organisational supports.

Role clarity may also be a factor that leads individuals to infer POS. Individuals are likely to perceive an organisation as unsupportive if it does nothing to reduce the potential for the sorts of problems that arise when employees are allowed to work with

conflicting and ambiguous role expectations. On the other hand, if the organisation implements policies designed to make roles clear, employees may perceive these policies as representative of the organisation's concern for their well-being (Hutchison and Garstka, 1996).

As discussed in Section 3.4.1, by experiencing complex tasks, employees come to see their organisational roles as meaningful. Thus, if employees' jobs are redesigned enough to experience complex tasks, they may perceive such job complexity as representative of the organisation's concern for their well-being, thus enhancing their POS.

Dunford and his colleagues (1998) argue that employers should maintain and enhance employees' employability inside and outside the organisation if career systems are so radically changed that employees can not pursue their career within the organisation. If the organisation pursues employees' skills/knowledge that is transferable to other organisations, employees might perceive that the organisation cares about their well-being.

Moreover, POS is assumed to serve as a socio-emotional resource for individuals. Just as perceived support from friends satisfies individuals' socio-emotional needs, POS is assumed to meet individuals' important socio-emotional needs such as respect and approval in the workplace (Armeli et al., 1998), thereby promoting the incorporation of organisational membership and role status into employees' self-identity (Eisenberger et al., 1990). Thus, POS is likely to enhance employees' OBSE. In addition, if employees make attributions of organisational caring, on the basis of the norm of reciprocity, then their AC will increase (Shore and Shore, 1995). Thus, POS

will lead to an increase in AC. Shore and Tetrick's (1991) study shows that POS is correlated to AC.

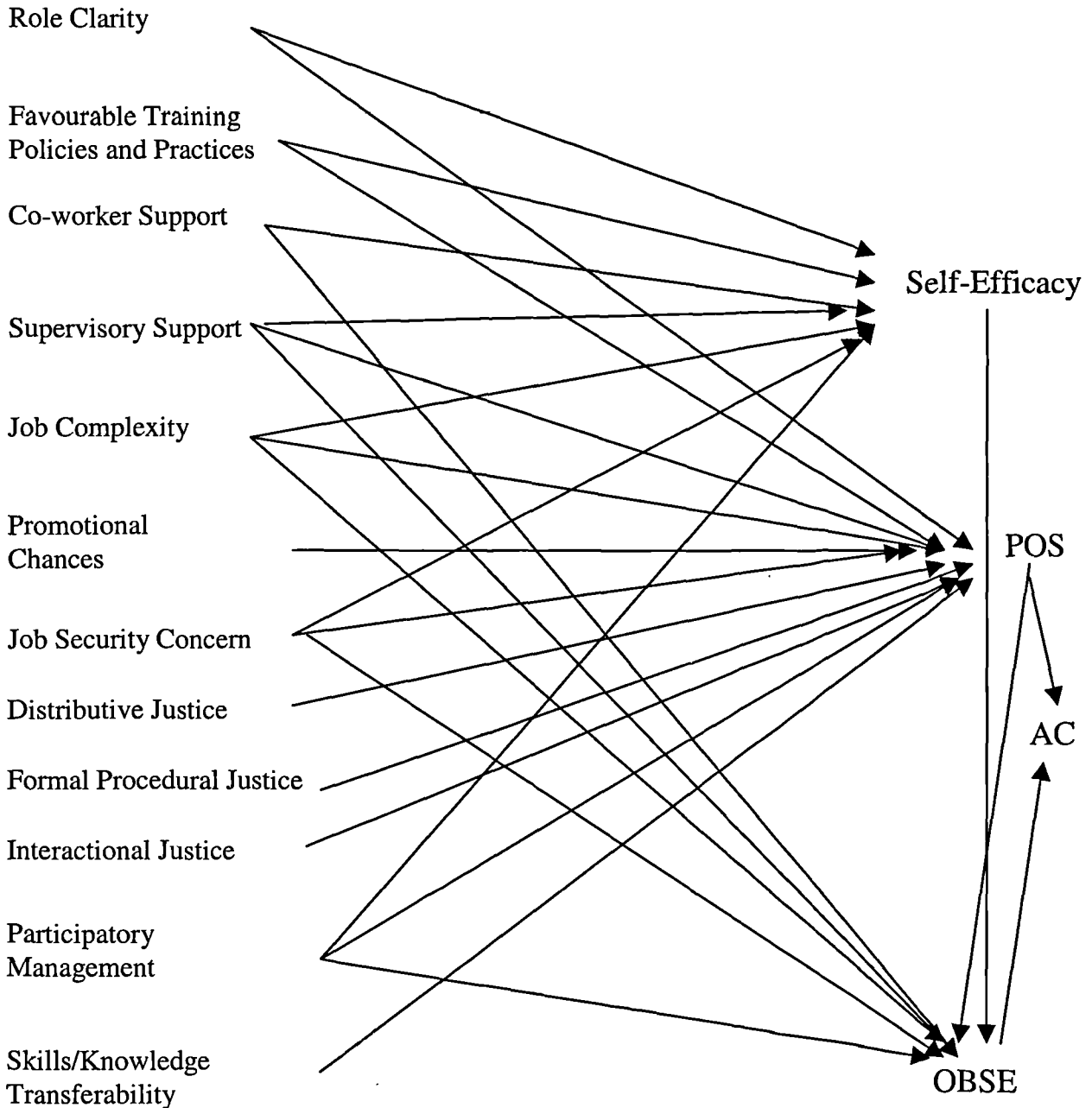
### **3.4.4 Control Variables**

As discussed in Section 2.3.1.1, because the relationship between demographic variables and affective commitment is neither strong nor consistent, and employees' work experiences appear to be most strongly and consistently related to their affective commitment to the organisation, this thesis focuses on those work experiences (i.e. employees' work experiences that enhance their sense of self-esteem, self-efficacy and POS). However, some individual characteristics appear to be related to employees' affective commitment, for example age and tenure (e.g. Hackett et al., 1994; Mathieu and Zajac 1990). Moreover, Schwoerer and May (1996) also argue that older employees are likely to possess more stable self-efficacy beliefs than younger employees because they have more cumulative and direct work experiences that can serve as a basis for this belief. Their argument indicates that some individual characteristics may be related to the three mediating variables (i.e. OBSE, POS and self-efficacy). In addition, the Korean context may produce different findings in terms of the relationship between individual characteristic variables and the endogenous variables (i.e. affective commitment, OBSE, POS, and self-efficacy). Thus, it might be useful to explore the possible links between individual characteristics and the endogenous variables in the Korean context. However, according to Mottaz (1988), although some demographic



variables are related to affective commitment, such variables themselves do not produce variation in affective commitment. Rather, different values and rewards are correlated with such variables, which leads such variables to appear as if they are related to affective commitment. Thus, he argues that such variables are not so much antecedents as correlates. Likewise, although some individual characteristics appear to be related to the three mediating variables, they might also be just correlates. Thus, the possible links between individual characteristics and the endogenous variables (i.e. affective commitment, OBSE, POS, and self-efficacy) will be also controlled, i.e. individual characteristic variables will be used as control variables. The whole causal model of the determinants of employees' AC is shown in Figure 3-1.

**Figure 3-1: The causal model of the determinants of employees' affective commitment to the organisation (Model 1)**



Positive Affectivity,  
Negative Affectivity,  
Demographic Variables



Four Endogenous Variables  
(Self-Efficacy, POS, OBSE, AC)

### **3.5 Summary**

This chapter first presented the underlying theories that help to explain the development of employees' AC – i.e. social exchange theory and symbolic interactionism. Based on these theories, employees' sense of self-esteem (operationalised as OBSE) was presented as a key mediating concept in developing their AC. Moreover, as other mediating variables, POS and self-efficacy were presented. In the research model, OBSE, POS, and self-efficacy affect employees' AC directly and/or indirectly. The antecedents of each of the three mediating variables were presented on the basis of their respective theories. These antecedents of each of the three mediating variables are postulated to be the determinants of employees' AC, and they will be used in the subsequent analyses to further reinforce the research aims, which will be discussed in detail in the next chapter.

## **Chapter 4: Research Aims, Hypotheses and Models**

### **4.1 Introduction**

Chapters 1 and 2 (i.e. Sections 1.1.1, 1.1.3, 2.3.1.4, 2.3.2) showed that maintaining a high level of employees' AC is a critical factor for successful downsizing, and the majority of downsized firms have not reaped the intended benefits of downsizing mainly because of survivors' reduced AC. Thus, this thesis seeks to examine some issues that can provide us with useful information concerning the successful management of employees' AC. First, we will examine the mechanism through which downsizing affects employees' AC; secondly, we will investigate whether employees' AC is really important in terms of OCB; and finally, we will examine how employees' AC develops. These issues constitute the building blocks for the research aims, models and hypotheses. Chapter 3 identified the determinants of employees' AC that are needed in order to examine the mechanism through which downsizing affects employees' AC. Thus, the independent variables in Model 1 (Figure 3-1) are used to denote the employees' daily work experiences that are analysed in relation to downsizing.

## 4.2 The First Research Aim

The first research aim is to investigate the mechanism through which downsizing affects employees' AC.

Organisational downsizing has the potential to produce a stressful encounter for survivors (Brockner et al., 1988). Survivors may view downsizing as an irrevocable loss in terms of their valued co-workers. Moreover, organisational downsizing involves the perception of uncertainty within the organisational context (e.g. Hui and Lee, 2000). For example, survivors may feel that they are not sufficiently empowered to take an active role in their work, thereby making them feel inadequate in the face of downsizing (Mishra and Spreitzer, 1998). These downsizing-induced stresses can lead to employees' reduced AC (Brockner, 1988b). Thus, downsizing itself may reduce employees' AC.

It is worth noting that the extent of the employees' reduced AC may differ according to the varying degrees of severity of downsizing. According to Jick (1985), survivors are considerably more stressed when there is severe downsizing than when there is only mild downsizing. Brockner et al.'s (1988) research confirms that surviving employees have much less AC in the face of severe, rather than mild, downsizing (operationalised by the percentage of the dismissed workforce). Thus, the more severe the organisational downsizing, the lower employees' AC is likely to be. This aspect is concerned with the direct impact of downsizing on employees' AC, as shown in Part I-1 of Model 2 in Figure 4-1.

*Hypothesis 1(a): The more severe the extent of downsizing, the lower employees' AC.*

In addition to the direct impact of downsizing on employees' AC, downsizing might affect employees' AC through employees' daily working experiences (i.e. indirectly). As discussed in Section 1.1.1, Cameron (1994a) argues that downsizing wittingly or unwittingly has an impact on work processes, i.e. it affects what work gets done and how it gets done, because fewer employees are available to do the same amount of work. Thus, downsizing may affect employees' perceived daily work experiences. Moreover, as discussed in Section 2.3.1.1, employees' AC is strongly and consistently affected by work experiences that communicate the organisation's supportiveness of employees (e.g. promotional chances, role clarity and supervisory support), the fair treatment of employees (e.g. distributive justice, formal procedural justice and interactional justice), and the enhancement of the sense of personal importance and competence by appearing to value employees' contribution to the organisation (e.g. job challenge, participatory management, task autonomy) (Meyer and Allen, 1997). Thus, organisational downsizing can affect employees' AC through workplace changes resulting from downsizing. Brockner et al.'s (1993) study<sup>26</sup>, mentioned in Section 1.1.2, indicates that employees' AC is influenced by their perceptions of how the workplace has changed since downsizing. However, as in the case of the impact of the varying degrees of severity of downsizing on employees' AC, the extent of workplace changes caused by downsizing may differ according to the varying degrees of severity of downsizing. For example, the more severe the extent of

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<sup>26</sup> This study shows that change in the perceived intrinsic quality of the content of survivors' jobs is strongly related to change in survivors' AC.

downsizing, the fewer employees are available to do the same amount of work, the greater the likelihood of workplace changes.

Thus, analysing the indirect impact of downsizing on employees' AC consists of two parts. The first part considers whether the varying degrees of severity of downsizing affect employees' daily work experiences, as shown in Part I-2 of Model 2 in Figure 4-1. The second part considers whether employees' daily work experiences affect employees' levels of AC, as shown in Part I-3 of Model 2 in Figure 4-1. Thus, Parts I-2 and I-3 of Model 2 in Figure 4-1 indicate the indirect impacts of downsizing on employees' AC.

*Hypothesis 1(b): Downsizing affects employees' AC through employees' daily work experiences. That is, downsizing affects employees' daily work experiences that have an impact on employees' AC.*

Hypothesis 1(a) is concerned with the *direct* impact of downsizing on employees' AC, while hypothesis 1(b) concerns the *indirect* impact of downsizing on employees' AC. However, because no one has yet examined whether downsizing actually affects employees' work experiences, we do not know whether downsizing actually affects employees' AC *indirectly*. Thus, hypothesis 1(b) remains exploratory. Moreover, even though downsizing might affect employees' AC both *directly* and *indirectly*, we do not know which impact is stronger. If the *indirect* impact is stronger, this indicates that management has more room to intervene in managing employees' AC through employees' daily work experiences in the process of downsizing. Thus, in line with the investigation of hypotheses 1(a) and 1(b), we will examine whether the *direct*

impact or *indirect* impact is stronger. This task is exploratory, and therefore the first research aim is exploratory.

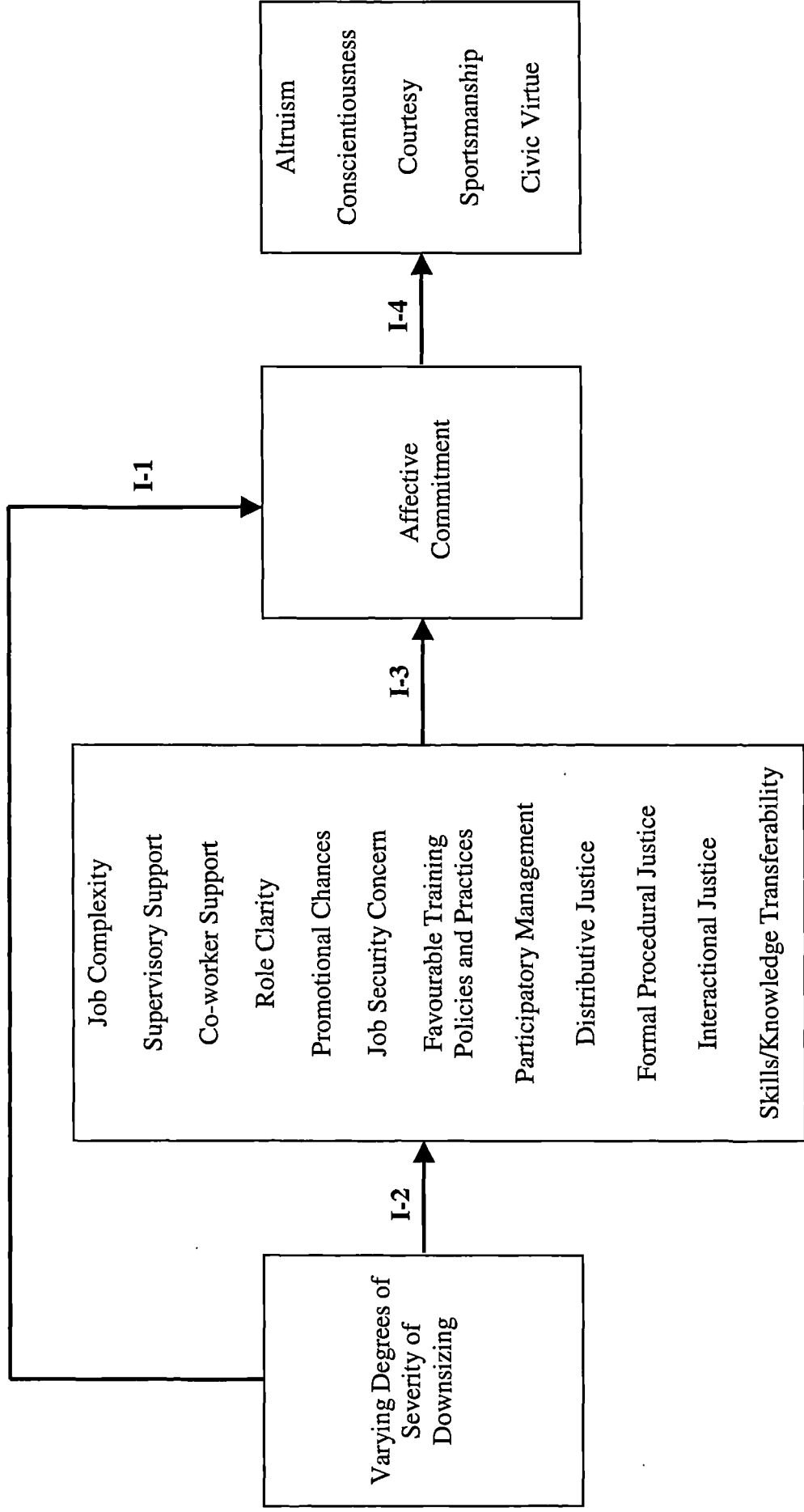
### **4.3 The Second Research Aim**

The second research aim is to investigate whether employees' AC is really important in the downsizing context (especially, in the case of Korea). As discussed in 2.3.2.2, OCB provides the flexibility needed to work through many unforeseen contingencies and, aggregated over time and persons, enhances organisational effectiveness and performance. In fact, as discussed in Section 1.1.1, downsizing has been a favoured strategy to achieve efficiency and flexibility. Thus, if employees' AC has a positive impact on OCB, it can be said that employees' AC is very important in the downsizing context. The second research aim is shown in Part I-4 of Model 2 in Figure 4-1.

*Hypothesis 2: Employees' AC has a positive impact on OCB even in the Korean context.*



**Figure 4-1: The model of the relationships between downsizing, employees' affective commitment to the organisation and organisational citizenship behaviour (Model 2)**



## 4.4 The Third Research Aim

If downsizing affects employees' AC both directly and indirectly and its indirect impact is stronger than or at least as strong as the direct impact, and if employees' AC is really important in terms of OCB, it is important to know the determinants of employees' AC and to understand how and why such determinants affect employees' AC in order to manage downsizing effectively. Figure 3-1 in Chapter 3 presents the causal model of the determinants of employees' AC on the basis of social exchange theory and symbolic interactionism. This model is based on Meyer and Allen's (1997) suggestion that employees' positive work experiences may affect employees' AC through their sense of self-esteem. Thus, the third research aim is to examine whether the independent variables really do affect employees' AC via the three intermediate variables and, if so, whether OBSE is the most important of the three intermediate variables.

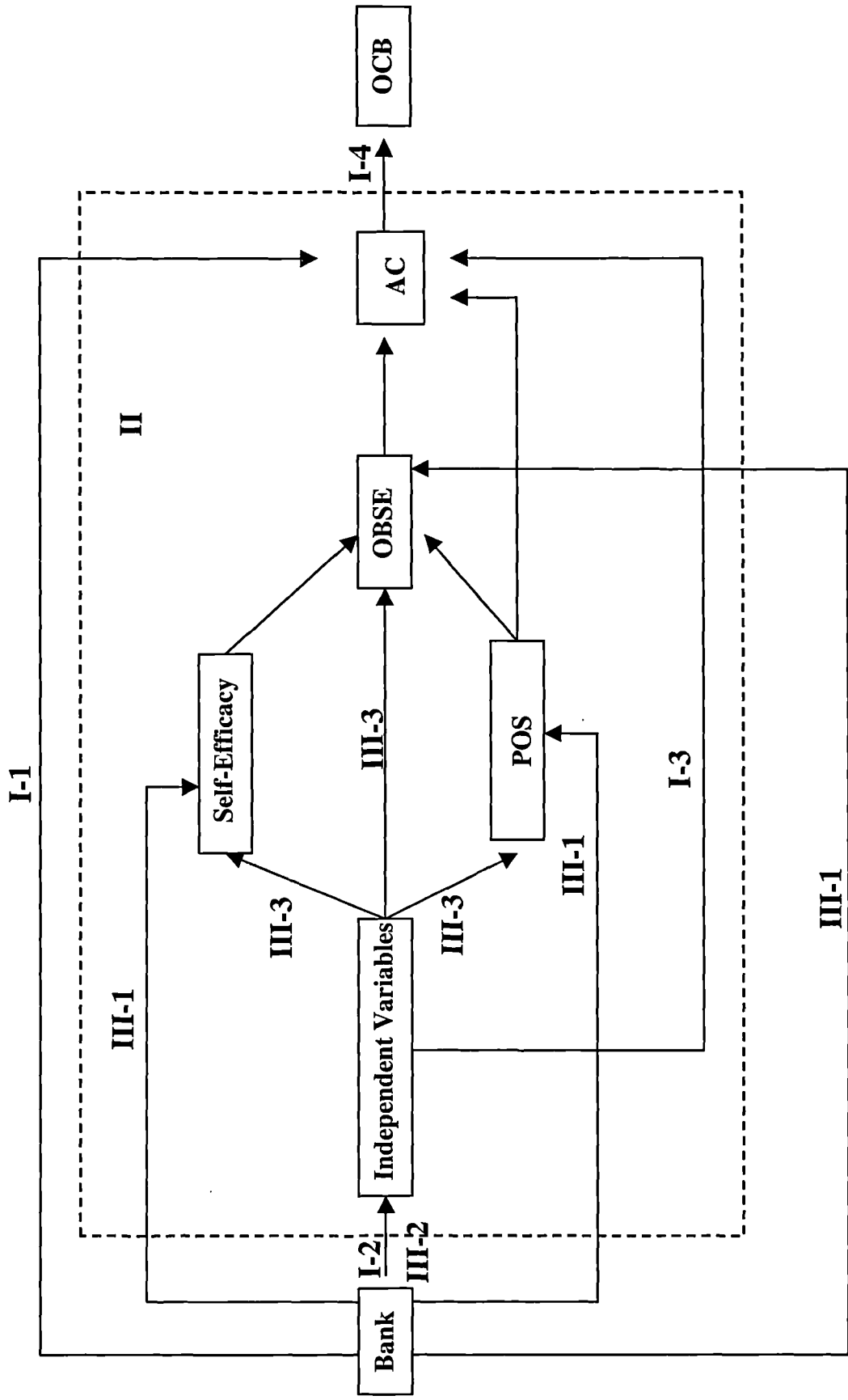
*Hypothesis 3: Employees' daily work experiences exert their influence on employees' AC through OBSE, POS and self-efficacy. Among the three intermediate variables, OBSE is the key mediating variable.*

## 4.5 The Overall Research Model

Model 3 in Figure 4-2 combines Models 1 and 2. Here, Model 2 is shown by Parts I-1, I-2, I-3, and I-4 (which examine the mechanism through which downsizing affects employees' AC and consider whether employees' AC is really important in terms of OCB). On the other hand, Part II (denoted by the dotted line) expresses Model 1, which examines whether employees' daily work experiences do really exert an influence on employees' AC through employees' sense of self-esteem. It is worth noting that although hypothesis 3 is validated, the question is raised of whether the three mediating variables (i.e. OBSE, POS, and self-efficacy) are affected only by employees' daily work experiences (i.e. independent variables). Downsizing may also affect the three mediating variables. It is possible that downsizing affects the three mediating variables more strongly than do employees' daily work experiences. If so, management does not seem to have much scope to manage employees' AC effectively in the process of downsizing. That is, even if management intervenes in the changes of employees' daily work experiences during or after downsizing in order to enhance employees' AC, this will not be very effective. However, if the three mediating variables are mainly affected by employees' daily work experiences, management has much more scope for managing employees' AC by intervening in employees' daily work experiences. Thus, we need to examine whether the three mediating variables are mainly affected by employees' daily work experiences or by downsizing itself, which is the focus of Parts III-1, III-2, and III-3. Thus, the examination of Part III is also exploratory, as in the case of Part I. Here, Parts I-2 and III-2 present the same part of the analysis.

Before examining the research aims, background information for the research sites will be provided, i.e. we will examine the different contexts of the two case-study organisations since the financial crisis, how these changed contexts have affected employees' daily work experiences, how the two case-study organisations are different in terms of managing their situations, and how such differences have affected the extent of changes of employees' daily work experiences. This part provides the information about the context in which the research aims are examined, and may offer a useful insight into the interpretation of the results of the subsequent analyses in relation to the investigation of the research aims. For example, if the two case-study organisations are different in terms of employees' daily work experiences (see Part I-2 of Model 2 shown in Figure 4-1), we need the information for interpreting such results. Moreover, in testing Model 1 (i.e. the causal model of the determinants of employees' AC) shown in Figure 3-1 in Chapter 3, some of the results in the sample of one case-study organisation might be different from those in the sample of the other case-study organisation. The background information for the research sites may help to interpret why such results are produced.

Figure 4-2: The overall research model (Model 3)



## 4.6 Summary

Three research aims were presented on the basis of the discussion of the previous chapters. The first research aim is to investigate the mechanism through which downsizing affects employees' AC. This includes an examination of whether downsizing affects employees' AC directly and/or indirectly (through employees' daily work experiences) and, if so, which impact is stronger. The second research aim is to investigate whether employees' AC is really important in terms of OCB. The third research aim is to examine whether employees' daily work experiences do affect employees' AC through their impacts on the three mediating variables (self-efficacy, POS, and OBSE) and whether OBSE is the key mediating variable. The overall research model, incorporating the three research aims, is presented in Figure 4-2.

# **Chapter 5: Methodology**

## **5.1 Introduction**

The previous chapters presented the research aims, the theoretical foundation of the research, and the models to be tested. The objective of this chapter is to explain the methodology employed for collecting and analysing the data required to achieve the research aims.

In order to test the research models empirically, cross-sectional data were collected by use of a structured questionnaire. Moreover, a number of interviews were conducted to provide the background information for the research sites. Section 5.2 discusses these research methods. Section 5.3 deals with the sample frame – i.e. the selection of the case organisations and the targeting of the research population. Section 5.4 discusses the research instruments employed for collecting data, including the questionnaire, interviews and data from secondary sources. Next, fieldwork procedures and associated problems are described in Section 5.5, together with an explanation of how those problems were overcome. Then, descriptive statistics on the achieved sample are provided in Section 5.6. Finally, Section 5.7 deals with the methods of data analysis.

## **5.2 Research Design**

### **5.2.1 Quantitative versus Qualitative Research**

Data are evidence and information about the world, and can include many different items. Based on their numerical form or form of words, data may be subdivided into quantitative and qualitative (Punch, 1998).

“The quantitative approach conceptualizes reality in terms of variables, and relationships between them. It rests on measurement, and therefore prestructures data, and usually research questions, conceptual frameworks and design as well” (Punch, 1998, p. 242). It typically uses larger samples than those in qualitative studies, and generalisation through sampling is of considerable importance. It is also characterised as having well developed and coded methods for data analysis that are generally more unidimensional and less variable than qualitative methods. Thus, it is more easily replicated. Context, however, is not seen as central, so data are typically stripped from their context. By contrast, the qualitative approach places more emphasis on context and process, on actual lived experience, and on local groundedness, and the researcher’s aim is to get as close as possible to what is being studied in order to achieve an in-depth, holistic understanding that accommodates the complexity of social life. Samples are usually small and it is not necessary to prestructure design and data. Qualitative methods are less formalised and less replicable than in the quantitative approach (Punch, 1998).



The two approaches have different strengths and weaknesses. The quantitative approach brings greater objectivity to the research in the sense that the results of the analysis do not reflect the researcher's own orientation and assumptions. Thus, it enables objective comparisons to be made. Moreover, the measurements involved in quantitative research make it possible to describe overall situations or phenomena in a systematic and comparable way (Punch, 1998). On the other hand, the quantitative approach yields few insights into the underlying meaning of the data. As Gable (1994) observes, "the stripping of context (e.g. reduced 'representability' or model complexity through the use of a closed survey instrument) buys 'objectivity' and testability at the cost of a deeper understanding of what actually is occurring" (p. 114).

The qualitative approach has the advantage that it reveals the subjective meanings attached by actors to events and situations. It is also more flexible than the quantitative approach because it does not rely on researcher-imposed constructs (see Punch, 1998). However, four major weaknesses of this approach have been identified: (1) the inability to manipulate independent variables; (2) the risk of improper interpretation; (3) the lack of repeatability; and (4) the lack of generalisability (Gable, 1994).

By combining the strengths and weaknesses found in a single method design, Jick (1983) argues, the two methods can be complementary. For example, whereas the results of a survey yield only a snapshot of the situation at a certain time, providing little information on the underlying meaning of the data, interviews can supply rich, detailed background on the research sites and help to interpret the results from a statistical analysis of the survey data (Gable, 1994). In fact, methodological justification for using both methods together

has been provided (e.g. Bryman, 1988; Gable, 1994), and Gable (1994) shows that the scope and depth of the research can be increased by combining the two approaches. He suggests that multiple methods are valuable in ascribing subjective meaning to the objective phenomenon measured.

According to Punch (1998), the type of data used, i.e. whether they are all qualitative or quantitative data, or the two types are combined, depends on the specifics of the particular research situation – i.e. “what we are trying to find out, considered against the background of the context, circumstances and practical aspects of the particular research project” (p. 61).

### **5.2.2 The Type of Data Needed to Achieve the Research Aims**

In Chapter 4, three research aims were proposed. The first aim is to explore the mechanism through which downsizing affects employees' AC; the second seeks to discover whether employees' AC has an impact on OCB; the third seeks to investigate the psychological mechanisms through which various antecedents exert their influence on employees' AC. These research aims seek to explore the relationships between variables. Thus, a survey questionnaire is appropriate for achieving these aims. This is because “the aim of questionnaire analysis is to examine patterns among replies to questions and explore the relationships between variables that the questions represent. This takes the form of seeing to what extent one variable is influenced by another” (May, 1997, p. 102).

In theory, a possible method for examining the research aims is a longitudinal survey. For example, the mechanisms through which downsizing affects employees' AC could be measured by taking repeated measures of the same respondents at one point in time before downsizing and at another point in time after downsizing. However, the 1997 financial crisis in Korea was an unexpected event, and downsizing was implemented very rapidly. Thus, a longitudinal survey was not feasible in the current research. Thus, models for investigating the research aims are essentially cross-sectional multi-causal models.

Moreover, as mentioned in section 4.5, before examining these research aims, the background information for the research sites is provided, in order to describe the context in which the research aims are examined and to help to interpret the results of the subsequent analyses. Thus, the background information for the research sites requires an investigation of insiders' perspectives on their organisations. Interviews seem to be the most appropriate method for investigating this information because "interviews yield rich insights into people's experiences, opinions, aspirations, attitudes and feelings" (May, 1997, p. 109). In addition to interviews, in describing the industry to which the two case-study organisations belong before and after the financial crisis, secondary source data from economic daily newspapers and internet home pages of the related organisations were used.

Thus, this thesis uses both qualitative and quantitative methods. The main research aims are examined using a quantitative approach. On the other hand, qualitative research helps to provide background information on the contexts of the research sites and this should facilitate the interpretation of relationships between variables in relation to the investigation of the research aims.

## 5.3 The Sample Frame

### 5.3.1 The Selection of Case-Study Banks

The case-study industry should satisfy two key criteria related to the research aims. First, the industry has carried out massive job cuts, and there should be contrasting experiences of job cuts among organisations in the industry. This criterion is highly relevant to the investigation of the first research aim. Secondly, the organisations in the industry should have a sufficiently large number of employees to enable the collection of at least 400 questionnaires per organisation. This is because structural equation modelling is used to investigate the third aim (see Section 5.7.1). Thus, big corporations satisfy the second criterion. In Korea, big companies come under the authority of Chaebols<sup>27</sup>. That is, Chaebols such as Hyundai and Samsung have numerous subsidiaries, which produce a vast range of products from electronic chips to ships. Accordingly, their job cuts have been carried out at the level of the Chaebol. It is in fact quite time-consuming to find case organisations with contrasting experiences of job cuts in the same industry. In the case of banking, however, 34 per cent of employees lost their jobs in 1998 (*Korea Economic Daily*, March 9, 1999), and banks have clearly had contrasting experiences of job cuts. In the case of big banks, for example, employee curtailment ranged from 6 per cent to 39.1 per cent in 1998. Thus, the banking industry is a suitable choice of industry for the present study.

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<sup>27</sup> A Chaebol is a family-owned conglomerate.

Because of time limitation, the number of case organisations was restricted to two. The criteria for selecting two banks are: (1) the banks, before the financial crisis, had similar characteristics, including employees' daily work experiences and human resource practices such as promotion and salary systems, etc; (2) the banks have had contrasting experiences in terms of job cuts. In fact, all Korean banks satisfy the first criterion. The researcher met numerous employees of Korean banks, and they all stated that Korean banks had shared similar characteristics before the financial crisis, and that they have all experienced similar changes since the financial crisis in terms of daily work experiences and human resource practices. Thus, contrasting experience of job cuts was the only consideration for selecting banks. Thus, the two banks with the most and the least job cuts were selected – i.e. K bank (15.06 per cent job cuts between 1998 and 1999) and B bank (40.39 per cent job cuts between 1998 and 1999). Moreover, both banks are nation-wide big banks and are the healthiest and the weakest banks in the Korean banking industry. Thus, together the two banks are good case-organisations for investigating the research aims.

### **5.3.2 The Target Population**

The target population is full-time employees. The Korean banks have employed part-time employees since the financial crisis. Most of them are female and have worked in the banking sector in the past. They are normally hired in branches for a few days when

full-time employees are extremely pressured with work. Thus, they are irrelevant to the current research, since the focus is on the impact of downsizing on survivors' AC. Thus, they are excluded. Moreover, for K bank, employees from two merged banks are also excluded. K bank has merged with two insolvent small banks since the financial crisis. The two merged banks were latecomers in the banking sector. Both merged banks offered much higher salaries than other big and older banks in order to attract highly educated employees before the merger. Moreover, because the two merged banks were new banks, employees' promotion, which was based on seniority, was much faster than promotion in other big banks. For example, in terms of age equivalence, employees were general managers in K bank but were senior managers in both merged banks. Thus, after the merger, according to the agreement, the salaries of employees from the two merged banks were to be reduced gradually until they reached the level of K bank employees, and their promotion was to be frozen until the employees from K bank and the two merged banks reached the same position. Thus, the commitment of the merged bank's employees to K bank might be very low and thus might have produced potential bias for the research if they had been included in the targeted population. Moreover, they were not in a position to describe the changes of daily work experiences since the financial crisis, because at that time they were not employees of K bank.

## **5.4 Research Instruments**

### **5.4.1 Questionnaire**

In developing a survey questionnaire, the author followed a four-step process suggested by Bagozzi (1994): to clarify the definitions of variables; to generate the items for measuring the variables; to perform a critical review; to revise the questionnaire.

The definitions of variables in the models are clarified in the subsequent analysis chapters. Based on the definitions, the items of the questionnaire were taken from existing measures. This is because the use of uniform measures makes it easier to compare the results and facilitates theory building (Price, 1997). Next, the questionnaire was reviewed by three academics with experience in questionnaire design and knowledge of organisational commitment. The purpose was to assess the content validity of the items. Then, their suggestions were incorporated. Finally, the questionnaire was translated into Korean. The Korean version of the questionnaire was piloted and minor changes were made. The following sections provide more details of the process of questionnaire development.

#### 5.4.1.1 Measures

Most variables in the models focus on how an employee perceives and reacts to his or her working environment. Thus, the variables are assessed with perceptual measures. Such measures have long played a key role in studies of employee attitudes and behaviours (e.g. Hackman and Lawler, 1971; DeCotiis and Koys, 1980). For instance, once employees perceive that they have job autonomy, job autonomy is likely to have an impact on some of their attitudes, such as job satisfaction. Although some argue that the individual characteristics each employee brings to the workplace might contaminate the perceptual measures (e.g. House, 1980), this is unlikely to be a major methodological shortcoming in this research because the research models control several individual characteristics. Moreover, Price (1997) doubts that objective measures are inherently more valid and reliable than subjective measures. In fact, Oldham's (1996) review of methods involved in the Job Diagnostic Survey shows incumbent-observer job rating convergence, thereby suggesting that individuals generally provide descriptions of their jobs that reflect objective conditions.

Multi-item scales whose psychometric properties are well supported in the literature were used for all variables in the models. All scale items use a 7-point Likert-type scale with response choices ranging from 1=strongly disagree to 7=strongly agree (for two variables, "participatory management" and "job complexity", the verbal anchors from 1 to 7 are different).



### **5.4.1.2 The Format of the Questionnaire**

The presentation of items in the questionnaire was based on grouping the items for each construct together. The questionnaire format that scatters items randomly can create some problems: the respondents might think that the author asks the same questions repeatedly, and some readability might be lost. Price found these problems in his 1992 survey of Wilford Military Medical Retention with the scatter approach, and recommended that the present researcher should group the items together<sup>28</sup>.

An explanation of the research objective and a guarantee of anonymity were provided on the cover of the questionnaire. The questionnaire was structured into sections, each of which measured one construct. At the top of each section, explanations were provided to ensure that the questions were interpreted correctly by the respondents. For example, in the section on supervisory support, where Kim's items were used, Kim's definition of supervisor was provided – “the person who most often officially assesses your performance” (Price, 1997, p. 496).

### **5.4.1.3 Potential Biases**

Several potential biases may be produced in using self-completion questionnaires.

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<sup>28</sup> The author communicated with Professor James Price by e-mail about the presentation of items.

They are: response pattern bias, social desirability bias, and a bias arising from semantic problems. The response pattern bias arises from respondents' finding of some form of pattern to the first part of the questionnaire and the assumption that the pattern will be repeated (Bennett, 1991). Oppenheim (1992) maintains that the incorporation of both positively- and negatively-worded items dealing with the same issues is a way of minimising the effects of subject response pattern bias. Many of the scale items were therefore reverse coded to prevent possible response pattern bias.

Social desirability bias refers to the tendency to say good rather than bad things about oneself (Nunnally, 1978). Thus, there is a potential threat to shift upward in the distribution of responses, especially when the items concern ego-flattering issues (Podsakoff and Organ, 1986). One way of minimising social desirability bias, according to Oppenheim (1992), is to impress repeatedly on the respondents that the primary requirement is accuracy and, moreover, there is no best answer. Thus, following Oppenheim's suggestion, the importance of accuracy was emphasised on the cover of the questionnaire, and the author also stressed, when distributing the questionnaire, that the respondents should express what they thought.

A bias arising from semantic problems occurs in communicating the meaning of items to subjects (Nunnally, 1978). One of the methodological weaknesses in using a questionnaire is that the researcher has no control over how the subjects interpret the questions. The subjects might interpret the questions differently from the researcher's intention (May, 1997). Thus, in order to overcome this potential problem, as explained in Section 5.4.1.2, some short notes were provided at the top of each section. Moreover, an

effort was made to minimise the problems inherent in simple translation, including linguistic or psychometric nonequivalence, between the two different language versions (Hulin and Mayer, 1986). The author translated the English version of the questionnaire into Korean. Then, the translation was modified based on a review by a Korean who obtained her PhD in English literature at the University of Glasgow. Before she started her PhD in Scotland, she had worked as a researcher in a Research Centre in Korea and her job was to edit materials mainly concerned with Sociology and to translate them into English. Thus, she had considerable knowledge of social science. Then, the Korean version of the questionnaire was reviewed by two Korean Americans who were doing PhDs in social science and were proficient in both Korean and English. Finally, the questionnaire was piloted to check the contextual equivalence between the two linguistic versions.

#### **5.4.1.4 Piloting**

The questionnaire was piloted among six bank employees who were working for the K and B banks (four males and two females). Their positions ranged from clerks to senior managers. The males had university degrees, while the females had high school degrees. Following completion of the pilot questionnaire, the author and respondents had a meeting to discuss the questionnaire. In the discussion, the author explained the aims of the research and the definition of the constructs. Then, each item was reviewed. The respondents were invited to be critical and to suggest improvements to the questionnaire. Because the author

has known these individuals for a long time, they were very eager to make suggestions for improvement. Because the review was done item by item, the meeting was held twice and it took seven hours to review the whole questionnaire. Based on the meeting, some minor changes were made to the questionnaire. Then, finally, the questionnaire was edited by the author's high school teacher, who teaches the Korean language. The editing was mainly concerned with the spacing of words and orthography. Then, the questionnaire was distributed. The full texts of the questionnaire in both the English and Korean versions are shown in Appendices I-1 and I-2.

### **5.4.2 Interviews**

Semi-structured interviews were conducted to obtain the background information for the research sites, including the meanings attached by employees to the organisational changes resulting from the financial crisis (i.e. downsizing) and their view of the organisation. The specific aims of the interviews were twofold. The first was to investigate why the two organisations have implemented downsizing and how such downsizing affects employees' daily work experiences. Secondly, the aim was to explore how the different managerial approaches to confronting the situation in the two organisations affected employees' daily work experiences.

An interview schedule was developed to guide the questioning. The interview questions ranged from demographic concerns to changes of employees' daily work

experiences. In the interviews, the same questions were asked at different points in a slightly different way, and a series of questions on related themes were asked in order to establish internal consistency. Moreover, the researcher did his best to make every respondent understand a given question in the same way. For example, when the respondents were asked about a theme concerning a determinant in the models, the definition of the determinant was provided and, where necessary, the items for measuring the determinant were given to explain the definition more clearly. Moreover, in conducting the interviews every effort was made to guard against leading questions or causing bias in the interviewees' answers. After completing the interviews, the author sent each interviewee a report of findings for his or her interview to check that his or her views were fairly and accurately represented. Then, confirmation phone calls were made to make sure that he or she was satisfied with the contents of the report. In these phone calls, respondents were invited to answer some questions that had passed unnoticed during the interviews. Thus, more data were obtained and some minor errors were identified.

### **5.4.3 Data from Secondary Sources**

Information concerning the general picture of the banking industry was obtained from various secondary sources such as journals and daily economic newspapers. The information covered such issues as the banking industry before the financial crisis, the causes of the financial crisis, and the changes in the industry after the financial crisis. In

order to obtain the information, the author referred to a database that filed the information from journals and daily economic newspapers. In the database, there was much useful information on the restructuring of the banking sector. In fact, many newspapers published series of articles about the banking industry, especially in 1998. This information helped the author to grasp how the banking industry has changed since the financial crisis. In addition, some official statistics published by the Bank of Korea and the Financial Supervisory Commission were used in describing the general situation of the banking industry.

## **5.5 Fieldwork Procedures and Associated Problems**

The fieldwork was carried out from the end of November 1999 to early May 2000 at K and B banks. It included both the distribution and collection of the questionnaire, a number of interviews at both case-banks, and the Financial Supervisory Commission (FSC), which is in charge of restructuring in the financial sector. The fieldwork process, the problems encountered in carrying out the fieldwork, and the steps taken to overcome these problems are explained in more detail in this section.

The author first collected data relating to the banking industry, including traditional business practices, human resources practices, and restructuring since the financial crisis, from existing secondary sources such as journals and newspapers. Next, a member of the

FSC was interviewed to gain a general view of the restructuring process in the Korean banking industry. The interview questions were chosen based on the secondary source information. The FSC staff provided several written documents concerned with the restructuring of the banking sector.

The next step was to gain research access to both banks. The author's intention was first to persuade the banks to take part in the research. Next, the plan was to visit the Personnel Management and Strategic Planning Departments of both banks to obtain employees' demographic information and their addresses, as well as a general picture of restructuring. Then, the intention was to distribute and collect the questionnaires. The final intended step was to interview some employees.

It was essential to have personal connections with the top management of each bank in order to gain access to the organisation. This is because Korean organisations try to hide information from outsiders. Thus, the author asked a Korean friend to introduce him to some persons in the case-banks. The Korean friend is a member of the board of a German investment company in Korea and has wide acquaintance with members of the staff of Korean banks. Thus, he introduced the author to two foreign currency dealers who worked for K and B banks. The author consulted with them about the matter of access to the banks. However, they took a sceptical view of getting permission from the banks to do research. According to them, it would not be possible to persuade the banks to participate in the research project unless the author had personal connections with the presidents of both banks. They mentioned that the boards of directors of the banks would be afraid that bad

management practices would be exposed to outsiders. In fact, the persons taking part in the pilot study had expressed similar concerns.

According to the dealer of K bank, however, there were two possible means to distribute the questionnaire to the employees. The first method was through the union. He stated that the author could obtain the employees' home addresses from the union of the bank if the author could convince the union leaders that the research was being carried out for purely academic objectives. The second means would require the author to make personal contact with a person in each branch, and then to distribute the questionnaire to branches by himself. The dealer of B bank advised the author not to adopt the first method because of the likely low response rate. In the past, according to him, one person had obtained employees' addresses and mailed the questionnaires to respondents. However, the response rate was less than 5 per cent. The dealer of B bank recommended the author to adopt the second strategy. The author took this advice. Before distributing the questionnaire, the author visited the Personnel and Strategic Planning Departments to obtain the information about demographics and bank restructuring. The two dealers introduced the researcher to persons in the departments of the two banks.

When the author visited the Strategic Planning Department of K bank, he explained the research objectives to the person whom the dealer of K bank had introduced. Then, this person introduced the author to a general manager who was in charge of the restructuring issue. Fortunately, this general manager studied at the same university as the author in England several years ago. Moreover, when the researcher visited the Personnel Department of K bank, he met another person with whom he had lodged at the same house



about 12 years ago, and this person was in charge of preparing new promotion and salary systems. Thus, the author could easily obtain the information about employees' demographics and restructuring issues.

At B bank, the author met two general managers who were in charge of the restructuring issue and could obtain the necessary information. However, the general manager in the Personnel Department was reluctant to provide accurate figures concerning the employees' demographics and the reduction in earnings since the financial crisis because this would take a lot of time. Instead, he offered rough estimates.

The next step was to distribute and collect the questionnaires. The author's friends and relatives helped him to gain access to a number of branches and departments, and to distribute the questionnaires. In fact, all the friends and relatives of the author were mobilised in gaining access to branches and departments. In addition, the author obtained the alumni list from his high school, and phoned all of those who were working in the two banks to ask for their help in distributing the questionnaire. Most agreed to help. Moreover, one of the author's professors in Korea phoned his ex-students who were working in the two banks and asked them to help. Thus, the author was able to gain access to many branches and explained the aims of the research. It was stressed that there were no correct answers and that the respondents must offer their own best answers. The collection was normally done one week after the questionnaires were distributed.

In distributing and collecting the questionnaire, the information concerning the employment rate that each level occupied in the hierarchy of the organisation was very important. This was because the research was not officially approved by the two banks and

mailing was not used in distributing the questionnaire. The author distributed the questionnaire to a number of branches and departments of the headquarters by himself. Thus, there was a potential risk that the selected samples might not represent the population. For example, under the condition that the employees of the headquarters accounted for 16 per cent of total bank employment, if 30 per cent of the sample came from the headquarters, this would not represent the population. Thus, the author paid careful attention to the selection of the sample, and the data from the Personnel Department were very helpful in this respect.

Both banks were composed of three hierarchical levels – the headquarters, regional headquarters, and branches. K bank had 19 departments in the headquarters (1,855 employees), 9 regional headquarters (479 employees), and 527 branches (9,149 employees). Thus, the employees in the headquarters amounted to about 16 per cent of all employees; employees of the regional headquarters constituted about 4.2 per cent; and employees in branches, about 80 per cent. The headquarters of B bank consisted of 19 departments and 5 teams, 11 regional headquarters, and 291 branches. Employment in the headquarters constituted about 16 per cent of total employment; employment in the regional headquarters, about 4 per cent; employment in branches, about 80 per cent. The author was very careful when distributing and collecting the questionnaire that the rate of collected questionnaires at each level coincided with the rate of the population.

For K bank, 105 questionnaires were distributed to six departments at the headquarters. For the departments that had more than 100 employees, 25 questionnaires were distributed, while 15 questionnaires were distributed to the departments that had less

than 100 employees. For the headquarters, a total of 75 questionnaires were collected. 30 questionnaires were distributed to two regional headquarters situated in Seoul, and 21 questionnaires were collected. In addition, 635 questionnaires were distributed to 58 branches situated in Seoul and its satellite cities, and 447 were collected. Ten or 15 questionnaires were distributed to each branch, depending on the number of employees in the branches. In total, 543 out of 770 questionnaires were collected, amounting to a response rate of 70.7 per cent. The number of usable questionnaires was 456. Although the questionnaire was distributed to branches in Seoul and its satellite cities, this seemed not to produce a bias because employees periodically rotated to other branches between Seoul and other local cities. In fact, many employees moved to other branches in the interval between the distribution and collection of the questionnaire, in late January 2000. Thus, among the questionnaires that were distributed, there were many cases where the whole questionnaire was not completed.

For B bank, 120 questionnaires were distributed to seven departments at the headquarters, and 78 were collected. In each department, 15 or 20 questionnaires were distributed. 30 questionnaires were distributed to two regional headquarters situated in Seoul, and 18 were collected. In addition, 515 questionnaires were distributed to 50 branches situated in Seoul and its satellite cities. In each branch, depending on its size, six to 18 questionnaires were distributed. In all, 384 questionnaires were collected in the branches. A grand total of 480 of 665 questionnaires were collected, equivalent to a response rate of about 72 per cent. This included 454 usable questionnaires. As shown in

Table 5.1, the proportionate employment rate of each hierarchical level in total employment between the sample and the population was very close.

**Table 5.1: The proportionate employment rate of each hierarchical level in total employment**

	<b>K bank</b>		<b>B bank</b>	
	<b>Population</b>	<b>Sample</b>	<b>Population</b>	<b>Sample</b>
Headquarters	16.15 %	13.8 %	16.0 %	16.25 %
Regional Headquarters	4.17 %	3.9 %	4.0 %	3.75 %
Branches	79.67 %	82.3 %	80.0 %	80.00 %
Total	11483	543	4809	480

After collecting the completed questionnaires, the author carried out a preliminary statistical analysis in relation to the three research aims. Then, the related interviews were conducted. Two problems were encountered in conducting interviews. One was concerned with how to explain some concepts with precision. For example, although Korean scholars have translated “affective commitment” into Korean, the translated concept was quite difficult for employees to understand its intended meaning. Thus, for affective commitment, the term “loyalty” was used. Then, the definition, “your emotional attachment to, identification with, and involvement in the bank”, was given. Finally, some items of

Meyer and Allen's (1997) Revised Affective Commitment Scale were provided as examples. For distributive justice, formal procedural justice, and interactional justice, both definitions and items were given to explain the concepts.

The other problem concerning the interviews was resources, particularly in terms of the time available. Although interviews were conducted in two banks, branch employees were overly pressured with work. Thus, it was very difficult to interview them in their working hours. Thus, in-depth interviews had to be conducted at night or weekends. First, the six persons who had participated in the piloting phase were interviewed. Due to the fact that the author had known the interviewees for a long time, they willingly spared their time. It was quite easy to interview those who worked in headquarters. Because they were not overly pressured at work, they were willing to spare their time for interviews during their working hours. However, for branch employees, the author had to find those who could spare their time after work. Moreover, the interviewees had to represent the organisation in terms of demographic factors such as position and gender. Thus, the author made a list of names of those persons who could spare their time. The list included those who had expressed their interest in the research when the questionnaire was distributed and those who were very friendly when access was gained to the branches. Most of them were reluctant to spare their time after work. However, some spared their time for interviews during their lunch breaks. They officially had an hour at lunchtime and got permission for 30 minutes more spare time from their branch chiefs. Thus, the author could interview them for one and a half hours while having lunch. A few persons spared their time after work. In these cases, in-depth interviews could be conducted. However, all the interviewees showed

similar perceptions of the restructuring and resultant commitment issues. Thus, the content of interviews was repetitive. In total 20 interviews were completed – i.e. ten per bank. Each interview took between one and two and a half hours. 13 interviews were tape recorded, while seven interviews were recorded in note form because the respondents were uncomfortable with tape recording.

## **5.6 Descriptive Statistics on the Achieved Sample**

### **5.6.1 The Survey Sample**

The demographics of the population in K bank show that the average age of employees was 34.3 years. Those who had high school degrees accounted for 60.2 per cent of the total, and 71.9 per cent of employees were male. Details of the employees' organisational tenure and current position tenure were not available. For B bank, the average age was 35.7, and males accounted for 73.4 per cent of employees. In the case of the K bank sample, the average age was 33.9 years and males accounted for 70.8 per cent. For the B bank sample, the average age was 34 years, and males constituted 71.8 per cent of the total sample. The demographics of the populations and the samples are shown in Table 5.2.

Information for the population concerning organisational tenure, current position tenure, and marital status, was not available for both banks. For B bank, information about the education of the population was not available. However, a person in the Personnel Department provided the rough estimate that high school graduates constituted 60 per cent of employees. As Table 5.2 shows, the demographic characteristics in terms of the average age, gender and educational level for the population and sample were consistent for both banks. Moreover, Table 5.1 shows that the number of questionnaires from each level as a proportion of total employment was close to the proportion in the samples. Thus, the samples can be said to represent the populations.

**Table 5.2: The demographics of populations and samples for both banks**

	K Bank		B Bank	
	Population	Sample	Population	Sample
Average Years in Age	34.3	33.9	35.7	34
Organisational Tenure				
1. Less than one and a half years	n.a.	4.6 (%)	n.a.	1.3 (%)
2. 1 1/2 - Less than 3 years	n.a.	5.5	n.a.	6.4
3. 3 – Less than 5 years	n.a.	4.4	n.a.	9.3
4. 5 – Less than 7 years	n.a.	9.0	n.a.	4.0
5. 7 – Less than 10 years	n.a.	28.1	n.a.	22.5
6. 10 – Less than 15 years	n.a.	26.8	n.a.	25.6
7. 15 years or more	n.a.	21.7	n.a.	31.1
Current Position Tenure				
1. Less than six months	n.a.	7.5 (%)	n.a.	6.2 (%)
2. 6 months – Less than 1 year	n.a.	11.4	n.a.	7.3
3. 1 – Less than 2 years	n.a.	13.8	n.a.	10.1
4. 2 – Less than 3 years	n.a.	8.8	n.a.	13.9
5. 3 – Less than 4 years	n.a.	12.7	n.a.	15.6
6. 4 – Less than 5 years	n.a.	8.1	n.a.	7.5
7. 5 years or more	n.a.	37.7	n.a.	39.4
Gender				
1. Male	71.9 %	70.8 %	73.4 %	71.8 %
2. Female	28.1 %	29.2 %	26.6 %	28.2 %
Marital Status				
1. Single	n.a.	26.1 %	n.a.	26.7 %
2. Married	n.a.	73.9 %	n.a.	73.3 %
Average Years in Education	n.a.	14.2588	n.a.	14.5463



### **5.6.2 The Interview Sample**

For interviews, ten persons were selected in each bank. The average age of the interviewees of K bank was 34.7, the average organisational tenure was 8.7 years, and the average current position tenure was 3.5 years. For the interviewees of B bank, the average age was 35.4, the average organisational tenure was 11.1 years, and the average current position tenure was 3.5 years. Eight males and two females were selected in each bank. The composition rates of females in the populations of K and B banks were respectively 28.1 per cent and 28.2 per cent. Thus, for interviews, three females had to be interviewed. However, it was very difficult to find more females who could spare their time for interviews after work. Thus, two females were interviewed in each bank. The population composition rate of the sum of the headquarters and regional headquarters in terms of employment was around 20 per cent in both banks, as shown in Table 5.1. Thus, two interviews were conducted in the headquarters of each bank, while eight interviews were conducted with branch employees. Since there might be different perspectives on restructuring according to branches and departments, in order to prevent this potential bias each interviewee was selected in different branches and different departments. Overall, the author was very careful in selecting interviewees in order to assure that the interviewees represented the organisation.

## **5.7 Data Analysis**

### **5.7.1 Survey Data**

The responses to the questionnaire provide the raw data necessary for investigating the three research aims. The overall research model shown in Figure 4-2 in Chapter 4 (which encompasses the three research aims) comprises several sets of independent and dependent variables that are hypothesised to have causal relationships. The investigation of the research aims (i.e. the analyses of the hypothesised causal relationships shown in the overall research model) was conducted using multiple regression analysis and structural equation modelling (hereafter, SEM).

Multiple regression analysis is used to analyse the relationship between a single dependent variable and several independent variables (Hair et al., 1998). Its value lies in “the capacity to estimate the relative importance of several hypothesised predictors of the dependent variable of interest” (Reade, 1998, p. 137). On the other hand, SEM is a “multivariate technique combining aspects of multiple regression (examining dependence relationships) and factor analysis (representing unmeasured concepts – factors – with multiple variables) to estimate a series of interrelated dependence relationships simultaneously” (Hair et al., 1998, p. 583).

The most significant difference between SEM and other multivariate techniques, as Hair and his colleagues (1998) explain, is that “SEM estimates a series of separate, but

interdependent, multiple regression equations simultaneously by specifying the **structural model** used by the statistical program” (p. 584). That is, the dependent variable in one equation can be an independent variable in another equation, and the multiple and interrelated equations can be estimated simultaneously.

Moreover, SEM can incorporate latent variables<sup>29</sup> into the analysis. The multivariate techniques based on observed variables assume that there are no errors in variables. However, a concept cannot be measured perfectly. For example, some respondents may answer a question incorrectly. Moreover, in terms of more abstract or theoretical concepts such as attitudes, although researchers try to develop the best questionnaire to measure the concept, respondents may be unsure about how to respond or may interpret one or more questions differently from the intended meaning. Thus, some degree of measurement error inevitably exists (Hair et al., 1998), which tends to attenuate measures of association (Brooke et al., 1988). On the other hand, “SEM provides the **measurement model**, which specifies the rules of correspondence between manifest and latent variables” (Hair et al., 1998, p. 586). Therefore, it can account for measurement error, thereby providing less biased estimates of structural coefficients or correlations than those provided by techniques on the basis of observed variables, because the effects of random measurement error are removed from the analysis (Brooke et al., 1988).

Thus, SEM is composed of two sub-models: (1) the measurement model and (2) the structural equation model itself. The measurement model specifies the relations through

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<sup>29</sup> “A latent variable is a hypothesized and unobserved concept that can only be approximated by observable or measurable variables. The observed variables, which we gather from respondents through various data

which the constructs (latent variables) are measured by their indicators, and provides checks for validity and reliability. The structural equation model itself, on the other hand, specifies the causal relationships between constructs. The essence of SEM is that each equation in the model “represents a causal link rather than a mere empirical association” (Joreskog and Sorbom, 1982, p. 404). Thus, researchers should specify a prior causal relationship between constructs. In terms of the relationships between constructs, causal assertions can be made on the basis of a theoretical rationale and, thus, a theory-based approach to SEM is emphasised, i.e. a prior specified causal relationship should be based on theory (Hair et al., 1998).

Thus, as Goldberger and Duncan (1973) suggest, SEM may be more appropriate than analytical techniques such as regression in the following three situations: (1) when there are measurement errors in the observed variables; (2) when there exists interdependence or simultaneous causation among constructs; (3) when the nature of research is not exploratory, but is theory-based<sup>30</sup>. In these three situations, SEM enables multiple and interdependent regression equations between constructs to be estimated simultaneously.

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collection methods (e.g., surveys, tests, observations), are known as **manifest variables**” (Hair et al., 1998, p. 585) or indicators.

<sup>30</sup> Latent variable analysis is not appropriate for exploratory analysis. This is because the pursuit of the exploratory research based on latent variable analysis for identifying the best-fitting model often leads to finding an incorrect model, as empirically shown by MacCallum and his colleagues (MacCallum, 1986; Silvia and MacCallum, 1988, cited in Harris and Schaubroeck, 1990). Moreover, a number of different models can have an identical fit for a set of data, yet provide different parameter estimates, thereby producing different results according to small changes in the ordering of variables. Thus, latent variable analysis is most appropriate in conducting the analysis of the research questions based on much prior research and theory, i.e. the confirmatory research (see Harris and Schaubroeck, 1990, pp. 338-339).

Part II of the overall research model shown in Figures 4-2 (Model 1 shown in Figure 3-1) was developed on the basis of theory. That is, based on social exchange theory and symbolic interactionism, the three mediating variables (i.e. OBSE, POS, and self-efficacy) were hypothesised to have impacts on employees' AC directly and/or indirectly. The antecedents of each of the three mediating variables were also presented on the basis of their respective theories. Thus, this research aim is not exploratory. Moreover, Model 1 contains a series of interrelated dependence relationships (i.e. simultaneous causation among constructs). That is, no relationship in Model 1 can be analysed separately because the three mediating variables are also hypothesised to have causal relationships. For example, both POS and OBSE are independent variables in relation to employees' AC and, at the same time, OBSE is the dependent variable in relation to POS. Thus, there are a series of simultaneous dependence relationships in Model 1. Thus, SEM is the best way to investigate Model 1 (i.e. the third research aim).

On the other hand, as discussed in Sections 4.2 and 4.5, the investigations of Parts I-1, I-2, I-3, and I-4 (i.e. Model 2) and Parts III-1, III-2, and III-3 are exploratory. As a result, SEM is not a suitable technique for conducting these analyses. Moreover, the analyses can be conducted separately. Thus, the test of Model 2 (the examination of the first and second research aims) and Parts III-1, III-2, and III-3 were conducted using multiple regression analysis.

### **5.7.2 Interview Data**

Once all the interviews and field notes for them were completed, all the data were gathered under appropriate categories. Although the categories were established prior to the interviews, they were refined to take account of the new data generated as the research progressed. Then, the categories were used to compare the two banks.

## **5.8 Summary**

This chapter has described the methods employed to investigate the research aims, the data collection process, and the methods used for analysing the collected data. In order to achieve the research aims, multiple methods (both quantitative and qualitative) were employed, including the use of semi-structured interviews and a survey questionnaire administered to a sample of 910 employees in two Korean banks. The data from the survey questionnaires were analysed statistically to investigate the three research aims. Semi-structured interviews were used mainly to obtain rich detailed background on the two research sites, and to aid the interpretation of results from the statistical analysis of the survey data.

# **Chapter 6: The Two Case-Study Banks**

## **6.1 Introduction**

This chapter discusses the two case-study banks within which the research fieldwork was conducted. The objective of this chapter is to provide the background information for the research sites. As discussed in Section 5.3.1, two banks with contrasting experiences of job cuts were selected as the case-study organisations: K bank and B bank.

The contrasting experiences of the banks in terms of job cuts are mainly due to the different contexts. In fact, although both banks were in a similar position before the financial crisis, K bank has been regarded as a representative healthy bank in Korea since the financial crisis, while B bank has struggled to survive. In this case, their different contexts mean their changed contexts since the financial crisis. This chapter describes these changed contexts and the two banks' methods of managing their situations, and examines how such changed contexts and management methods have affected employees' daily work experiences.

The chapter starts with a description of the general picture of Korean banks before the financial crisis (Section 6.2) and the traditional employment system in the Korean banking industry (Section 6.3). These two sections help us to understand the operating principle of the Korean banking industry before the financial crisis. Next, Section 6.4 deals

with the financial crisis and Section 6.5 describes the general picture of Korean banks after the financial crisis. Thus, these two sections are concerned with how Korean banks have changed since the crisis. Then, the two case-study banks are discussed in Section 6.6, and the implication for the breakdown of the lifetime employment in terms of employee-organisation linkage is discussed in Section 6.7. These sections (from Sections 6.2 to 6.7) help us to understand the changed contexts of the two case-study banks.

The changed contexts have affected employees' daily work experiences. Moreover, because the two banks are different in terms of their contexts and their methods of managing their situations, the degree of change in employees' daily work experiences in both banks may also be different. These issues are dealt with in Section 6.8, with a focus on the independent variables in the causal model of the determinants of employees' AC (Model 1) shown in Figure 3-1.

## **6.2 Korean Banks Before the Financial Crisis**

The industrialisation of Korea was based on an unbalanced growth strategy, which sought to invest scarce money in a few selected industries and, in turn, to make the impact spill over into other industries (Gillis et al., 1987). Here, the banking sector was regarded as no more than an auxiliary industry for supporting industrialisation. That is, the Government forced banks to grant loans to a few companies in certain industries such as textiles,



electronics, shipbuilding and steel. Such loans were called “policy money”<sup>31</sup> and accounted for a big portion of total bank lending, especially in the 1970s (Park, 1984), reaching for example more than 60 per cent in 1978 (Lee, 1992). As a result of this policy, family-owned conglomerates such as Samsung and Hyundai (the so-called “Chaebols”) were formed (Park, 1984). All this was possible because the Government was the biggest shareholder of the banks.

Although the amount of “policy money” as a proportion of total bank lending fell continuously from the 1980s onwards, the banks were eager to lend Chaebols money irrespective of their business prospects. This was due to the belief that Chaebols would not become bankrupt. In fact, because of Chaebols’ sheer dominance of the whole economy, the Government bailed out many insolvent Chaebols, as in the case of Daewoo in 1989. As a consequence, if banks loaned money to Chaebols, the loans were secure. Thus, lending to Chaebols accounted for a big portion of total bank lending. For example, loans to Chaebols accounted for 62 per cent of all bank loans in 1996. Accordingly, techniques of lending analysis and risk management remained undeveloped (*Maeil Business Daily*, 22 June 1999). The case of the Hanbo Steel Company reveals clearly that Korean banks did not manage lending efficiently. They had many bad loans to the company, whereas the branches of 50 foreign banks in Korea had none (*Maeil Business Daily*, 30 July 1998). One newspaper article about Kia Automobiles showed that the Korean banks had not paid enough attention to borrowers’ business situation:

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<sup>31</sup> The interest rate for “policy money” was much lower than the market interest rate. Thus, the “policy money” enabled most privileged enterprises to venture into overcapitalisation. On the other hand, sectors excluded from “policy money”, such as SMEs, suffered from a chronic lack of funds and thus remained weak

Private lenders already perceived the crisis of Kia Automobiles in April 1997. In the private loan market, the interest for the note issued by Kia Automobiles rose from 1 per cent to 1.5 per cent per month in early May, and rose to 3 per cent in late May. Then, the trade itself was not made in June. After things got to this stage, managers of Kia Automobiles requested aid from the banks, and then banks realised that Kia faced a severe crisis. (*Maeil Business Daily*, 27 July 1998)

Financial regulation also played a major role in allowing poor lending management. The financial sector was characterised by several independent spheres of activities, including banks, investment companies, stock brokerage firms, and insurance companies. The regulations permitted each sub-sector to control its slice of the market and to operate like a cartel. Thus, competition between sub-sectors was prevented. Moreover, the Government determined the interest rates for deposit and lending. Thus, banks provided a similar standard of service to customers and profits came mainly from the difference between deposit and credit interest rates. Due to the fact that there had always been a huge excess of demand for money<sup>32</sup> and profit was guaranteed by the fixing of lending and deposit interest rates, the greater the volume of bank deposits, the greater the banks' total revenue. Thus, banks pursued the expansion of branches to attract deposits and the key evaluation criterion of the performance of branches was the total volume of deposits. As a result, some oblique dealings occurred. Banks loaned money to those companies or individuals that pledged assets for lending or that could find guarantors. However, in some cases, the head of the branch lent a great deal of money to a person, putting the borrower's

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sectors of the economy. Thus, this was a cause of the formation of the dual structure of the labour market (Lee, 1992).

<sup>32</sup> This was due to the expansion strategy of the Chaebols. For example, the gross domestic investment ratios in 1990 and 1996 were 37.1 per cent and 38.8 per cent, while the gross saving ratios were 35.9 per cent and 34.8 per cent respectively (Bank of Korea, internet homepage, <http://www.bok.or.kr>).

assets in pledge. In return, the borrower saved some money at the same branch. However, it was questionable whether or not the pledge was sufficient and/or the borrower's business prospects were good. Although such lending became an insolvent loan, because the branch chief accepted the pledge, he/she did not take any responsibility for the insolvent credit. Although there existed an internal control system, in practice it did not work.

This lending practice was dictated partly by Korea's previous accounting system, which laid down very loose rules. For example, whereas loans on which interest fell into arrears for three to six months were classified as "locked-up" loans according to international standards, they were classified as "precautionary loans" in Korea (*Korea Economic Daily*, 3 March 1999). Thus, bad loans were not exposed.

### **6.3 The Traditional Employment System in the Korean Banking Industry**

The key features of the traditional employment system in the Korean banking industry (before the financial crisis) were lifetime employment, seniority-based pay and promotion, and company-based welfare.

### 6.3.1 Lifetime Employment and Company-Based Welfare

Before the financial crisis, bank staff were recruited from commercial high schools and universities (and colleges) in the spring and autumn of each year. Job training was provided, with the expectation that employees would stay with banks until retirement age (i.e. 58). Moreover, employees were provided with welfare benefits, including family allowance and children's education allowance. The provision of lifetime employment and company-based welfare was pursued by a conscious managerial strategy that sought to cope with a shortage of skilled labour in the process of rapid industrialisation<sup>33</sup>. This led to a high level of competition among school-leavers and graduates to enter the banking sector, and educational performance was the key to entry. Thus, banks sought potential, not specific skills, in recruiting new employees. The fact that banks sought all-purpose and rounded employees was reflected in employees' job rotation. As one branch chief in B bank explained:

We were job rotated, for example, from the lending circle to the foreign exchange circle, etc. Moreover, we had to change branches every three years. If we move to another branch, we have to learn how to perform the tasks again. For example, let's suppose I am working in the lending circle. This branch focuses on enterprise, but that branch focuses on individuals. Then, the methods of performing the tasks are different, although the basic mechanism is the same. So, if a person moves to another branch, then the person should learn the task again.

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<sup>33</sup> In Kim's (1994) study of the occupational welfare system of 985 Korean firms (having more than 100 employees), 93 per cent of respondents (mainly personnel managers) believed that corporate welfare schemes (including lifetime employment and promotions from within based on seniority) were used to pursue solidarity and to increase employees' morale and organisational commitment.

This system prevented employees from developing specialist know-how in such areas as lending and investment. As discussed in Section 6.2, because the profit of banks was guaranteed by fixed interest rates and a huge excess of demand for money and because loans to Chaebols did not become bad loans, banks did not feel any need for employees with specialist know-how. They just wanted all-purpose, rounded employees. Employees also had no motivation to gain specific skills because this would not lead to any rewards. In fact, promotion and salary were based on seniority. Moreover, the external job market remained undeveloped. Even if a person developed a specific skill, other financial institutions did not recognise this skill because they also sought all-purpose, rounded employees.

Seniority-based wage and promotion systems also reinforced lifetime employment. Banks capitalised on the large source of young workers who could be trained quickly and brought in at the bottom on low wages. As these workers gained more experiences in the banks, they qualified for higher salaries and promotion. The seniority-based salary had nothing to do with the notion of a “market price” for skills decided by a balance between supply and demand. This meant that employees stayed with the same bank until their mandatory retirement age.

### **6.3.2 The Pay and Promotion Systems in the Banking Sector**

The pay and promotion systems in the banking sector have traditionally been based on seniority. Employees are divided according to pay class and grade in all the Korean banks. Pay class is related to pay, while grade is associated with promotion.

Pay classes are numbered from 6 to 40 and are automatically upgraded every year, e.g. if someone's pay class this year is the 6<sup>th</sup> class, the pay class next year will be the 7<sup>th</sup> class. Those with high school degrees start from the 6<sup>th</sup> class. Those who have two-year college degrees will start in the 8<sup>th</sup> pay class because they have two more years of education, and those with four-year university degrees start in the 10<sup>th</sup> pay class.

As for grades, those with a high school degree start in the 6<sup>th</sup> grade, and those with a college degree of more than two years start in the 5<sup>th</sup> grade. Promotion from grade 6 to grade 5 is carried out automatically and normally takes three years. In order to gain promotion from grade 5 to grade 4, however, employees have to pass a promotion examination. From then on, i.e. promotion from grade 4 to grade 2, is based completely on seniority. If there is a vacancy it is given to the person who first passed the examination. That is, a person who passed the examination in 1999 will be promoted faster than a person who passed the examination in 2000. Although the time needed for promotion varies from bank to bank, in old banks it normally takes seven and a half years to gain promotion from grade 5 to grade 4. Promotion from grade 4 to grade 3 takes eight years, and from grade 3 to grade 2, eight years. However, for promotion from grade 2 to grade 1 there is considerable variation. It normally takes 23-24 years to gain promotion from grade 5 to

grade 2. Thus, if a person passes the promotion examination from grade 5 to grade 4, he or she can gain promotion to at least grade 2. On the other hand, a person who does not pass the examination will stay in grade 5 until he/she retires.

Positions are divided into nine categories: clerk, senior clerk, manager, general manager, senior manager, vice chief of branch (branch) or vice chief of department (headquarters), chief of branch (branch) or chief of department (headquarters), president of regional headquarters, and members of the executive board. The grade of clerks and senior clerks is 5 or 6. The grade of managers or general managers is 4. The grade of senior managers is 3, and the grade of the vice chiefs of the branches and departments is 2. Those who have 1<sup>st</sup>, 2<sup>nd</sup> or 3<sup>rd</sup> grade can be chiefs of branches or departments. Before the financial crisis, only those who had 1<sup>st</sup> grade could be chiefs of branches or departments. However, banks have now appointed those with 2<sup>nd</sup> and 3<sup>rd</sup> grades as chiefs of small branches.

Pay consists of two elements: a standard salary and various kinds of allowance. The standard salary consists of the basic salary and the pay class component. As already explained, the latter rises automatically every year. Various kinds of allowance exist: grade allowance, bank allowance, job allowance, family allowance, child allowance, etc. The standard salary accounts for 60 per cent of total salary. Thus, in theory, a person who has 5<sup>th</sup> grade (because he/she has not passed the promotion examination) but is in the 40<sup>th</sup> pay class, and works as a teller in a branch, receives a higher salary than a person who is a manager (4<sup>th</sup> grade), is in the 21<sup>st</sup> pay class, and works as a dealer of foreign exchange at headquarters. In the past, this often happened, because only a few women passed the promotion examination from grade 5 to grade 4. In the Korean context, women are

responsible for housework and the upbringing of children, although they also have jobs. Thus, women do not have time to prepare for promotion examinations. As a consequence, most women employees in banks have not even tried to take the examinations. Since the financial crisis, the targets for job cuts have been employees on a low grade but in a high pay class. Thus, many women employees have quit their jobs. Accordingly, pay class now coincides with grade, i.e. the older the employee, the longer the organisational tenure, the higher the position, and the higher the salary.

## 6.4 The Financial Crisis

In parallel with banks' imprudent lending to Chaebols, financial institutions largely raised money from abroad on the basis of short-term borrowings<sup>34</sup>, while they financed domestic firms based on long-term loans<sup>35</sup>. Meanwhile, a rapid accumulation of non-performing loans of financial institutions occurred from the beginning of 1997 due to a string of Chaebol bankruptcies, including that of the Hanbo Steel Company<sup>36</sup>. Moreover,

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<sup>34</sup> In the international capital market, short-term interest rates were lower than long-term rates. Thus, financial institutions attached weight to short-term loans. For example, long-term external debt was 43.7 billion US dollars in 1996, while short-term external debt was 61 billion US dollars (Bank of Korea, internet homepage, <http://www.bok.or.kr>).

<sup>35</sup> Due to the chronic excess of demand of money in Korea, despite a high savings rate, interest rates were much higher than in the international capital market. Thus, Korean banks could gain a profit from the difference between the interest rates on borrowing from the international capital market and lending on domestic firms.

<sup>36</sup> In early 1997, banks reached the limits of their support.



with the Southeast Asian currency crisis, the bankruptcies of Kia automobiles<sup>37</sup> and other Chaebols (e.g. Jinro) led to an exodus of foreign capital, and in addition the Korean banks were unable to roll over their short-term external debts<sup>38</sup>.

Finally, in November 1997, Korea was on the brink of defaulting on its debt, and the Korean Government had to request aid from the IMF. Since then, the Korean economy has undergone a tremendous transformation, especially in the financial sector. By agreement with the IMF, a new accounting system, based on international standards, has been established. As a result, bad loans have been exposed throughout the financial sector<sup>39</sup>. Then, 149 insolvent financial institutions were forced into liquidation in 1998, and 186 financial institutions disappeared by liquidation or forced merger in 1999 (*Bank of Korea*, February 2000). In the banking sector, five banks were forced to shut down and seven banks were able to survive on conditional terms, i.e. they had to meet certain performance levels stipulated by the Government in order to survive. Moreover, nine banks were forced to merge into four banks. Thus, the total number of banks was reduced from 33 in 1997 to 23 at the end of 1999 (*Bank of Korea*, January 2000).

Meanwhile, the Korean government poured public funds of 94 trillion Korean Won into the financial sector from November 1997 to the end of 1999. For banks, the total amount was more than 66 trillion Won (*Bank of Korea*, February 2000). In return, the

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<sup>37</sup> Initially, the Korean Government postponed Kia's bankruptcy for three months in an attempt to save the company. However, this was a critical factor that brought about Korea's loss of creditability in the eyes of international investors (*Bank of Korea*, internet home page, <http://www.bok.or.kr>).

<sup>38</sup> Foreign banks started to withdraw money from the Korean banks in the summer of 1997 (*Bank of Korea*, internet home page, <http://www.bok.or.kr>).

<sup>39</sup> Because of this new accounting system, Korean banks had to report an historical loss in 1998 (*Maeil Business Daily*, 10 February 1999).

banks were forced to restructure, i.e. the number of surplus employees had to be reduced and the number of branches also had to be cut. Thus, 70,421 out of a total of 277,691 employees in the financial sector lost their jobs in that year. In the banking sector, 34 per cent of bank employees lost their jobs in 1998, a reduction from 114,619 in 1997 to 75,604 in 1998 (*Korea Economic Daily*, 9 March 1999). Moreover, 60 per cent of members of the Boards of Directors of banks into which the Government poured public money were fired by mid-1998 (*Maeil Business Daily*, 29 July 1998).

## **6.5 Korean Banks after the Financial Crisis**

Since the financial crisis, the restructuring of the financial sector has been carried out, the traditional ways of managing banks have been completely shattered, and a new paradigm has emerged. Most importantly, the belief that banks can never become bankrupt has been rejected. That is, the Government evaluates the performance of banks on a regular basis, and the banks that do not meet performance criteria will be liquidated or forced to merge. Thus far, the evaluation criterion of performance has been eight per cent of the ratio of self-capital, set by the Bank for International Settlement (BIS). With the BIS ratio, however, according to the Government, the CAMEL evaluation system<sup>40</sup> will also be used to judge the performance of the banks (*Korea Economic Daily*, 11 March 1999). This has

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<sup>40</sup> The CAMEL system evaluates banks in terms of five criteria – the reasonableness of self-capital, the soundness of assets, management ability, profitability, and liquidity (*Korea Economic Daily*, 11 March 1999).

brought about significant changes in lending practices. For example, in headquarters, an independent committee for lending has been set up in order to determine lending to Chaebols, and the roles of risk managers and credit officers have become very important. For the sake of lending in branches, credit judgement models for individuals and small and medium sized enterprises (SMEs) have been developed. However, although lending based on credit has become more common, most lending still relies on pledges because banks do not have enough experts. Thus, banks have recently invested a great deal of money in education to improve their employees' expertise (*Maeil Business Daily*, 1 February 2000).

Secondly, the Government has called the banks to task for bad management. Before the financial crisis, bankers boasted of their privileged status in terms of job security and high salaries. However, as discussed in Section 6.4, bankers have experienced a major reduction of employees in their organisations. Moreover, the Government has sued 983 managers of financial institutions into which the Government poured public money for damages and has made charges against their property (*ChosunIlbo*, 6 October 2000).

Thirdly, competition has become fierce. Extensive deregulation has been carried out since the financial crisis. The right to determine interest rates has been given to banks. Moreover, banks have been very cautious in lending to the debt-laden Chaebols and they have competed for the most creditworthy individuals and SMEs. In such cases, interest rates on lending have fallen and, as a consequence, the profit from the difference between deposit and lending rates has been reduced. Thus, banks have searched for another source of profit, and profit from commission has grown in importance. Due to the erosion of the boundaries between sub-industries such as banks and investment companies resulting from

deregulation, banks can now deal with other financial businesses such as security and insurance. Thus, various kinds of products have been developed and differentiated services have become available (*Maeil Business Daily*, 1 February 2000).

Finally, various forms of employment have been introduced. In the past, all bank employees were full-time. However, some employees have been hired on the basis of short-term and part-time contracts (*Maeil Business Daily*, 12 October 1998). This new form of employment reflects a managerial strategy to achieve flexibility and to reduce costs. At the same time, banks have employed some people with specific expertise such as risk management and investment from other financial institutions such as investment companies, and they have offered high annual market-based salaries. Moreover, many foreign financial institutions have entered into the Korean market since the financial crisis. Thus, the external job market has rapidly developed in the financial sector.

## **6.6 The Case-study Organisations - Two Banks**

K bank was established in 1963 and has concentrated on retailing. For example, in 1997 only 2 per cent of total lending was given to big companies (*Maeil Business Daily*, 20 January 1998). Because of its concentration on retailing, K bank was protected from the effects of the financial crisis, and consequently it has since been regarded as one of the best banks in Korea. For example, in 1997 only eight banks gained a net profit, and the net

profit of K bank was the biggest – i.e. 112.8 billion Won (*Maeil Business Daily*, 29 May 1998). However, K bank has been forced to carry out job cuts since the financial crisis. This is mainly due to the Government's policy of restructuring the banking sector.

Since the financial crisis, the Government's preferred policy for reforming the financial sector has been to encourage mergers. The objectives for inducing mergers among banks have been firstly to reduce costs in reforming the financial sector, and secondly to form one or two leading banks. A representative from the FSC offered the following comments:

The Government can't shut down all the insolvent banks because of its impact on the economy. Moreover, we lack money. Up to now, the Government has injected 64 trillion Won of fresh money into the banking sector. But at least 30-35 trillion Won more is needed to carry out the reform of the financial sector. Thus, one way of reducing cost was for healthier banks to merge with insolvent banks. ....The banking industry itself is a very important industry. There should exist a leading and very healthy bank in Korea. But, there is no leading bank in Korea.....The productivity of the Korean banks is so poor. Even K bank has very poor productivity compared with other foreign banks. Jeil bank was sold off to an American bank. Now we have to compete against foreign banks. It is impossible for current Korean banks to compete against them. Thus, some very healthy, big-sized leading banks are needed....

Actually, because of its healthy status, K bank is regarded as one of the candidates for the position of a leading bank. However, it has suffered from surplus employees since the 1990s. The rapid development and introduction of computerised systems had led to over-employment in K bank since the early 1990s. Thus, in order to prepare for merger, K bank had to reduce its over-employment. According to the representative of the FSC,

Some Government-affiliated research centres estimated the optimum number of employees, and the number of job cut was decided.

Thus, K bank carried out 813 job cuts in January 1998. Then, two banks – D bank<sup>41</sup> and L bank<sup>42</sup> - were merged with K bank in June and December 1998 respectively. K bank needed to strengthen enterprise banking in order to become a leading bank, and L bank had strength in enterprise banking. With the merger, K bank shut down branches that overlapped among the three banks, and again carried out job cuts (i.e. 1,092) among employees of K bank in late 1999. The number of employees was reduced from 13,519 in October 1997 to 11,483<sup>43</sup> in October 1999 – a cut of 15.06 per cent. The number of branches increased from 504 in October 1997 to 527 in October 1999<sup>44</sup>. Unlike other troubled banks, however, there was no salary reduction in 1998, and there was actually an increase of 5.4 per cent in 1999. However, K bank has faced severe competition since the financial crisis. Since the financial crisis, other banks have launched into retailing banking, which has traditionally been the market of K bank. Moreover, Jeil Bank has been sold off to an American bank that has strength in retailing banking.

On the other hand, B bank started its business in 1959 and, for the first time in the history of the Korean financial sector, it achieved deposits of 5 trillion Won in 1987. However, the successive bankruptcies of Chaebols such as Hanbo, Kia, Jinro, and Daenong in 1997 have transformed B bank into a representative insolvent bank. For example, B bank

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<sup>41</sup> D bank is one of five banks that had to shut down. At the end of 1997, D bank had 1,959 employees and 107 branches. However, only 752 employees have been able to keep their jobs.

<sup>42</sup> L bank had 1,015 employees and 45 branches in early September 1998 (*Maeil Business Daily*, 10 September 1998a). Although L bank itself was strong, it became an insolvent bank due to the insolvency of its subsidiary (L Security Company).

<sup>43</sup> This includes 519 employees from L bank and 752 from D bank, some newly hired professionals, and voluntary retirees.

<sup>44</sup> This includes branches of D and L banks. Thus, a total of 129 branches were shut down (K, L, D banks):  $504 + 45 + 107 - 527 = 129$ .

recorded a loss of 933.4 billion Won in 1997. In addition, whereas its ROE was minus 52.06 per cent (*Financial Supervisory Commission*, 1999), its ROA was minus 3.25 per cent. Moreover, its self-capital ratio, measured by the standard of BIS, was 0.97 per cent (*Maeil Business Daily*, 29 May 1998). Thus, in early 1998, a reduction of capital of 8.2:1 was carried out and, at the same time, fresh money of 1,500 billion Won was injected (*Maeil Business Daily*, 15 January 1998). However, in return for the injection of this fresh money, B bank had to shed 1,500 employees and close 15 domestic branches and eight foreign branches. Moreover, the number of members of the executive committee was reduced from 11 to eight, and nine members of the executive committee were fired (*Maeil Business Daily*, 28 February 1998). Although the self-capital ratio rose to 7.52 per cent in June 1998 due to the injection of fresh money (*Korea Economic Daily*, 26 March 1999), when the new accounting system was applied, hidden bad loans were exposed and B bank reported a net loss of 2,242.4 billion Won in 1998 (*Maeil Business Daily*, 10 February 1999). At the same time, its ratio of self-capital dropped to minus 0.88 per cent (*Korea Economic Daily*, 26 March 26 1999). Thus, B bank again had to shed about 1,500 employees and two more executive committee members in the summer of 1998 (*Maeil Business Daily*, 10 September 1998b). The Government carried out a further reduction of capital of 9.7088:1 and injected fresh money of 3,320 billion Won. In 1998, thus, the number of employees was reduced from 8,067 to 4,809 – a fall of about 40.39 per cent, the number of domestic branches was reduced from 306 to 291, and the number of executive committee members was reduced from 11 to 6. B bank is now under the entrustment management of a German bank. If this does not ensure that B bank survives, then B bank

will be merged into another Korean bank. Moreover, employees experienced a reduction in salary in 1997. Although the reduction of salaries varied according to employees' positions, it was normally 20-30 per cent. Salaries have recovered since 1998, but not to the previous level.

## **6.7 The Breakdown of Lifetime Employment in the Two Banks**

### **6.7.1 Redundancy and Job Security Issues**

Although the two banks felt the strain of over-employment from the late 1980s due to the fast introduction of computerised systems, job curtailment was excluded from the managerial agenda because lifetime employment was a mutually shared belief between banks and their employees. However, as discussed in Section 6.6, the financial crisis forced both banks to reduce their workforce. The reduction of employees was carried out in the form of early retirement<sup>45</sup>. The Personnel Departments of both banks insist that there was no pressure to leave the banks. According to them, early retirement was entirely voluntary:

There was no compulsory early retirement. We informed everyone that there was early retirement and anybody could apply for early retirement. And we carried out early retirement for those who applied for early retirement. (A representative from the Personnel Department in B bank)

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<sup>45</sup> Those who left the banks received retirement pay and one year's salary.



The early retirees were voluntarily applicants. There was no pressure, even implicit pressure. (A representative from the Personnel Department of K bank)

However, other bank employees' opinions were rather different:

One colleague of mine received a letter telling him that he could apply for early retirement. But I didn't receive that kind of letter. And he knew that only some received that letter. What did the letter mean? It meant, in effect, that he was chosen for early retirement. (A general manager of B bank)

Actually, there was no compulsory early retirement. But, last year, for the first time, the bank disclosed employees' merit ratings after it declared early retirement. We took it as the bank's signal that those whose merit ratings were low were expected to apply for early retirement. (A manager of K bank)

Moreover, survivors think that there will be another round of downsizing. This is mainly due the possibility of merger in the near future. This is well expressed in the following employees' comments:

There has been a rumour that the Bank will be merged with a healthier bank. In effect, we know that it is quite difficult for the Bank to survive by itself. Thus, if the merger happens, we will accept it. But we want the bank to be merged as an equal partner. But it will be impossible for our bank to be merged as an equal partner. We will be the object of the merger. If the merger occurs, there will be massive job cuts, and the target of job cuts will be employees from our bank (A general manager of B bank).

We might be forced to merge with another bank due to the Government's need to make a few leading banks. If we merge with a weak bank, then job cuts from our bank will not be large. But if we merge with a healthier bank, then our bank will also have to shed many employees. Of course, it won't happen this year. But our bank is one of the candidates for becoming a leading bank. Thus it might happen that we will merge with another healthier bank within several years and, then, we will have to shed some blood. (A senior clerk of K bank)

As a consequence, survivors have a sense of uneasiness about job security<sup>46</sup>, especially in B bank because of its poor performance.

### **6.7.2 The Implications of the Breakdown of Lifetime Employment**

Before the financial crisis, because employees viewed their banks as lifetime workplaces, they regarded their career and fate as inseparable from the destiny of the banks, resulting in employees' strong identification with, and involvement in, the banks. Since the financial crisis, however, K bank and B bank reduced their workforces by about 15 per cent and 40 per cent respectively between 1998 and 1999, and employees in both banks have a sense of uneasiness about job security. As a consequence, the concept of lifetime employment has been broken down.

In addition, the seniority-based promotion and salary systems are also under pressure because of the rapid development of the external job market in the financial sector and the advent of high annual salaries for employees. In fact, both banks need some employees with specific expertise such as investment and product development. Since those with such specific expertise can gain better jobs in terms of position and salary in other institutions, banks must provide them with higher positions and salaries if they are to attract them. Moreover, both banks have also felt the need to motivate employees to develop specific expertise. It is very expensive to pay higher salaries for older employees with

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<sup>46</sup> Job security is here defined as the likelihood of continued employment.

generalist skills. Thus, with the introduction of some training programmes for developing employees' expertise, the two banks have plans to change their salary and promotion systems to performance-related pay and capability-based promotion. The Personnel Departments of the two banks are now preparing for these changes.

The breakdown of lifetime employment seems to have impacted on employees' AC. The following comments show the quality of linkage that some employees have to their organisation.

When I was a high school student, it was our dream to work in banks....Look at other big companies. Those with just high school degrees can't gain promotion in other big companies. But here it is different. If we pass the promotion examination from grade 5 to grade 4, we can be promoted to branch chiefs. There have been many branch chiefs with just high school degrees.... In the past, I thought this was my lifelong working place. So, I had strong attachment to the bank. But, since the financial crisis, looking at job cuts, I feel that I can be an object of job cuts in the future. So, I feel that I have to prepare for being made redundant. Since then, my attachment to the bank has been weakened. (A senior manager of B bank)

We are not called "salaried men". We are called "bankers". The living standard of the branch chiefs is that of the upper-middle class. In the past, anyway, we could gain promotion to branch chief.....I had a strong attachment to the bank. Anyway, it was my lifelong working place. But since the financial crisis, we saw the job cuts and it can happen to me at any time. This place is not my lifelong workplace any more. Actually, we work very hard now. But it is also true that my attachment to the organisation has been weakened. (A manager of K bank)

Most interviewees (17 out of 20) stated similar opinions, suggesting that the old deal between the organisation and employees, based on the straightforward exchange of job security for affective commitment, no longer fits. However, at the same time, they expressed a strong desire to develop specific expert skills. In fact, employees have realised

that they can keep their jobs if they have specialist expertise. Moreover, they have observed that those with specialist expertise have more opportunity to find better jobs in terms of positions and salaries in other financial institutions.

Thus, all of us are trying to raise our value to avoid being made redundant.....We want to be professional. (A senior clerk of K bank)

Actually, we want to be professional. If we have professional knowledge, we can keep our jobs and we can get much better jobs. (A general manager of B bank).

These comments indicate that employees are trying to adjust to a heightened sense of job insecurity by making themselves more employable both to their current organisation and in the broader job market.

## **6.8 Changes in Employees' Daily Work Experiences in the Two Banks**

The goal of K bank is to become a leading bank<sup>47</sup>, while the most urgent goal of B bank is to survive without being merged. Thus, both banks have also tried to improve their profitability. For example, since the financial crisis, all the branches have been changed to units of a self-supporting accounting system. That is, now they all have to report their own

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<sup>47</sup> A leading bank is a bank that not only has an excellent performance in terms of ROA, ROE and profit per head, but also leads the determination of interests in the banking industry and introduces advanced managerial techniques (*Korea Economic Daily*, 24 March 1999).

profits, and then their performance is evaluated on the basis of profit per head. Here, because branches in some places have a better environment and are thus more able to have higher profits, branches are divided into several groups, depending on the business environment. Branches compete against other branches in the same group, i.e. their profits are compared.

However, as discussed in Section 6.5, competition has been fierce since deregulation, many diverse products have been developed<sup>48</sup>, and different services are available. Moreover, as discussed in Section 6.6, both banks have also reduced their workforce. Thus, fewer employees have had to perform the same amount of work, and employees are required to be more flexible and adaptable. As a consequence, both banks have needed employees' initiative. K bank has been especially eager to induce employees' initiative. Since the financial crisis, the concept of "customer satisfaction" has come to the fore in the service sector and K bank has been one of its admirers. K bank sees customer satisfaction as a way of becoming a leading bank. Thus, it has researched the cases of many foreign banks and tried to copy their practices in order to satisfy customers. One of them is that the bank should satisfy internal customers (i.e. employees) if the bank wants to satisfy external customers (i.e. customers). For example, K bank has introduced many workplace social meetings, such as tea meetings, and the bank encourages subordinates to express their opinions, however trivial. Moreover, supervisors' courtesy has been emphasised.

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<sup>48</sup> Banks have made agreements with other financial institutions such as stock companies and insurance companies, and they have developed products which mix traditional banking services and other financial services in order to gain commission.

On the other hand, B bank has not introduced the concept of employees' satisfaction, as in K bank. A more urgent issue was to try to set its employees at ease by saying that the bank could survive. In fact, employees' unrest prevailed throughout the bank for some time after the financial crisis. Thus, the bank has chosen one person per branch (and department in headquarters) and it has delivered the bank's information to the workplaces through those representatives. The bank has also tried to imbue the consciousness of crisis in employees' minds and, at the same time, to inspire confidence that they can survive, thereby reinforcing employees' solidarity.

The changed contexts in which employees are working (i.e. with job cuts and a change of performance criteria) and different methods of management for confronting the new situation, as explained thus far, have had a tremendous impact on employees' daily work experiences, as we will see in the following sections.

### **6.8.1 Job Complexity**

As will be discussed in Chapter 7, in the questionnaire, job complexity was measured using Hackman and Oldham's (1980) 15-item list from the Job Diagnostic Survey, which was originally designed to measure five constructs – task identification, task variety, task significance, feedback from the job itself, and autonomy. Thus, job complexity is discussed with reference to these five aspects.

Branches are largely composed of three circles, i.e. the foreign exchange circle, the lending circle and the teller circle. Each circle is also composed of several sub-circles. For example, the foreign exchange circle includes the import sub-circle, export sub-circle and trade sub-circle. The lending circle includes personal lending, corporate lending, etc.

Before the financial crisis, in many cases, a whole and identifiable piece of work was divided into several tasks. Tasks were allocated to employees and their job demarcation was very clear. As a result, a supervisor's coordination was needed to get the work done. For example, when employee K finished his task, he/she reported this to a supervisor. Then, the task was taken over to employee L. After employee L finished his or her task, he/she reported to the supervisor. Then, the task was handed over to employee P. Through this process, a whole and identifiable piece of work was performed.

However, since the job cuts, fewer members are expected to perform the same or a greater amount of work. Thus, employees perform many tasks that were performed by several persons in the past, and often those tasks involve doing a whole and clearly identifiable piece of work. The comment from a senior clerk in B bank illustrates this point:

Before the job cut was carried out, in my branch three persons performed work concerned with lending. One dealt with the lending application, another investigated whether the security was really sufficient for lending. The last person's job was to give the loan to the applicant. At that time, my job was to deal with the application for lending. I did only my job. But, since the financial crisis, I perform all three jobs. If a person applies for lending, of course, in many cases the person should provide security. I deal with the application form and the documents concerned with security. Then, I investigate whether the pledge is enough for the lending. If it is, then I lend the money.

Thus, many employees have experienced increased task identification and task variety since the financial crisis.

Moreover, a one-stop banking system has been extensively introduced in order to satisfy customers in K bank, which means that an employee provides his/her customers with all the services they want. Under the new one-stop banking system, employees are expected to perform the role of basic consultants in all types of business. Thus, they are required to have knowledge related to diverse tasks. If they only know about one or two tasks, the new system cannot be implemented. One senior clerk observes about the one-stop banking system:

I have been working in the lending circle. In the past, if a customer came to me to borrow money, I dealt with the business. But, if the customer had some more requests concerned with foreign exchange, then I said to the client, "please go to the circle of foreign exchange and consult with them". But, now, the policy of the bank is that if a customer comes to me, I deal with all the services the client wants. Although some of his requests are not concerned with my job, I deal with all his requests. Anyway, he is my customer and he comes to me to be served.

On the other hand, B bank has only introduced a one-stop banking system in big branches, although it has plans to extend the system to all the branches eventually. Due to the introduction of the new system, employees in K bank seem to experience more task diversity.

The increases of task variety and task identity in both banks also appear to have impacted on task significance and feedback from the job itself. Employees, in many cases, now perform several tasks constituting a whole and identifiable piece of work. Thus, they now have a picture of the whole work and can know the results of what they have done.



Therefore, they can now get more feedback from the job itself, and task significance has been improved:

In the past, I only performed tasks concerned with the reception of applications for lending..... But, now I perform all the tasks concerning lending. Sometimes, I have to think about whether or not the lending should be carried out. I have to decide. If the lending is carried out, I have to know the business situation of the company in order to manage the loan. If the borrower's business proves to be successful, I feel that I did a good job. (A senior clerk of K bank)

I perform all the jobs concerned with lending. Thus, I receive the loan application, and I investigate the security in order to know whether the security is sufficient for lending. Then I implement the lending. Because I perform all the tasks, in the process of performing my tasks I can more easily know whether or not I have performed my tasks well. (A senior clerk of B bank)

Shedding employees has also affected employees' autonomy at work. Employees now perform a whole piece of work under their own responsibility. This is partly based on the logic that the field serviceperson should have the right of decision-making if the bank wants to satisfy customers' needs as soon as possible, and it is partly due to the fact that superiors cannot supervise what subordinates have done because superiors have also been overly pressurised with work since the job cuts. A general manager working in the headquarters of B bank remarked:

In the past, three or four persons were in charge of one business, and they were responsible to one superior.....But, now, due to massive job cuts, only one person is in charge of a business that three or four persons were in charge of in the past. Now, one superior supervises many persons. Namely, the span of control has been greatly enlarged. One superior can't supervise so many subordinates. Thus, autonomy is given, but individual subordinates should take responsibility for what they have done.

The enlargement of autonomy and responsibility is especially conspicuous in lending. Branch chiefs' unreasonable pressure on lending (as in the case discussed in Section 6.2) has disappeared. This is partly due to the fact that the profit per head of the branch becomes lower if an insolvent loan occurs, which is the most critical factor for the survival of the branch chief. It is also partly due to the fact that all the persons who are involved in illegal lending have to take responsibility for the loss. The following comments by an interviewee indicate the major changes concerned with lending.

In the past, if the branch chief gave an order to lend money to a person, I had to do so.....Considering several matters, certain loans should not have been agreed. The branch chief knew that we should not lend money to the person. But, he lent money to the person in return for a bribe. Although the loan became an insolvent loan, only if the amount of insolvent money in his branch was much bigger than that of other branches, was he expelled to a post of no importance. Although this happened, in many cases he came back to a normal post after several years. So, in the past, there were many unlawful accommodations of money. But, since the financial crisis, several credit evaluation systems have been developed. We lend money according to the credit evaluation systems. Moreover, when we lend money, our names are recorded in the bank's mainframe computer. Namely, who was in charge of lending and who approved it. If the lending proved to be illegal lending, we have to take responsibility. Even if the lending was executed under the pressure of the branch chief, we have to take responsibility. We have to pay back the loss. Moreover, when the bank sheds employees, we will be the first target of job cuts. Now, nobody wants to take that kind of risk. Thus, although the branch chief orders unreasonable lending, we present the reasons why the lending can't be done. In a sense, the credit evaluation system is a kind of means to make us present the reason why unreasonable lending can't be done. On the side of the branch chief, his performance is determined by the profit of the branch. Thus, he also isn't willing to apply pressure for unreasonable lending. (A senior clerk of K bank)

## 6.8.2 Supervisory and Co-worker Support

Each workplace is structured hierarchically. The first line consists of those who work within each circle (they are normally clerks, senior clerks and managers). The second line is composed of those who are in charge of supervising each circle (they are normally general managers). Then, there is a third line – i.e. those who supervise general managers (they are normally senior managers). Finally, there is a branch chief who is in charge of the branch.

Before the financial crisis, those in the second line did not perform the tasks performed in the first line. Their jobs were to supervise employees in the first line. Thus, job demarcation among lines was very clear. However, since the financial crisis, employees in the second and third lines very often perform the tasks performed in the first line. Under the system in which branch performance is appraised by profit per head, the fewer employees the branch has, the lower the cost is. Because the performance of the branch is the most important factor for the merit rating of the branch chief, branch chiefs are reluctant to accept new employees<sup>49</sup> although employees have been overly pressured with work since the job cuts. Instead, superiors, including the branch chiefs, help their subordinates:

In the past, branch performance was evaluated in terms of the volume of deposit..... Branch chiefs were willing to accept new members. If new members were accepted, the work of the existing branch members could be reduced. Moreover, if new members had a good personal relationship with the public, they could induce much saving. Then the branch appeared to have a better performance. But it is now different. If the branch accepts a new

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<sup>49</sup> Since the financial crisis, branch chiefs have been able to hire up to two part-timers at their discretion. If the workload is really severe, branch chiefs hire part-timers for several days.

member, the cost of the branch is increased, and we doubt that the new member can produce higher revenue. Thus, the branch chief is not willing to accept new members. For example, two persons in my branch recently retired. But our branch chief has not requested the allocation of new members. So we have to do more work. If superiors do not help us, the work can't be finished. (A general manager in K bank)

Because K bank focuses on the retail market, its employees deal with more customers and encounter more unexpected job-related matters. In a situation where employees are overly pressured with work, employees cannot spend much time on a particular case. Thus, if something unsolvable happens, the supervisor's help is absolutely necessary:

The new generation has a tendency to rely heavily on computers without understanding the underlying basic theory. Many diverse services have been developed and some services are very complicated.....They only rely on the results of the computer. But sometimes clients ask why the values of interest are as they are, and many young employees don't know the mechanism. But our generation knows the mechanism. When I was a clerk and senior clerk, I computed everything by hand. Thus, I know the mechanism of how interest is computed. Even if a new complicated service is developed, I can easily understand the mechanism. Our bank has more work that should be treated within a shorter time. Thus, if we treat our work by thinking of the underlying mechanism, our efficiency will be reduced. When there is always a long queue at the counter, how can the bankers in the counter spend their time on solving problems? Thus, if something arises that employees at the counter can't solve, supervisors have to help. In other banks, although superiors don't help subordinates, the branch can be operated. But we focus on the retail market. If the superiors do not help, the branch can't be operated. (A general manager of K bank)

As for co-worker support, because employees are overly pressured with work, employees should help their co-workers in order to operate their working unit. Moreover, branch members are financially rewarded if the performance is good. In K bank, for example, the bonuses of the three worst performing branches are given to the members of

the top three performing branches. Thus, the members of the latter branches receive their own bonus *and* the bonus of the members of the three worst performing branches.

I am not always heavily pressured with the work. When I am not pressured with the work, I help others who are heavily pressured with work. Although I work in the foreign exchange circle, there are some tasks that I can perform in the lending circle... If I don't help them, they can't complete their work. And, when I am overly pressured with work, they help me. If we don't help each other, the branch can't be operated. (A senior clerk in K bank)

K bank offers branch members further benefits in addition to a bonus if the branch performance is good, i.e. the branch members get additional points in their merit rating. If the branch performance is excellent, all the members get 0.3 additional points in their merit rating. For a very good performance, the branch members get 0.2 additional points. For a good performance, 0.1 additional points are awarded. On the other hand, in B bank, although the branch performance is very good, there is no other advantage for branch members except financial rewards. Instead, in most cases the branch chief has the advantage in terms of merit rating.

### **6.8.3 Role Clarity**

Since the financial crisis, because branch performance tables are made public, employees have more understanding of how well their branches have performed. Moreover, because employees help each other, they know what others' work is like. Thus, although

the contribution of each circle to the whole branch profit is not published, they can roughly guess how far their circles have contributed to the whole branch profit. According to a clerk in B bank:

Before the financial crisis, my branch was the biggest in Korea, More than 100 bankers were here. All had their own jobs and we performed only one job....But now there are only about 25 bankers here. I have been in charge of foreign exchange. But I sometimes perform other circles' tasks. Thus, I roughly know what others' jobs are like..... And the ranking of branches is published. So we know whether or not our branch is profitable, and whether or not our efforts are sufficient.

#### **6.8.4 Promotional Chances**

Before the financial crisis, in both banks, employees suffered from promotion bottleneck due to the seniority-based promotion system. However, employees of K bank have recently had some chances for promotion. This is because the bank merged with two other banks and only accepted a small number of employees from those banks.

However, both banks have had skewed manpower structures since the financial crisis. They have not recruited new employees, although a few professionals such as risk managers and credit officers have been hired. Moreover, most of the early retirees were those who were in lower positions but in higher pay classes. Thus, both banks have manpower structures of the pot type<sup>50</sup>. However, K bank planned to carry out another early

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<sup>50</sup> The “pot type” structure is characterised by a small number of employees at the top and bottom of the structure, and a larger middle layer – like the shape of a pot.

retirement schemes for branch chiefs in 2000. The employees commented on opportunities for promotion as follows:

The ideal manpower structure is of the pyramid type. Most of the early retirees were lower positioned people.... If a higher positioned person leaves the organisation, a chain of promotion will happen. But, when lower positioned persons leave, what kind of promotional chance is there? (A general manager in B bank)

In effect, we had some promotional chances when we merged with two banks because our bank only accepted some employees from the merged banks. But most of the early retirees were lower positioned women. Thus, the manpower structure of our bank is of the pot type. But, this year another early retirement will be carried out and the objects will be branch chiefs. Thus, I think that there will be some promotional chances. (A senior clerk in K bank)

### **6.8.5 Favourable Training Policies and Practices**

Since the financial crisis, banks have needed some experts, including credit officers, risk managers, and product developers, due to the need to manage their loans on big companies strictly and create other sources of profits such as commission. Although both banks have hired some professionals, they still suffer from a lack of experts.

Moreover, since the development of new diverse products and services, employees in branches are assumed to be sellers of a variety of products to clients, and branch members are requested to function as basic consultants for the overall management of clients' properties. However, banks have not had skilled manpower. Thus, they have devoted much effort to training.

There have been two sources of training in both banks. One is direct training in the in-service training institute. The other is based on the pamphlets sent from the institute. As for direct training, some employees are selected and are trained in the in-service training institute for a month. After finishing their in-house training, they take an examination. As for indirect training, a pamphlet is sent to all employees once per week and employees have to take many examinations about the contents of the pamphlets. The results of these examinations are reflected in the merit rating. Before the financial crisis, both the in-house training and the contents of pamphlets were outdated and irrelevant to the actual tasks that employees performed.

However, since the financial crisis, both banks have provided many more opportunities for in-house training. Moreover, the in-service training institutes of both banks have tried to reflect the type of training employees want to take in their training course. The contents of the pamphlets have also been made more relevant to actual tasks.

K bank is more active in training than B bank. For example, it has offered cyber education by putting many education programmes on its internet homepage. Thus, employees can get the education they need. Furthermore, K bank has been more active than B bank in adopting the training courses employees want. Although B bank has strongly felt the need for training, its financial state has set limits to the investment in training. Also, B bank has not developed cyber education, although it has a plan to do so soon.

Now, the bank has introduced the expert system. That is, if we want to work in headquarters, we have to have specific skills.... first we have to develop a professional knowledge in a certain area; secondly we have to take an examination and our mark should be good....Thus, we are enthusiastic in taking education, especially cyber education. If we



develop expertise, our value will be raised. There are many cyber education programmes. We just click a programme we want to learn, then we can learn what we want to learn. (A senior clerk of K bank).

The cognition of training has been raised. In effect, the in-house training institute has provided more training. Moreover, it has tried to provide up-to-date training....But our bank has faced a severe financial situation and thus there is a certain limit to investing its money in employees' training. For example, if a training programme is run by experts, then it costs a lot. Our bank can't afford it....Thus, although the cognition of training has been raised, there are certain limits on training in terms of money. (A general manager of B bank)

The training is mainly based on pamphlets sent from the in-house training institute. We study the content of the pamphlets and we take an examination. Now the content of the pamphlets is much more relevant to our work. We are active in learning because it is a way of raising our value..... But in my opinion pamphlets alone are not enough to make employees professionals. (A general manager of B bank)

### **6.8.6 Participatory Management**

Before the financial crisis, subordinates did not have much say. However, since the financial crisis, the situation has changed. This has resulted from the need to reduce the amount of work to be done under the situation that employees are overly pressured with work. That is, if subordinates find efficient working methods, the amount of work to be done is reduced. Then, the workplace can be operated efficiently. Moreover, unlike in the past, when the banks called only superiors to account if something went wrong, all persons concerned are now responsible for what they have done. These factors have contributed to increased employees' participation:

In the past, we just performed one job, but now we are in charge of two or three jobs. If we passively work as we did in the past, it becomes laborious. So, if my superior orders me to do something irrational, I say what I think. Moreover, all of us work very hard. Thus, what we say is accepted. (A general manager of B bank)

Now, the bank calls persons concerned to account if something is wrong. If something I did is wrong, I have to compensate for the loss, and I might lose my job because of it. In such a situation, it is natural that I have a voice and my supervisor accepts my voice. (A senior clerk of K bank)

Employees' participation has been particularly emphasised in K bank. In order to satisfy employees, K bank has implemented several practices, and one of them is to encourage employees to have a voice:

We can now suggest something to improve efficiency and we can have a voice in matters concerned with our jobs. For example, I have recently changed my job in my branch. This was the result of my opinion being accepted. Now the bank emphasises the need for courtesy. One of the courtesies is to ask a subordinate's opinion in matters that concern him or her. (A senior clerk of K bank)

### **6.8.7 Formal Procedural Justice**

The procedure has not been transparent in personnel management. The merit rating is composed of three parts: service record, examination results in relation to training, and career evaluation. The service record is the most important part of the merit rating, and the branch chief marks branch members' service records. However, the employees' service records have not been made public in either of the banks. Thus, employees do not know

their merit rating. Moreover, employees do not know by what criteria their service records are marked. Thus, there is no formal procedure to appeal against their service records:

There has not been so much change in terms of the fairness of the procedures. There should be transparent and fair justice. (A general manager of B bank)

In the past, in order to gain promotion from 5<sup>th</sup> grade to 4<sup>th</sup> grade, we had to pass the examination. Then, if there were vacancies, those who passed the examination earlier were promoted. But, although seniority is still important, since the financial crisis it sometimes happens that those who passed the examination later have been promoted faster than those who passed the examination earlier. According to the bank, the reason why seniority is ignored is that they are capable. But the evaluation criterion of capability is vague and, in some cases, I shrug off the idea that they are evaluated as capable people. (A senior clerk of K bank)

However, K bank has felt the need to establish a transparent and fair procedure in personnel management. Thus, from late November to early December 1999, the bank carried out a survey concerned with personnel management. Then, in early 2000, a new Vision of Personnel Management was proclaimed, based on the results of the survey. In this statement, K bank confesses that in the past personnel management was based on seniority, secrecy, the uneven distribution of opportunity, and uniform reward. Now, however, the bank needs creative professionals, and skilled servicepersons who offer a good service to clients. In the Vision of Personnel Management, the bank proclaims that in future personnel management will be based on capability, performance, equality of opportunity, and transparency. Then, it presents the evaluation criteria for marking the service record. K bank is the first and only bank to proclaim the principles of personnel management:

The principle of seniority hasn't been shaken off yet.....In the past, in most cases, the points of our service records were based on seniority. But, now we are told that our service records are based on how much we have done. But I don't know whether or not my service record is marked based on the new evaluation criteria suggested by the bank, because I don't know my service record. (A manager of K bank)

### **6.8.8 Interactional Justice**

Unlike in the past, when superiors were authoritative and instructed unilaterally, supervisors now discuss with subordinates the matters that concern them and respect their opinions when decisions are made. This change has been caused partly by the democratisation of Korean society and partly by supervisors' need to gain higher profits with fewer members. Since the financial crisis, the branch chiefs try to operate their branches with as few members as possible. Thus, they treat members with dignity and respect when decisions are implemented:

Since the financial crisis supervisors have treated us with more kindness. Actually, employees are overly pressurised with work and the branch chief tries to operate the branch with existing members. He is reluctant to accept new members. Thus, he should be very kind in order to operate the branch. (A general manager of B bank)

The branch chief is actually a powerful being in terms of marking our service records. But he should be very kind. The bank sets the target figure and allocates it to the regional headquarters. Then the regional headquarters allocates it to the branches. For the branch chief, whether or not the branch reaches the target figure is crucial for his job security. The branch chief should operate the branch with fewer members, and therefore he should be gentle. (A senior clerk of K bank)

Because K bank has merged with two other banks, its employees are diverse. In order to create a harmonised organisation, K bank has felt the need for interactional justice. Moreover, in order to satisfy employees, K bank has attached great importance to interactional justice.

### **6.8.9 Distributive Justice**

In the past, the employees of K bank were paid less than other bank employees. Thus, B bank salaries were higher than K bank salaries. Since the financial crisis, however, the pay of B bank's employees has been reduced. Thus, the employees of K bank are now paid more than B bank's employees are.

### **6.8.10 Skills/Knowledge Transferability**

Since the financial crisis, banks have developed diverse products and services and they require employees to have a basic knowledge of several areas, including taxation, stocks and bonds, etc. In fact, banks have educated employees to enable them to perform as the sellers of those products. Thus, they have been able to learn more transferable skills.

## 6.9 Summary

Because of their imprudent lending to Chaebols, banks were badly damaged by the financial crisis. B bank has been one of the poorest performers, and has reduced its workforce by 40 per cent. On the other hand, K bank has been a representative healthy bank. However, it has also reduced its employees because of its merger with other banks for becoming a leading bank.

Since the financial crisis, in both banks, the concept of lifetime employment has collapsed and employees have had a strong sense of job insecurity, thereby reducing their AC. At the same time, employees have placed increased value on training and development in order to secure their jobs and/or to make themselves more employable in other financial institutions.

Moreover, the changed contexts in which employees are living (i.e. with the change of performance criteria and job cuts) have had a tremendous impact on their daily work experiences. For example, employees have experienced increased job complexity, supervisory and co-worker supports, role clarity, participatory management, interactional justice, and skills/knowledge transferability. Although employees of both banks have experienced similar changes, because of differences in the ways of confronting the situations, employees in K bank seem to have had more changes. For example, due the bank's emphasis on employees' satisfaction, employees in K bank have more interactional justice and participatory management. In addition, because of the extensive introduction of

a one-stop banking system, employees in K bank experience more task diversity. Moreover, K bank has been more eager to develop employees' training.

# **Chapter 7: The Relationship Between Downsizing and Employees' Affective Commitment to the Organisation**

## **7.1 Introduction**

This chapter is concerned with the first research aim, i.e. to examine the mechanism through which downsizing affects employees' AC. That is, as discussed in Section 4.2, the aim is to examine whether downsizing affects employees' AC directly and/or indirectly and to investigate which impact is stronger, as reflected in Parts I-1, I-2, and I-3 of Model 2 in Chapter 4. As mentioned in Section 4.2, the impact of downsizing on employees' AC is examined by testing the impact of the varying degrees of severity of downsizing (in terms of job cuts and salary reductions) on employees' AC. Thus, Part I-1 concerns the direct impact of the varying severity of downsizing on employees' AC. On the other hand, Parts I-2 and I-3 comprise the indirect impact of the varying severity of downsizing on employees' AC.

The two case-study banks are used to illustrate the varying degrees of severity of downsizing. The two groups (i.e. the employees of K bank and of B bank) share some similarities. They belong to the same industry in Korea, and have the same salary and promotion systems. Moreover, employees' perceived daily work experiences were similar in both banks before downsizing. However, the extent of their downsizing has been



different. As discussed in Section 6.6, K bank reduced its workforce by about 15 per cent between 1998 and 1999, while B bank reduced its workforce by about 40 per cent. Moreover, the employees of K bank have not experienced salary reductions. On the other hand, the employees of B bank experienced salary reductions of 20-30 per cent in 1998, and their salaries have still not recovered to the previous level. In a sense, the varying degrees of severity in terms of organisational downsizing reflect the different prospects of the two banks, e.g. K bank is a candidate for a leading bank and B bank struggles to survive by itself without being merged. That is, the Government has decided how much the banks should downsize themselves according to their state of health. Thus, the healthier the banks are, the fewer employees they are forced to shed. As a consequence, K bank has carried out only a mild level of job cuts. On the other hand, B bank had to carry out a severe level of job cuts. Thus, the two case-study banks seem to be good samples to examine the impacts of the varying degrees of severity of organisational downsizing on employees' AC.

In order to test Parts I-1, I-2 and I-3 of Model 2, the total sample (K bank sample plus B bank sample) will be used because the two banks represent the varying degree of severity of organisational downsizing. Before testing Parts I-1, I-2 and I-3 of Model 2, it is necessary to consider what measures are employed and to examine whether the measuring instruments are scientifically useful, i.e. we need to determine the validity of the instruments<sup>51</sup>. These issues are discussed in Sections 7.2 (i.e. issues concerning measures) and 7.3 (i.e. issues about the validation of the measures). The validity of the measures is considered using factor analysis, reliability analysis, and correlation analysis. Next, the

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<sup>51</sup> "A measuring instrument is valid if it does what it is intended to do" (Nunnally, 1978, p. 86).

empirical test of Parts I-1 of Model 2 is conducted in Section 7.4. Then, in Section 7.5, the empirical tests of Parts I-2, and I-3 are conducted. The analyses are conducted using multiple regression analysis. Section 7.6 discusses the results of the tests of Parts I-1, I-2, and I-3 and their managerial implications.

## **7.2 Measures**

### **7.2.1 Measures for Employees' Daily Work Experiences**

Favourable training policies and practices refer to the extent to which the policies and practices support the effective use of training (Tannenbaum, 1997). This variable is measured using 10 items from Tannenbaum's (1997) 11-item scale. However, in the original scale, some of the items are not perceptual measures. Thus, the second item, for example, "I was asked about my training needs during the last year" had to be changed into "my training needs are taken into account".

Supervisory support refers to "the degree to which supervisors are perceived as supportive and helpful in job matters" (Mottaz, 1988, p. 472). Three items from Kim's (1996) 4-item scale<sup>52</sup> and one item from Peccei and Rosenthal's (1997) 3-item scale are employed. Kim (1996) developed this scale for his PhD thesis on South Korean automobile

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<sup>52</sup> The items are shown in Price's (1997) paper.

employees' intent to stay, and validity was demonstrated and reliability was acceptable (Coefficient  $\alpha = 0.84$ ). He defines supervisor as "the person who most often officially assesses your job performance" (Price, 1997, p. 496). Kim's final item, "my supervisor does not care about my well-being", is not included because this item seems to refer to more comprehensive supervisory support rather than support for job-related matters associated with the definition.

Co-workers support refers to the support in job-related matters by peer workers in similar positions or ranks (Yoon and Lim, 1999). This variable is measured using Yoon and Lim's (1999) 3-item scale, which is adapted from House's (1981) scale.

Role clarity refers to the degree to which role expectations are clear, consistent and predictable (Brown and Leigh, 1996). In order to tap this construct, Brown and Leigh's (1996) 3-item scale is used.

Promotional chances are defined as "the movement between different status levels within an organization" (Iverson and Roy, 1994, cited in Price, 1997, p. 408). Price's (1991) 3-item scale is employed to measure this variable.

Job security concern refers to the perceived likelihood of continued employment (Price, 1997). In order to measure this variable, two items from Price's (1991) 3-item scale are used. In addition, in an effort to reflect the Korean context, where job security has been one of employees' major worries since the financial crisis, one item from Oldham et al.'s (1986) 10-item scale is also included: "Regardless of economic conditions, I will have a job in this organisation".

Participatory management refers to “the extent to which employees feel that they can influence decisions regarding the work environment and other issues of concern to them” (Dunham et al., 1994, p. 371). This variable is measured using Vroom’s (1959) 4-item scale. Here, some format and wording changes were made. For example, the sentence, “Do you feel you can influence the decisions of your immediate superior...?”, is changed to the sentence, “How much influence or say do you have...?”

Distributive justice refers to “the perceived fairness of the amount of compensation employees receive” (Folger and Konovsky, 1989, p. 115). In the concept of distributive justice, compensation includes monetary and non-monetary (e.g. promotion, recognition) components. Individuals shape their perception of distributive justice on the basis of not only what they receive, but, as suggested by Homans (1961) and Adams (1965), what they receive relative to some standard or referent such as co-workers and personal experiences in other settings (Cropanzano and Greenberg, 1997). Based on the perspective of Adams or Homans, many researchers (e.g. Fasolo, 1995; Kim et al., 1996; Moorman, 1991) have measured employees’ perceptions of distributive justice using several criteria, such as responsibilities, experiences, stress, effort, education, and good performance. However, no single measure includes all these criteria. Thus, in order to include all criteria for measuring distributive justice, Kim et al.’s (1996) three items, one item from Price and Mueller’s (1981) 3-item scale, and two items from Tang and Sarsfield-Baldwin’s (1996) 5-item scale are used. Therefore, six items are included to measure distributive justice, and some minor format and wording changes have been made.

Formal procedural justice refers to “such things as whether decisions were made by neutral, fact-finding authorities who used legitimate decision-making criteria” (Brockner et al., 1992, p. 243). The structural aspect of procedural justice (i.e. formal procedural justice) is one of two distinct factors that largely influence the judgements of procedural fairness (the other factor is interactional justice) (Greenberg, 1990). According to Cropanzano and Greenberg (1997), the literature on formal procedural justice suggests a number of rules influencing employees’ perceptions of formal procedural justice – i.e. having a voice (Thibaut and Walker, 1975), rules applied consistently, free from bias, accurate, correctable, representative of all concerns, and based on prevailing ethical standards (Leventhal, 1980). Thus, in an effort to consider all these rules in measuring formal procedural justice, Niehoff and Moorman’s (1993) six items are used. This scale was developed to measure the structural aspect of procedural justice of job decisions made by a supervisor. However, in the Korean banks, promotions are decided by top management, while merit rating is evaluated by a superior. Thus, in order to clarify this issue, some items were re-worded. For example, “job decisions are made by the general manager in an unbiased manner” has been changed to “decisions are made in an unbiased manner”. However, Niehoff and Moorman’s 6-item scale does not include the rule “representing the concerns of all recipients”. Thus, one item relating to the representation of all concerns is adapted from Moorman’s (1991) scale.

Interactional justice refers to “such things as whether the organization treated people with dignity, politeness, and respect during the implementation of the decision” (Brockner et al., 1992, p. 243). Interactional justice theorists (e.g., Greenberg, 1993; Tyler

and Bies, 1990) suggest that interactional justice comprises two aspects - social sensitivity and informational justification. The former refers to the extent to which people believe that they are treated with dignity and respect during the decision process and its implementation. The latter refers to the extent to which people believe that they have adequate information about the decisions affecting them (Cropanzano and Greenberg, 1997). Niehoff and Moorman's (1993) 9-item scale is employed to capture these two aspects. The items were reworded to better capture the above definitions of the two aspects of interactional justice. For example, the sentence "when decisions are made about my job" is changed to the sentence "when decisions concerning me are made and implemented".

Job complexity is defined as "a summary construct composed of separate task dimensions such as variety, autonomy, challenge, significance and feedback" (Mowday et al., 1982, p. 59). Hackman and Oldham's (1980) 15-item scale from the Job Diagnostic Survey (JDS) was used to measure job complexity. These items were originally designed to measure five constructs – skill variety, task identity, task significance, autonomy, and feedback from the job. However, numerous empirical tests (e.g. Dunham, 1976; Pierce and Dunham, 1978) show that these constructs are not independent of one another. Thus, Dunham (1976) advocates a single-factor solution representing job complexity on the basis of his empirical test. Thus, the 15-item JDS is employed to measure a single construct of job complexity. Skills/knowledge transferability refers to the degree to which employees' skills/knowledge are (is) transferable between organisations. Kim's (1996) 3-item scale<sup>53</sup> is used to measure this variable.

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<sup>53</sup> Kim's scale is shown in Price's (1997) paper.

## **7.2.2 Measures for Individuals' Characteristics**

Positive affectivity and negative affectivity are “the tendency to experience pleasant and unpleasant emotions respectively” (Price, 1997, p. 435). Affectivity does not extend on a continuum from positive to negative. Rather, an individual possesses both degrees of positive affectivity and degrees of negative affectivity (Price, 1997). Thus, positive affectivity and negative affectivity are distinct variables (Warr et al., 1983). Watson’s 10-item scale<sup>54</sup> is used to measure them.

## **7.2.3 Measure for Affective Commitment**

Affective commitment, as discussed in Section 2.2, is defined as “the employee’s emotional attachment to, identification with, and involvement in the organization” (Meyer and Allen, 1991, p. 67). Meyer and Allen’s (1997) 6-item Revised Affective Commitment Scale is used in order to measure this variable.

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<sup>54</sup> Watson’s scale is shown in Price’s (1998) paper. The items were provided in personal communication from Watson to Price.

## 7.3 The Validation of the Measures

The validation of the measures is conducted through three analyses: factor analysis, reliability analysis, and correlation analysis. Factor analysis and reliability analysis are used in order to produce a set of items reflecting an underlying construct. Once these items are identified, they are combined into a single composite scale, i.e. the average score of the items. Then, correlation analysis is conducted in order to examine the extent of multi-collinearity among constructs.

### 7.3.1 Factor Analysis

Factor analysis is “a generic name given to a class of multivariate statistical methods whose primary purpose is to define the underlying structure in a data matrix. Broadly speaking, it addresses the problem of analyzing the structure of the interrelationships (correlations) among a large number of variables<sup>55</sup> (e.g., test scores, test items, questionnaire responses) by defining a set of common underlying dimensions, known as **factors**” (Hair et al., 1998, p. 90). Thus, factor analysis enables researchers to identify the separate dimensions of the structure and to determine the extent to which each

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<sup>55</sup> “Variables” mean items.



item is explained by each dimension, thereby permitting data summarisation and reduction<sup>56</sup>.

Factor rotation is an important tool in interpreting factors. Rotation reduces some of the ambiguities that often go with the preliminary analysis, thereby improving interpretation. There are two main rotation methods: orthogonal rotation and oblique rotation. In orthogonal rotation, axes are maintained at 90 degrees, whereas they are not retained at 90 degrees in oblique rotation. The goal of orthogonal rotational technique is to reduce a large number of variables to a smaller set of uncorrelated variables for subsequent use in regression or other prediction techniques, while oblique rotation technique aims to obtain several theoretically meaningful factors. However, the analytical procedures for performing oblique rotations are not well developed (Hair et al., 1998). Moreover, the measures whose psychometric properties are well supported in the literature are used in the present study. Thus, the objective of factor analysis is, in the present study, to reduce a large number of variables to a smaller set of variables, rather than identifying several theoretically meaning factors. As an analytic approach to obtain an orthogonal rotation of factors, varimax rotation has proved very successful, and it is the most widely used technique (Hair et al., 1998). Thus, principle component analysis with varimax rotation is used in this study. As for the number of factors to be extracted, two criteria suggested by Hair et al. (1998) are considered: eigenvalue and total variance to be explained. According

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<sup>56</sup> "In summarizing the data, factor analysis derives underlying dimensions that, when interpreted and understood, describe the data in a much smaller number of concepts than the original individual variables. Data reduction can be achieved by calculating scores for each underlying dimension and substituting them for the original variables" (Hair et al., 1998, pp. 90-91).

to the authors, factors having eigenvalues greater than 1 are normally considered significant, and a total explained variance that is more than 60 per cent is considered satisfactory in the social sciences. Moreover, in interpreting factors, the highest loading (largest absolute factor loading) is identified and examined to see whether it is significant. A factor loading greater than .30 in absolute terms is considered significant if the sample size is greater than 350 (see Hair et al., 1998, pp. 87-138).

#### **7.3.1.1 The Constructs of Employees' Daily Work Experiences**

The constructs of employees' daily work experiences in Model 2 are 12 in number: favourable training policies and practices, supervisory support, co-worker support, role clarity, promotional chances, job security concern, participatory management, distributive justice, formal procedural justice, interactional justice, job complexity, and skills/knowledge transferability. Preliminary factor analyses were conducted in order to identify the separate dimensions of the items measuring employees' daily work experiences. The preliminary analysis shows that two items intended to measure favourable training policies and practices loaded on another factor in the K bank sample and the B bank sample, i.e. item 7: "training is encouraged at my bank to develop the skills needed for advancement" and item 8: "the successful people at my bank attend training courses". Thus, these two items were deleted (see the procedure for the preliminary factor analyses in Appendix II and the results of the original factor analyses in Appendices II-1, II-2, and II-

3). Then, factor analyses were conducted again. Tables 7.1, 7.2, and 7.3 show the results of the factor analyses of the items measuring employees' daily work experiences. As shown in Tables 7.2 and 7.3, the items split into 12 factors. However, for the K bank sample, as shown in Table 7.1, the items split into 11 factors. The items intended to measure the promotional chances and job security concern load on one factor. Thus, in order to investigate the independence of promotional chances from job security concern enough to form separate antecedents in the K bank sample, factor analysis was conducted for only those items intended to measure promotional chances and job security concern. Table 7.4 presents the results. It shows that the construct of job security concern is different from the construct of promotional chances. Moreover, the two constructs are different from each other in both the B bank sample and the total sample, as shown in Tables 7.2 and 7.3. Furthermore, as shown in Appendix IV (1, 2, and 3), correlation analyses, which are discussed later, indicate that the correlation between job security and promotional chances is not very high. Thus, the construct of job security concern can be regarded as independent of the construct of promotional chances.

As for factor loadings, all the item loadings defining factors, which are written in boldface in Tables 7.1, 7.2, 7.3, and 7.4, are greater than .30. Moreover, total explained variances<sup>57</sup> are 70.733 per cent, 70.483 per cent, and 71.800 per cent in the K bank sample, B bank sample, and total sample respectively. Thus, the results of factor analyses show that all constructs relating to employees' daily work experiences are independent from each other. In Tables 7.1, 7.2, and 7.3, only the rows that have the item loadings defining factors

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<sup>57</sup> Total variance explained is the summation of the explained variance of the extracted factors.

are shown in order to make the results more easily readable. The full factor analysis results are shown in Appendix III (1, 2, and 3).

**Table 7.1: Factor analysis of items measuring employees' daily work experiences  
(K bank sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Job Complexity 1	.623	.241	.024	.126	.180
Job Complexity 2	.695	.152	-.005	.058	.058
Job Complexity 3	.734	.142	.053	.053	.053
Job Complexity 4	.736	.063	.054	.148	.148
Job Complexity 5	.723	.119	.104	.230	.230
Job Complexity 6	.785	.075	.100	.065	.060
Job Complexity 7	.775	.106	.010	.051	.014
Job Complexity 8	.792	.182	.083	.091	.056
Job Complexity 9	.821	.096	.089	-.019	.013
Job Complexity 10	.714	.121	.025	.115	.113
Job Complexity 11	.777	.110	.054	.055	.019
Job Complexity 12	.658	.116	.042	.128	-.089
Job Complexity 13	.770	.135	.044	.026	-.011
Job Complexity 14	.686	.208	.074	.106	.055
Job Complexity 15	.802	.020	.062	.073	.080
Interactional Justice 1	.210	.736	.206	.174	.202
Interactional Justice 2	.187	.794	.181	.178	.151
Interactional Justice 3	.175	.775	.198	.229	.196
Interactional Justice 4	.152	.817	.202	.173	.157
Interactional Justice 5	.196	.782	.144	.242	.208
Interactional Justice 6	.227	.775	.113	.171	.248
Interactional Justice 7	.246	.764	.101	.173	.280
Interactional Justice 8	.255	.749	.087	.153	.277
Interactional Justice 9	.245	.707	.071	.185	.284
Favourable Training Policies 1	.119	.049	.696	.120	.150
Favourable Training Policies 2	.052	.147	.604	.195	.238
Favourable Training Policies 3	.075	.151	.738	.077	.099
Favourable Training Policies 4	.020	.104	.751	.154	.241
Favourable Training Policies 5	.047	.141	.714	.244	.165
Favourable Training Policies 6	.038	.109	.772	.127	.126
Favourable Training Policies 9	.124	.165	.670	.201	.130
Favourable Training Policies 10	.116	.289	.684	.063	.144
Distributive Justice 1	.117	.259	.239	.797	.142
Distributive Justice 2	.078	.202	.214	.818	.152
Distributive Justice 3	.135	.207	.189	.811	.164
Distributive Justice 4	.131	.225	.156	.771	.123
Distributive Justice 5	.147	.222	.153	.728	.225
Distributive Justice 6	.131	.218	.128	.733	.252
Formal Procedural Justice 1	.136	.218	.196	.238	.593
Formal Procedural Justice 2	.058	.297	.260	.202	.740
Formal Procedural Justice 3	.142	.369	.216	.214	.698
Formal Procedural Justice 4	.150	.313	.270	.179	.738
Formal Procedural Justice 5	.082	.289	.233	.195	.720
Formal Procedural Justice 6	.163	.379	.205	.145	.649
Formal Procedural Justice 7	.109	.377	.223	.224	.714
Eigenvalues	23.335	6.535	3.629	2.961	2.456
% Variance Explained	34.316	9.610	5.337	4.355	3.612

**Table 7.1 (cont.): Factor analysis of items measuring employees' daily work experiences (K bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>
Promotional Chance 1	<b>.540</b>	.204	.259	.126	.025	-.280
Promotional Chance 2	<b>.555</b>	.224	.343	.085	.027	-.304
Promotional Chance 3	<b>.507</b>	.139	.187	.153	.066	-.248
Job Security Concern 1	<b>.815</b>	.016	-.034	.163	.086	.121
Job Security Concern 2	<b>.751</b>	-.029	-.089	.052	.046	.154
Job Security Concern 3	<b>.806</b>	.028	-.022	.084	.047	.135
Co-worker Support 1	.090	<b>.812</b>	.145	.096	.068	.109
Co-worker Support 2	.051	<b>.842</b>	.147	.121	.039	.039
Co-worker Support 3	.033	<b>.847</b>	.137	.083	.093	.057
Supervisory Support 1	-.012	.239	<b>.530</b>	.294	.012	.223
Supervisory Support 2	-.012	.165	<b>.639</b>	.192	.011	.168
Supervisory Support 3	-.017	.208	<b>.632</b>	-.044	.082	-.071
Supervisory Support 4	.076	.213	<b>.596</b>	.172	.031	.153
Participatory Management 1	.206	.176	.045	<b>.629</b>	-.017	.057
Participatory Management 2	.268	.083	.114	<b>.666</b>	-.029	.090
Participatory Management 3	.098	.109	.188	<b>.608</b>	.008	-.002
Participatory Management 4	.174	.174	.089	<b>.546</b>	.029	-.053
Skill Transferability 1	.096	.136	-.012	-.067	<b>.623</b>	-.052
Skill Transferability 2	.020	.054	.065	.051	<b>.869</b>	-.057
Skill Transferability 3	.090	.009	-.011	-.015	<b>.852</b>	.028
Role Clarity 1	.148	.442	.399	.110	-.037	<b>.519</b>
Role Clarity 2	.206	.313	.180	.006	-.009	<b>.568</b>
Role Clarity 3	.161	.308	.224	.159	.021	<b>.518</b>
Eigenvalues	2.205	1.947	1.559	1.320	1.087	1.064
% Variance Explained	3.243	2.863	2.292	1.942	1.598	1.565

**Table 7.2: Factor analysis of items measuring employees' daily work experiences (B bank sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Job Complexity 1	<b>.638</b>	.112	.105	.049	.152
Job Complexity 2	<b>.741</b>	.110	.015	.003	-.039
Job Complexity 3	<b>.753</b>	.162	.128	-.014	.003
Job Complexity 4	<b>.774</b>	.128	.158	.056	.017
Job Complexity 5	<b>.764</b>	.130	.149	.083	.143
Job Complexity 6	<b>.800</b>	.120	.117	.028	.066
Job Complexity 7	<b>.825</b>	.033	.021	.055	.057
Job Complexity 8	<b>.777</b>	.100	.051	.056	.076
Job Complexity 9	<b>.814</b>	.017	.028	.077	.010
Job Complexity 10	<b>.741</b>	.109	.115	.047	.073
Job Complexity 11	<b>.841</b>	.024	.016	.033	.083
Job Complexity 12	<b>.755</b>	.107	.037	.031	.067
Job Complexity 13	<b>.775</b>	-.006	.028	.127	.177
Job Complexity 14	<b>.745</b>	.123	.044	.063	.106
Job Complexity 15	<b>.824</b>	.108	.061	.079	.069
Interactional Justice 1	.064	<b>.767</b>	.121	.150	.149
Interactional Justice 2	.163	<b>.815</b>	.114	.147	.125
Interactional Justice 3	.158	<b>.764</b>	.139	.220	.210
Interactional Justice 4	.163	<b>.797</b>	.108	.163	.189
Interactional Justice 5	.159	<b>.806</b>	.107	.130	.166
Interactional Justice 6	.147	<b>.810</b>	.090	.141	.191
Interactional Justice 7	.150	<b>.767</b>	.106	.152	.217
Interactional Justice 8	.122	<b>.815</b>	.084	.118	.264
Interactional Justice 9	.161	<b>.789</b>	.078	.135	.261
Favourable Training Policies 1	.067	.121	<b>.754</b>	.034	.096
Favourable Training Policies 2	.091	.224	<b>.575</b>	-.028	.054
Favourable Training Policies 3	.164	.094	<b>.706</b>	.089	.117
Favourable Training Policies 4	.074	.052	<b>.774</b>	.088	.181
Favourable Training Policies 5	.080	.086	<b>.716</b>	.155	.206
Favourable Training Policies 6	.093	.060	<b>.770</b>	.170	.153
Favourable Training Policies 9	.118	.101	<b>.728</b>	.234	.190
Favourable Training Policies 10	.146	.117	<b>.728</b>	.124	.251
Distributive Justice 1	.074	.194	.155	<b>.801</b>	.075
Distributive Justice 2	.042	.210	.162	<b>.835</b>	.099
Distributive Justice 3	.097	.202	.194	<b>.813</b>	.114
Distributive Justice 4	.172	.224	.137	<b>.694</b>	.126
Distributive Justice 5	.109	.162	.069	<b>.800</b>	.170
Distributive Justice 6	.085	.165	.121	<b>.777</b>	.173
Formal Procedural Justice 1	.116	.293	.153	.175	<b>.542</b>
Formal Procedural Justice 2	.158	.242	.186	.094	<b>.713</b>
Formal Procedural Justice 3	.201	.231	.303	.113	<b>.727</b>
Formal Procedural Justice 4	.082	.304	.219	.106	<b>.729</b>
Formal Procedural Justice 5	.174	.251	.203	.203	<b>.734</b>
Formal Procedural Justice 6	.107	.305	.234	.097	<b>.654</b>
Formal Procedural Justice 7	.139	.313	.252	.144	<b>.721</b>
Eigenvalues	19.223	7.001	3.985	3.258	3.054
% Variance Explained	28.269	10.295	5.860	4.792	4.492

**Table 7.2 (cont.): Factor analysis of items measuring employees' daily work experiences (B bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Co-worker Support 1	<b>.837</b>	.165	.056	.081	.063	.169	.010
Co-worker Support 2	<b>.843</b>	.135	.071	.084	-.024	.084	-.037
Co-worker Support 3	<b>.839</b>	.134	-.021	.053	.086	.129	-.055
Supervisory Support 1	.198	<b>.701</b>	.194	.040	-.061	.129	-.073
Supervisory Support 2	.216	<b>.738</b>	.191	.076	-.034	.092	.013
Supervisory Support 3	.142	<b>.671</b>	.021	.050	.110	.085	.108
Supervisory Support 4	.054	<b>.566</b>	.231	.057	.018	.199	-.014
Participatory Management 1	-.006	.020	<b>.672</b>	.258	.116	.191	.033
Participatory Management 2	.026	.168	<b>.723</b>	.180	.070	-.011	.055
Participatory Management 3	.024	.175	<b>.595</b>	-.108	.145	.140	.119
Participatory Management 4	.083	.222	<b>.625</b>	.078	.050	-.053	.013
Promotional Chance 1	.125	.113	.010	<b>.798</b>	.146	.040	.077
Promotional Chance 2	.072	.085	.107	<b>.807</b>	.106	.051	.087
Promotional Chance 3	.058	-.016	.136	<b>.783</b>	.133	-.032	.046
Job Security Concern 1	-.003	.011	.096	.139	<b>.825</b>	-.033	.079
Job Security Concern 2	.128	-.062	.108	.060	<b>.715</b>	.006	.045
Job Security Concern 3	-.009	.085	.040	.114	<b>.858</b>	-.006	.015
Role Clarity 1	.194	.147	.086	-.015	.003	<b>.683</b>	.048
Role Clarity 2	.110	.050	.013	.064	-.038	<b>.825</b>	-.067
Role Clarity 3	.079	.138	.051	.022	.001	<b>.802</b>	-.058
Skill Transferability 1	.126	.009	.122	.076	-.003	-.014	<b>.669</b>
Skill Transferability 2	-.101	.029	.001	.047	.065	-.008	<b>.832</b>
Skill Transferability 3	-.059	-.004	.026	.041	.052	-.044	<b>.849</b>
Eigenvalues	2.229	1.913	1.642	1.577	1.469	1.397	1.181
% Variance Explained	3.278	2.813	2.414	2.319	2.161	2.054	1.736



**Table 7.3: Factor analysis of items measuring employees' daily work experiences (total sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Job Complexity 1	<b>.634</b>	.192	.086	.104	.168
Job Complexity 2	<b>.725</b>	.123	.015	.045	.030
Job Complexity 3	<b>.742</b>	.150	.123	.045	.043
Job Complexity 4	<b>.752</b>	.110	.131	.025	.082
Job Complexity 5	<b>.744</b>	.124	.140	.010	.198
Job Complexity 6	<b>.790</b>	.113	.136	.049	.066
Job Complexity 7	<b>.809</b>	.061	.038	.058	.046
Job Complexity 8	<b>.783</b>	.149	.094	.084	.073
Job Complexity 9	<b>.817</b>	.068	.058	.030	.067
Job Complexity 10	<b>.729</b>	.125	.104	.087	.098
Job Complexity 11	<b>.814</b>	.075	.026	.035	.056
Job Complexity 12	<b>.716</b>	.103	.067	.085	.066
Job Complexity 13	<b>.779</b>	.064	.051	.079	.090
Job Complexity 14	<b>.717</b>	.173	.085	.096	.086
Job Complexity 15	<b>.814</b>	.076	.089	.078	.071
Interactional Justice 1	.146	<b>.746</b>	.170	.161	.185
Interactional Justice 2	.187	<b>.793</b>	.163	.158	.149
Interactional Justice 3	.176	<b>.765</b>	.176	.221	.208
Interactional Justice 4	.173	<b>.792</b>	.183	.168	.179
Interactional Justice 5	.181	<b>.793</b>	.129	.192	.189
Interactional Justice 6	.190	<b>.795</b>	.106	.158	.217
Interactional Justice 7	.202	<b>.773</b>	.112	.166	.239
Interactional Justice 8	.193	<b>.791</b>	.094	.141	.259
Interactional Justice 9	.211	<b>.761</b>	.093	.163	.259
Favourable Training Policies 1	.121	.103	<b>.740</b>	.078	.131
Favourable Training Policies 2	.085	.211	<b>.599</b>	.084	.152
Favourable Training Policies 3	.151	.115	<b>.743</b>	.095	.125
Favourable Training Policies 4	.074	.095	<b>.769</b>	.138	.213
Favourable Training Policies 5	.093	.120	<b>.728</b>	.212	.194
Favourable Training Policies 6	.126	.085	<b>.797</b>	.165	.143
Favourable Training Policies 9	.165	.131	<b>.729</b>	.215	.167
Favourable Training Policies 10	.171	.195	<b>.732</b>	.111	.197
Distributive Justice 1	.108	.237	.212	<b>.793</b>	.113
Distributive Justice 2	.078	.206	.215	<b>.817</b>	.134
Distributive Justice 3	.133	.209	.219	<b>.802</b>	.144
Distributive Justice 4	.165	.227	.169	<b>.730</b>	.134
Distributive Justice 5	.137	.192	.117	<b>.766</b>	.208
Distributive Justice 6	.122	.196	.148	<b>.755</b>	.219
Formal Procedural Justice 1	.142	.247	.187	.206	<b>.588</b>
Formal Procedural Justice 2	.117	.268	.226	.152	<b>.735</b>
Formal Procedural Justice 3	.195	.294	.301	.177	<b>.704</b>
Formal Procedural Justice 4	.132	.315	.275	.151	<b>.719</b>
Formal Procedural Justice 5	.150	.265	.256	.203	<b>.718</b>
Formal Procedural Justice 6	.140	.340	.213	.127	<b>.661</b>
Formal Procedural Justice 7	.136	.350	.247	.188	<b>.717</b>
Eigenvalues	22.721	6.376	3.574	3.108	2.689
% Variance Explained	33.414	9.377	5.256	4.571	3.955

**Table 7.3 (cont.): Factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Co-worker Support 1	<b>.823</b>	.175	.073	.084	.081	.038	.188
Co-worker Support 2	<b>.837</b>	.156	.005	.101	.103	.042	.133
Co-worker Support 3	<b>.848</b>	.149	.052	.038	.069	.022	.143
Supervisory Support 1	.203	<b>.665</b>	-.018	.221	.024	-.037	.164
Supervisory Support 2	.183	<b>.714</b>	-.015	.180	.071	.001	.126
Supervisory Support 3	.166	<b>.683</b>	.038	-.015	.084	.100	.040
Supervisory Support 4	.109	<b>.600</b>	.051	.194	.080	.014	.215
Job Security Concern 1	.015	.001	<b>.808</b>	.139	.195	.088	.043
Job Security Concern 2	.074	-.022	<b>.783</b>	.088	.078	.045	.025
Job Security Concern 3	.025	.079	<b>.848</b>	.085	.137	.036	.030
Participatory Management 1	.067	.014	.106	<b>.680</b>	.195	.023	.173
Participatory Management 2	.043	.142	.156	<b>.719</b>	.134	.023	.057
Participatory Management 3	.056	.207	.112	<b>.601</b>	-.014	.066	.091
Participatory Management 4	.146	.174	.099	<b>.597</b>	.120	.028	-.022
Promotional Chance 1	.127	.096	.183	.130	<b>.761</b>	.061	.071
Promotional Chance 2	.106	.135	.179	.094	<b>.773</b>	.065	.072
Promotional Chance 3	.068	.000	.170	.155	<b>.721</b>	.070	.034
Skill Transferability 1	.118	.024	.042	.033	.084	<b>.647</b>	-.010
Skill Transferability 2	-.018	.035	.018	.035	.053	<b>.853</b>	.018
Skill Transferability 3	-.015	.011	.087	.015	.012	<b>.858</b>	-.021
Role Clarity 1	.275	.245	.036	.117	.054	.097	<b>.635</b>
Role Clarity 2	.140	.061	.040	.013	.078	-.022	<b>.804</b>
Role Clarity 3	.132	.121	.038	.115	.027	.000	<b>.765</b>
Eigenvalues	2.152	1.852	1.549	1.424	1.194	1.135	1.051
% Variance Explained	3.164	2.723	2.277	2.094	1.755	1.669	1.545

**Table 7.4: Factor analysis of items measuring job security concern and promotional chances (K bank sample)**

	<b>Factor 1</b>	<b>Factor 2</b>
Job Security Concern 1	<b>.835</b>	.327
Job Security Concern 2	<b>.864</b>	.170
Job Security Concern 3	<b>.889</b>	.250
Promotional Chances 1	.226	<b>.862</b>
Promotional Chances 2	.241	<b>.844</b>
Promotional Chances 3	.233	<b>.818</b>
Eigenvalues	3.593	1.128
% Variance Explained	59.879	18.802

### 7.3.1.2 The Constructs of Positive and Negative Affectivity

Table 7.5 presents the results of the factor analysis concerning the items measuring positive and negative affectivity. The items split into two factors. All the item loadings defining factors are greater than .30. Moreover, the total variance explained is 70.859, 67.692, and 69.399 per cent in the K bank sample, B bank sample, and total sample respectively. Thus, the constructs of positive and negative affectivity are different from each other. Other individual characteristics, including age, organisational tenure, current position tenure, gender, marital status, and education, are not included in the factor analysis because they are composed of single items. However, as shown in Appendix IV (1, 2, and 3), their correlations are not very high. Thus, all the constructs relating to individual characteristics are independent of each other.

**Table 7.5: Factor analysis of items measuring the hypothesised positive and negative affectivity**

	K Bank Sample		B Bank Sample		Total Sample	
	Factor 1	Factor 2	Factor 1	Factor 2	Factor 1	Factor 2
Negative Affectivity 1	-.068	.791	.805	-.044	.797	-.054
Negative Affectivity 2	-.029	.848	.859	-.066	.852	-.046
Negative Affectivity 3	-.036	.858	.863	.001	.860	-.022
Negative Affectivity 4	-.025	.815	.842	.004	.827	-.017
Negative Affectivity 5	-.017	.829	.828	.018	.829	-.004
Positive Affectivity 1	.864	-.088	-.059	.818	-.074	.842
Positive Affectivity 2	.821	-.115	-.121	.802	-.118	.814
Positive Affectivity 3	.911	-.063	-.059	.905	-.062	.909
Positive Affectivity 4	.870	-.017	-.006	.852	.004	.863
Positive Affectivity 5	.781	-.057	.123	.587	.085	.698
Eigenvalues	3.865	3.221	3.655	3.114	3.742	3.198
% Variance Explained	38.653	32.206	36.550	31.142	37.421	31.978

### 7.3.1.3 The Commitment Construct

Table 7.6 presents the factor analysis of items measuring affective commitment. The items load on one factor. All the item loadings are greater than .30. Moreover, the total variance explained is 66.763, 72.127, and 70.222 per cent in the K bank sample, B bank sample, and total sample respectively.

**Table 7.6: Factor analysis of items measuring affective commitment**

	K bank sample	B bank sample	Total sample
Affective Commitment 1	.810	.793	.803
Affective Commitment 2	.830	.884	.850
Affective Commitment 3	.834	.847	.847
Affective Commitment 4	.848	.890	.877
Affective Commitment 5	.755	.801	.790
Affective Commitment 6	.821	.876	.858
Eigenvalues	4.006	4.328	4.213
% Variance Explained	66.763	72.127	70.222

### 7.3.2 Reliability Analysis and Correlation Analysis

Once the factor analysis has been completed, we need to examine whether the items defining factors are reliable. Reliability is defined as “the degree to which measures are free from error and therefore yield consistent results” (Peter 1979, p.6, cited in Peterson, 1994,

p. 381). Cronbach's coefficient alpha is the most commonly used method of scale reliability (Peterson, 1994) and a generally acceptable level of reliability is alpha greater than .7 although it may decrease to .6 in exploratory research (Hair et al., 1998). The results of Cronbach's coefficient alpha in the three samples are shown in Appendix IV (1, 2, and 3). All the coefficient alphas are greater than .70. Thus, the constructs can be said to be reliable.

Then, for multi-item measures, all of the items loading highly on a factor are combined and the average score of the items are used as a construct. As for single-item constructs, three constructs are transformed as dummy variables: two case-study banks (K bank = 1, B bank = 0), gender (male = 1, female = 0) and marital status (married = 1, single = 0). Other single-item constructs are used as they are – i.e. age (years), organisational tenure (1 = less than 1<sup>1</sup>/<sub>2</sub> years, 2 = 1<sup>1</sup>/<sub>2</sub> years – less than 3 years, 3 = 3 – less than 5 years, 4 = 5 – less than 7 years, 5 = 7 – less than 10 years, 6 = 10 – less than 15 years, 7 = 15 years or more), current position tenure (1 = less than 6 months, 2 = 6 months – less than 1 year, 3 = 1 – less than 2 years, 4 = 2 – less than 3 years, 5 = 3 – less than 4 years, 6 = 4 – less than 5 years, 7 = 5 years or more), education (the number of years of schooling), and position (1= clerk, 2 = senior clerk, 3 = manager, 4 = general manager, 5 = senior manager, 6 = vice chief of department/branch, 7 = chief of branch/department or above). Then, correlation analysis is conducted in order to examine the extent of multi-collinearity, which is concerned with discriminant validity.

Discriminant validity is indicated by “predictably low correlations between the measure of interest and other measures that are supposedly not measuring the same variable

or concept” (Heeler and Ray, 1972, p. 362, cited in Churchill, 1979, p. 70), while highly correlated scales measure the same constructs. According to Ashford and Tsui (1991), multi-collinearity is not typically problematic if correlations are below about 0.75. Appendix IV (1, 2, and 3) presents the results of correlation analyses in the K bank sample, B bank sample, and total sample. In Section 6.3.2, it was argued that employees’ age would coincide with their organisational tenure and position in both banks. In fact, the correlation analyses prove this. For example, the correlations between age and position are 0.819, 0.879, and 0.854 in Appendices IV-1 (K bank sample), IV-2 (B bank sample), and IV-3 (the total sample) respectively. Thus, age and position suffer from multi-collinearity. The correlations between age and organisational tenure are 0.651, 0.739, and 0.698 in Appendices IV-1, IV-2, and IV-3 respectively. The correlation between age and organisational tenure in B bank is higher than that in K bank. This seems to be because B bank experienced more severe job cuts and, therefore, many more employees in a higher pay class and a lower grade lost their jobs (most of them were women with high school degrees). Although age is highly correlated with organisational tenure in both banks, the correlation between the two is lower than 0.75. Thus, for age, position, and organisational tenure, only position is deleted in subsequent model analyses. This is because age has been a major concern in the commitment literature, and thus position is deleted instead of age. As for the other constructs, the correlations are below 0.75. Thus, multi-collinearity is not problematic.

## **7.4 The Direct Impact of Downsizing on Employees' Affective Commitment to the Organisation: Testing Part I-1 of Model 2**

Part I-1 of Model 2 empirically tests whether employees' AC is different due to the varying degree of severity in terms of organisational downsizing. Thus, bank (1 = K bank, 0 = B bank) is the independent variable, and employees' AC is the dependent variable. Several studies (e.g. Ko et al., 1997; Mathieu and Zajac, 1990; Sommer et al., 1996) have reported that certain individual characteristics such as age and organisational tenure have impacts on employees' AC. Thus, individual characteristics, including demographic variables, and positive and negative affectivity, are included as control variables. This procedure is therefore adopted in subsequent analyses.

Table 7.7 shows the results of regressing employees' AC on the two case-study banks. Employees' AC is significantly affected by bank ( $\beta = .138$ ,  $p < 0.001$ ). The result supports hypothesis 1(a), i.e. the more severe the extent of downsizing, the lower employees' AC. This suggests that downsizing affects employees' AC.

The results also show that some individual characteristics affect employees' AC. Employees' AC is positively affected by age, organisational tenure, and positive affectivity, while it appears to be negatively affected by current position tenure, education and negative affectivity.

**Table 7.7: The differences between banks in relation to employees' affective commitment to the organisation (Multiple regression analysis: total sample)**

<b>Independent Variables</b>	<b>Affective Commitment</b>
<b>(Control Variables)</b>	
Age	.230***
Organisational Tenure	.136**
Current Position Tenure	-.070*
Gender	-.038
Marital Status	.040
Education	-.149***
Positive Affectivity	.371***
Negative Affectivity	-.094**
<b>Bank<sup>a</sup></b>	.138***
R <sup>2</sup>	.314
Adjusted R <sup>2</sup>	.307
F	45.771***
Df	9 & 899

<sup>a</sup> K bank = 1, B bank = 0

\* =  $p \leq 0.05$ ;

\*\* =  $< 0.01$ ;

\*\*\* =  $p < 0.001$ , two-tailed test

## **7.5 The Indirect Impact of Downsizing on Employees' Affective Commitment to the Organisation: Testing Parts I-2 and I-3 of Model 2**

As discussed in Section 4.2, the examination of the indirect impact of organisational downsizing on employees' AC consists of two parts: the first part considers whether the two case-study banks (with varying degrees of severity of downsizing) affect employees'



perceived daily work experiences (Part I-2 in Model 2), and the second part considers whether employees' perceived daily work experiences affect their level of AC (Part I-3 in Model 2).

### **7.5.1 Testing Part I-2 in Model 2**

Part I-2 of Model 2 tests whether the case-study banks are different with respect to employees' daily work experiences. Thus, employees' daily work experiences become respectively the dependent variable, and the two-case banks are an independent variable. The individual characteristics variables are also included as control variables. Table 7.8 shows the results of regressing employees' perceived daily work experiences on the two case-study banks, and reveals the effect of the two case-study banks on employees' perceived daily work experiences. Employees of K bank perceive that they have more favourable training policies and practices (beta = .403,  $p < 0.001$ ), that they have more supervisory support (beta = .131,  $p < 0.001$ ) and more co-worker support (beta = .080,  $p \leq 0.05$ ) in job-related matters, that they have more role clarity (beta = .115,  $p < 0.001$ ), that they have more promotional chances (beta = .166,  $p < 0.001$ ), that they have more job security concern (beta = .117,  $p < 0.001$ ), that they have more participatory management (beta = .140,  $p < 0.001$ ), that they have more distributive justice (beta = .168,  $p < 0.001$ ), more formal procedural justice (beta = .179,  $p < 0.001$ ) and more interactional justice (beta

= .120,  $p < 0.001$ ), that they experience more job complexity (beta = .192,  $p < 0.001$ ), and that their skills are more transferable (beta = .154,  $p < 0.001$ ).

**Table 7.8: The differences between banks in relation to employees' daily work experiences**  
(Multiple regression analysis: total sample)

	Favourable Training Policies and Practices	Supervisory Support	Co-worker Support	Role Clarity	Promotional Chances	Job Security Concern	Participatory Management	Distributive Justice	Formal Procedural Justice	Interactional Justice	Job Complexity	Skills/ Knowledge Transferability
<b>(Control Variables)</b>												
1. Age	.142**	.022	.030	.124*	-.052	-.190***	.130*	.044	.040	.018	.096	-.078
2. Organisational Tenure	-.094*	-.012	-.010	.072	.210***	.028	.120*	.012	-.057	-.020	.093	.063
3. Current Position Tenure	.006	-.041	-.041	.008	-.131***	-.055	-.034	-.119***	-.035	-.042	-.090**	.021
4. Gender	.108**	.075*	.066	.045	.145***	.115**	.055	.096**	.128***	.115**	.080*	.067
5. Marital Status	.034	.027	.043	.028	-.036	.030	.032	.016	.076*	.032	.039	-.003
6. Education	-.109**	-.011	-.035	-.106**	.072*	.131***	.012	.009	-.012	.034	-.010	.251***
7. Positive Affectivity	.232***	.207***	.185***	.305***	.263***	.227***	.261***	.268***	.316***	.345***	.289***	.145**
8. Negative Affectivity	.028	-.055	-.099**	-.095**	-.048	-.091**	-.009	.048	.060*	-.018	-.030	-.057
<b>Bank<sup>a</sup></b>	.403***	.131***	.080*	.115***	.166***	.117***	.140***	.168***	.179***	.120***	.192***	.154***
R <sup>2</sup>	.274	.083	.069	.183	.165	.133	.161	.138	.174	.164	.185	.113
Adjusted R <sup>2</sup>	.266	.073	.060	.175	.157	.124	.153	.130	.166	.156	.177	.104
F	37.625***	9.001***	7.383***	22.349***	19.772***	15.290***	19.239***	16.020***	21.025***	19.642***	22.743***	12.695***
df	9 & 899	9 & 899	9 & 899	9 & 899	9 & 899	9 & 898	9 & 899	9 & 899	9 & 898	9 & 899	9 & 899	9 & 899

<sup>a</sup> K bank = 1, B bank = 0  
\* = p ≤ 0.05;  
\*\* = p < 0.01;  
\*\*\* = p < 0.001, two-tailed test

## 7.5.2 Testing Part I-3 in Model 2

Part I-3 of Model 2 tests whether employees' daily work experiences affect their level of AC. Thus, employees' AC is the dependent variable, while employees' daily work experiences are independent variables. However, as shown in Section 7.4, employees' individual characteristics and the two case-study banks have an impact on employees' AC. Thus, employees' individual characteristics and the two case-study banks are included as control variables.

Table 7.9 shows the results of regressing employees' AC on employees' daily work experiences. Only some work experience variables affect employees' AC. Employees' AC is affected by supervisory support, promotional chances, interactional justice, and job complexity (beta = .074, .167, .091, and .159;  $p \leq 0.05$ ,  $p < 0.001$ ,  $p \leq 0.05$ ; and  $p < 0.001$  respectively). Moreover, some individual characteristics have impacts on employees' AC. Employees' AC is affected by age, organisational tenure, gender, education, positive affectivity, and negative affectivity. As for the impact of the two case-study banks on employees' AC, the two banks have only a slight impact on employees' AC (i.e. beta = .057,  $p < 0.1$ ).

**Table 7.9: The impacts of employees' daily work experiences on employees' affective commitment to the organisation (Multiple regression analysis: total sample)**

Independent Variables	Affective Commitment
<b>(Control Variables)</b>	
Age	.211***
Organisational Tenure	.089*
Current Position Tenure	-.031
Gender	-.090**
Marital Status	.035
Education	-.154***
Positive Affectivity	.236***
Negative Affectivity	-.069**
Bank <sup>a</sup>	.057 <sup>+</sup>
<b>(Employees' Daily Work Experiences)</b>	
Favourable Training policies and practices	.026
Supervisory Support	.074*
Co-worker Support	.037
Role Clarity	.009
Promotional Chances	.167***
Job Security Concern	-.021
Participatory Management	.018
Distributive Justice	-.038
Formal Procedural Justice	-.030
Interactional Justice	.091*
Job Complexity	.159***
Skills/Knowledge Transferability	.009
R <sup>2</sup>	.417
Adjusted R <sup>2</sup>	.403
F	30.131***
Df	21 & 885

<sup>a</sup> K bank = 1, B bank = 0

<sup>+</sup> = p < 0.1;

\* = p ≤ 0.05;

\*\* = p < 0.01;

\*\*\* = p < 0.001,

two-tailed test

## 7.6 Discussion and Conclusion

In support of hypothesis 1(a), as shown in Table 7.7, the two case-study banks directly affect employees' AC. That is, employees have less AC in the face of severe, rather than mild, downsizing.

The results of testing Parts I-2 and I-3 support hypothesis 1 (b), that downsizing indirectly affects employees' AC through their daily work experiences. Table 7.8 shows that the two case-study banks affect all the daily work experience variables. As discussed in Section 6.8.1, K bank has intensively introduced a one-stop banking system, while B bank has so far introduced this system only in big branches. The one-stop banking system requires employees to perform the role of basic consultants in all types of business that the bank deals with. Thus, employees' task diversity is increased. Moreover, under the "one-stop banking system" employees should provide their customers with all the services they want, thereby increasing their task significance. Thus, the system is likely to increase employees' job complexity. Thus, the employees of K bank seem to experience more job complexity than those of B bank. In addition, the one-stop banking system means that employees may know more about others' work and may make them communicate with each other more. Moreover, employees have many fewer co-workers compared with the past. Thus, they might understand each other better. These changes seem to increase role clarity in their workplaces. Thus, the employees of K bank might experience more role clarity. As for supervisory support, as discussed in Section 6.8.2, due to the business

characteristics of K bank (i.e. K bank deals with more customers because of its focus on the retail market, and thus its employees have more work that should be completed within a shorter time), supervisors in K bank seem to be more supportive in job-related matters. Moreover, K bank provides more branch-related rewards (i.e. merit rating for branch performance). Thus, the employees of K bank seem to have more co-worker support. As for promotional chances, as discussed in Section 6.8.4, due to the plans for early retirement, the employees of K bank seem to think that they have more promotional chances. As for favourable training policies and practices, Section 6.8.5 explains that B bank has a certain limit on investing in employees' training in terms of resources. Thus, the employees of K bank seem to perceive that they have more favourable training. Moreover, as discussed in Section 6.7.1, employees of B bank seem to be more concerned about job security because a merger is very feasible in the near future and B bank is expected to be the object of such a merger. As for participatory management and interactional justice, as discussed in Sections 6.8.6 and 6.8.8, K bank has emphasised employees' participation and supervisor's interactional justice due to the logic that internal customers should be satisfied in order to meet the needs of external customers. As for formal procedural justice, as discussed in Section 6.8.7, the Vision of Personnel Management might positively affect employees' formal procedural justice in K bank. In terms of distributive justice, as discussed in Section 6.8.9, due to the salary cuts in B bank, the employees of K bank are now paid more than B bank's employees. This might negatively affect employees' perceived distributive justice in B bank. Then, as for skills/knowledge transferability, due to the one-stop banking system

and employees' tasks concerned with retail banking, the employees of K bank might have more transferable skills.

Among such employees' perceived daily work experiences, as shown in Table 7.9, employees' AC is affected by supervisory support, promotional chances, interactional justice, and job complexity. Thus, downsizing indirectly affects employees' AC through changes in four of employees' perceived daily work experience variables (i.e. supervisory support, promotional chances, interactional justice, and job complexity)<sup>58</sup>. Thus, hypothesis 1(b) is also supported.

The results of the empirical tests of Parts I-1, I-2, and I-3 show that downsizing affects employees' AC *directly* and *indirectly*. However, as shown in Table 7.9, unlike the results of Table 7.7, which show that the two case-banks have a significant impact on employees' AC (beta = 0.138,  $p < 0.001$ ), when employees' perceived daily work experience variables are considered, the impact is slight (i.e. beta = 0.057,  $p < 0.1$ ). Instead, employees' perceived daily work experiences have a stronger impact on employees' AC (i.e. promotional chances: beta = 0.167,  $p < 0.001$ ; job complexity: beta = 0.159,  $p < 0.001$ ; interactional justice: beta = 0.091,  $p \leq 0.05$ ; supervisory support: beta = 0.074,  $p \leq 0.05$ ). This means that employees' AC is influenced more by employees' perceived work experiences than by organisational downsizing itself. Thus, if the change of working practices caused by organisational downsizing is favourable to employees in that it satisfies their needs and desires, employees' AC can increase. These results suggest that managerial

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<sup>58</sup> The employees' daily work experiences appearing to affect employees' AC and the impacts of individual characteristics on employees' AC, will be discussed in Chapter 9.



intervention should be directed toward employees' daily work experiences in order to maintain or increase employees' AC.

# **Chapter 8: The Relationship Between Employees' Affective Commitment to the Organisation and Organisational Citizenship Behaviour**

## **8.1 Introduction**

This chapter is concerned with the second research aim, i.e. to examine whether employees' affective commitment to the organisation (AC) is really important in relation to employees' organisational citizenship behaviour (OCB). The second research aim is reflected in Part I-4 of Model 2 in Chapter 4, and is analysed with multiple regression. Before testing Part I-4 of Model 2, the validation of measures is conducted in Section 8.2. Then, testing Part I-4 of Model 2 is conducted in Section 8.3 and the implications of the results are discussed in Section 8.4.

## **8.2 Measures and Their Validation for Organisational Citizenship Behaviour**

### **8.2.1 Measures**

As discussed in Section 2.3.2.2, Organ (1988) identifies five dimensions of OCB: altruism, conscientiousness, sportsmanship, courtesy, and civic virtue. The definitions of these five dimensions of OCB are discussed in Section 2.3.2.2. Niehoff and Moorman's (1993) scale is used to measure altruism, sportsmanship, conscientiousness, and civic virtue. However, their scale is for measuring supervisor's evaluation of employees' OCB. Thus, a slight rewording is done to measure employees' self-evaluation of citizenship behaviour. For example, the word, "helps other", is changed to the word, "I help others". For Courtesy, Podsakoff et al.'s (1990) 5-item scale is used.

### **8.2.2 The Validation of the Measures**

Like the validation procedures described in Chapter 7, the validation of the present measures is conducted with three analyses: factor analysis, reliability analysis, and correlation analysis.

### 8.2.2.1 Factor Analysis

Tables 8.1, 8.2, and 8.3 present the results of the factor analysis of items measuring the five dimensions of OCB. The items split into five factors. All the item loadings defining factors are greater than 0.3. Moreover, the total variance explained is 75.077, 67.497, and 70.401 per cent in the K bank sample, B bank sample, and the total sample respectively. Thus, the five constructs are independent of each other.

**Table 8.1: Factor analysis of items measuring organisational citizenship behaviour (K bank sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Courtesy 1	.657	.402	.076	.193	.247
Courtesy 2	.776	.204	.030	.182	.163
Courtesy 3	.774	.294	.191	.152	.156
Courtesy 4	.788	.230	.189	.242	.212
Courtesy 5	.780	.239	.171	.185	.282
Conscientiousness 1	.186	.778	-.048	.196	.170
Conscientiousness 2	.270	.802	.036	.196	.138
Conscientiousness 3	.244	.842	.035	.140	.185
Conscientiousness 4	.267	.850	.037	.161	.130
Sportsmanship 1	.176	-.008	.829	.144	.120
Sportsmanship 2	-.129	.031	.751	-.009	-.022
Sportsmanship 3	.250	.020	.853	.082	.139
Sportsmanship 4	.207	.014	.837	-.022	.168
Altruism 1	.024	.102	.065	.821	.114
Altruism 2	.258	.220	.034	.814	.182
Altruism 3	.362	.203	.030	.692	.264
Altruism 4	.293	.267	.073	.731	.246
Civic Virtue 1	.292	.168	.195	.230	.622
Civic Virtue 2	.109	.112	.016	.117	.881
Civic Virtue 3	.286	.244	.182	.268	.733
Civic Virtue 4	.317	.251	.183	.266	.674
Eigenvalues	9.098	2.702	1.588	1.223	1.156
% Variance Explained	43.324	12.864	7.561	5.823	5.505

**Table 8.2: Factor analysis of items measuring organisational citizenship behaviour  
(B bank sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Courtesy 1	<b>.662</b>	.296	.210	.104	.257
Courtesy 2	<b>.737</b>	.208	.253	-.021	.149
Courtesy 3	<b>.698</b>	.209	.212	.153	.284
Courtesy 4	<b>.759</b>	.257	.254	.179	.147
Courtesy 5	<b>.798</b>	.239	.151	.165	.172
Altruism 1	.180	<b>.772</b>	.104	-.067	.179
Altruism 2	.161	<b>.790</b>	.185	.107	.191
Altruism 3	.339	<b>.766</b>	.212	.048	.209
Altruism 4	.343	<b>.754</b>	.184	.017	.096
Civic Virtue 1	.458	.113	<b>.545</b>	.043	.102
Civic Virtue 2	.182	.214	<b>.823</b>	.026	.128
Civic Virtue 3	.256	.176	<b>.762</b>	.153	.121
Civic Virtue 4	.348	.155	<b>.748</b>	.152	.196
Sportsmanship 1	.137	-.014	.071	<b>.795</b>	.122
Sportsmanship 2	-.091	.102	-.033	<b>.721</b>	-.086
Sportsmanship 3	.151	-.025	.124	<b>.812</b>	.029
Sportsmanship 4	.168	.006	.087	<b>.790</b>	.094
Conscientiousness 1	-.216	.212	.305	-.195	<b>.328</b>
Conscientiousness 2	.326	.223	.178	.009	<b>.669</b>
Conscientiousness 3	.261	.205	.080	.146	<b>.721</b>
Conscientiousness 4	.218	.139	.162	.046	<b>.786</b>
Eigenvalues	8.020	2.498	1.365	1.182	1.109
% Variance Explained	38.191	11.896	6.499	5.628	5.283

**Table 8.3: Factor analysis of items measuring organisational citizenship behaviour (total sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Courtesy 1	<b>.672</b>	.240	.091	.230	.323
Courtesy 2	<b>.755</b>	.187	.007	.225	.173
Courtesy 3	<b>.749</b>	.177	.175	.182	.273
Courtesy 4	<b>.784</b>	.244	.181	.235	.180
Courtesy 5	<b>.802</b>	.210	.166	.222	.188
Altruism 1	.096	<b>.800</b>	.007	.116	.137
Altruism 2	.207	<b>.805</b>	.068	.188	.209
Altruism 3	.345	<b>.730</b>	.043	.238	.215
Altruism 4	.315	<b>.742</b>	.049	.216	.201
Sportsmanship 1	.159	.071	<b>.818</b>	.104	.028
Sportsmanship 2	-.104	.037	<b>.733</b>	-.027	-.018
Sportsmanship 3	.206	.028	<b>.837</b>	.134	.015
Sportsmanship 4	.193	-.008	<b>.816</b>	.137	.038
Civic Virtue 1	.357	.188	.126	<b>.599</b>	.129
Civic Virtue 2	.132	.165	.017	<b>.847</b>	.142
Civic Virtue 3	.260	.218	.165	<b>.759</b>	.203
Civic Virtue 4	.317	.205	.169	<b>.721</b>	.241
Conscientiousness 1	.044	.145	-.103	.191	<b>.578</b>
Conscientiousness 2	.305	.207	.032	.143	<b>.727</b>
Conscientiousness 3	.261	.174	.099	.121	<b>.765</b>
Conscientiousness 4	.260	.145	.056	.122	<b>.805</b>
Eigenvalues	8.499	2.546	1.362	1.256	1.121
% Variance Explained	40.470	12.124	6.486	5.982	5.339

### 8.2.2.2 Reliability Analysis and Correlation Analysis

The results of Cronbach's coefficient alpha in the three samples are shown in Appendix IV (1, 2, and 3). All the coefficient alphas except one (i.e. conscientiousness in the B bank sample) are greater .70. Although the coefficient alpha of conscientiousness in the B bank sample is below than .70 (i.e. .661), the coefficient alphas of conscientiousness

in the K bank sample and the total sample are greater than .70. Thus, the construct of conscientiousness can be said to be reliable. Moreover, the correlation analyses reported in Appendix IV-1, 2, and 3 show that all correlations between variables are below 0.75. Thus, multi-collinearity is not a problem.

### **8.3 The Impact of Employees' Affective Commitment to the Organisation on Organisational Citizenship Behaviour**

Part I-4 of Model 2 tests whether employees' AC has an impact on OCB. Thus, the OCB variables respectively become the dependent variable and employees' AC is the independent variable. Several studies (e.g. Tang and Ibrahim, 1998; Moorman et al., 1993) report that some individual characteristics and employees' perceived work experiences have impacts on OCB. Tang and Ibrahim's (1998) study, for example, shows that gender and age correlate with conscientiousness. Moorman et al.'s (1993) study reveals that procedural justice is correlated with courtesy, sportsmanship, and conscientiousness. Thus, individual characteristics and employees' daily work experiences shown in Model 2, are included as control variables in order to assess the unique contributions of employees' AC to OCB. Moreover, downsizing itself might have an impact on OCB. Thus, the two case-study banks are also included as a control variable.

Table 8.4 shows the results of regressing each OCB on employees' AC. Employees' AC has a strong impact on all the five dimensions of OCB – i.e. for altruism,

conscientiousness, courtesy, sportsmanship and civic virtue, beta = .270, .326, .317, .148, and .384 respectively;  $p < 0.001$ ). The results show that no other variable (including the two case-study banks) has as strong or consistent an impact on OCB as employees' AC. Thus, hypothesis 2 is supported.

**Table 8.4: The Impacts of employees' affective commitment to the organisation on the five dimensions of organisational citizenship behaviour (total sample)**

	Altruism	Conscientiousness	Courtesy	Sportsmanship	Civic Virtue
<b>(Control Variables)</b>					
1. Age	.028	.084	.071	.149**	.043
2. Organisational Tenure	.006	-.020	-.022	-.077	-.024
3. Current Position Tenure	.026	.046	.056	-.021	.016
4. Gender	.005	-.096**	-.017	-.052	.053
5. Marital Status	-.042	.049	-.033	-.005	-.006
6. Education	.031	-.043	-.001	-.007	-.018
7. Positive Affectivity	.125***	.049	.061	.000	.093**
8. Negative Affectivity	.032	.057	-.040	-.475***	-.011
9. Bank <sup>a</sup>	-.025	.024	.034	.008	-.070*
10. Favourable Training Policies and Practices	-.040	-.047	-.017	.052	.062
11. Supervisory Support	-.035	.032	.121**	.095*	.028
12. Co-worker Support	.181***	.089*	.134***	-.034	.087*
13. Clarity of Role Expectation	.160***	.143***	.182***	.082*	.190***
14. Promotional Chances	-.072	-.039	-.029	-.031	-.027
15. Job Security Concern	.108**	.067	.019	.000	.056
16. Participatory Management	.081	.024	-.024	-.053	-.085*
17. Distributive Justice	-.044	-.026	-.007	-.109**	-.029
18. Formal Procedural Justice	-.142**	-.050	-.149***	-.123**	-.066
19. Interactional Justice	.074	-.029	.003	.085	.016
20. Job Complexity	.016	.114**	.081*	.076*	.090*
21. Skills/Knowledge Transferability	-.055	-.064*	-.016	-.006	-.016
<b>Affective Commitment</b>	<b>.270***</b>	<b>.326***</b>	<b>.317***</b>	<b>.148***</b>	<b>.384***</b>
R <sup>2</sup>	.267	.287	.340	.349	.362
Adjusted R <sup>2</sup>	.248	.269	.323	.333	.346
F	14.614***	16.162***	20.655***	21.531***	22.783***
Df	22 & 884	22 & 884	22 & 884	22 & 884	22 & 884

<sup>a</sup> K bank = 1, B bank = 0

\* =  $p \leq 0.05$ ;

\*\* =  $p < 0.01$ ;

\*\*\* =  $p < 0.001$ , two-tailed test



## 8.4 Discussion and Conclusion

As discussed in Sections 1.1.1, organisational downsizing has been a favoured strategy to achieve flexibility and efficiency. However, it can lead to dysfunctional consequences such as a decline of service quality and innovation because of poor morale. In fact, as discussed in Section 1.1.3, for successful downsizing, remaining employees (i.e. survivors) are required to be more flexible and adaptable, and to find more creative ways to improve their efficiency. However, as discussed in Section 1.1.2, research suggests that survivors become risk averse and that an attitude of “me-first” becomes dominant after downsizing. One of the assumptions concerning the concept of OCB is, as discussed in Section 2.3.2.2, that it promotes overall organisational effectiveness and performance in the aggregate (Organ and Paine, 1999) and provides the flexibility needed to work through many unforeseen contingencies. As discussed in Section 2.3.2.2, a wide range of research has supported this assumption. In fact, the results of Part I-4 of Model 2 also support the importance of employees’ AC under organisational downsizing, due to the significant impact of employees’ AC on OCB. Thus, the managerial implication of this chapter is that employees’ AC is an important factor for any organisation seeking to enhance its flexibility and effective functioning, and maintaining a high level of employees’ AC can be seen as a critical factor for successful downsizing.

# **Chapter 9: The Determinants of Employees' Affective Commitment to the Organisation**

## **9.1 Introduction**

The previous two chapters (i.e. Chapters 7 and 8) confirmed that maintaining a high level of employees' affective commitment to the organisation (AC) is a crucial factor for successful downsizing, and that the changes of employees' daily work experiences caused by downsizing have much stronger impacts on employees' AC than downsizing itself does. Thus, if employees' daily work experiences are changed in ways that increase their AC, downsizing can be successfully managed. By understanding what the determinants of employees' AC are, and how and why such determinants are related to their particular level of commitment, organisations can be in a better position to manage employees' AC more effectively. This chapter deals with these issues (i.e. the third research aim).

In Chapter 3, the causal model of the determinants of employees' AC was presented. This chapter seeks to test the model, thereby examining whether the hypothesised employees' daily work experiences are really the determinants of employees' AC, and, if so, discovering how they affect commitment. As discussed in Section 5.7.1, Structural Equation Modelling (SEM) is used to test the model.

Because latent variables are incorporated into the analysis in SEM, the procedures for data analysis are quite different from those of other multivariate techniques such as

multiple regression. Thus, before presenting the results of estimating the model, the procedures for data analysis are discussed. Here, as discussed in Section 5.7.1, a measurement model which is one of two sub-models of SEM specifies the relations through which the latent variables are measured by their indicators, which are based on the results of the exploratory factor analysis. Thus, the exploratory factor analysis is needed in order to estimate the measurement model (and subsequent structural model). In fact, the validation for other variables except the three mediating variables (i.e. OBSE, POS, and self-efficacy), including exploratory factor analysis, was conducted in Chapter 7. Thus, this chapter starts with the validation for the three mediating variables in Section 9.2. Next, Section 9.3 explains the procedures for data analysis. Then, in Section 9.4, the measurement model is analysed in order to examine the validity and reliability of measures. The section proceeds from factor loadings to the assessment of the goodness-of-fit criteria and correlation analyses. Finally, Section 9.5 presents LISREL estimates of the structural equation model. In this section, LISREL estimates are first discussed. This is followed by a discussion of the path analysis of the decomposed direct, indirect and total causal effects of the determinants of employees' AC. The path analysis examines how hypothesised employees' daily work experiences actually affect employees' AC. That is, it considers whether the mediating endogenous variables are really important in developing such commitment. In line with that, issues concerning the interpretation of the results are then discussed.

## **9.2 Measures and Their Validation for the Three Mediating Variables**

### **9.2.1 Measures**

As mentioned in Section 3.3.2, OBSE is defined as “the degree to which organizational members believe that they can satisfy their needs by participating in roles within the context of an organization” (Pierce et al., 1989, p. 625). Pierce et al.’s (1989) 10-item scale is used to measure this variable.

Self-efficacy, as discussed in Section 3.4.2, is defined as “people’s judgements of their capabilities to organize and execute courses of action required to attain designated types of performance” (Bandura, 1986, p. 391, cited in Lee and Bobko, 1994, p. 364). Self-efficacy has been traditionally measured with its magnitude and strength. That is, one is required to respond dichotomously (i.e. with yes or no) to whether one can perform a particular task at several levels. The magnitude of self-efficacy is represented by the sum of positive responses. For each affirmative response, a confidence rating is given, which ranges from 1 or 10 (quite uncertain) to 100 (quite certain) at 1- or 10-point intervals, respectively. The strength of self-efficacy is represented by the sum of these confidence ratings (Gist and Mitchell, 1992). However, Maurer and Pierce’s (1998) study reveals that traditional and Likert-type measures of self-efficacy have similar reliability-error variance and factor structures, provide equivalent levels of prediction, and have similar discriminability. They then conclude that a Likert-type measure of self-efficacy is an

acceptable alternative measure of self-efficacy. Thus, Schwarzer's (1993) 10-item scale<sup>59</sup>, which is a Likert-type measure of self-efficacy, is used to measure this construct.

POS, as discussed in Section 3.4.3, refers to employees' global beliefs concerning the extent to which the organisation values their contributions and cares about their well-being (Eisenberger et al., 1986). Eisenberger and his colleagues (1986) developed a list of 36 items to measure this variable. However, they presented a short version of the Survey of Perceived Organisational Support (SPOS) comprising the 17 items with the highest factor loadings. The present study uses Eisenberger et al.'s (1986) short version of SPOS to measure POS.

## 9.2.2 Factor Analysis

The preliminary factor analysis of items measuring the hypothesised mediating constructs in Model 1 shows that two items intended to measure OBSE loaded on another factor in all three samples, i.e. item 6: "I can make a difference in my workplace", and item 7: "I am a valuable part of my workplace". Thus, these two items were deleted and factor analysis was conducted again (see the procedure for the preliminary factor analysis in Appendix II and the results of the original factor analyses in Appendix II-4). Table 9.1 presents the factor analysis of items measuring the hypothesised mediating constructs. All the items split into three factors and all the item loadings defining factors are greater than

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<sup>59</sup> The measure was obtained from Schwarzer's internet homepage ([Http://userpage.fu-berlin.de/health/engscal.htm](http://userpage.fu-berlin.de/health/engscal.htm)).

.30. Moreover, the total variance explained is 64.174, 63.080, and 64.726 per cent respectively in the K bank sample, the B bank sample, and the total sample. Thus, the three constructs are independent of each other.

**Table 9.1: Factor analysis of items measuring the hypothesised mediating constructs**

	K Bank Sample			B Bank Sample			Total Sample		
	Factor 1	Factor 2	Factor 3	Factor 1	Factor 2	Factor 3	Factor 1	Factor 2	Factor 3
POS 1	.514	.176	.407	.476	.205	.367	.519	.198	.392
POS 2	.633	.133	.131	.748	.070	.118	.700	.104	.136
POS 3	.748	.096	.201	.780	.043	.127	.779	.079	.177
POS 4	.664	.132	.297	.741	.083	.125	.719	.121	.218
POS 5	.771	.102	.163	.735	.121	.176	.768	.120	.185
POS 6	.764	.079	.099	.778	.148	.123	.778	.117	.122
POS 7	.533	.180	.152	.720	.061	.121	.676	.139	.160
POS 8	.542	.167	.190	.752	.221	.120	.697	.209	.174
POS 9	.755	.114	.180	.771	.083	.087	.787	.113	.152
POS 10	.829	.073	.078	.829	.030	.148	.837	.059	.133
POS 11	.764	.169	.127	.781	.132	.113	.790	.160	.137
POS 12	.773	.142	.167	.811	.105	.114	.813	.137	.161
POS 13	.831	.118	.135	.812	.032	.122	.825	.085	.145
POS 14	.813	.080	.176	.807	.056	.159	.811	.075	.184
POS 15	.722	.181	.212	.772	.134	.164	.742	.161	.197
POS 16	.780	.149	.213	.774	.163	.148	.779	.160	.188
POS 17	.745	.135	.054	.753	.108	.101	.745	.122	.091
Self-Efficacy 1	-.029	.644	.293	.086	.726	.199	.058	.683	.255
Self-Efficacy 2	.163	.763	.055	.167	.723	.201	.157	.735	.126
Self-Efficacy 3	.216	.786	.130	.183	.740	.150	.196	.762	.139
Self-Efficacy 4	.162	.824	.234	.146	.784	.133	.176	.806	.195
Self-Efficacy 5	.122	.794	.241	.141	.752	.093	.157	.777	.181
Self-Efficacy 6	.136	.814	.197	.089	.790	.106	.129	.804	.161
Self-Efficacy 7	.171	.805	.257	.113	.742	.107	.159	.776	.195
Self-Efficacy 8	.187	.821	.263	.072	.788	.131	.145	.808	.209
Self-Efficacy 9	.132	.731	.320	.071	.782	.209	.114	.761	.269
Self-Efficacy 10	.093	.781	.264	.018	.787	.226	.074	.787	.254
OBSE 1	.280	.334	.738	.273	.105	.745	.287	.222	.741
OBSE 2	.328	.323	.692	.296	.047	.776	.315	.183	.739
OBSE 3	.259	.213	.755	.237	.169	.741	.250	.189	.744
OBSE 4	.249	.281	.780	.245	.199	.775	.257	.243	.777
OBSE 5	.249	.311	.787	.119	.294	.808	.213	.307	.800
OBSE 8	.207	.292	.685	.149	.214	.791	.210	.259	.747
OBSE 9	.152	.305	.745	.093	.233	.777	.167	.284	.764
OBSE 10	.110	.297	.721	.024	.249	.761	.118	.286	.748
Eigenvalues	15.008	5.251	2.201	13.313	5.673	3.091	14.822	5.314	2.518
% Variance Explained	42.880	15.004	6.290	38.038	16.210	8.832	42.350	15.182	7.194

### **9.2.3 Reliability Analysis and Correlation Analysis**

The results of Cronbach's coefficient alpha in the three samples are shown in Appendix IV (1, 2, and 3). All the coefficient alphas are greater than .70. Moreover, the correlation analyses shown in Appendix IV (1, 2, and 3) show that correlations between variables are all below 0.75. Thus, multi-collinearity is not a problem.

## **9.3 Data Analysis**

Data analysis was conducted using maximum likelihood (ML) procedures<sup>60</sup> of LISREL 8.30. Moreover, the strategy of competing models was adopted in the application of SEM. The causal model of the determinants of employees' AC presented in Section 3.4 was compared with other competing models, which will be discussed later.

The items shown to define factors in the exploratory factor analyses conducted in Chapter 7 and Section 9.2.2 were employed as observed variables (i.e. indicators). In the exploratory factor analysis, 119 items were shown to define 18 factors (e.g. job complexity, 15 items; POS, 17 items; OBSE, 8 items; supervisory support, 4 items; etc.). Thus, these 119 items were employed to measure 18 latent variables (i.e. favourable training policies and practices, supervisory support, co-worker support, role clarity, promotional chances,

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<sup>60</sup> Model 1 was developed on the basis of past research and theory, and Anderson and Gerbing (1988) recommend that ML procedures be used for theory testing and development.

job security concern, participatory management, distributive justice, formal procedural justice, interactional justice, job complexity, skills/knowledge transferability, positive affectivity, negative affectivity, self-efficacy, POS, OBSE, AC). Moreover, for six demographic variables (age, education, etc.), six items were employed to measure six latent variables (age, organisational tenure, current position tenure, gender, education, and marital status) – i.e. one item for each latent variable. Thus, a total of 125 items were employed to measure 24 latent variables.

According to Harris and Schaubroeck (1990, p. 339), however, latent variable analysis is most appropriate for analysing a relatively small set of observed variables, due to the greater likelihood of finding improper solutions and of obtaining a poor model fit if the number of observed variables increases. Thus, in the data analysis, the scales having more than five items (job complexity, favourable training policies and practices, distributive justice, formal procedural justice, interactional justice, POS, self-efficacy, OBSE, and AC) were arbitrarily trichotomised into three non-overlapping subscales. For example, for job complexity, items 6, 8, 9, 13 and 15 were combined and averaged, producing indicator 1. Items 3, 4, 5, 7 and 11 were combined and averaged, producing indicator 2. The remaining items (1, 2, 10, 12 and 14) were combined and averaged, producing indicator 3. For favourable training policies and practices, items 3, 6 and 10 were combined for indicator 1; indicator 2: items 1, 4 and 9; indicator 3: items 2 and 5. For distributive justice, indicator 1: items 2 and 3; indicator 2: items 1 and 4; indicator 3: items 5 and 6. For formal procedural justice, indicator 1: items 2 and 4; indicator 2: items 3, 5 and 7; indicator 3: items 1 and 6. For interactional justice, indicator 1: items 2, 4 and 6;



indicator 2: items 3, 5 and 7; indicator 3: items 1, 8 and 9. For self-efficacy, indicator 1: items 1, 4, and 7; indicator 2: items 2, 8, and 10; indicator 3: items 3, 5, 6, and 9. For POS, indicator 1: items 1, 3, 6, 11, 16 and 17; indicator 2: items 2, 5, 8, 10, 14 and 15; indicator 3: items 4, 7, 9, 12 and 13. For OBSE, indicator 1: items 1, 3 and 10; indicator 2: items 2, 4 and 9; indicator 3: items 5 and 8. For AC, indicator 1: items 1 and 3; indicator 2: items 2 and 4; indicator 3: items 5 and 6.

For positive and negative affectivity, having five items each, items were arbitrarily divided into two non-overlapping subscales. Thus, for positive affectivity, items 1 and 2 were combined and averaged, producing indicator 1. The remaining items (3, 4, and 5) were combined and averaged, producing indicator 2. For negative affectivity, items 1 and 2 were combined to produce indicator 1; indicator 2: items 3, 4 and 5. For constructs measured by single items, including age, organisational tenure, current position tenure, gender, marital status and, education, it was assumed that there were no errors in the variables (i.e.  $\delta$  was set to 0)<sup>61</sup> and factor loadings (i.e.  $\lambda$ )<sup>62</sup> were set to 1.00.

The analysis was conducted using the two-step approach recommended by Anderson and Gerbing (1988), i.e. the measurement model was first estimated separately, and then the measurement and structural models were simultaneously estimated. In the presence of misspecification, whereas a one-step approach (in which the measurement and

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<sup>61</sup>  $\delta_1$  (delta) is the error of measurement for  $x_1$  (which is an indicator of an exogenous variable). When constructs are measured by single items,  $\delta_1$  is normally set to 0, which means that there is no measurement error for  $x_1$ .

<sup>62</sup> "The  $\lambda_1$  (lambda) coefficients are the magnitude of the expected change in the observed variable for a one unit change in the latent variable. These coefficients are regression coefficients for the effects of the latent variables on the observed variables" (Bollen, 1989, pp. 17-18). When constructs are measured by single items,  $\lambda$  is normally set to 1.00.

structural models are estimated simultaneously) is apt to suffer from interpretational confounding<sup>63</sup>, the two-step approach minimises the potential for interpretational confounding because no constraints are placed on the structural parameters that relate the estimated constructs to one another, due to prior separate estimation of the measurement model (see Anderson and Gerbing, 1988, pp. 417-418).

In testing the models, input data were carefully chosen. SEM uses only a covariance matrix (i.e. unstandardised data) or a correlation matrix (i.e. standardised data) of all indicators used in the model as input data, because the focus of SEM is not so much on individual observations as on the pattern of relationships across respondents. The covariance matrix is an appropriate form of the data for validating causal relationships and thus provides valid comparison across populations or samples, which is not possible when models are estimated with a correlation matrix. Thus, a covariance matrix is used for input data in estimating the measurement and structural models simultaneously. On the other hand, the correlation matrix makes it possible to compare more readily the magnitude of different parameters (Hair et al., 1998; Harris and Schaubroeck, 1990). Thus, in the case of estimating the measurement model, a correlation matrix is preferred for input data because the objective of the measurement model is to explore the pattern of interrelationships (Hair et al., 1998), and correlation matrices were here used for input data in the analysis of the measurement models. Missing data were dealt with using mean substitution.

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<sup>63</sup> "Interpretational confounding 'occurs as the assignment of empirical meaning to an unobserved variable which is other than the meaning assigned to it by an individual a priori to estimating unknown parameters (Burt, 1976, p.4)' " (Anderson and Gerbing, 1988, p. 418).

Also, the scaling of the latent variables was conducted. Both the origin and unit of measurement in each latent variable are arbitrary because latent variables are unobservable and have no definite scales. In order to define the model properly, however, the origin and unit of measurement must be defined. In order to assign a unit of measurement for a latent variable, a 1.00 to one loading was set for each latent variable (Joreskog and Sorbom, 1993).

Finally, in order to evaluate the overall model fit, multiple goodness-of-fit indices were employed. In SEM, once parameters are estimated, the overall model fit should be evaluated. Although there is no single measure or set of measures in evaluating the overall model fit, the  $\chi^2$ -test has long been an indicator of the overall goodness-of-fit of any model. This is “a likelihood ratio statistic for testing a hypothesized model against the alternative that the covariance matrix is unconstrained” (Bagozzi and Yi, 1988, p. 77). In the  $\chi^2$ -test, the usual rule-of-thumb is that the model should be rejected if the p-value is less than .05 (Bagozzi and Yi, 1988). However, the  $\chi^2$ -test is very sensitive to sample size. That is, as the sample size increases, the chance of rejecting a model increases, irrespective of whether the model is true or false. Thus, type I error increases. On the other hand, if the sample size is small, the chance of accepting a false model increases, thereby increasing type II error. Thus, many researchers (e.g. Bagozzi and Yi, 1988; Hair et al., 1998) have recommended multiple goodness-of-fit indices, including the goodness-of-fit index (GFI), normed fit index (NFI), non-normed fit index (NNFI), standardised root mean square residual (standardised RMR), comparative fit index (CFI), and incremental fit index (IFI).

GFI represents the overall degree of fit ranging from zero (a complete lack of fit) to unit (perfect fit), which is not adjusted for the degrees of freedom. Although higher values indicate better fit, the absolute threshold level for acceptability has not been established (Hair et al., 1998). NFI is the proportion of total information accounted for by a model, which ranges in possible value between zero (a complete lack of fit) and unit (perfect fit) (Mulaik et al., 1989), and NFI equal to and greater than .90 is considered indicative of an adequate fit (Bagozzi and Yi, 1988). NNFI “combines a measure of parsimony into a comparative index between the proposed and null models, resulting in values ranging from 0 to 1.0” (Hair et al., 1998, p. 657). A fit index of .90 or greater is regarded as an adequate fit of the model. RMR is indicative of discrepancies between the observed and predicted relations (Brooke et al., 1988), and the recommended value of RMR is .05 or less (Mathieu and Farr, 1991). CFI assesses the estimated model fit to a null model, and the recommended value is .90 or greater (Hutchison and Garstka, 1996). IFI is the ratio of the null-indicator  $\chi^2$  minus the hypothesised  $\chi^2$ , divided by the null indicator  $\chi^2$ . A value of .90 or greater indicates a good fit (Mathieu, 1991). For NFI, NNFI, CFI, and IFI, the greater the value, the better the model fit. As for RMR, on the other hand, the smaller the value, the better the model fit<sup>64</sup>. These indices were employed to evaluate the overall model fit in the analysis of the measurement model.

However, high goodness-of-fit indices of models may be achieved by “overfitting” the data with too many coefficients. Thus, in order to evaluate whether model fit is attained

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<sup>64</sup> For RMR, standardised RMR is used.

by in this way, parsimonious fit measures<sup>65</sup> are used. The parsimony of model fit is examined using the parsimonious goodness-of-fit index (PGFI), parsimonious normed fit index (PNFI), and normed chi-square (i.e.  $\chi^2/df$ ). PGFI, which is the modification of GFI, is based on the parsimony of the estimated model. On the other hand, PNFI, which is the modification of NFI, considers the number of degrees of freedom used to achieve a level of fit. For both PGFI and PNFI, high values indicate greater model parsimony. (Hair, et al., 1998). As for  $\chi^2/df$ , although a ratio of less than 2.0 is indicative of a fairly good fit for the hypothesised model (Mathieu and Farr, 1991), the smaller the value, the greater the model parsimony. However, “because no statistical test is available for these measures, their use in an absolute sense is limited in most instances to comparisons between models” (Hair et al., 1998, p. 658), especially in the case of comparing the fit of the nested models. Given several models with equally high goodness-of-fit indices in relation to the same data, by the principle of parsimony, the model with higher PGFI and PNFI and/or lower normed chi-square (i.e.  $\chi^2/df$ ) is preferred (Gellatly, 1995; Sweeney and McFarlin, 1993)). These three additional indices with other goodness-of-fit indices are used to evaluate competing models.

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<sup>65</sup> This is similar to the “adjustment” of the  $R^2$  in multiple regression (Hair et al., 1998).

## 9.4 The Assessment of the Measurement Models and the Examination of Multi-Collinearity

A measurement model estimates latent variables from indicators (i.e. observed variables) without considering the hypothesised causal relationships among those variables (Joreskog and Sorbom, 1988), and provides a confirmatory factor analysis of the relationships between latent variables and indicators. In Chapter 7 and Section 9.2.2, exploratory factor analysis was conducted to examine the dimensionality of the items, where the researcher has no control over which items describe each factor. In the measurement model, however, it should be specified which indicators define each construct, thereby making the transition from factor analysis to a confirmatory mode (Hair et al., 1998). Specification was conducted on the basis of the results of exploratory factor analysis. That is, as discussed in Section 9.3, original items used in exploratory factor analysis or newly created items with a view to reducing the number of indicators which defined a factor were specified.

It is here worth noting that it is not possible for LISREL estimation of the structural equation models by itself to provide information about the significance levels for the relationships between each exogenous and endogenous variable in the Phi matrix. It only provides a complete Phi matrix containing the significance levels for relationships among the exogenous variables. However, this problem can be resolved by the estimation of a measurement model in which all variables are regarded as exogenous variables, irrespective of whether they are actually exogenous or endogenous. This is because this measurement

model provides a complete Phi matrix which contains all information concerning the significance levels for the relationships between exogenous and endogenous variables, as well as among the exogenous variables (Kim, 1996). Thus, all the constructs contained in Model 1 were analysed as exogenous variables.

As discussed in Section 7.3.1, exploratory factor analysis considers a factor loading of .30 as a cutoff point in terms of significance if the sample size is greater than 350. In the LISREL measurement model, however, “substantively weak loadings (or Lambda X’s or Lambda Y’s) associated with the items, if any, compared to those for the other items among the items expected to measure a latent theoretical construct were used as evidence of a lack of convergent validity for the measure” (Kim, 1996, p. 103).

In the LISREL measurement model, four items appeared to have substantively weak loadings associated with the items, compared to those for other items among the items expected to measure a latent variable, and these items were deleted in order to reduce the number of indicators. Thus, the indicator “role clarity 1” has weak loading associated with the item (K bank sample: 0.73; B bank sample: 0.55; total sample: 0.64), compared to those for the other two items expected to measure the latent variable “role clarity” (K bank sample: 0.74-0.79; B bank sample: 0.83-0.85; total sample: 0.80-0.82). Other weak loadings were as follows. The indicator “supervisory support 3” (K bank sample: 0.63; B bank sample: 0.66; total sample: 0.64) and the remaining indicators (K bank sample: 0.79-0.86; B bank sample: 0.67-0.91; total sample: 0.74-0.89); the indicator “participatory management 3” (K bank sample: 0.72; B bank sample: 0.64; total sample: 0.69) and the remaining indicators (K bank sample: 0.75-0.81; B bank sample: 0.63-0.79; total sample:

0.71-0.80); and the indicator “skills/knowledge transferability 1” (K bank sample: 0.61; B bank sample: 0.57; total sample: 0.61) and the remaining indicators (K bank sample: 0.77-0.83; B bank sample: 0.76-0.78; total sample: 0.76-0.81). Then, after these indicators were deleted, the LISREL measurement model was conducted again. The loadings associated with the items expected to measure each latent variable are shown in Appendices V-1, 2, and 3. Then, model fit was assessed.

Hair and his colleagues (1998) suggest the following three stages for the assessment of measurement model fit. The first stage is to conduct the assessment of model fit for the overall model. This portrays the extent to which the specified indicators represent the hypothesised latent variables (constructs). Once overall model fit is accepted, then each of the latent variables should be assessed separately in terms of the following two procedures. The second stage is to examine the statistical significance of the indicator loadings for each latent variable in order to see whether all indicators are significantly related to their specified constructs. The third stage is to assess the latent variables’ composite reliability and variance extracted. Reliability analysis is assessed in order to examine internal consistency among indicators for a latent variable, and the recommended acceptable level is over .70. The analysis of variance extracted is conducted in order to examine the extent to which the variance for the specified indicators is accounted by the construct, and the recommended acceptable level is more than .50. The analyses of the composite reliability and variance extracted for a latent variable are both conducted in order to examine whether the specified indicators are sufficient in their representation of the constructs (Hair et al., 1998).



As the first stage for the assessment of measurement model fit, the overall model fit was assessed with six goodness-of-fit indices as explained in Section 9.3, and these indices for the three samples are shown in Table 9.2. All the indices fall within acceptable levels. That is, the indices of NFI, NNFI, CFI, and IFI are greater than 0.90 and the index of standardised RMR is less than 0.05. Thus, measures of overall model goodness-of-fit lend sufficient support to considering the results an acceptable representation of the hypothesised constructs.

**Table 9.2: Goodness-of-fit statistics of measurement model**

	$\chi^2$	df	Standardised RMR	GFI	NFI	NNFI	CFI	IFI
K bank sample	2194.93 (P < 0.001)	1214	0.033	0.86	0.91	0.94	0.95	0.96
B bank sample	2124.92 (P < 0.001)	1214	0.034	0.86	0.90	0.94	0.95	0.95
Total sample	2561.09 (P < 0.001)	1214	0.027	0.91	0.94	0.96	0.97	0.97

Next, for each indicator, the t value associated with each loading was examined in order to assess the statistical significance of indicator loadings. All the loadings were statistically significant at the level of 0.001 (i.e.  $p < 0.001$ ) in all the three samples. Thus, all the indicators are significantly related to their specified constructs, thereby verifying the posited relationships among indicators and constructs.

Finally, the reliability and variance-extracted measures for each construct were estimated. The formulae for the two measurement computations are as follows (Hair et al., 1998):

$$\text{Construct reliability} = \frac{(\text{Sum of standardised loadings})^2}{(\text{Sum of standardised loadings})^2 + \text{Sum of indicator measurement error}}$$

$$\text{Variance extracted} = \frac{\text{Sum of squared standardised loadings}}{\text{Sum of squared standardised loadings} + \text{Sum of indicator measurement error}}$$

Table 9.3 shows the estimates of the construct reliability and variance extracted for each construct for the three samples. All the constructs exceed the respective recommended levels of .70 and .50 for reliability and variance extracted in all the three samples.

**Table 9.3 Reliability and variance-extracted estimates for constructs**

	K bank Sample		B Bank Sample		Total Sample	
	Reliability	Variance Extracted	Reliability	Variance Extracted	Reliability	Variance Extracted
Positive Affectivity	.877	.781	.840	.725	.863	.760
Negative Affectivity	.876	.779	.867	.765	.869	.769
Favourable Training Policies	.906	.762	.903	.756	.917	.787
Supervisory Support	.870	.690	.846	.649	.863	.678
Co-worker Support	.929	.816	.894	.738	.914	.780
Role Clarity	.780	.641	.834	.715	.814	.687
Promotional Chances	.846	.647	.893	.736	.875	.700
Job Security Concern	.883	.716	.829	.621	.860	.673
Participatory Management	.833	.624	.780	.548	.813	.593
Distributive Justice	.925	.804	.919	.791	.925	.804
Formal Procedural Justice	.935	.827	.906	.764	.925	.804
Interactional Justice	.969	.913	.962	.893	.968	.910
Job Complexity	.946	.853	.948	.860	.950	.864
Skills Transferability	.794	.659	.760	.614	.783	.644
Self-Efficacy	.954	.844	.915	.783	.933	.823
POS	.954	.873	.960	.890	.960	.890
OBSE	.943	.847	.939	.836	.944	.849
AC	.901	.753	.923	.800	.917	.787

Then, the correlations among all the constructs, including control, exogenous and endogenous constructs, in the causal model were examined in order to assess the degree of multi-collinearity. Appendices VI-1, 2, and 3 present LISREL estimates of the zero-order correlation matrix for all the three samples, and indicate that all the correlations between constructs are below 0.75 in the three samples. Thus, multi-collinearity does not appear to be a problem.

Overall, the assessment of goodness-of-fit criteria (i.e. overall model goodness-of-fit results, significance test for indicator loadings for a latent construct, and the test of the reliability and variance extracted for a latent construct) and correlation analysis confirm the validity of the proposed measures.

## **9.5 LISREL Estimates of the Structural Equation Model**

### **9.5.1 A Comparison of the Competing Models**

The causal Model 1 shown in Figure 3-1 in Chapter 3 indicates that the hypothesised employees' daily work experiences have impacts on employees' AC through three mediating endogenous variables (self-efficacy, POS, and OBSE). Thus, employees' daily work experiences were hypothesised to *indirectly* affect employees' AC. This model can be called a "Full Mediation Model", and the simplified form is shown in Figure 9-1.

However, a number of studies (e.g. Mathieu and Zajac, 1990; Mottaz, 1988; Steers, 1977) suggest that the proposed employees' daily work experiences *directly* affect their AC. In fact, as discussed in Section 7.5.2, several employees' daily work experiences do *directly* affect employees' AC in the total sample. Thus, the Full Mediation Model might be susceptible to the problem of overly restrictive causal models, which ignore the direct impacts of employees' daily work experiences on their AC. It might therefore be more adequate to consider both *direct* and *indirect* impacts of hypothesised employees' daily work experiences on their AC in the causal model. That is, the causal paths from all the hypothesised employees' daily work experiences to their AC are superimposed on Model 1 shown in Figure 3-1. This can be called a "Partial Mediation Model", which is also shown in Figure 9-1.

On the other hand, unlike hypothesis 3, which states that the hypothesised employees' daily work experiences exert their influence on AC through the three mediating variables, the hypothesised employees' daily work experiences may exert their influence on AC only directly without any mediating effect through the three mediating variables. That is, there might be only a direct impact in the relationship between the hypothesised employees' daily work experiences and their AC. This model can be called a "No Mediation Model" and there might be several "No Mediation Models", as shown in Figure 9-1. In "No Mediation Model 1", the hypothesised employees' daily work experiences are postulated to affect only employees' AC directly, and they are postulated not to affect the three intermediate variables (i.e. mediating variables). Moreover, the three intermediate variables are also postulated not to have an impact on employees' AC. That is, the

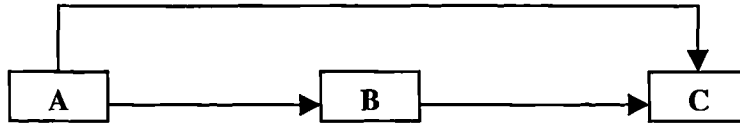
following causal paths are deleted from the “Partial Mediation Model”: causal paths from hypothesised employees’ daily work experiences to the three intermediate variables and from the three intermediate variables to employees’ AC. “No Mediation Model 2” postulates that the hypothesised employees’ daily work experiences affect both AC directly and the three intermediate variables. However, the three intermediate variables are postulated not to have an impact on employees’ AC. That is, the causal paths from the three intermediate variables to employees’ AC are deleted from the “Partial Mediation Model”. “No Mediation Model 3” postulates that the hypothesised employees’ daily work experiences affect their AC directly. On the other hand, employees’ daily work experiences are postulated not to have an impact on the three intermediate variables. However, the three intermediate variables are postulated to affect employees’ AC. Thus, the causal paths from the hypothesised employees’ daily work experiences to the three intermediate variables are deleted from the “Partial Mediation Model”. Finally, “No Mediation Model 4” postulates that the hypothesised employees’ daily work experiences affect neither employees’ AC nor the three intermediate variables. Moreover, the three intermediate variables are postulated not to have an impact on employees’ AC. Here, as shown in Figure 9-1, the “Full Mediation Model” and the four “No Mediation Models” are nested within the “Partial Mediation Model”, and these models are compared.

The overall model fits of the competing models of employees’ affective commitment to the organisation are presented in Tables 9.4 (K bank sample), 9.5 (B bank sample), and 9.6 (total sample). In the K bank sample, the “Partial Mediation Model”, “Full Mediation Model”, and “No Mediation Model 2” appear to be better models. For example,

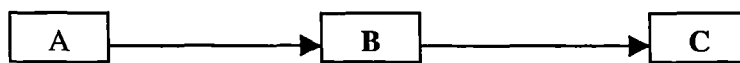
for standardised RMR, the “No Mediation Model 3” is outside the acceptable level of 0.05. Moreover, although the “No Mediation Model 1” and “No Mediation Model 4” are within the acceptable level of 0.05 (i.e. 0.047 in both models), the “Partial Mediation Model”, “Full Mediation Model”, and “No Mediation Model 2” have much better standardised RMR (i.e. 0.035, 0.036, and 0.038 respectively). In terms of GFI, NFI, NNFI, CFI, and IFI, they have better fit indices than the other models. Moreover, in terms of  $\chi^2/df$ , the three models satisfy the acceptable level of 2.00. However, among the “Partial Mediation Model”, “Full Mediation Model”, and “No Mediation Model 2”, when considering parsimonious fit measures (i.e.  $\chi^2/df$ , PGFI and PNFI), the “Full Mediation Model” is the best model. That is, although the three models have the same fit indices of PGFI, the “Full Mediation Model” has the lowest  $\chi^2/df$  (i.e. 1.809) and the highest PNFI (i.e. 0.73).

Turning to the B bank sample, the “Partial Mediation Model”, “Full Mediation Model”, and “No Mediation Model 2” also appear to be better models. For example, for standardised RMR, only these three models satisfy the acceptable level of 0.05. As for GFI, NFI, NNFI, CFI and IFI, they have better fit indices than other models, although other models have acceptable fit indices. Furthermore, in terms of  $\chi^2/df$ , only the three models satisfy the acceptable level of 2.00. However, when considering the parsimonious fit measures, the “Full Mediation Model” appears the best-fitting model. That is, this model has lower  $\chi^2/df$  (i.e. 1.762) than the “No Mediation Model 2” (i.e. 1.780). Moreover, it has higher PGFI (i.e. 0.67) than both the “Full Mediation Model” and the “No Mediation Model 2” (i.e. 0.66 in both models).

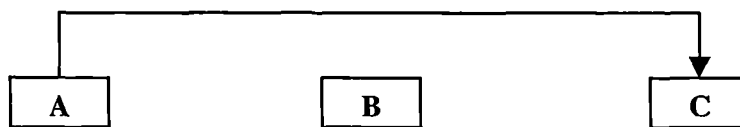
**Figure 9-1: The competing models**



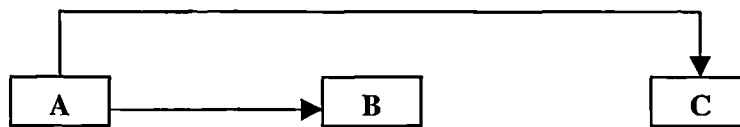
**Partial Mediation Model**



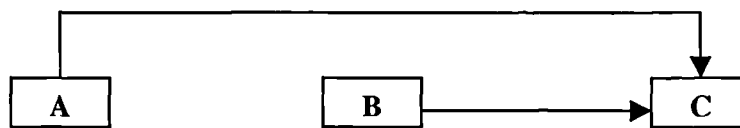
**Full Mediation Model**



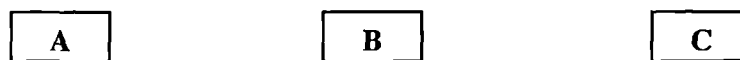
**No Mediation Model 1**



**No Mediation Model 2**



**No Mediation Model 3**



**No Mediation Model 4**

A: Hypothesised Antecedents

B: Three Mediating Variables

C: Employees' Organisational Commitment

For the total sample, both the “Partial Mediation Model” and the “Full Mediation Model” appear to be best-fitting models. For example, in terms of standardised RMR, GFI, NFI, NNFI, CFI, and IFI, although other models have acceptable fit indices, they have better fit indices. Moreover, although all the models are outside the acceptable level of 2.00 in terms of  $\chi^2/df$ , they have lower  $\chi^2/df$ . In terms of  $\chi^2/df$ , the “Partial Mediation Model” is better than the “Full Mediation Model”. That is, the former has 2.115 of  $\chi^2/df$ , while the latter has 2.119 of  $\chi^2/df$ . On the other hand, the latter is better in terms of PGFI and PNFI – i.e. for the “Partial Mediation Model”, 0.70 (PGFI), 0.75 (PNFI); for the “Full Mediation Model”, 0.71 (PGFI), 0.76 (PNFI). Thus, it is quite difficult to choose the better model from the two models in the total sample. However, because “Full Mediation Model” appears to be a better fitting model in both the K bank and B bank samples, in the present study the “Full Mediation Model” is chosen as the best-fitting model. Thus, LISREL estimates for the causal model of the determinants of employees’ AC are discussed focusing on the “Full Mediation Model”, which is Model 1 shown in Figure 3-1.



**Table 9.4: The overall model fit of the causal model of affective commitment to the organisation (K bank sample)**

	$\chi^2$	df	Standardised RMR	GFI	NFI	NNFI	CFI	IFI	$\chi^2/df$	PGFI	PNFI
Partial Mediation Model	2228.67	(P < 0.001)	0.035	0.85	0.90	0.94	0.95	0.95	1.813	0.66	0.72
Full Mediation Model	2244.44	(P < 0.001)	0.036	0.85	0.90	0.94	0.95	0.95	1.809	0.66	0.73
No Mediation Model 1	2662.70	(P < 0.001)	0.047	0.83	0.89	0.92	0.94	0.94	2.200	0.65	0.72
No mediation Model 2	2314.17	(P < 0.001)	0.038	0.85	0.90	0.94	0.95	0.95	1.877	0.66	0.72
No Mediation Model 3	2609.45	(P < 0.001)	0.073	0.83	0.89	0.92	0.94	0.94	2.084	0.65	0.72
No mediation Model 4	2677.05	(P < 0.001)	0.047	0.83	0.88	0.92	0.93	0.94	2.111	0.66	0.73

**Table 9.5: The overall model fit of the causal model of affective commitment to the organisation (B bank sample)**

	$\chi^2$	df	Standardised RMR	GFI	NFI	NNFI	CFI	IFI	$\chi^2/df$	PGFI	PNFI
Partial Mediation Model	2165.88	(P < 0.001)	0.036	0.86	0.90	0.94	0.95	0.95	1.762	0.66	0.72
Full Mediation Model	2187.10	(P < 0.001)	0.037	0.86	0.89	0.94	0.95	0.95	1.762	0.67	0.72
No Mediation Model 1	2568.64	(P < 0.001)	0.051	0.84	0.88	0.92	0.93	0.93	2.045	0.66	0.71
No mediation Model 2	2194.27	(P < 0.001)	0.037	0.86	0.89	0.94	0.95	0.95	1.780	0.66	0.72
No Mediation Model 3	2548.36	(P < 0.001)	0.068	0.84	0.88	0.92	0.93	0.93	2.035	0.66	0.71
No mediation Model 4	2585.69	(P < 0.001)	0.051	0.84	0.88	0.92	0.93	0.93	2.039	0.66	0.72

**Table 9.6: The overall model fit of the causal model of affective commitment to the organisation (total sample)**

	$\chi^2$	df	Standardised RMR	GFI	NFI	NNFI	CFI	IFI	$\chi^2/df$	PGFI	PNFI
Partial Mediation Model	2598.79	(P < 0.001)	0.028	0.91	0.94	0.96	0.97	0.97	2.115	0.70	0.75
Full Mediation Model	2629.30	(P < 0.001)	0.030	0.91	0.94	0.96	0.97	0.97	2.119	0.71	0.76
No Mediation Model 1	3403.87	(P < 0.001)	0.042	0.88	0.92	0.94	0.95	0.95	2.710	0.70	0.75
No mediation Model 2	2706.48	(P < 0.001)	0.031	0.90	0.94	0.96	0.96	0.96	2.195	0.70	0.75
No Mediation Model 3	3342.49	(P < 0.001)	0.040	0.89	0.92	0.94	0.95	0.95	2.670	0.70	0.75
No mediation Model 4	3428.96	(P < 0.001)	0.042	0.88	0.92	0.94	0.95	0.95	2.704	0.70	0.76

## 9.5.2 LISREL Estimates for the Causal Model of Employees' Affective Commitment to the Organisation

Table 9.7 presents the LISREL results for estimating the causal model of the determinants of employees' AC. Self-efficacy appears to be affected by five (K bank sample), three (B bank sample), and five (total sample) hypothesised employees' daily work experiences variables. It is positively affected by job complexity and job security concern in all three samples. The specific results for the three samples are as follows: for job complexity, K bank sample:  $\beta = .22$ ,  $p < 0.001$ ; B bank sample:  $\beta = .18$ ,  $p < 0.01$ ; total sample:  $\beta = .21$ ,  $p < 0.001$ . For job security concern, K bank sample:  $\beta = .17$ ,  $p < 0.01$ ; B bank sample:  $\beta = .18$ ,  $p < 0.01$ ; total sample:  $\beta = .18$ ,  $p < 0.001$ . However, both role clarity and co-worker support appear to have a positive impact on self-efficacy in the K bank sample and the total sample. For role clarity, K bank sample:  $\beta = .21$ ,  $p < 0.01$ ; total sample:  $\beta = .15$ ,  $p < 0.001$ . For co-worker support, K bank sample:  $\beta = .12$ ,  $p \leq 0.05$ , total sample:  $\beta = .08$ ;  $p \leq 0.05$  for both samples. On the other hand, self-efficacy is negatively affected by favourable training policies and practices in all three samples (i.e. K bank sample:  $\beta = -.10$ ,  $p \leq 0.05$ ; B bank sample:  $\beta = -.17$ ,  $p < 0.01$ ; total sample:  $\beta = -.12$ ,  $p < 0.01$ ), which is contrary to the initial hypothesis that the impact would be positive. Participatory management appears not to have a statistical impact on self-efficacy in any of the three samples.

**Table 9.7 LISREL estimates (completely standardised coefficients) for the causal model of employees' affective commitment to the organisation**

Variables	Self-Efficacy			POS			OBSE			AC		
	K bank Sample	B bank Sample	Total Sample	K bank Sample	B bank Sample	Total Sample	K bank Sample	B bank Sample	Total Sample	K bank Sample	B bank Sample	Total Sample
<b>(1)</b>												
Self-Efficacy												
POS												
OBSE												
<b>(2)</b>												
Age												
Organisational Tenure	.04	-.19*	-.07	-.07	-.14*	-.09*	.02	.16*	.08	.18**	.23**	.21***
Current Position Tenure	-.03	.20*	.06	.06	.13*	.09*	.13*	.03	.06	.13*	.07	.08
Gender	.08*	.04	.07*	-.06	.03	-.03	.05	.00	.04	-.09*	.00	-.05
Marital Status	.00	.03	.03	-.09*	-.03	-.06**	.02	-.18***	-.06*	-.05	-.01	-.04
Education	.00	.07	.04	.00	.00	.01	-.04	.07	.02	.01	.01	.02
Positive Affectivity	.04	.02	.04	.03	-.01	.01	-.08	-.04	-.07*	-.14**	-.15***	-.15***
Negative Affectivity	.20***	.29***	.22***	.21***	.25***	.22***	.10*	.22***	.16***	.25***	.21***	.22***
	-.13***	-.05	-.11***	.07	-.02	.04	.05	.06	.08**	-.17***	-.05	-.12***
<b>(3)</b>												
Role Clarity	.21**	.10	.15***	.12	-.06	.03	.12					
Favourable Training Policies and Practices	-.10*	-.17**	-.12**	.05	.19***	.16***	.05					
Co-worker Support	.12*	.03	.08*					.01	.03			
Supervisory Support	.01	.00	.01	-.11	-.11*	-.11**	.01	.02	.02			
Job Complexity	.22***	.18**	.21***	.19***	.12**	.16***	.23***	.28***	.26***			
Promotional Chances	.17**	.18**	.18***	.21***	.08	.14***	.04	.14**	.09**			
Job Security Concern				-.08	-.06	-.05						
Distributive Justice				.17***	.13**	.13***						
Formal Procedural Justice				.12*	.23***	.16***						
Interactional Justice				.24***	.23***	.22***						
Participatory Management	.07	.09	.09	-.09	.06	-.02	.07	.16*	.12**			
Skills/knowledge Transferability				.08*	.12**	.10***						

\* = p ≤ .05, \*\* = p < .01, \*\*\* = p < .001; two-tailed test (1) three mediating variables (2) control variables (3) employees' daily work experiences

As for the impact of the control variables on self-efficacy, positive affectivity has a positive impact on self-efficacy in all three samples (i.e. K bank sample:  $\beta = .20$ ; B bank sample:  $\beta = .29$ ; total sample:  $\beta = .22$ ,  $p < 0.001$ ). Organisational tenure has a positive impact on self-efficacy only in the B bank sample (i.e.  $\beta = .20$ ,  $p \leq 0.05$ ), while current position tenure has a positive impact on self-efficacy in the K bank sample and the total sample (i.e. K bank sample:  $\beta = .08$ ; total sample:  $\beta = .07$ ,  $p \leq 0.05$ ). Age negatively affects self-efficacy only in the B bank sample (i.e.  $\beta = -.19$ ,  $p \leq 0.05$ ), and negative affectivity has a negative impact on self-efficacy in the K bank sample and the total sample (i.e. K bank:  $\beta = -.13$ ,  $p < 0.001$ ; total sample:  $\beta = -.11$ ,  $p < 0.001$ ).

POS appears to be affected by six (K bank sample), seven (B bank sample), and eight (total sample) hypothesised employees' daily work experiences variables. It is positively affected by job complexity, distributive justice, formal procedural justice, interactional justice, and skills/knowledge transferability in all three samples. For job complexity, K bank sample:  $\beta = .19$ ,  $p < 0.001$ ; B bank sample:  $\beta = .12$ ,  $p < 0.01$ ; total sample:  $\beta = .16$ ,  $p < 0.001$ . For distributive justice, K bank sample:  $\beta = .17$ ,  $p < 0.001$ ; B bank sample:  $\beta = .13$ ,  $p < 0.01$ ; total sample:  $\beta = .13$ ,  $p < 0.001$ . For formal procedural justice, K bank sample:  $\beta = .12$ ,  $p \leq 0.05$ ; B bank sample:  $\beta = .23$ ,  $p < 0.001$ ; total sample:  $\beta = .16$ ,  $p < 0.001$ . For interactional justice, K bank sample:  $\beta = .24$ ; B bank sample:  $\beta = .23$ ; total sample:  $\beta = .22$ ,  $p < 0.001$ . Finally, for skills/knowledge transferability, K bank sample:  $\beta = .08$ ,  $p \leq 0.05$ ; B bank sample:  $\beta = .12$ ,  $p < 0.01$ ; total sample:  $\beta = .10$ ,  $p < 0.001$ . Promotional chances positively affect POS in the K bank sample and the total

sample (K bank:  $\beta = .21$ ,  $p < 0.001$ ; total sample:  $\beta = .14$ ,  $p < 0.001$ ), and favourable training policies and practices have a positive impact on POS in the B bank sample and the total sample (i.e. K bank:  $\beta = .19$ ; total sample:  $\beta = .16$ ,  $p < 0.001$  for both samples). On the other hand, POS is negatively affected by supervisory support in the B bank sample (i.e.  $\beta = -.11$ ,  $p \leq 0.05$ ) and the total sample ( $\beta = -.11$ ,  $p < 0.01$ ), which is contrary to the hypothesis that the impact would be positive.

As for the impact of the control variables on POS, positive affectivity has a positive impact on POS in all three samples (K bank:  $\beta = .21$ ; B bank:  $\beta = .25$ ; total sample:  $\beta = .22$ ,  $p < 0.001$ ). POS is positively affected by organisational tenure in the B bank sample and the total sample (B bank:  $\beta = .13$ ; total sample:  $\beta = .09$ ,  $p \leq 0.05$ ). On the other hand, age has a negative impact on POS in the B bank sample and the total sample (B bank:  $\beta = -.14$ ; total sample:  $\beta = -.09$ ,  $p \leq 0.05$ ), and gender has a negative impact on POS in the K bank sample and the total sample (i.e. K bank:  $\beta = -.09$ ,  $p \leq 0.05$ ; total sample:  $\beta = -.06$ ,  $p < 0.01$ ).

OBSE is affected by one (K bank sample), three (B bank sample), and three (total sample) hypothesised employees' daily work experiences variables. Job complexity has a positive impact on OBSE in all three samples (K bank:  $\beta = .23$ ; B bank:  $\beta = .28$ ; total sample:  $\beta = .26$ ,  $p < 0.001$ ). On the other hand, OBSE is positively affected by job security concern and participatory management in the B bank sample and the total sample. For job security concern,  $\beta = .14$ ;  $p < 0.01$  (B bank sample),  $\beta = .09$ ;  $p < 0.01$  (total sample). For participatory management,  $\beta = .16$ ,  $p \leq 0.05$  (B bank sample), and  $\beta = .12$ ,  $p < 0.01$  (total sample).

Turning to the impact of the control variables on OBSE, positive affectivity has a positive impact on OBSE in all three samples (i.e. K bank sample:  $\beta = .10$ ,  $p \leq 0.05$ ; B bank sample:  $\beta = .22$ ,  $p < 0.001$ ; total sample:  $\beta = .16$ ,  $p < 0.001$ ). Age has a positive impact on OBSE only in the B bank sample ( $\beta = .16$ ,  $p \leq 0.05$ ), while organisational tenure positively affects OBSE only in the K bank sample ( $\beta = .13$ ,  $p \leq 0.05$ ). Negative affectivity has a positive impact on OBSE only in the total sample ( $\beta = .08$ ,  $p < 0.01$ ). Gender has a negative impact on OBSE in the B bank sample and the total sample (B bank sample:  $\beta = -.18$ ,  $p < 0.001$ ; total sample:  $\beta = -.06$ ,  $p \leq 0.05$ ), while education has a negative impact on OBSE only in the total sample ( $\beta = -.07$ ,  $p \leq 0.05$ ).

As for the impact of the other two endogenous variables (self-efficacy and POS) on OBSE, self-efficacy has a positive impact on OBSE in all three samples (K bank sample:  $\beta = .33$ ; B bank sample:  $\beta = .15$ ; total sample:  $\beta = .24$ ,  $p < 0.001$ ), while POS has an impact on OBSE in the K bank sample ( $\beta = .18$ ,  $p < 0.001$ ) and the total sample ( $\beta = .12$ ,  $p < 0.001$ ).

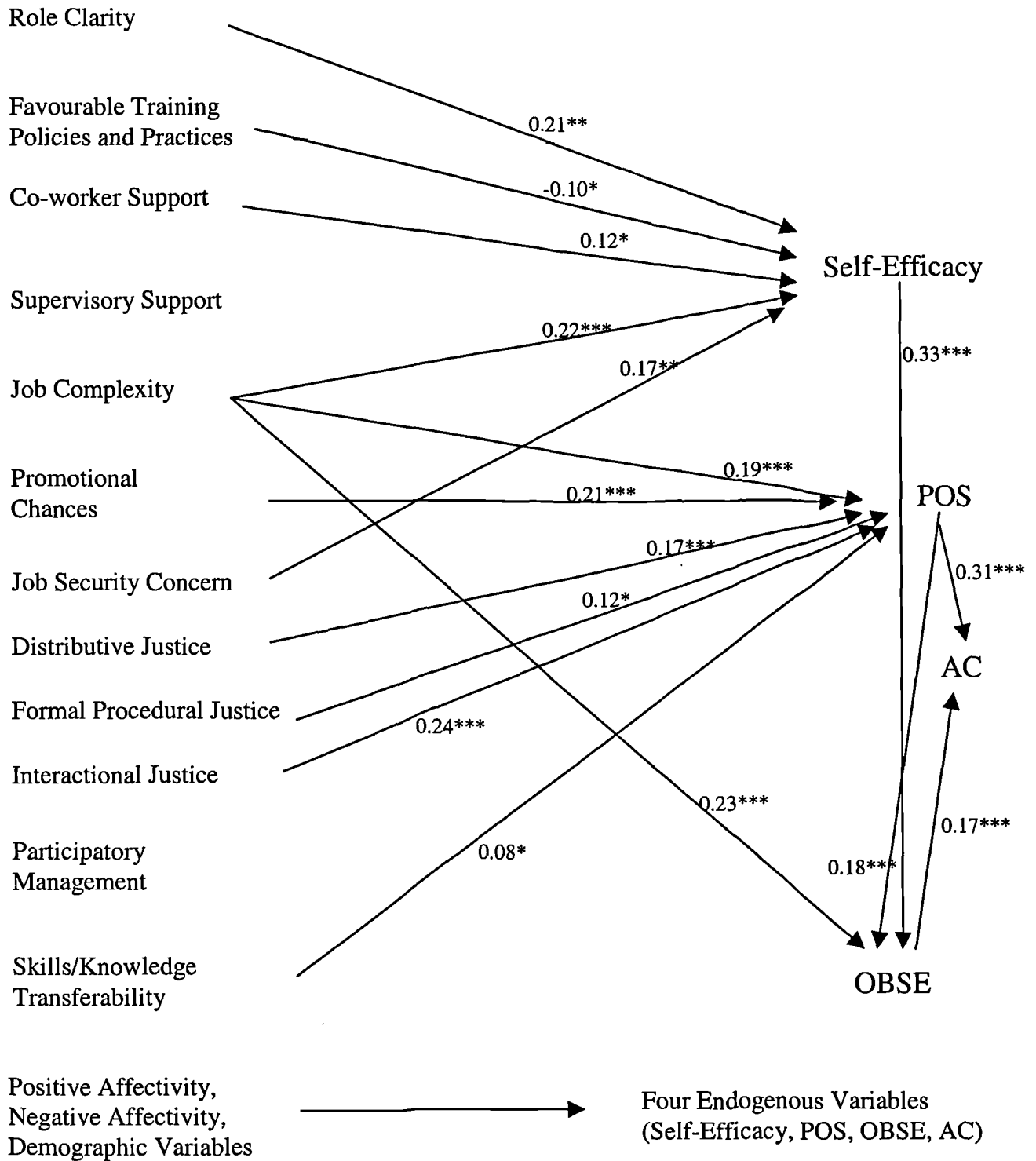
Turning to the impact of the other two endogenous variables (i.e. POS and OBSE) on AC, POS and OBSE positively affect AC in all three samples. For the impact of POS on AC, K bank sample:  $\beta = .31$ ; B bank sample:  $\beta = .19$ ; total sample:  $\beta = .26$ ,  $p < 0.001$ . For the impact of OBSE on AC, K bank sample:  $\beta = .17$ ; B bank sample:  $\beta = .22$ ; total sample:  $\beta = .21$ ,  $p < 0.001$ .

For the impact of the control variables on AC, age and positive affectivity have a positive impact on AC in all three samples. For age, K bank sample:  $\beta = .18$ ,  $p < 0.01$ ; B

bank sample:  $\beta = .23$ ,  $p < 0.01$ ; total sample:  $\beta = .21$ ,  $p < 0.001$ . For positive affectivity, K bank sample:  $\beta = .25$ ; B bank sample:  $\beta = .21$ ; total sample:  $\beta = .22$ ,  $p < 0.001$ . On the other hand, education has a negative impact on AC in all three samples (i.e. K bank sample:  $\beta = -.14$ ,  $p < 0.01$ ; B bank sample:  $\beta = -.15$ ,  $p < 0.001$ ; total sample:  $\beta = -.15$ ,  $p < 0.001$ ). Organisational tenure positively affects AC only in the K bank sample ( $\beta = .13$ ,  $p \leq 0.05$ ). Current position tenure has a negative impact on AC only in K bank sample ( $\beta = -.09$ ,  $p \leq 0.05$ ), while negative affectivity negatively affects AC in the K bank sample ( $\beta = -.17$ ,  $p < 0.001$ ) and the total sample ( $\beta = -.12$ ,  $p < 0.001$ ).

Figures 9-2, 9-3 and 9-4 respectively present LISREL estimates for the causal model of employees' AC in all three samples.

**Figure 9-2+: The causal model of the determinants of employees' affective commitment to the organisation (K bank sample)**



+ The impacts of control variables on the three mediating variables are excluded in order to simplify the figure.

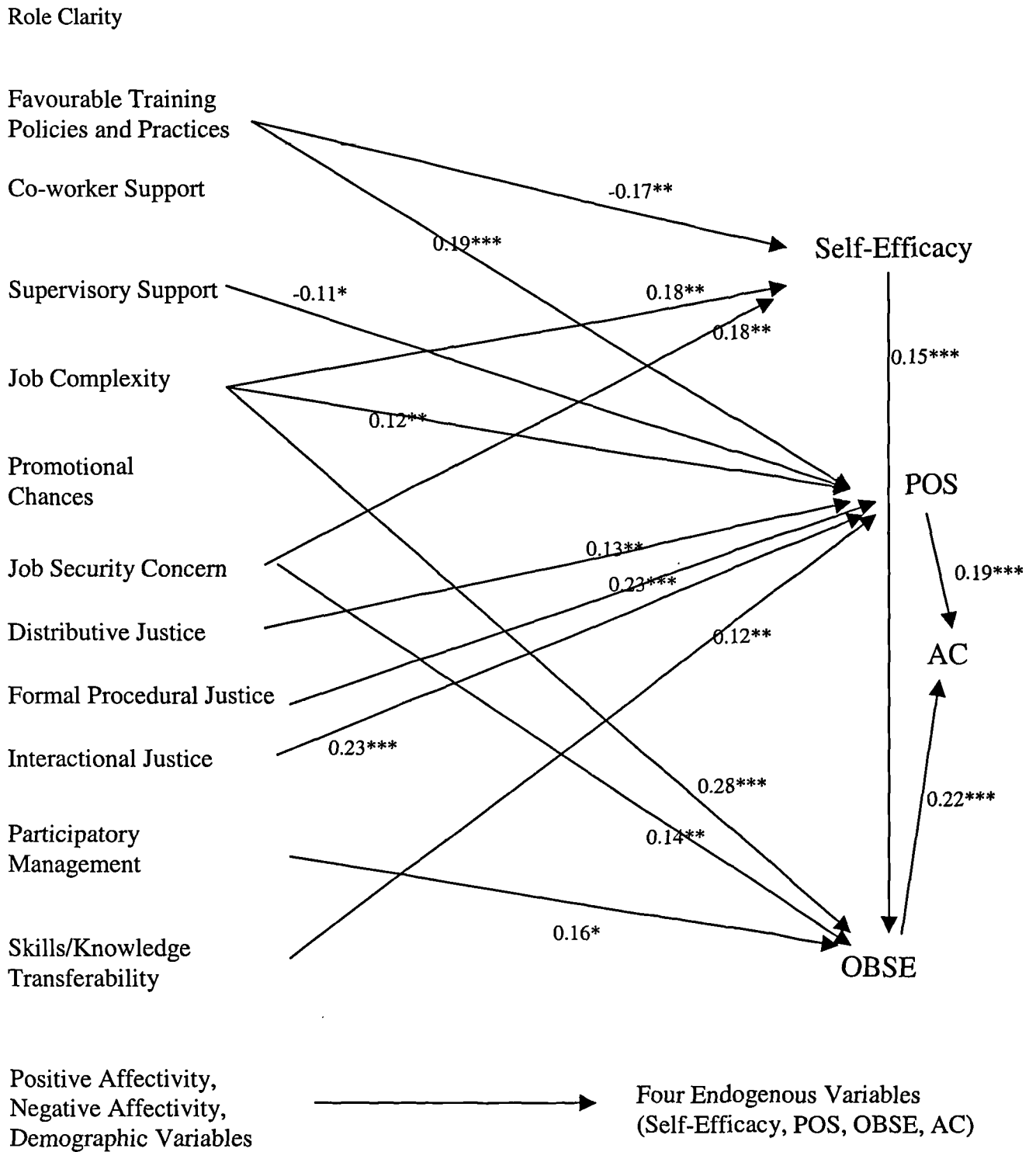
\* =  $p \leq 0.05$ , two-tailed test

\*\* =  $p < 0.01$ , two-tailed test

\*\*\* =  $p < 0.001$ , two-tailed test



**Figure 9-3+: The causal model of the determinants of employees' affective commitment to the organisation (B bank sample)**



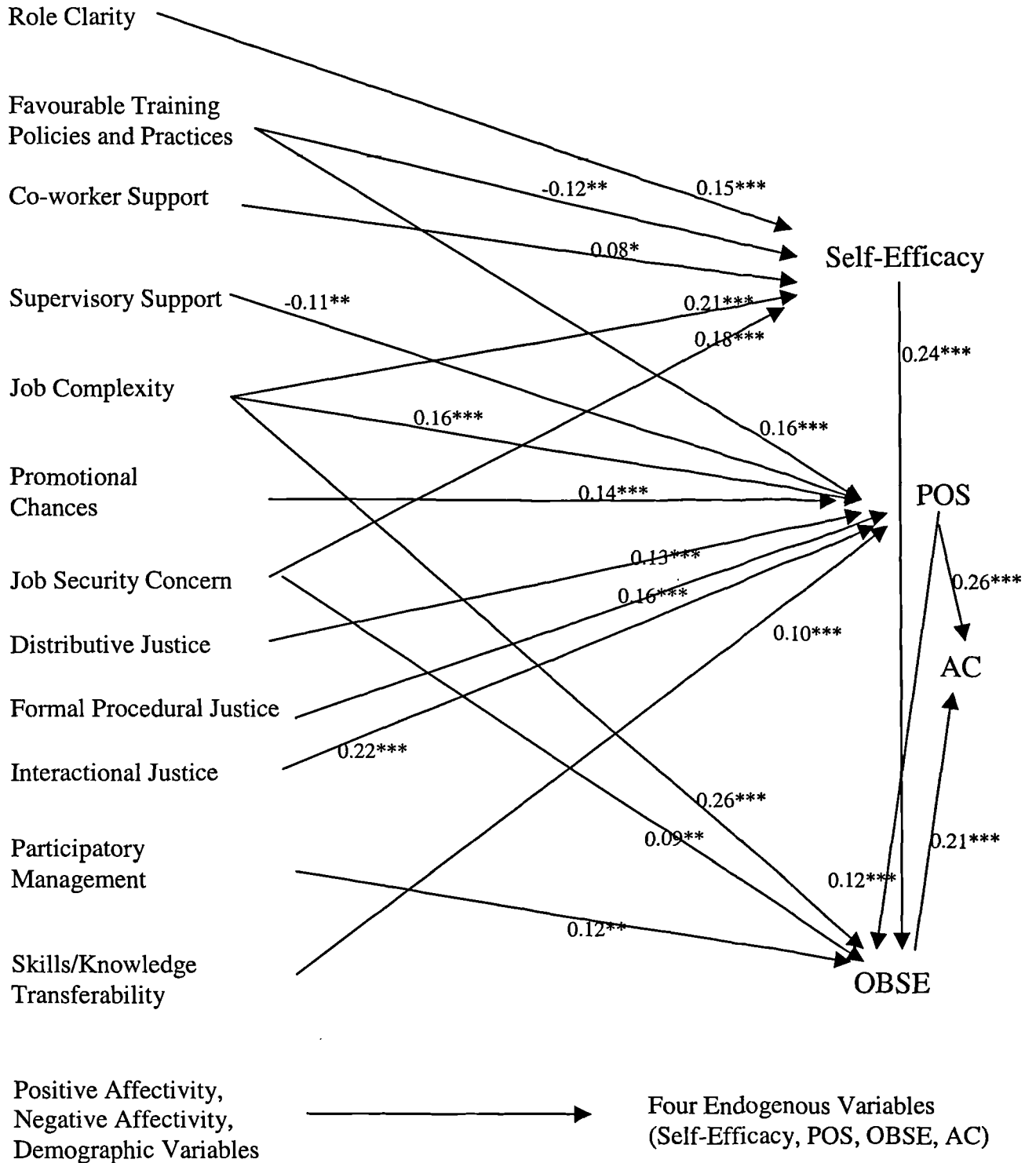
+ The impacts of control variables on the three mediating variables are excluded in order to simplify the figure.

\* =  $p \leq 0.05$ , two-tailed test

\*\* =  $p < 0.01$ , two-tailed test

\*\*\* =  $p < 0.001$ , two-tailed test

**Figure 9-4+: The causal model of the determinants of employees' affective commitment to the organisation (total sample)**



+ The impacts of control variables on the three mediating variables are excluded in order to simplify the figure.

\* =  $p \leq 0.05$ , two-tailed test

\*\* =  $p < 0.01$ , two-tailed test

\*\*\* =  $p < 0.001$ , two-tailed test

### **9.5.3 Path Analysis: The Decomposed Direct, Indirect and Total Causal Effects of the Determinants and Control Variables on Employees' Affective Commitment to the Organisation**

Because the hypothesised employees' daily work experiences exert their influence on employees' AC indirectly through the mediating endogenous variables, as discussed in Section 9.5.1, the total causal effects of the hypothesised employees' daily work experiences on AC are the total indirect effects. On the other hand, the three mediating endogenous variables and control variables affect employees' AC directly and/or indirectly. Thus, the total causal effects of the three mediating variables and control variables on employees' AC can be decomposed into direct effect and indirect effect. Thus, this section examines the decomposed direct, indirect and total causal effects of the hypothesised employees' daily work experiences and control variables on employees' AC.

Table 9.8 presents LISREL estimates (standardised coefficients) of the decomposed direct, indirect, and total causal effects of the determinants and control variables on employees' AC.

**Table 9.8: LISREL estimates (standardised coefficients) of the decomposed direct, indirect, and total causal effects of the determinants and control variables of employees' affective commitment to the organisation**

	K Bank Sample			B Bank Sample			Total Sample		
	Direct Effects	Total Indirect Effects	Total Causal Effects	Direct Effects	Total Indirect Effects	Total Causal Effects	Direct Effects	Total Indirect Effects	Total Causal Effects
<b>Mediating Variables</b>									
OBSE	.17***		.17***	.22***		.22***	.21***		.21***
POS	.31***	.03**	.34***	.19***	.01	.20***	.26***	.03**	.29***
Self-Efficacy		.06**	.06**		.03**	.03**		.05***	.05***
<b>Employees' Daily Work Experiences</b>									
Role Clarity		.05*	.05*		-.01	-.01		.02	.02
Favourable Training Policies		.01	.01		.03*	.03*		.04***	.04***
Co-worker Support		.01	.01		.00	.00		.01	.01
Supervisory Support		-.04	-.04		-.02	-.02		-.03*	-.03*
Job Complexity		.11***	.11***		.09***	.09***		.11***	.11***
Promotional Chances		.07**	.07**		.02	.02		.04***	.04***
Job Security Concern		-.01	-.01		.03	.03		.01	.01
Distributive Justice		.06**	.06**		.02*	.02*		.04***	.04***
Formal Procedural Justice		.04	.04		.05**	.05**		.05***	.05***
Interactional Justice		.08**	.08**		.04**	.04**		.06***	.06***
Participatory Management		-.01	-.01		.05*	.05*		.03	.03
Skills/knowledge Transferability		.03*	.03*		.02*	.02*		.03***	.03***
<b>Control Variables</b>									
Age	.18**	-.02	.16*	.23**	.00	.23**	.21***	-.01	.20***
Organisational Tenure	.13*	.04	.17**	.07	.04	.11	.08	.04**	.12*
Current Position Tenure	-.09	-.01	-.10*	.00	.01	.01	-.05	.01	-.04
Gender	-.05	-.02	-.07	-.01	-.05**	-.06	-.04	-.03**	-.07*
Marital Status	.01	.00	.01	.01	.02	.03	.02	.01	.03
Education	-.14**	.00	-.14**	-.15***	-.01	-.16***	-.15***	-.01	-.16***
Positive Affectivity	.25***	.10***	.35***	.21***	.11***	.32***	.22***	.10***	.32***
Negative Affectivity	-.17***	.02	-.15***	-.05	.01	-.04	-.12***	.02*	-.10**

\* =  $p \leq 0.05$ , two-tailed test

\*\* =  $p < 0.01$ , two-tailed test

\*\*\* =  $p < 0.001$ , two-tailed test

### **9.5.3.1 The Total Causal Effects of the Mediating Endogenous Variables on Employees' Affective Commitment to the Organisation**

The total causal effect (and, at the same time, the direct impact) of OBSE on employees' AC is statistically significant in all three samples (K bank sample:  $\beta = .17$ , B bank sample:  $\beta = .22$ , total sample:  $\beta = .21$ ;  $p < 0.001$ ).

The direct effect of POS on employees' AC is statistically significant in all three samples (K bank sample:  $\beta = .31$ , B bank sample:  $\beta = .19$ , total sample:  $\beta = .26$ ;  $p < 0.001$ ). The indirect effect (via OBSE only) is statistically significant in the K bank sample ( $\beta = .03$ ;  $p < 0.01$ ) and the total sample ( $\beta = .03$ ;  $p < 0.01$ ). The total causal effect is statistically significant in all three samples (K bank sample:  $\beta = .34$ , B bank sample:  $\beta = .20$ , total sample:  $\beta = .29$ ;  $p < 0.001$ ).

The indirect (and, at the same time, the total causal) effect of self-efficacy on employees' AC is statistically significant in all three samples (K bank sample:  $\beta = .06$ ,  $p < 0.01$ ; B bank sample:  $\beta = .03$ ,  $p < 0.01$ ; total sample:  $\beta = .05$ ,  $p < 0.001$ ).

POS has the strongest total causal effect on employees' AC, followed by OBSE and self-efficacy in the K bank sample and the total sample. On the other hand, OBSE has the strongest total causal effect on employees' AC, followed by POS and self-efficacy in the B bank sample. POS affects employees' AC directly and indirectly (i.e. through OBSE). Thus, although the total causal effect of POS on employees' AC is greater than the total causal effect of OBSE on employees' AC in the K bank sample and the total sample, the total causal effect of POS includes the indirect effect via OBSE. Self-efficacy also has

an impact on employees' AC only through OBSE. Thus, OBSE is a central determinant of AC. It not only has a significant direct effect of its own, but it also mediates the impacts of two other key variables in the model on AC.

### **9.5.3.2 The Total Causal Effects of Hypothesised Daily Work Experiences on Employees' Affective Commitment to the Organisation**

The hypothesised employees' daily work experiences affect employees' AC only through the mediating endogenous variables. Thus, there exist only indirect effects with regard to the impact of the hypothesised employees' daily work experiences on their AC. The indirect effect of role clarity (via POS only + POS and OBSE + self-efficacy and OBSE) is statistically significant only in the K bank sample ( $\beta = .05$ ,  $p \leq 0.05$ ). On the other hand, the indirect effect of favourable training policies and practices (via POS only + POS and OBSE + self-efficacy and OBSE) is statistically significant only in the B bank sample ( $\beta = .03$ ,  $p \leq 0.05$ ) and the total sample ( $\beta = .04$ ,  $p < 0.001$ ). The indirect effects of co-worker support and job security concern are not statistically significant in any of the three samples. The indirect effect of supervisory support (via POS only + OBSE only + self-efficacy and OBSE + POS and OBSE) is statistically significant only in the total sample ( $\beta = -.03$ ,  $p \leq 0.05$ ). The indirect effect of job complexity (via POS only + OBSE only + self-efficacy and OBSE + POS and OBSE) is statistically significant in all three samples (K bank sample:  $\beta = .11$ ; B bank sample:  $\beta = .09$ ; total sample:  $\beta = .11$ ,  $p <$

0.001). For promotional chances, the indirect effect (via POS only + POS and OBSE) is statistically significant in the K bank sample ( $\beta = .07$ ,  $p < 0.01$ ) and the total sample ( $\beta = .04$ ,  $p < 0.001$ ). The indirect effect of distributive justice (via POS only + POS and OBSE) is statistically significant in all three samples (K bank sample:  $\beta = .06$ ,  $p < 0.01$ ; B bank sample:  $\beta = .02$ ,  $p \leq 0.05$ ; total sample:  $\beta = .04$ ,  $p < 0.001$ ). For formal procedural justice, the indirect effect (via POS only + POS and OBSE) is statistically significant in the B bank sample ( $\beta = .05$ ;  $p < 0.01$ ) and the total sample ( $\beta = .05$ ;  $p < 0.001$ ). The indirect effect of interactional justice on employees' AC (via POS only + POS and OBSE) is statistically significant in all three samples (K bank sample:  $\beta = .08$ ,  $p < 0.01$ ; B bank sample:  $\beta = .04$ ,  $p < 0.01$ ; total sample:  $\beta = .06$ ,  $p < 0.001$ ). On the other hand, the indirect effect of participatory management (via POS only + OBSE only + self-efficacy and OBSE + POS and OBSE) is statistically significant only in the B bank sample ( $\beta = .05$ ,  $p \leq 0.05$ ). The indirect effect of skills/knowledge transferability on employees' AC (via POS only + POS and OBSE) is statistically significant in all three samples (K bank sample:  $\beta = .03$ ;  $p \leq 0.05$ ; B bank sample:  $\beta = .02$ ,  $p \leq 0.05$ ; total sample:  $\beta = .03$ ;  $p < 0.001$ ).

Six daily work experience variables appear to have a significant total causal effect on employees' AC in the K bank sample, and all these effects are in the predicted directions. Job complexity has the strongest total effect (0.11), followed by interactional justice (0.08), promotional chances (0.07), distributive justice (0.06), role clarity (0.05), and skills/knowledge transferability (0.03).

Seven daily work experience variables have a significant total causal effect on employees' AC in the B bank sample, and all these effects are also in the predicted directions. Job complexity has the strongest total effect (0.09), followed by both formal procedural justice (0.05) and participatory management (0.05), interactional justice (0.04), favourable training policies and practices (0.03), and both distributive justice (0.02) and skills/knowledge transferability (0.02).

Eight daily work experience variables have a significant total causal effect on employees' AC in the total sample. All these effects are in the predicted directions except supervisory support. Job complexity has the strongest total effect (0.11), followed by interactional justice (0.06), formal procedural justice (0.05), distributive justice (0.04), promotional chances (0.04), favourable training policies and practices (0.04), skills/knowledge transferability (.03), and supervisory support (-0.03).

#### **9.5.3.3 The Total Causal Effects of Control Variables on Employees' Affective Commitment to the Organisation**

The direct effect of age is statistically significant in all three samples (K bank sample:  $\beta = .18$ ,  $p < 0.01$ ; B bank sample:  $\beta = .23$ ,  $p < 0.01$ ; total sample:  $\beta = .21$ ,  $p < 0.001$ ). On the other hand, the indirect effect is not statistically significant in any of the three samples. The total causal effect is statistically significant in all three samples (K



bank sample:  $\beta = .16$ ,  $p \leq 0.05$ ; B bank sample:  $\beta = .23$ ,  $p < 0.01$ ; total sample:  $\beta = .20$ ,  $p < 0.001$ ).

The direct and total causal effects of organisational tenure on employees' AC are statistically significant in the K sample (direct effect:  $\beta = .13$ ,  $p \leq 0.05$ ; total causal effect:  $\beta = .17$ ,  $p < 0.01$ ). However, the direct, indirect and total causal effects are not statistically significant in the B bank sample. On the other hand, the indirect and total causal effects are statistically significant in the total sample (indirect effect:  $\beta = .04$ ,  $p < 0.01$ ; total causal effect:  $\beta = .12$ ,  $p \leq 0.05$ ).

For the current position tenure, the direct, indirect and total causal effects are not statistically significant in the B bank sample and the total sample. On the other hand, the total causal effect is the only significant effect in the K bank sample ( $\beta = -.10$ ,  $p \leq 0.05$ ).

The direct effect of gender on employees' AC is not significant in all three samples. However, the indirect effect is significant in the B bank sample ( $\beta = -.05$ ,  $p < 0.01$ ) and the total sample ( $\beta = -.03$ ,  $p < 0.01$ ). On the other hand, the total effect is statistically significant only in the total sample ( $\beta = -.07$ ,  $p \leq 0.05$ ). For marital status, the direct, indirect and total causal effects are not statistically significant in all three samples.

The direct effect of education is statistically significant in any of the three samples (K bank sample:  $\beta = -.14$ ,  $p < 0.01$ ; B bank sample:  $\beta = -.15$ ,  $p < 0.001$ ; total sample:  $\beta = -.15$ ,  $p < 0.001$ ). On the other hand, the indirect effect is not statistically significant in any of the three samples. Nevertheless, the total causal effect is statistically significant in all

three samples (K bank sample:  $\beta = -.14$ ,  $p < 0.01$ ; B bank sample:  $\beta = -.16$ ,  $p < 0.001$ ; total sample:  $\beta = -.16$ ,  $p < 0.001$ ).

The direct effect of positive affectivity on employees' AC is statistically significant in all three samples (K bank sample:  $\beta = .25$ , B bank sample:  $\beta = .21$ , total sample:  $\beta = .22$ ;  $p < 0.001$ ). The indirect effect is also statistically significant in all three samples (K bank sample:  $\beta = .10$ , B bank sample:  $\beta = .11$ , total sample:  $\beta = .10$ ;  $p < 0.001$ ). Thus, the total causal effect is statistically significant in all three samples (K bank sample:  $\beta = .35$ , B bank sample:  $\beta = .32$ , total sample:  $\beta = .32$ ;  $p < 0.001$ ).

The direct effect of negative affectivity is statistically significant in the K bank sample ( $\beta = -.17$ ,  $p < 0.001$ ) and the total sample ( $\beta = -.12$ ,  $p < 0.001$ ). The indirect effect is statistically significant only in the total sample ( $\beta = .02$ ,  $p \leq 0.05$ ). The total causal effect is statistically significant in the K bank ( $\beta = -.15$ ,  $p < 0.001$ ) and the total sample ( $\beta = -.10$ ,  $p < 0.01$ ).

#### **9.5.4 Discussion**

This section is concerned with the interpretation of the results, i.e. the LISREL estimates for the causal models of employees' AC, and the decomposed direct, indirect and total causal effects of the determinants and control variables on employees' AC. Discussion will first focus on the impact of the hypothesised employees' daily work

experiences on the endogenous variables. Then, the relationship between the control variables and the endogenous variables will be discussed.

#### **9.5.4.1 Discussion of the Impact of the Hypothesised Employees' Daily Work Experiences on the Endogenous Variables**

Role clarity was postulated to have a positive impact on self-efficacy and POS. In terms of the impact of role clarity on self-efficacy, the result was as hypothesised in the K bank sample and the total sample. However, role clarity appears not to have an impact on self-efficacy in the B bank sample. A clear role makes employees define the scope of their job and, as a consequence, they can concentrate on mastering the skills concerned with the scope of their jobs. In order to define the scope of their jobs, they have to understand the jobs of others. Employees of K bank are in a better position to know what others' jobs are like because K bank has introduced the one-stop banking system. Thus, employees can easily define the scope of their jobs. Moreover, if something unexpected happens, they are easily able to grasp whether they can deal with the jobs or whether others are better equipped. On the other hand, B bank focuses on wholesale activities and, thus the main customers are big companies. The skills needed to deal with big companies seem to be much more complicated. Thus, clear roles do not seem to help increase employees' self-efficacy in B bank.

As for the impact of role clarity on POS, it is not statistically significant in any of the three samples. As discussed in Section 6.8.3, the employees of the both banks have

experienced role clarity since the financial crisis. This is mainly caused by the reduction in the number of employees in the workplace. Thus, employees seem to feel that increased role clarity has nothing to do with organisational support.

Because of the positive impact of role clarity on self-efficacy, the indirect effect of role clarity on employees' AC (via self-efficacy and OBSE) is statistically significant in the K bank sample, and as a result, the total causal effect of role clarity on employees' AC is statistically significant in the K bank sample. However, although role clarity positively affects self-efficacy in the total sample, the indirect effect is not statistically significant. This seems to be because the magnitude of the positive impact of role clarity on self-efficacy is not big enough to have a positive indirect effect of role clarity on employees' AC.

Favourable training policies and practices were postulated to affect self-efficacy and POS positively. Their impact on self-efficacy is statistically significant in all three samples. However, the impact is negatively significant in all the three samples, which is contrary to the hypothesis. As discussed in Section 6.8.5, both banks have devoted much effort to training. For example, they have actively adopted the training courses that employees want, and the contents of the pamphlets are up-to-date and are more relevant than before to the actual tasks that employees perform. However, employees still feel that the training is not sufficient to develop expert skills. Moreover, because employees have to take examinations periodically, even if they are overly pressured with work, they have to spend time studying the contents of the pamphlets. Thus, employees seem to feel that the training by pamphlets is actually an obstacle to the development of expert skills.

Therefore, favourable training policies and practices seem to negatively affect employees' sense of self-efficacy.

As for the impact of favourable training policies and practices on POS, it is not statistically significant in the K bank sample, but it is statistically significant in the B bank sample. Training policies and practices have been much more favourable than before to employees in K bank. However, they are not enough to make employees professional. As a consequence, employees seem not to conceive more favourable training as a form of organisational support. On the other hand, although the financial state of B bank has imposed limits on its investment in training, it has tried to provide up-to-date content in its pamphlets and to offer employees more in-house training. Thus, employees seem to perceive that the bank has tried to provide more favourable training for them, despite the bank's serious financial situation. Therefore, although the training does not satisfy employees' needs for being professionals, they perceive it more favourably as a form of organisational support. The impact of favourable training policies and practices on POS is statistically significant in the total sample.

Although the impact of favourable training policies and practices on self-efficacy is negative, because their impact on POS is positive in the B bank sample and the total sample, the indirect effect of favourable training policies and practices on employees' AC is positively significant in the B bank sample and the total sample. As a result, the total causal effect of favourable training policies and practices is statistically significant in the B bank sample and the total sample.

Co-worker support was postulated to affect self-efficacy and OBSE. As for the impact of co-worker support on self-efficacy, it is statistically significant in the K bank sample, but is not statistically significant in the B bank sample. Employees in both banks have suffered from overwork, and thus co-workers have had to help each other. Because K bank focuses on the retail market, its employees deal mainly with tasks related to individual customers, and they have to deal with co-workers' tasks due to the extensive introduction of the one-stop banking systems. Thus, their co-workers' everyday support in job-related matters helps to deal with unexpected problems, especially in operating the one-stop banking system. On the other hand, because the main business focus in B bank is on wholesaling, the tasks that employees perform are more complicated. Thus, when an employee is overly pressured with work, co-worker's support is limited to simple tasks, and the one-stop banking system has been introduced only in big branches. Thus, co-worker support seems not to have an impact on self-efficacy.

As for the impact of co-worker support on OBSE, it is not statistically significant in any of the three samples. The work context, providing recognition, acceptance and support, was postulated to affect employees' OBSE, and co-worker support was hypothesised to play a powerful role in shaping employees' self-perceptions of their importance in the work setting. However, employees' definition of a situation seems to tell them that co-worker support is only a result of the reduction in the number of employees in the workplace. Thus, employees seem to perceive that co-worker support has nothing to do with recognition and acceptance.

Although co-worker support affects self-efficacy in the K bank sample and the total sample, it affects employees' AC via self-efficacy and OBSE. Thus, its impact is attenuated and, therefore, its indirect effect seems not to be statistically significant. As a consequence, its total causal effect on employees' AC is not statistically significant.

Supervisory support is postulated to affect positively self-efficacy, POS, and OBSE. It appears not to have an impact on self-efficacy in any of the three samples. Supervisors help employees, but this is normally concerned with performing subordinates' tasks when subordinates are overly pressured with work. Thus, supervisor's support seems not to have an impact on subordinates' self-efficacy.

On the other hand, as shown in Table 9.7, supervisory support has a negative impact on POS, which is contrary to the hypothesis. Due to employees' anthropomorphic ascription of dispositional traits to the organisation, as discussed in Chapter 3, employees perceive that many actions conducted by organisational agents are on behalf of the organisation itself, and thus they view supervisors' acts as organisational acts. As discussed in Section 6.8.2, although employees have been overly pressured with work since job cuts were implemented, branch chiefs are reluctant to accept new employees because the performance of their branch is critical to their job security. Instead, they help their subordinates. Thus, employees perceive that supervisors help them to promote supervisors' own interests, and that supervisors' support is closely coupled with employees' overwork. Thus, supervisory support has a negative impact on POS. The impact of supervisory support on OBSE is not statistically significant in any of the three samples. Because employees perceive that supervisors help them to promote supervisors'

own interests, they perceive that supervisory support has nothing to do with recognition and acceptance.

However, although supervisory support negatively affects POS in the B bank sample and the total sample, the total causal effect of supervisory support on employees' AC is statistically (negatively) significant only in the total sample. In the B bank sample, the magnitude of the indirect effect of supervisory support on AC via POS is not big enough to be statistically significant. Thus, its indirect effect seems not to be statistically significant. It is here worth noting that the result of the impact of supervisory support on employees' AC shown in Table 7.9 is statistically positively significant. Thus, both results are contradictory. It is speculated that the result shown in Table 7.9 may be statistically spurious. This is because supervisors' support is closely associated with their overwork (and they help to promote their own interests). Thus, it is more plausible that the total causal effect of supervisory support on employees' AC is negative.

Promotional chances were postulated to have a positive impact on POS. The impact of promotional chances on POS is statistically significant in the K bank sample and total sample, but is not statistically significant in the B bank sample. As discussed in Section 6.8.4, employees of both banks have suffered from a promotion bottleneck due to the seniority-based promotion system. Workforce reductions since the financial crisis have not solved this problem. This is due to the fact that the victims are largely those in lower positions. Nevertheless, K bank has been in a better position in terms of promotional chances because it has merged with two other banks, and only a small number of employees of those two banks have been able to keep their jobs. Moreover, K bank was



planning to carry out early retirement schemes for branch chiefs when this fieldwork was conducted. Thus, employees seem to feel that their increased promotional chances are caused by organisational effort. As a consequence, the impact of promotional chances on POS may be statistically significant. On the other hand, employees of B bank do not have the kind of experience that employees of K bank have. Thus, the impact of promotional chances on POS may be statistically non-significant. The total causal effect of promotional chances on employees' AC is therefore statistically significant in the K bank sample and total sample.

Job security concern was postulated to have a positive impact on self-efficacy, POS and OBSE. In fact, it appears to have a positive impact on self-efficacy in all three samples. Those who feel that their jobs are safe seem more actively to develop the skills needed in the organisation, thereby increasing their self-efficacy. On the other hand, the impact of job security concern on POS is not statistically significant. Those who remain with the organisation after massive job cuts may perceive that they have been able to keep their jobs because they are capable. If this is the case, it is natural that employees perceive that their job security has nothing to do with POS. Thus, the impact of job security concern on POS appears not to be statistically significant. The impact on OBSE is statistically significant in the B bank sample and the total sample. Both banks have carried out massive job cuts. Thus, their employees are uneasy about job security. This is especially conspicuous in B bank. Employees know that B bank may be merged in the near future. Thus, job security may signal that they have ability, and that the organisation recognises that ability. Thus, job security concern has a positive impact on OBSE in the B bank

sample. However, although it has a positive impact on self-efficacy in the three samples and on OBSE in the B bank sample and the total sample, the impact seems to be attenuated through the mediating process. Thus, the indirect (and therefore total causal) effect of job security on employees' AC appears not to be statistically significant in any of the three samples.

Distributive justice, formal procedural justice and interactional justice were all postulated to have a positive impact on POS. In fact, the impacts of distributive justice, formal procedural justice and interactional justice on POS are statistically significant in all three samples. Thus, the indirect (and thus total causal) effects of distributive justice and interactional justice on employees' AC are statistically significant in all three samples.

On the other hand, the indirect effect of formal procedural justice on employees' AC is statistically significant in the B bank sample and the total sample. This seems to be because the impact of formal procedural justice on POS in the K bank sample is not great, so that its effect on employees' AC is attenuated in the process of mediation.

Participatory management was postulated to affect self-efficacy, POS and OBSE. The impact of participatory management on self-efficacy is not statistically significant in any of the three samples. Participatory management also appears not to affect POS in any of the three samples. Employees perceive that their participation increases, not because of the organisation's consideration to satisfy employees' needs for participation, but because of the organisation's (or supervisors') needs to operate their workplace more efficiently. Thus, the impact of participatory management on POS seems not to be statistically significant in any of the three samples. The impact of participatory management on OBSE

is statistically significant in the B bank sample and total sample. In the case of the K bank sample, employees view the increase of participation as a managerial strategy to satisfy customers (i.e. the concept that internal customers should be satisfied in order to satisfy external customers), rather than as the organisation's recognition that they are competent enough to contribute to organisational performance. Thus, the impact of participatory management on OBSE seems not to be statistically significant in the K bank sample. On the other hand, in B bank, employees perceive that the organisation (or their supervisors) recognises/recognise their concerns in order to operate their workplace more efficiently. Thus, although their participation has increased because of the organisation's needs for the efficient operation of the workplace, employees may perceive the increase of participation as a signal that they are capable enough to contribute to such efficient operation. Thus, the impact of participatory management is statistically significant in B bank. As shown in Table 9.8, the indirect effect of participatory management on employees' AC is statistically significant only in the B bank sample. On the other hand, although participatory management significantly affects OBSE in the total sample, its impact seems to be attenuated in the process of mediation so that its indirect effect on employees' AC is not statistically significant in the total sample. Thus, the total causal effect of participatory management on employees' AC is statistically significant only in the B bank sample.

#### **9.5.4.2 Discussion of the Impact of the Control Variables on Employees' Affective Commitment to the Organisation**

Eight variables (age, organisational tenure, current position tenure, gender, marital status, education, positive affectivity, and negative affectivity) were used to control all the endogenous variables. Age appears to have a negative impact on self-efficacy only in the B bank sample. On the other hand, organisational tenure has a positive impact on self-efficacy only in the B bank sample. As discussed in Section 6.3.1, before the financial crisis, banks sought all-purpose, rounded employees, and thus employees were subject to job rotation. Since the financial crisis, however, banks have sought employees with specialist skills and have tried to motivate employees to develop specific expertise. In the case of B bank, which focuses on the wholesale market, employees' specific knowledge is especially needed. However, older employees feel that it is difficult to master specific skills. On the other hand, employees with longer organisational tenure have more experience. Moreover, they are normally in higher positions, and they know the overall picture of the business situation in their workplace. Thus, although age and organisational tenure are highly correlated, as shown in Appendix IV-2, the impact of age on self-efficacy is negative, while the impact of organisational tenure on self-efficacy is positive, in the B bank sample. On the other hand, K bank focuses on the retail market. Thus, employees seem to adjust easily to the new workplace environment, irrespective of their age and organisational tenure. Thus, age and organisational tenure seem not to affect self-efficacy.

Age has a negative impact on POS in the B bank sample and the total sample, while organisational tenure positively affects POS in the B bank sample and the total sample. Massive job cuts have been carried out in both banks, but especially in B bank, and the victims were mainly those on a low grade but in a high pay class. This was especially conspicuous in B bank. If job cuts are carried out again, older employees are more likely to be victims. In particular, employees of B bank feel uneasy about job security. Thus, age has a negative impact on POS (although it is not statistically significant in K bank). On the other hand, the longer employees' organisational tenure, the higher their salaries (including various kinds of allowance), although the banks plan to change the salary system in the near future. Moreover, such employees are normally in high positions, and their voices seem to be heard more often. Thus, organisational tenure affects POS positively (although it is not statistically significant in K bank).

The positive impact of age on OBSE is statistically significant in the B bank sample, while organisational tenure positively affects OBSE in the K bank sample. In Korea, Confucian doctrine has emphasised seniority and a high level of respect for hierarchical authority (Mueller et al., 1999). As discussed in Section 6.3.2, promotion has traditionally been from within on the basis of seniority. Thus, the longer individuals work for an organisation, the older they are, and the higher their positions are. This relationship is clearly shown in Appendices IV-1, 2 and 3. Thus, those who are older (and/or have longer organisational tenure) are recognised and respected in their workplace. Moreover, they are more likely to internalise organisational values, which means that they incorporate organisational values and attitudes within the self as guiding principles. Thus, age seems to

have a positive impact on OBSE in the B bank sample. On the other hand, respect based on seniority and hierarchy may be represented in organisational tenure, not in age, in the K bank sample.

Age has a positive impact on employees' AC in all three samples. This result corresponds with the results of previous research (e.g. Mathieu and Zajac, 1990). On the other hand, organisational tenure positively affects employees' AC only in the K bank sample.

As for the impact of current position tenure, the longer individuals have been in their current jobs, the more likely they are to experience enactive mastery about their jobs. Thus, they might be able to deal efficiently with unexpected events and know how to handle unforeseen situations. In actuality, current position tenure has a positive impact on self-efficacy in all three samples (although it is not statistically significant in B bank). It appears not to have an impact on POS and OBSE in any of the three samples.

In the case of employees' AC, current position tenure is statistically significant (negatively) only in the K bank sample. Longer current position tenure means that they have not been promoted in the Korean banking industry. Employees of K bank recently had some promotional chances. However, those with longer current position tenure mean those who missed these chances. Thus, current position tenure seems to be negatively correlated with employees' AC in the K bank sample.

The impact of gender on self-efficacy is not statistically significant in any of the three samples. However, gender negatively affects POS in the samples (although it is not statistically significant in the B bank sample). That is, females believe that the organisation

values their contributions and cares about their well-being more than males do. Employees have been overly pressured with work since the job cuts. Thus, in many cases, they have to work overtime. However, females have traditionally taken responsibility for housework and the upbringing of children. Thus, they normally go home immediately after the usual working hours and males take charge of overtime work. Thus, the impact of gender on POS seems to be negative.

Gender negatively affects OBSE in the B bank sample and the total sample. This means that females' OBSE is higher than males' OBSE. It is speculated that social comparison and the cultural context in Korea help to explain this result. According to Festinger (1954), individuals try to identify standards that are mainly conveyed by similar others for the purpose of self-evaluation, including self-esteem, in the absence of objective standards. Female roles have been traditionally downgraded in Korea. Thus, in most organisations, females have been the first victims of job cuts. However, discrimination against females is much less severe in the banking sector. Although many females lost their jobs in both banks, this was not because they were females, but because they were on a low grade but in a high pay class. According to Crosby (1982), women compare themselves not so much with their male counterparts as with other women. Thus, females in the banking sector may compare themselves with females in other corporations. This might be especially conspicuous in B bank because the bank has experienced about 40 per cent of employee curtailment. Thus, both females and males have lost their jobs. Females who are on a lower grade and in a lower pay class or who are on a higher grade and in a high pay class, have been able to keep their jobs. Thus, the social comparison process

seems to function in terms of the impact of gender on OBSE in B bank. Gender does not affect employees' AC in any of the three samples.

Marital status appears not to have an impact on self-efficacy, POS, OBSE, and employees' AC.

Education does not affect self-efficacy and POS in any of the three samples. On the other hand, it has a negative impact on OBSE in the total sample. Moreover, it has a negative impact on employees' AC in all the three samples. Highly educated employees might not be satisfied with their current salary level or position. This might explain the negative impact of education on employees' AC.

Positive affectivity has a positive impact on self-efficacy, POS, OBSE, and employees' AC. Those high in positive affectivity tend to evaluate themselves favourably (Brockner, 1988b). Thus, they seem to show a high level of self-efficacy, POS and OBSE. Moreover, because they tend to view themselves positively, they may view their organisation positively, thereby increasing their AC.

Negative affectivity has a negative impact on self-efficacy in all three samples (although it is not statistically significant in the B bank sample). Individuals who have high negative affectivity have a generalised tendency to view themselves unfavourably (Brockner, 1988b). Thus, those high in negative affectivity seems to show a low level of self-efficacy. However, negative affectivity does not affect POS in any of the three samples. On the other hand, it has a positive impact on OBSE in the total sample. As pointed out by Locke and his colleagues (1996), because self-esteem is a profound psychological requirement – a requirement of a healthy consciousness, even those high in



negative affectivity seem to show a high level of OBSE. Negative affectivity also has a negative impact on employees' AC in the K bank sample and the total sample. Because those with high negative affectivity view themselves negatively, they may view their organisation negatively, thereby decreasing their AC.

## 9.6 Conclusion

This chapter has tested the causal model of the determinants of employees' AC (Model 1) shown in Figure 3-1 using SEM. In the application of SEM, several models (Full Mediation Model, Partial Mediation Model and four No Mediation Models) were compared. The overall model fit showed that the Full Mediation Model was the best model. That is, employees' daily work experiences exert their influence on AC through the three mediating variables (i.e. self-efficacy, POS and OBSE). Here, LISREL estimates for the causal model of the determinants of employees' AC (i.e. the Full Mediation Model) show that OBSE is the most important mediating endogenous variable. Thus, hypothesis 3 is supported and OBSE is very important in developing employees' AC.

In the K bank sample, six daily work experience variables appear to have a significant total causal effect on employees' AC – i.e. job complexity, interactional justice, promotional chances, distributive justice, role clarity, and skills/knowledge transferability. On the other hand, seven daily work experience variables have a significant total causal

effect on employees' AC in the B bank sample – i.e. job complexity, formal procedural justice, participatory management, interactional justice, favourable training policies and practices, distributive justice, and skills/knowledge transferability. In the total sample, eight daily work experience variables have a significant total causal effect on employees' AC – i.e. job complexity, interactional justice, formal procedural justice, distributive justice, promotional chances, favourable training policies and practices, skills/knowledge transferability, and supervisory support. Here, job complexity appears to be the strongest determinant in all three samples, followed by interactional justice and formal procedural justice.

It is worth noting that there appear to be eight determinants when the mediating effects through the three mediating variables are considered in the total sample, while there are only four determinants, as shown in Table 7.9, when the mediating effects through the three mediating variables are not considered (i.e. when only direct effects are considered). These results implicitly highlight the importance of understanding the mechanism through which employees' daily work experiences exert their influence on employees' AC. That is, when the mediating effects are considered, some employees' daily work experience variables (that are not considered to be the determinants of AC when considering only direct effects) can affect employees' AC. Moreover, such a mechanism offers practitioners an insight into how managerial interventions should be directed. These issues are discussed in greater detail in the next chapter.

# Chapter 10: The Relationship Between Downsizing and the Three Mediating Variables

## 10.1 Introduction

Chapter 7 showed that employees' affective commitment to the organisation (AC) is affected more by the impact of the changes in employees' daily work experiences caused by downsizing than by downsizing itself, and Chapter 9 explained that employees' daily work experiences exert their influence on employees' AC via the three mediating variables, primarily OBSE. However, as discussed in Section 4.5, it is not still certain whether the three mediating variables are mainly affected by employees' daily work experiences and/or downsizing itself.

This chapter examines whether the three mediating variables are affected by organisational downsizing directly and/or indirectly, as indicated in parts III-1, III-2, and III-3 in Figure 4-2. III-1 is concerned with whether downsizing has a *direct* impact on the three mediating variables. III-2 is concerned with whether downsizing has an impact on employees' daily working experiences. III-3 is concerned with whether employees' daily work experiences affect the three mediating variables. Thus, III-2 and III-3 seek to examine the *indirect* impact of organisational downsizing on the three mediating variables. As discussed in Section 7.1, the two case-study banks exhibit varying degrees of severity in

terms of job cuts and salary reductions. The testing of parts III-1, 2 and 3 is conducted with multiple regression analysis.

## **10.2 The Direct Impact of Downsizing on the Three Mediating Variables**

### **10.2.1 Testing Part III-1**

There has been no research into the impact of downsizing itself on employees' self-efficacy, POS and OBSE. As discussed in Section 4.2, downsizing has the potential to produce a stressful encounter for those who remain in employment. Thus, it might lead to a reduction in POS. Part III-1 of Figure 4-2 empirically tests whether the three mediating endogenous variables are different due to the varying degree of severity of organisational downsizing. Thus, the three mediating variables respectively become the dependent variable and the two case-study banks are the independent variable. As discussed in Chapter 9, certain individual characteristics affect the three mediating endogenous variables. Thus, individual characteristics are included as control variables.

## 10.2.2 Analysis

Table 10.1 shows the results of regressing the three mediating variables on the two case-study banks. Self-efficacy is significantly affected by the two case-study banks (beta = .087,  $p < 0.01$ ). The two case-study banks also have a positive impact on POS (beta = .225,  $p < 0.001$ ). Finally, the two case-study banks have a positive impact on OBSE (beta = .172,  $p < 0.001$ ). In all cases the relationship is positive indicating that levels of self-efficacy, POS and OBSE tend to be significantly higher in the K than in the B bank, i.e. in the bank with less severe experience of downsizing.

**Table 10.1** The differences between banks in relation to the three mediating variables  
(Multiple regression analysis: total sample)

	Self-Efficacy	POS	OBSE
<b>(Control Variables)</b>			
Age	-.093	-.043	.108*
Organisational Tenure	.147**	.118**	.124**
Current Position Tenure	.030	-.075*	.004
Gender	.068*	.032	-.004
Marital Status	.061	.027	.058
Education	.066	.039	-.040
Positive Affectivity	.362***	.455***	.407***
Negative Affectivity	-.153***	.023	.010
<b>Bank<sup>a</sup></b>	<b>.087**</b>	<b>.225***</b>	<b>.172***</b>
R <sup>2</sup>	.209	.302	.278
Adjusted R <sup>2</sup>	.201	.295	.271
F	26.320***	43.301***	38.551***
Df	9 & 899	9 & 899	9 & 899

<sup>a</sup> K bank = 1, B bank = 0

\* =  $p \leq 0.05$

\*\* =  $p < 0.01$

\*\*\* =  $p < 0.001$ , two-tailed test

## **10.3 The Indirect Impact of Downsizing on the Three Mediating Variables**

The indirect impact of downsizing on the three mediating variables is composed of two parts: III-2 and III-3. The analysis of part III-2 was conducted in Section 7.5.1. In that analysis, the two case-study banks were seen to have a positive impact on all the employees' daily working experiences. Thus, this section is concerned with testing part III-3.

### **10.3.1 Testing Part III-3**

This part is concerned with whether employees' daily work experiences have an impact on the three mediating endogenous variables. Thus, the three mediating variables are respectively the dependent variable, while employees' daily work experiences are independent variables. However, the two case-study banks and several individual characteristics have an impact on the three mediating variables, as shown in Table 10.1. Thus, employees' individual characteristics and the two case-study banks are included as control variables.

### 10.3.2 Analysis

Table 10.2 shows the results of regressing the three mediating variables on employees' daily work experiences and control variables. Self-efficacy is affected by co-worker support (beta = .077,  $p \leq 0.05$ ), role clarity (beta = .164,  $p < 0.001$ ), job security concern (beta = .171,  $p < 0.001$ ), participatory management (beta = .096,  $p \leq 0.05$ ), formal procedural justice (beta = -.088,  $p \leq 0.05$ ), interactional justice (beta = .101,  $p \leq 0.05$ ), job complexity (beta = .208,  $p < 0.001$ ), and skills/knowledge transferability (beta = -.059,  $p \leq 0.05$ ).

POS is affected by favourable training policies and practices (beta = .144,  $p < 0.001$ ), supervisory support (beta = -.091,  $p < 0.01$ ), promotional chances (beta = .116,  $p < 0.001$ ), distributive justice (beta = .138,  $p < 0.001$ ), formal procedural justice (beta = .140,  $p < 0.001$ ), interactional justice (beta = .231,  $p < 0.001$ ), job complexity (beta = .151,  $p < 0.001$ ), and skills/knowledge transferability (beta = .100,  $p < 0.001$ ).

OBSE is affected by co-worker support (beta = .065,  $p \leq 0.05$ ), promotional chances (beta = .068,  $p \leq 0.05$ ), job security concern (beta = .124,  $p < 0.001$ ), participatory management (beta = .144,  $p < 0.001$ ), formal procedural justice (beta = -.080,  $p \leq 0.05$ ), and job complexity (beta = .330,  $p < 0.001$ ).

It is worth noting that the two case-study banks have an impact only on OBSE (beta = .069,  $p \leq 0.05$ ), which is quite different from the results shown in Table 10.1. That is, when only the two case-study banks are considered, the two case-study banks significantly

affect the three mediating variables (i.e. for self-efficacy, POS, and OBSE respectively, beta = .087, p < 0.01; beta = .225, p < 0.001; and beta = .172, p < 0.001). On the other hand, when employees' daily work experience variables are considered, the two case-study banks have only a slight impact on OBSE.

**Table 10.2 The impacts of employees' daily work experiences on the three mediating variables (Multiple regression analysis: total sample)**

	Self-Efficacy	POS	OBSE
<b>(Control Variables)</b>			
Age	-.110*	-.080*	.082*
Organisational Tenure	.097*	.100**	.055
Current Position Tenure	.063*	-.022	.053*
Gender	.025	-.066**	-.065*
Marital Status	.042	.003	.040
Education	.069*	.016	-.054
Positive Affectivity	.195***	.204***	.214***
Negative Affectivity	-.101***	.017	.055*
Bank <sup>a</sup>	.029	.044	.069*
<b>(Employees' Daily Work Experiences)</b>			
Favourable Training policies and practices	-.055	.144***	-.006
Supervisory Support	-.015	-.091**	.015
Co-worker Support	.077*	.035	.065*
Role Clarity	.164***	-.033	.037
Promotional Chances	.000	.116***	.068*
Job Security Concern	.171***	-.029	.124***
Participatory Management	.096*	-.011	.144***
Distributive Justice	-.018	.138***	-.038
Formal Procedural Justice	-.088*	.140***	-.080*
Interactional Justice	.101*	.231***	.065
Job Complexity	.208***	.151***	.330***
Skills/Knowledge Transferability	-.059*	.100***	-.003
R <sup>2</sup>	.384	.603	.512
Adjusted R <sup>2</sup>	.370	.594	.500
F	26.302***	64.028***	44.147***
df	21 & 885	21 & 885	21 & 885

<sup>a</sup> K bank = 1, B bank = 0

\* = p ≤ 0.05

\*\* = p < 0.01

\*\*\* = p < 0.001,

two-tailed test



## 10.4 Discussion and Conclusion

The results of Sections 10.2 and 10.3 show that downsizing has an impact on the three mediating variables directly and also indirectly (only for OBSE) through the changes of employees' daily work experiences caused by downsizing. Table 10.1 shows that downsizing itself has a significant impact on self-efficacy, POS and OBSE when only the two-case banks are considered. However, when employees' daily work experiences are considered, as shown in Table 10.2, downsizing has an impact only on OBSE. The magnitude of the impact of downsizing on OBSE is also reduced: from  $\beta = .172$ ;  $p < 0.001$  to  $\beta = .069$ ;  $p \leq 0.05$ . Moreover, OBSE is more affected by such variables as job security concern, participatory management, formal procedural justice, and job complexity than by downsizing itself. Thus, it can be said that the direct impact of downsizing itself on the three mediating variables is negligible. Instead, the three mediating variables are mainly affected indirectly by the changes in employees' daily work experiences, which are themselves caused by downsizing. Thus, when downsizing is carried out, if it is carefully managed – i.e. if employees' daily work experiences are managed in a way that enhances self-efficacy, POS, and OBSE - employees' AC can be maintained or enhanced.

# **Chapter 11: Conclusions**

## **11.1 Introduction**

The present thesis starts from the proposition that most downsized companies have suffered from the dysfunctional consequences of downsizing, such as a decline in service quality and innovation, rather than reaping its intended benefits. It suggests that these dysfunctional consequences are caused by survivors' poor morale and failure to maintain a high level of employees' affective commitment to the organisation. In fact, as discussed in Section 1.1.3, maintaining a high level of employees' affective commitment to the organisation is assumed to be a critical factor for successful downsizing. However, according to the downsizing literature, downsizing tends to detach survivors from the organisation. Thus, this thesis tries to solve and overcome this paradox, i.e. to show how employees' affective commitment to the organisation can be managed under downsizing.

Even if many studies (e.g. Cascio, 1993; Luthans and Sommer, 1999) show that downsizing leads to a reduction in employees' affective commitment to the organisation, some authors (e.g. Emshoff, 1994; Henkoff, 1994) indicate that employees can regard downsizing as an opportunity for personal growth if the downsizing results in more favourable changes in their daily work experiences. This implicitly indicates that downsizing may affect employees' affective commitment to the organisation through

employees' positive daily work experiences such as job complexity, and this indirect impact may be more important than the direct impact of downsizing itself on employees' affective commitment. If so, managerial interventions should be directed toward employees' daily work experiences in order successfully to manage employees' affective commitment to the organisation. This implicitly indicates the importance of investigating the mechanisms through which downsizing exerts its influence on employees' affective commitment to the organisation. However, despite the importance of these issues in the downsizing context, little is known about the mechanisms. Moreover, although the indirect impact of downsizing on employees' affective commitment to the organisation is very important in relation to the successful management of employees' affective commitment to the organisation, little is known about how and why employees' daily work experiences affect employees' affective commitment to the organisation.

Inspired by this theoretical and empirical gap, this thesis has focused on three main research aims. The first research aim is to explore the mechanisms through which downsizing is believed to affect employees' affective commitment to the organisation. The second aim is to investigate whether employees' affective commitment to the organisation is really important in terms of organisational citizenship behaviour. If it *is* important, the third aim is to examine the determinants of employees' affective commitment to the organisation and to investigate how and why such determinants affect employees' affective commitment to the organisation, i.e. to identify the mechanism through which employees' daily work experiences exert their influence on employees' affective commitment to the organisation.

## **11.2 Overview of the Main Findings**

### **11.2.1 The First Research Aim**

Downsizing affects employees' affective commitment to the organisation both directly and indirectly (i.e. through employees' daily work experiences). Here, the indirect impact of downsizing on employees' affective commitment to the organisation appears to be much stronger than its direct impact. That is, the change of employees' daily work experiences caused by downsizing has much stronger impacts on employees' affective commitment to the organisation than does downsizing per se. Thus, if the change of employees' daily work experiences caused by downsizing is favourable to them in terms of satisfying their needs and desires, then employees' affective commitment to the organisation can be maintained or even enhanced.

### **11.2.2 The Second Research Aim**

As discussed in Section 2.3.2.2, organisational citizenship behaviour promotes the efficient and effective functioning of the organisation and provides the flexibility needed to work through many unforeseen contingencies. Because downsizing is a favoured strategy to achieve flexibility and efficiency, if employees' affective commitment to the organisation

affects organisational citizenship behaviour, maintaining a high level of employees' affective commitment to the organisation is very important for successful downsizing. Such commitment appears to have an impact on the five dimensions of organisational citizenship behaviour. No other variables have as strong or consistent an impact on organisational citizenship behaviour as employees' affective commitment to the organisation.

### **11.2.3 The Third Research Aim**

In the K bank sample, six types of employees' daily work experiences appear to be determinants of employees' affective commitment to the organisation: role clarity, job complexity, promotional chances, distributive justice, interactional justice, and skills/knowledge transferability. In the case of the B bank sample, seven types of employees' daily work experiences appear to be determinants of employees' affective commitment to the organisation: favourable training policies and practices, job complexity, distributive justice, formal procedural justice, interactional justice, participatory management, and skills/knowledge transferability. In the case of the total sample, eight types of employees' daily work experiences appear as determinants of employees' affective commitment to the organisation: favourable training policies and practices, supervisory support, job complexity, promotional chances, distributive justice, formal procedural justice, interactional justice, skills/knowledge transferability.

Here, job complexity affects employees' affective commitment to the organisation through its impact on a number of intervening variables, including different combinations of these variables (i.e. through its impact on perceived organisational support and on organisation-based self-esteem, and through the combination of perceived organisational support and organisation-based self-esteem as well as through its impact on the combination of self-efficacy and organisation-based self-esteem). For supervisory support, promotional chances, distributive justice, formal procedural justice, interactional justice, and skills/knowledge transferability, their impacts on employees' affective commitment to the organisation are through similar but slightly different sets of path (e.g. through perceived organisational support as well as through the combination of perceived organisational support and organisation-based self-esteem). As for role clarity, its impact on employees' affective commitment to the organisation is through the combination of self-efficacy and organisation-based self-esteem. For favourable training policies and practices, its impact on employees' affective commitment to the organisation is through its impact on perceived organisational support and on the combination of perceived organisational support and organisation-based self-esteem, as well as through its impact on the combination of self-efficacy and organisation-based self-esteem. For participatory management, its impact on employees' affective commitment to the organisation is through its impact on organisation-based self-esteem.

Among such determinants, job complexity appears to have the strongest impact on employees' affective commitment to the organisation in all three samples, followed by interactional justice and promotional chances (in the K bank sample), by procedural justice

and participatory management (in the B bank sample), and by interactional justice and procedural justice (in the total sample).

The research findings show that the determinants of employees' affective commitment to the organisation exert their influence on employees' affective commitment to the organisation through organisation-based self-esteem, perceived organisational support, and self-efficacy. Moreover, the three mediating variables appear fully to mediate the relationship between employees' affective commitment to the organisation and its determinants, and organisation-based self-esteem appears to be the key mediating variable. Thus, the results support the conclusion that employees' experiences that enhance their sense of self-esteem influence the development of affective commitment to the organisation.

#### **11.2.4 The Generalisability of the Research Findings**

The investigation of the three research aims was conducted with a survey questionnaire administered to a sample of 910 in two Korean banks. The direct and indirect impacts of downsizing on employees' affective commitment to the organisation (i.e. the first research aim) were investigated in relation to the varying degrees of severity of downsizing, as illustrated by the two case-study banks. Although the results show that the two case-study banks affect employees' affective commitment to the organisation directly and indirectly, these results might be due not only to downsizing itself, but also to other

factors. That is, the two case-study banks may be distinguished by other differences as well as their varying degrees of severity of downsizing. Thus, the results of the first research aim may be contaminated by these other factors. Thus, the generalisability of the findings of the first research aim should be regarded with caution.

Turning to the findings of the second research aim, as examined in many other studies (e.g. Meyer et al., 1993), this study also show that employees' affective commitment to the organisation affects organisational citizenship behaviour. Moreover, this study shows such results on the basis of a large sample (i.e. 910). Thus, it is likely that this finding is replicable in other research settings.

Finally, the results in all three samples show that several employees' daily work experiences exert their influence on employees' affective commitment to the organisation through the three mediating variables, and that organisation-based self-esteem is the key mediating variable. The samples were carefully chosen to reflect population and were large enough to examine the research model for the third research aim. Thus, these findings may easily be replicable in other research settings.

However, as shown in Table 9.8, role clarity and promotional chances are determinants of employees' affective commitment to the organisation in the K bank sample, while they appear not to be determinants of employees' affective commitment to the organisation in the B bank sample. On the other hand, favourable training policies and practices, formal procedural justice and participatory management appear to be determinants of employees' affective commitment to the organisation in the B bank sample, while they are not determinants of employees' affective commitment to the organisation in



the K bank sample. These results are due to the fact that some variables affect the mediating variables in one sample, while they do not affect the mediating variables in the other sample. For example, role clarity appears to affect self-efficacy in the K bank sample, while it does not affect self-efficacy in the B bank sample. Hence, role clarity appears to a determinant of employees' affective commitment to the organisation in the K bank sample, while it is not a determinant of employees' affective commitment to the organisation in the B bank sample. Thus, although a particular employees' daily work experience appears to be a determinant of employees' affective commitment to the organisation in one organisation, it may not be a determinant of employees' affective commitment to the organisation in another organisation. It depends on whether or not the particular daily work experience affects the mediating variables. Thus, some employees' daily work experiences that appear to be determinants of employees' affective commitment to the organisation on the basis of the present research may appear not to be determinants of employees' affective commitment to the organisation in other research settings. However, if a particular employees' daily work experience affects the three mediating variables, it is likely to appear as a determinant of employees' affective commitment to the organisation even in other research settings.

## **11.3 Academic and Practical Implications**

### **11.3.1 Academic Implications**

The research findings have some academic implications. The first is that employees' affective commitment to the organisation is mainly affected by the changes of employees' daily work experiences in the downsizing context. Thus, if organisational downsizing is carried out so that employees' daily work experiences satisfy their needs and desires, employees' affective commitment to the organisation can be maintained or even increased. On the other hand, if employees' daily work experiences change in a way that is unfavourable to employees in terms of satisfying their needs and desires, their affective commitment to the organisation will decrease. This research finding helps to solve the paradox of downsizing in relation to employees' affective commitment to the organisation, e.g. it explains why some studies show that downsizing results in an increase in employees' affective commitment to the organisation, while other studies reveal that downsizing decreases employees' affective commitment to the organisation.

Secondly, this study examined the mechanism through which employees' affective commitment to the organisation develops on the basis of social exchange theory and symbolic interactionism. In fact, the existing commitment literature relies heavily on social exchange theory, while the model presented in this thesis is developed on the basis of social exchange theory *and* symbolic interactionism. The results show that employees' sense of

self-esteem within the organisational context appears to be very important in developing employees' affective commitment to the organisation. Thus, this thesis provides an insight into why and how various antecedents are related to employees' affective commitment to the organisation. Such insights may help to investigate how other employees' multiple commitments (i.e. occupational commitment and union commitment) develop. For example, as in the case of employees' affective commitment to the organisation, employees' experiences that enhance their sense of self-esteem within the union context may influence the development of union commitment. Likewise, employees' experiences that enhance their sense of self-esteem within the occupational context may influence the development of occupational commitment.

In fact, we need to know how employees' multiple commitments develop in order to explore the relationships between multiple commitments. Multiple commitments can be potentially compatible and conflicting. Some support for this view is provided by Cohen's (1993) study, which assesses how commitments to job, occupation, union and organisation are related to withdrawal intentions and union effectiveness. In Cohen's research, although union commitment has the strongest positive impact on union activity, job commitment also positively affects union activity. This lends some support to the possibility that there is a potential for compatibility among commitments. On the other hand, occupational commitment has positive effects on organisational and job withdrawal intentions, while organisational and job commitments have negative impacts on job and organisational withdrawal intentions. The positive effect of occupational commitment versus the negative effect of organisational and job commitment upon job and organisational withdrawal

intentions offers some support for the notion of the potential for conflicts among commitments. By understanding how each commitment develops, we will be in a better position to explain the relationships between multiple commitments, and this thesis may help to illuminate the nature of the development of other multiple commitments.

Finally, this research represents the first systematic study of employees' affective commitment to the organisation in Korea since the 1997 financial crisis. This crisis has transformed the Korean employment relationship from a Japanese to an Anglo-Saxon model. Such tremendous changes have influenced employees' affective commitment to the organisation and their daily work experiences, and the present research has revealed how Korean organisations have changed since the financial crisis and how this in turn has affected employees' commitment and their daily work experiences.

### **11.3.2 Practical Implications**

The research findings suggest a number of practical implications. The first is that employees' affective commitment to the organisation is still an important construct. Section 1.1.3 emphasises the importance of employees' affective commitment to the organisation under downsizing. However, some authors (e.g. Hirsch, 1987) argue that many strategies used to achieve flexibility and efficiency, including the introduction of new technology and contracting out, involve job cuts. Thus, employees should make themselves employable both to their current organisation and to other potential employers. Then, both employees

and employers are advised not to become committed to each other (Meyer and Allen, 1997). However, the results of the second research aim show that employees' affective commitment to the organisation enhances organisational citizenship behaviour (that is assumed to be a necessary factor for successful downsizing). Thus, employees' affective commitment to the organisation is still worth fostering.

Secondly, the results of this study provide practitioners with a useful insight into what the organisation should do in order to achieve successful downsizing. According to the results, in order to increase or maintain employees' affective commitment to the organisation, practitioners should intervene during and/or after downsizing in employees' daily work experiences in ways that increase self-efficacy, perceived organisational support and organisation-based self-esteem. Moreover, if a particular policy and practice that has not yet been the subject of empirical research is likely to increase the effectiveness of mediating variables, practitioners can implement the practice and policy in order to increase employees' affective commitment to the organisation. Here, it is worth noting that doing something is not in itself enough. As Meyer and Allen (1997) argue, employees need to know that it was done, and done by the organisation, and see that the action was motivated by good intentions. For example, participatory management affects employees' affective commitment to the organisation via organisation-based self-esteem in the B bank sample and the total sample. As discussed in Section 9.5.4.1, employees of B bank perceive their increased participation as an organisational signal that they are capable enough to contribute to the efficient operation of their workplace. Thus, their increased participation leads to an increase in their organisation-based self-esteem. On the other hand, employees

of K bank view the increase of participation as a managerial strategy to satisfy customers, rather than as the organisation's recognition that they are competent enough to contribute to organisational performance. Thus, participatory management appears not to be related to employees' organisation-based self-esteem. The example of the impact of participatory management on organisation-based self-esteem in the two case-study banks illustrates the importance of employees' perceptions. That is, in order to increase employees' organisation-based self-esteem, management should ensure that employees perceive their increased participation as a signal that the organisation recognises the critical value of human capital to organisational success, thereby making them feel that they are important assets. Thus, as Meyer and Allen (1997) argue, management should not only keep employees informed of their actions and intentions but should also take note of the reactions of employees in order to ensure that the message has been accurately received. Active input from employees should also be sought before policies and practices are implemented.

## **11.4 Limitations and Future Research**

Despite its academic and practical implications, this thesis has some limitations that raise a number of issues for future research. First of all, the three research aims were examined using cross-sectional data. However, the cross-sectional design of this study does

not permit conclusive causal statements to be drawn from the findings. Even in the third research aim, which is examined using a structural equation modelling procedures that “allows more confidence in inferences about causal connections than do simple bivariate correlations” (Meyer, 1997, p. 188), the findings only lend support or non-support for the hypothesised causal model, rather than offering proof of causality (Darden et al., 1989). For example, Model 1 in Chapter 3 postulated that job complexity has an impact on organisation-based self-esteem. However, in the absence of a research design that clarifies its time dimension, it is really difficult to know whether a high level of job complexity really enhances employees’ organisation-based self-esteem or whether those whose organisation-based self-esteem is high also feel that they have job complexity. Only a longitudinal research design can resolve the issue. Thus, further longitudinal research is needed to clarify this causal relationship.

The second limitation is that, as discussed in Section 11.2.4, the results of the first research aim might appear not only because of their varying degrees of severity of downsizing, but also because of other reasons. One way of resolving this issue is to choose one organisation comprising two parts (i.e. a downsized part and a non-downsized part), and to compare employees in both parts.

The third limitation is that some potential biases may be produced by using self-completion questionnaires. These include the issues of common method variance and social desirability. For example, employees might feel that it is socially desirable to report that they express high levels of organisational citizenship behaviour and they have high levels of employees’ affective commitment to the organisation, irrespective of their actual levels

of both constructs. Thus, employees' affective commitment to the organisation is shown to have a strong impact on organisational citizenship behaviour. Thus, future research should be designed to obtain information from multiple sources. For example, it may be helpful to obtain information about employees' organisational citizenship behaviour from their supervisors. Moreover, although common method variance seems not to be overly problematic in the current data set because the correlations between employees' affective commitment to the organisation and the five dimensions of organisational citizenship behaviour are not so high, information from multiple sources can also reduce common method variance.

Fourthly, in Models 1 and 2, 12 employees' daily work experience variables were postulated as the determinants of employees' affective commitment to the organisation, and some of them appeared to be the determinants of employees' affective commitment to the organisation. However, although an employee's daily work experience variable does not appear to be the determinant, the variable may affect the mediating variables interactively with other variables. For example, participatory management was postulated to affect self-efficacy, perceived organisational support and organisation-based self-esteem. However, the results show that participatory management only affects organisation-based self-esteem in the B bank sample and the total sample. According to Campbell and Gingrich's (1986) study, as summarised by Dodd and Ganster (1996), participation in the discussion of how to perform a task and in setting a completion task has no effect on performance in a simple version of the task. On the other hand, it does have an effect on performance in a complex version of the task. Campbell and Gingrich argue that the most effective way to perform a



simple task is likely to be obvious, so that increased participation is potentially redundant and confusing, thereby producing no effect on performance. Their study suggests that participatory management might interact with job complexity in affecting employees' attitudes and behaviour. That is, it might induce employees' positive attitudes and behaviour only in a complex version of a task. If so, the interactive effect of participation with job complexity may affect self-efficacy, perceived organisational support and organisation-based self-esteem, thereby affecting employees' affective commitment to the organisation. Thus, more research is needed to address the interactive effects of employees' daily work experience variables on self-efficacy, perceived organisation support and organisation-based self-esteem.

Fifthly, more research is needed into the nature and impacts of some employees' daily work experience variables (i.e. favourable training policies and practices, co-worker support and supervisory support) on the mediating variables. Favourable training policies and practices affect self-efficacy and perceived organisational support in all three samples. However, they affect self-efficacy negatively. As discussed in Section 6.7.2, employees of both banks have a need for personal growth, which is reflected in the view that they want to be professionals. However, as discussed in Section 9.5.4.1, employees perceive that the training is not enough to develop their expert skills. Rather, due to the fact that they have to spend time studying the contents of pamphlets even when they are overly pressured with work (because they have to take periodic examinations concerning the contents of pamphlets), they actually perceive that training by pamphlets is an obstacle to the development of expert skills. With the negative impact of favourable training policies and

practices on self-efficacy, this also appears to have nothing to do with perceived organisational support in the K bank sample. On the other hand, although training is not enough to make employees develop expert skills, because B bank has tried to provide employees with more training despite its serious financial situation, the employees of B bank perceive training as a form of organisational support. According to Tannenbaum (1997), the effectiveness of training depends on the quality and appropriateness of the training, the supportiveness of the work environment, and the use of appropriate training policies and practices, rather than on the amount of training. Thus, if the organisation provides employees with better quality training that can develop expert skills, encourages employees to transfer new skills acquired in training to the job, and offers extrinsic and intrinsic rewards such as promotion and appreciation for using new trained skills, employees' self-efficacy and perceived organisational support may increase.

Moreover, although co-worker support and supervisory support appear not to affect organisation-based self-esteem, caution is needed in interpreting the results, especially in the Korean context, where employees show a strong relational orientation. As discussed in Section 9.5.4.1, employees perceive that supervisory support and co-worker support result from the reduction in the number of employees in the workplace. Thus, they perceive that supervisory support and co-worker support have nothing to do with recognition and acceptance. Thus, if employees view supervisory support and co-worker support as recognition, their organisation-based self-esteem may increase. In addition, supervisory support negatively affects perceived organisational support. This is caused by employees' perception that supervisory support is closely coupled with being overworked and that

supervisors help them to promote supervisors' own interests. Thus, if employees perceive that supervisory support is helpful in enhancing their well-being, their perceived organisational support may increase.

Finally, the research aims were only examined in the case of two Korean banks. Thus, as discussed in Section 11.2.4, no claim should be made that the findings in this thesis can be generalised to all organisations or indeed all banks. In fact, the results may be applied only to the Korean banking industry. Thus, the findings of this study must be seen as provisional, and the models should be tested in other industries and other countries.

# Appendices

<b>Appendix I:</b>	Questionnaire
<b>Appendix II:</b>	The procedure for the preliminary factor analysis and original factor analysis
<b>Appendix III:</b>	Factor analysis
<b>Appendix IV:</b>	Correlations among variables in the research model
<b>Appendix V:</b>	Factor loadings
<b>Appendix VI:</b>	LISREL estimates of zero-order correlation matrix

## Appendix I-1: Questionnaire (English version)

### The determinants of employees' affective commitment to the organisation under downsizing: The case of the banking industry in Korea

#### 1. Objective of the Questionnaire

This questionnaire forms part of the research for my PhD thesis. The purpose of the survey is to investigate the factors that influence employees' affective commitment to the organisation. In this survey, there is no official "best" answer. What you feel is the best answer.

#### 2. Confidentiality

Participation is voluntary and all information collected is confidential. No one in your bank will see any of your responses. Moreover, the questionnaire is distributed to several thousand employees in several banks. Thus,

- It will not be possible to identify the respondents in this study.
- The data will be used for statistical purposes only and released in aggregated form.

#### 3. Your co-operation is very important

Your contribution to this research is very important because you are in a unique position to identify the factors that influence employees' commitment to the organisation. Thus, the success of this study depends entirely on the data contributed by you.

#### 4. How to complete the questionnaire

For each of the questions, you are asked to indicate the most appropriate answer by placing a tick in one of the boxes.

Strongly Disagree   Mostly Disagree   Slightly Disagree   Neither Disagree Nor Agree   Slightly Agree   Mostly Agree   Strongly Agree

You are encouraged to complete the questionnaire in one sitting.

**Thank you for your co-operation**

**If you require assistance in completing the questionnaire, please contact:**

Jaewon Lee

308-1203 Mok Dong Apt., Mok 5 Dong,  
Yangcheon-Ku, Seoul

Tel: (02) 2062-2863

Email: jaewon20@yahoo.co.kr

## Favourable Training Policies and Practices

**Section 1:** The following questions are concerned with the extent to which policies and practices of your bank support the effective use of training.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. My training needs are taken into account.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I have some say in the type of training I attend.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Employees are provided with informative materials that describe the training programmes offered.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. All employees in my branch (or unit) have the opportunity to attend some type of training.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Employees are adequately rewarded for using what they have learned in training on their job.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. My bank spends a significant amount of money on training programmes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Training is encouraged at my bank to develop the skills needed for advancement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. The successful people at my bank attend training courses.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Management shows an interest in training at my bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. The training programmes run by my bank are of high quality (up-to-date, relevant, run by professionals, etc).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Supervisory Support

**Section 2:** In the following statements, 'supervisor' means the person who most officially evaluates your merit rating.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. My supervisor is willing to listen to my job-related problems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. My supervisor shows a lot of concern for me in my job.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. My supervisor cannot be relied on when things get tough in my job (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. My supervisor praises me when I do a good job (Peccei and Rosenthal, 1997)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Co-worker Support

### Section 3:

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. My co-workers are helpful to me in getting my job done.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. My co-workers are willing to listen to my job-related problems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. My co-workers can be relied upon when things get tough in my job.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Role Clarity

### Section 4:

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. Management makes it perfectly clear how my job is to be done.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. The amount of work responsibility and effort expected in my job is clearly defined.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The norms of performance in my branch (or unit) are well understood and communicated.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Promotional Chances

### Section 5:

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. I have the opportunity for advancement in this bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I am in a dead-end job. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. I can quickly get ahead in this bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Job Security

### Section 6:

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. I am confident that I will be able to work for this bank as long as I wish.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. If my job were eliminated, I would be offered another job in the bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Regardless of economic conditions, I will have a job in this bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Participatory Management

**Section 7:** Please indicate the extent to which you feel you can influence decisions regarding work environment and other issues of concern to you. Here, your immediate supervisor is the most important person who evaluates your merit rating.

	None At All	Hardly Any	A Small Amount	A Moderate Amount	Quite A Lot	A Lot	A Great Deal
1. In general, how much say or influence do you have on what goes on in your unit or branch?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. How much influence or say do you have over the decisions of your immediate supervisor regarding things about which you are concerned?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Never	Very Occasionally	Sometimes	Quite Often	Often	Very Frequently	Always
3. How often does your immediate supervisor ask your opinion when a problem comes up which involves your work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Impossible	Very Difficult	Quite Difficult	Neither Difficult Nor Easy	Quite Easy	Very Easy	No Problem At ALL
4. If you have a suggestion for improving the job in some way, how easy or difficult is it for you to get your ideas across to your immediate superior?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



## Distributive Justice

**Section 8:** The questions are concerned with the extent of fairness in the amounts of compensation you receive. Here, compensation means such things as promotion, recognition, merit rating, and pay.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. I am fairly rewarded (e.g. in terms of promotion, recognition, merit rating, pay) for the amount of effort that I put in. (Kim et al., 1996)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I am fairly rewarded (e.g. in terms of promotion, recognition, merit rating, pay) considering the responsibilities that I have. (Kim et al., 1996)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. I am fairly rewarded (e.g. in terms of promotion, recognition, merit rating, pay) in view of the amount of experience I have. (Kim et al., 1996)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Compared to the effort that my co-workers put into their jobs, I am fairly rewarded (e.g. in terms of promotion, recognition, merit rating, pay). (Price, 1981)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. I am fairly rewarded (e.g. in terms of promotion, recognition, merit rating, pay) considering the stresses and strains of my job. (Tang and Sarsfield-Baldwin, 1996)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I am fairly rewarded (e.g. in terms of promotion, recognition, merit rating, pay) when I consider the work that I have done well. (Tang and Sarsfield-Baldwin, 1996)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Formal Procedural Justice

**Section 9:** Please indicate the extent of your agreement or disagreement with each of the following statements. Here, decisions refer to decisions affecting you such as promotion, assignment to a position, the reduction or expansion of certain unit or branch, and merit rating.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. Decisions are made in an unbiased manner.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Efforts are made to ensure that all employee concerns are heard before decisions are made.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. To make decisions, my organisation or supervisor collects accurate and complete information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.	My organisation or supervisor clarifies decisions and provides additional information when requested by employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	All decisions are applied consistently across all affected employees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	Employees are allowed to challenge or appeal against decisions made by the organisation or supervisor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	Decisions are made to represent the concerns of all those affected. (Moorman, 1991)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Interactional Justice

**Section 10:** The questions are concerned with how the bank or your supervisor treats you during the implementation of decisions, e.g. those concerning promotion, merit rating, or transfer to another job.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Job Complexity

**Section 11:** This the section containing questions and a series of statements that may or may not describe some aspects of your job. Please indicate the extent to which each characteristic is present in your job.

1.	How much autonomy is there in your job? That is, to what extent does your job permit you to decide on your own how to go about doing the work?		
	1                      2                      3                      4                      5                      6                      7		
	Very little: the job gives me almost no personal "say" about how and when the work is done.	Moderate autonomy: many things are standardised and not under my control, but I can make some decisions about the work.	
		Very much: the job gives me almost complete responsibility for deciding how and when the work is done.	
2.	To what extent does your job involve doing a "whole" and identifiable piece of work? That is, is the job a complete piece of work that has an obvious beginning and end? Or is it only a small part of the overall piece of work, which is finished by other people?		
	1                      2                      3                      4                      5                      6                      7		
	My job is only a tiny part of the overall piece of work	My job is a moderate-sized "chunk" of the overall piece of work	My job involves doing the whole piece of work from start to finish
3.	In general, how significant or important is your job? That is, are the results of your work likely to significantly affect the lives or well-being of other people?		
	1                      2                      3                      4                      5                      6                      7		
	Very Insignificant: the outcomes of my work are not likely to have important effects on other people.	Moderately significant	Highly significant: the outcomes of my work can affect other people in very important ways.
4.	How much variety is there in your job? That is, to what extent does the job require you to do many different things at work, using a variety of your skills and talents		
	1                      2                      3                      4                      5                      6                      7		
	Very little: the job requires me to do the same routine things over and over again.	Moderate variety	Very much: the job requires me to do many different things, using a number different skills and talents
5.	How much information does the job itself provide you about your work performance? That is, does the actual work itself provide clues about how well you are doing – aside from any "feedback" co-workers or supervisors may provide?		
	1                      2                      3                      4                      5                      6                      7		
	Very little: the job itself is set up so I could work forever without finding out how well I am doing.	Moderately: sometimes doing the job provides "feedback" to me; sometimes it does not.	Very much: the job is set up so that I get almost constant "feedback" as I work about how well I am doing.
		ngly agree    stly agree    ightly agree    ther agree ee    ightly agree nor ee    stly Agree    ngly ee	
6.	The job requires me to use a number of complex or high level skills.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
7.	The job is arranged so that I do not have the chance to do an entire piece of work from beginning to end. (R)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
8.	Just doing the work required by the job provides many chances for me to figure out how well I am doing.	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	

9	The job is quite simple and repetitive. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	The job is one where a lot of people can be affected by how well the work gets done.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	The job denies me any chance to use my personal initiative or judgement in carrying out the work. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	The job provides me with a chance to completely finish the piece of work I work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	The job itself provides very few clues about whether or not I am performing well. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	The job gives me considerable opportunity for independence and freedom in how I do the work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	The job itself is not very significant or important in the broader scheme of things. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Skills/Knowledge Transferability

**Section 12:** Each of the following statements is concerned with your skills and knowledge in the job market.

		Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1	The skills and knowledge used in my job are needed in other companies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	It would be difficult to use the skills and knowledge of my job outside of this bank. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	My job skills and knowledge are mostly limited to this bank. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Self-Efficacy

**Section 13:** The following statements are concerned with your personal competence dealing with job.

		Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1	I can always manage to solve difficult problems if I try hard enough.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	If someone opposes me, I can find the ways and means to get what I want.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3	It is easy for me to stick to my aims and accomplish my goals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	I am confident that I could deal efficiently with unexpected events.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Thanks to my resourcefulness, I know how to handle unforeseen situations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	I can solve most problems if I invest the necessary effort.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	I can remain calm when facing difficulties because I can rely on my coping abilities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	When I am confronted with a problem, I can usually find several solutions.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	If I am in trouble, I can usually think of a solution.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	I can usually handle whatever comes my way.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Perceived Organisational Support

**Section 14:** Each of the following statements is concerned with how you feel about your bank.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. The organisation values my contribution to its well-being.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. If the organisation could hire someone to replace me at a lower salary, it would do so. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. The organisation fails to appreciate any extra effort from me. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. The organisation seriously considers my goals and values.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The organisation would ignore any complaint from me. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. The organisation disregards my best interests when it makes decisions that affect me. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Help is available from the organisation when I have a problem.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. The organisation really cares about my well-being.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. The organisation is willing to extend itself in order to help me perform my job to the best of my ability.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Even if I did the best job possible, the organisation would fail to notice. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. The organisation is willing to help me when I need a special favour.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. The organisation cares about my general satisfaction at work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. If given the opportunity, the organisation would take advantage of me. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. The organisation shows very little concern for me. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. The organisation cares about my opinion.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. The organisation takes pride in my accomplishments at work.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. The organisation tries to make my job as interesting as possible.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Organisation-Based Self-Esteem

**Section 15:** The questions are concerned with how you feel about yourself at your workplace.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. I count in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I am taken seriously in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. I am an important part of my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. I am trusted in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. There is faith in me in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I can make a difference in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. I am a valuable part of my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. I am helpful in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. I am efficient in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. I am cooperative in my workplace.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Positive Affectivity

**Section 16:** The questions are concerned with how you feel in your everyday life, including your life at home and work.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. I live a very interesting life.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I usually find ways to liven up my day.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Most days I have moments of real fun.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Every day interesting things happen to me	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. For me, life is a great adventure.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Negative Affectivity

**Section 17:** The following statements are concerned with how you feel in your everyday life, including your life at home and work.

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. Often I get irritated at little annoyances.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I suffer from nervousness.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. My mood often goes up and down.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Minor setbacks sometimes irritate me too much.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. There are days when I am "on edge" all the time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Affective Commitment

### Section 18:

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. I would be very happy to spend the rest of my career in this bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I really feel as if this bank's problems are my own.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. I do not feel like "part of the family" at my bank. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. I do not feel "emotionally attached" to this bank. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. This bank has a great deal of personal meaning for me.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I do not feel a strong sense of belonging to my bank. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Organizational Citizenship Behavior

**Section 19:** Each of the following statements is concerned with your normal behaviour at work.

### Altruism

	Strongly Disagree	Mostly Disagree	Slightly Disagree	Neither Disagree nor Agree	Slightly Agree	Mostly Agree	Strongly Agree
1. I help others who have been absent.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. I help others who have heavy workloads.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. I help orient new people even though it is not required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. I willingly help others who have work-related problems.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



### Conscientiousness

5. I do not take extra breaks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. I obey bank rules and regulations even when no one is watching.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. I am always punctual.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. I never take long lunches or breaks.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Courtesy

9. I take steps to try to prevent problems with other workers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. I am mindful of how my behaviour affects other people's jobs.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. I do not abuse the rights of others.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. I try to avoid creating problems for my co-workers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. I consider the impact of my actions on my co-workers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Sportsmanship

14. I consume a lot of time complaining about trivial matters. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. I always focus on what's wrong, rather than the positive side. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16. I tend to make "mountains out of molehills" (i.e. make problems bigger than they really are). (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. I always find fault with what the bank is doing. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Civic Virtue

18. I attend meetings that are not mandatory, but are considered important.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. I attend functions that are not required, but help the bank image.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. I keep abreast of changes in the bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. I "keep up" with developments in the bank.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Section 20: General Information about you

A. How old are you? ( )

B. What is your sex?      1. ( ) Female                      2. Male ( )

C. How long have you worked in your bank?

- |  |  |                              |
|--|--|------------------------------|
| 1. ( ) Less Than 1 <sup>1</sup> / <sub>2</sub> Years | 2. ( ) 1 <sup>1</sup> / <sub>2</sub> – Less Than 3 Years |                              |
| 3. ( ) 3 – Less Than 5 Years                         | 4. ( ) 5 – Less Than 7 Years                             | 5. ( ) 7- Less Than 10 Years |
| 6. ( ) 10 – Less Than 15 Years                       | 7. ( ) 15 Years and More                                 |                              |

D. How long have you worked in your current position?

- |                              |                                     |                              |
|------------------------------|-------------------------------------|------------------------------|
| 1. ( ) Less Than 6 Months    | 2. ( ) 6 Months To Less Than 1 Year |                              |
| 3. ( ) 1 – Less Than 2 Years | 4. ( ) 2 – Less Than 3 Years        | 5. ( ) 3 – Less Than 4 Years |
| 6. ( ) 4 – Less Than 5 Years | 7. ( ) 5 Years Or More              |                              |

E. How many years do you have of official schooling?

F. What is your marital status?                      1. ( ) Single                      2. ( ) Married

G. What is your position?

- |                       |  |  |                        |
|-----------------------|--|--|------------------------|
| 1. ( ) Clerk          | 2. ( ) Senior Clerk                    | 3. ( ) Manager                             | 4. ( ) General Manager |
| 5. ( ) Senior Manager | 6. ( ) Vice Chief of Department/Branch | 7. ( ) Chief of Branch/Department or Above |                        |

**Thank you very much for your collaboration.**

## Appendix I-2: Questionnaire (Korean Version)

### The determinants of employees' affective commitment to the organisation under downsizing: The case of the banking industry in Korea

#### 1. 설문지의 목적

저는 영국 워릭 대학교에서 박사과정 중인 학생입니다. 이 설문지는 제 박사학위 논문을 위하여 수행중인 것으로써, 이 설문지의 목적은 조직에 대한 충실도를 향상시키는 요소는 무엇인가를 파악하는 것입니다. 이 설문지에는 어떤 공식적인 정답이 존재하지 않습니다. 여러분들이 느끼는 것을 적는것이 바로 정답입니다.

#### 2. 익명성 보장

참여는 자발적이며, 회수된 설문지에 대해서는 익명성이 보장됩니다. 여러분 은행에 있는 누구도 이 설문지를 보지 않을 것이며 이 설문지는 몇 개 은행의 수천명의 직원들에게 배포될 것입니다. 그래서

- 어떤 분이 어떤 설문지를 작성했는가를 아는 것은 불가능합니다.
- 데이터는 단지 통계처리를 위해서만 사용할 것입니다.

#### 3. 여러분의 협력은 매우 중요합니다

귀하의 설문지 작성은 제 연구에 필수적인 데이터를 제공하기 때문에, 제 연구의 성공은 전적으로 얼마나 성의있게 귀하가 이 설문지를 작성하는가에 달려있습니다.

#### 4. 설문지 기입 방법

각각의 문항에서, 귀하는 상자안에 적합한 답을 기입하도록 부탁받고 있습니다. 귀하가 생각하기에 가장 적합하다고 느끼는 곳에 표기를 해주십시오. 표기하는 것에 대한 예를들면,

매우 동의하지 않는다	상당히 동의하지 않는다	약간 동의하지 않는다	동의도 부정도 아니다	약간 동의한다	상당히 동의한다	매우 동의한다
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

여러분들의 협력에 감사합니다.

만일 설문서 작성에 관한 어떤 문의가 있으신 분은 아래의 전화번호나 전자메일을 이용하여 연락해 주십시오.

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**Section 1:** 다음의 질문들은 당신 은행의 교육훈련 (연수 포함)에 대한 질문입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 우리은행은 나에게 필요한 직무교육을 적절히 시행한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나는 내가 받는 교육훈련에 대해 발언권을 갖는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 우리 은행은 교육훈련 프로그램을 설명해주는 유익한 자료들을 적절히 제공한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 우리 지점 (혹은 부서)의 모든 직원은 교육훈련을 받을 충분한 기회가 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. 우리 은행은 직원들이 훈련에서 배운 것 들을 실제 업무처리과정에서 사용하면 그것에 대한 적절한 보상을 하고 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. 우리 은행은 교육훈련 프로그램을 위해 상당한 투자를 하고 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. 우리 은행에서는 승진을 위해서는 필요한 기술/지식을 개발 및 습득 하여야 한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. 우리 은행에서는 성공적인 (즉, 잘나가는) 사람들은 교육훈련에 적극적으로 참여하고 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. 우리은행의 경영진은 직원 교육훈련에 관심을 보인다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. 우리 은행에서 제공하는 교육훈련 프로그램은 수준이 높다 ( 즉, 최신식이며, 업무와 직접 관련이 있으며, 전문가들에 의해서 제공된다)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 2:** 다음 각각의 진술들에서 ‘상사’란 당신의 고과 평가를 하는 가장 핵심적인 사람을 칭합니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 나의 상사는 내가 나의 업무와 관련된 문제를 말하면 기꺼이 경청한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나의 상사는 나의 업무에 많은 관심을 보여준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 나의 상사는 나의 업무상 어려운 일이 발생했을 때 전혀 도움이 안된다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 나의 상사는 내가 업무 처리를 잘했을 때 칭찬해준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 3:**

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 나의 동료들은 내가 업무를 수행하는 데에 도움을 준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나의 동료들은 내가 내 업무에 관련된 문제를 말하면 기꺼이 경청한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 나의 동료들은 내 업무상 관련된 어려운 일이 발생했을 때 도움이 된다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 4:**

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 내 업무가 어떻게 수행되어야 하는지 나는 명확하게 알고있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나의 업무에서 기대되는 일에 대한 책임과 노력의 양은 명확하게 제시되어 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 내가 달성해야하는 성과의 정도는, 나의 지점 (혹은 부)에서 잘 이해하고 전파되어 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 5:**

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1 이 은행에서 나는 승진 기회가 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 나는 이 은행에서 장래성이 <u>없다</u> . (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 나는 이 은행에서 빨리 승진할 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 6:**

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1 나는 내가 원하는 만큼 오래, 이 은행에서 감원대상이 되지 않고 일 할 수 있다는 것을 확신한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 만일 나의 보직이 없어진다면 나는 이 은행에서 다른 보직을 제공 받을 것이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 은행의 어려움으로 인한 추가적인 감원이 있다 하더라도, 나는 이 은행에서 일을 계속할 수 있을 것이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 7: 작업환경및 당신 자신과 관련된 어떤 사항들에 대하여 당신이 의사결정에 영향력을 행사할 수 있다고 느끼는 정도를 나타내십시오. 여기에서 당신의 직속 상관은 당신의 고과 평가를 하는 가장 핵심적인 사람입니다.**

	전혀 없다	거의 없다	약간 있다	보통 정도	많은 편 이다	상당히 많다	대단히 많다
1. 일반적으로 당신은 당신의 지점 (혹은 부)에서 어느정도의 발언권 및 영향력을 갖고 있습니까?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 당신과 관련된 사항에 대하여 당신은 당신 직속 상관의 의사결정에 얼마나 영향을 미치며, 발언을 할 수 있습니까?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 당신의 직속 상관은 당신의 업무 혹은 보직과 관련된 문제가 생길때 얼마나 자주 당신의 의견을 묻습니까?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 만일 당신이 업무를 향상시키기 위한 어떤 제안을 한다면, 당신의 직속 상관으로 하여금 당신의 생각을 채택하게 하는 것이 어느 정도입니까?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 8:** 다음 질문들은 당신이 받는 보상의 양에 있어서 공평성의 정도에 관한 것입니다. 여기에서 보상은 승진, 상사로부터의 인정, 고과점수, 연봉과 같은 것들입니다.

	매우 동의하지 않는다	상당히 동의하지 않는다	약간 동의하지 않는다	동의도 부정도 아니다	약간 동의한다	상당히 동의한다	매우 동의한다
1 내가 투여한 노력의 양을 고려할 때 나는 (승진, 인정, 고과점수, 보수면에서) 공평하게 보상 받는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 내가 가진 책임의 양을 고려할 때 나는 (승진, 인정, 고과점수, 보수면에서) 공평하게 보상 받는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 내가 가진 경험의 양을 고려할 때 나는 (승진, 인정, 고과점수, 보수면에서) 공평하게 보상 받는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 내 동료들이 그들의 업무에 투여하는 노력을 비교할 때, 나는 (승진, 인정, 고과점수, 보수면에서) 공평하게 보상 받는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 나의 업무의 스트레스와 긴장을 고려할 때 나는 (승진, 인정, 고과점수, 보수면에서) 공평하게 보상 받는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 내가 업무처리에서 잘 해낸 일을 고려할 때 나는 (승진, 인정, 고과점수, 보수면에서) 공평하게 보상 받는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 9:** 다음 각각의 진술에서 의사결정이란 승진, 보직임명, 어떤 지점의 축소나 확장, 그리고 고과평가와 같이 당신에게 영향을 주는 의사결정을 뜻합니다.

	매우 동의하지 않는다	상당히 동의하지 않는다	약간 동의하지 않는다	동의도 부정도 아니다	약간 동의한다	상당히 동의한다	매우 동의한다
1 의사결정들은 편파적이지 않는 방식으로 이루어진다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 의사결정들이 이루어지기 전에 모든 직원들의 의견을 들으려는 노력이 확실히 이루어진다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 의사결정들을 하기 위해서 나의 은행이나 상사는 정확하고 완전한 정보를 수집한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 나의 은행이나 상사는 직원들이 요구할 경우 결정사항을 명확하게 설명하고 추가적인 정보도 제공한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 모든 의사결정들은 영향을 받는 모든 직원들에게 일관성 있게 적용된다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 은행이나 상사에 의해서 이루어지는 결정들에 대하여 직원들은 이의를 제기할 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 의사결정들은 영향을 받는 모든 사람들의 이해를 반영하도록 이루어진다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 10:** 다음 질문들은 의사결정 (예, 승진, 고과점수, 혹은 다른 보직으로의 전이 등) 사항들을 실행하는 도중, 당신의 은행 혹은 상사가 당신을 어떻게 취급하는가에 관한 것입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 나와 관련된 의사결정들이 이루어지고 집행될 때 나의 상사는 나를 친절히, 그리고 사려깊게 취급한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나에 관련된 의사결정들이 이루어지고 실행될 때 나의 상사는 나를 존중하며 품위 있게 대해준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 나에 관련된 의사결정들이 이루어지고 실행될 때 나의 상사는 나의 개인적인 요구사항에 민감히 반응해준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 나에 관련된 의사결정들이 이루어지고 실행될 때 나의 상사는 믿음성 있는 태도로 나를 대한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. 나에 관련된 의사결정들이 이루어지고 실행될 때 나의 상사는 종업원으로서의 나의 권리에 대한 관심을 보여준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. 나에 관련된 의사결정들이 이루어지고 실행될 때 나의 상사는 관련 사항들을 나와 이야기한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. 나의 상사는 나에 대하여 이루어진 의사결정에 대한 적절한 이유를 대고 나는 그 의사결정에 대한 정당성을 인정한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. 나의 상사는 나에 대하여 의사결정을 할 때에 나에게 이치에 닿는 설명을 한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. 나의 상사는 나에 대하여 이루어진 결정을 매우 명확하게 설명해 준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 11:** 이 장은 당신 업무가 어떠한가를 나타내는 진술들입니다. 각각의 특성이 당신의 업무에 나타나는 정도를 표하십시오.

1. 당신의 업무처리에 관하여 당신은 얼마나 많은 자율을 갖고 있습니까? 다시 말해서 업무를 어떻게 처리해야 할 것인가에 대하여 당신 스스로 결정하는 업무의 자율성을 당신은 어느정도 갖고 있습니까?	1	2	3	4	5	6	7
매우 작음: 업무를 언제 그리고 어떻게 수행되어야 하는지에 대해 거의 어떠한 개인적인 '자율'을 갖지 않는다				적당한 자율성: 업무의 많은 것들이 표준화 되어 있고 나의 통제하에 있지 않다. 그러나 나는 업무중 일정부분에 대해 어떤 결정을 할 수 있다.			매우 많음: 언제 그리고 어떻게 업무를 수행할 것인가를 결정하는데에 대한 모든 책임을 나는 갖고 있다.
2. 당신의 업무는 명백한 시작과 끝이 있는 하나의 완성된 일을 포함합니까? 혹은 다른 사람들에 의해 완성되는 전체적인 일 중의 하나의 작은 부분입니까?	1	2	3	4	5	6	7
나의 업무는 전체적인 일 중의 하나의 작은 부분이다.				나의 업무는 전체 일에서 적당한 크기의 분량이다.			나의 업무는 처음부터 끝까지 전체의 일을 포함한다.



3 일반적으로 당신의 업무는 얼마나 의미 있으며 중요합니까? 다시 말해서 당신의 업무의 결과는 다른 사람들 (즉, 동료, 상사 혹은 고객)의 삶이나 복지에 크게 영향을 줍니까?

1	2	3	4	5	6	7
매우 의미 없음: 내 일의 결과는 다른 사람들에게 중요한 영향을 줄 것 같지 않다.			적당히 중요하다.			대단히 중요함: 내 일의 결과는 매우 중요하게 다른 사람들에게 영향을 미칠 수 있다.

4 당신은 당신의 업무를 처리하기 위해 어느 정도까지 다양한 종류의 기술과 지식을 필요로 합니까?

1	2	3	4	5	6	7
매우 작음: 내 업무는 단지 하나의 기술이나 지식을 되풀이 하여 사용하여 수행한다.			적당한 다양성			매우 많음: 내 업무를 처리하기 위해 여러종류의 다양한 다른 지식과 기술을 필요로 한다.

5 당신의 업무 그 자체는 당신의 업무성과에 대하여 얼마나 많은 정보를 제공합니까? 다시 말해서 동료들이나 상사가 제공하는 피드백은 별도로, 실제의 일 그 자체가 당신이 일을 얼마나 잘 하는가에 대하여 실마리를 제공합니까?

1	2	3	4	5	6	7
매우 적음: 내가 얼마나 업무처리를 잘하고 있는 지에 대해 알지 못한채 계속해서 일하도록 업무 그 자체가 그렇게 되어 있다.			적당수준: 어떤 때는 그 일을 행함으로써 피드백을 받고 어떤 때는 그렇지 못하다.			매우 많음: 내가 얼마나 업무처리를 잘하고 있는 지에 대해 거의 끊임없이 피드백을 받도록 업무자체가 그렇게 설정되어 있다.

	매우 동의하지 않는다	상당히 동의하지 않는다	약간 동의하지 않는다	동의를 부정한다	약간 동의한다	상당히 동의한다	매우 동의한다
6. 내 업무처리를 위해서는 상당히 복잡하거나 높은 수준의 지식 혹은 기술을 익혀야 한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. 나의 업무는 처음부터 끝까지 전체적인 일을 할 기회를 갖지 않도록 짜여 있다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. 업무처리 하는 과정에서 내가 그 일을 얼마나 잘하고 있는지 알 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. 내 업무는 꽤 단순하다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. 나의 업무는 그 일이 잘 수행되는 가에 의하여 많은 사람들이 영향을 받는 그러한 것이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. 나의 업무는 개인의 독창력이나 판단력을 필요로 하는 것이 아니다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. 나의 업무는 내가 하는 일을 완전히 끝마치는 기회를 제공한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. 나의 업무 자체는 내가 얼마나 일을 잘 처리하고 있는 지에 대한 어떤 실마리도 거의 제공하지 않는다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. 나는 업무처리를 할 때 어떻게 그 일을 해야 하는지에 대한 상당한 자율성을 갖고 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. 나의 업무 자체는 보다 넓은 일의 기획에서 볼 때 그다지 의미 있거나 중요하지 않다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 12:** 다음의 각각의 진술은 직업 시장에서의 당신의 기술과 지식에 관한 것입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 나의 업무처리시 사용되는 기술과 지식은 다른 회사에서도 필요로 하는 지식과 기술이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 내가 이 은행을 그만두고 다른 회사에서 일한다면, 이 은행에서 익힌 기술과 지식은 쓸모없게 된다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 나의 업무처리와 관련된 기술과 지식은 주로 이 은행에서만 사용되는 것이다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 13:** 다음의 진술들은 당신의 업무처리와 관련된 것들입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 내가 열심히 시도하면 나는 항상 어려운 문제들을 해결할 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 누군가가 나에게 반대하더라도 나는 내가 원하는 것을 얻는 방법과 수단을 찾을 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 나는 마음 먹은 일을 해내는데 어려움이 없다고 생각한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 나는 예기치 않은 문제를 효율성 있게 처리할 수 있다고 확신한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. 나의 자질 덕택에 나는 예견치 못하는 상황을 처리할 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. 내가 필요한 노력을 투자하면 대부분의 문제들을 해결할 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. 나는 나의 문제 해결 능력을 믿으므로 어려운 일에 부딪쳤을 때도 당황하지 않는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. 나는 어떤 문제에 처해도 보통 여러 가지의 해결책을 찾을 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. 어떠한 문제에 부딪쳐도 나는 해결방법을 찾아낸다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. 새로운 문제에 부딪쳐도 나는 잘 처리해 낼 수 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 14:** 다음의 각각의 진술은 당신이 당신의 은행에 대해 어떻게 느끼는가에 관한 것입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동지도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1 나의 은행은 내가 은행을 위하여 하는 일을 가치 있게 여긴다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 만일 이 은행이 보다 낮은 보수로 나를 대체시킬 누군가를 고용할 수 있다면 그렇게 할 것이다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 이 은행은 내가 다른 사람들이 하는 것보다 더한 노력을 하더라도 알아주지 않는다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 이 은행은 나의 목표와 가치를 상당히 존중한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 이 은행은 내가 지적하는 문제점을 무시한다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 이 은행은 나에게 영향을 끼치는 의사결정을 할 때에 나의 최 우선의 관심사를 고려하지 않는다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 내가 문제가 생겼을 때 이 은행으로부터 도움이 가능하다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 이 은행은 진정으로 나의 복리 후생에 대해 보살핀다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 이 은행은 내 능력의 최대로 내가 업무를 수행하도록 하기위한 도움을 기꺼이 준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 비록 내가 최고의 업무 수행을 하더라도 이은행은 그것을 알아주지 않는다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 이 은행은 내가 특별한 도움을 필요로 할 때 기꺼이 도와 준다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 이 은행은 나의 직무수행과 관련하여 내가 전반적으로 만족할 수 있도록 배려한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13 이 은행은 기회가 주어 지면 나를 부려먹을 것이다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 이 은행은 나에게 별로 관심을 보이지 않는다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 이 은행은 나의 의견을 수용한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16 이 은행은 내가 업무에서 성취한 것을 자랑스러워 한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17 이 은행은 나의 업무를 될수록 재미있게 하려고 노력한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 15:** 다음 질문들은 당신의 직장에서 당신이 당신자신에 대하여 어떻게 느끼는 가에 관한 것입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1 나는 직장 (지점 혹은 부) 에서 중요한 축에 든다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 나는 직장 (지점 혹은 부) 에서 비중 있게 받아들여 진다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 내 생각으로 나 자신은 나의 직장 (지점 혹은 부) 에서 하나의 중요한 부분이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 나는 나의 직장 (지점 혹은 부) 에서 신뢰 받는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 나의 직장 (지점 혹은 부) 에서는 내 능력을 믿는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 내가 없으면 나의 직장 (지점 혹은 부)이 돌아가지 않는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 나는 나의 직장 (지점 혹은 부)에서 업무 및 그 외의 면에서도 보석처럼 빛나는 존재이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 나는 나의 직장 (지점 혹은 부) 에서 도움이 되는 존재이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 나는 나의 직장 (지점 혹은 부) 에서 효율적으로 일한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 나는 나의 직장 (지점 혹은 부) 에서 협력적이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 16:** 다음의 질문들은 집과 직장을 포함하는 당신의 일상생활에서 당신이 어떻게 느끼느냐에 관한 것입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 나는 매우 재미 있는 삶을 영위한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나는 보통 나의 하루를 충실하게 살기위한 방법들을 찾는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 대부분의 날들에서 나는 진정으로 재미있는 순간을 갖는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 날마다 재미있는 일들이 나에게 생긴다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. 내게 있어 삶은 대단한 모험이다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 17:** 다음의 진술들은 집과 직장에서의 생활을 포함하는 일상의 생활에서 당신이 어떻게 느끼는가에 관한 것입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 나는 자주 사소한 성가심에도 신경질이 난다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나는 초조함에 시달린다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 나의 기분은 가끔 들쭉날쭉 한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 사소한 퇴보에도 가끔 나의 기분이 너무 많이 상한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. 하루종일 초조한 날들이 있다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 18:**

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1 나는 이 은행에서 나의 삶의 나머지를 기꺼이 보내고 싶다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 나는 정말로 이 은행의 문제가 내 자신의 것처럼 느낀다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 나는 이 은행에서 ‘가족의 일부’처럼 느껴지지 <u>않는다</u> . (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 나는 감정적으로는 이 은행에 애착을 갖지 <u>않는다</u> . (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 이 은행은 나에게 아주 많은 개인적인 의미를 지닌다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 나는 이 은행에 강한 소속감을 느끼지 <u>않는다</u> . (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Section 19:** 다음의 각각의 진술은 직장에서 당신의 일반적인 평소 행동에 관한 것입니다.

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
1. 나는 결석해서 업무가 밀려있는 사람들을 돕는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. 나는 과중한 업무의 양을 지닌 사람들을 돕는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. 비록 요청 받지 않았다 해도 나는 신참자들을 적응시키는 것을 돕는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. 나는 업무와 관련하여 문제를 지닌 사람들을 돕는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
5 나는 여분의 휴식을 취하지 않는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 아무도 지켜보지 않아도 나는 은행의 규칙과 법칙을 지킨다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 나는 지각을 하지 않으며 정해진 기한 안에 업무를 끝낸다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 나는 점심시간이나 휴식 시간을 길게 갖지 않는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
9 나는 다른 직원들과 문제를 일으키지 않기 위하여, 사전에 문제발생의 소지를 없애려고 노력한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 나는 나의 행위가 다른 사람들의 직장생활에 어떻게 영향을 끼치는지를 고려한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 나는 다른 사람들의 권리를 악용하지 않는다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 나는 동료들과 문제가 생기더라도 좋게 해결하려고 한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13 나는 나의 행위가 동료들에게 미칠 영향을 고려한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
14 나는 사소한 일에 대하여 불평하느라 많은 시간을 보낸다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 나는 항상 긍정적인 면보다 무엇이 잘못되었는 지에 초점을 맞춘다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16 나는 하찮은 일을 확대하는 경향이 있다.( 실제의 것보다 문제를 크게 만든다.) (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17 나는 우리 은행이 하는 일에 대해 항상 트집을 잡으려 한다. (R)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	매우 동의하 지않는 다	상당히 동의하 지않는 다	약간 동의하 지않는 다	동의도 부정도 아니다	약간 동의한 다	상당 히 동의 한다	매우 동의한 다
18 나는 강제적인 것은 아니지만 중요하다고 여겨지면 모임에 참석한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 나는 요청되지는 않았더라도 은행의 이미지를 향상시키는 일들에는 참석한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20 나는 은행의 변화에 맞춰서 그 변화를 따라간다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21 나는 은행의 발전에 적극적으로 동참한다.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I. 나이 ( ) 세

II. 성별: 1. 여자 ( ) 2. 남자 ( )

III. 이 은행에서 얼마나 오래 근무하셨습니다?

1. ( ) 1년 6개월 미만      2. ( ) 1년 6개월 이상 - 3년 미만      3. ( ) 3년 이상 - 5년 미만  
4. ( ) 5년 이상 - 7년 미만      5. ( ) 7년 이상 - 10년 미만      6. ( ) 10년 이상 - 15년 미만  
7. ( ) 15년 이상

IV. 현재의 직위 (예, 행원, 계장, 대리등) 에서 얼마나 오래 근무 하셨습니다?

1. ( ) 6개월 미만      2. ( ) 6개월 이상 - 1년 미만      3. ( ) 1년 이상 - 2년 미만  
4. ( ) 2년 이상 - 3년 미만      5. ( ) 3년 이상 - 4년 미만      6. ( ) 4년 이상 - 5년 미만  
7. ( ) 5년 이상

V. 귀하는 초등학교부터 시작하여 귀하가 가진 최종학위 (혹은 최종 학위의 수료 혹은 중퇴) 까지 받은 교육기간이 총 몇년이나 됩니까? ( )년

VI. 결혼상태: 1. ( ) 미혼 2. ( ) 기혼

VII. 당신의 직위는 무엇입니까?

1. ( ) 행원      2. ( ) 계장      3. ( ) 대리      4. ( ) 과장  
5. ( ) 차장      6. ( ) 부지점장/부부장      7. ( ) 지점장/부장 혹은 그 이상

이 설문서를 작성해 주신 것에 감사드립니다.



## **Appendix II: The procedure for the preliminary factor analyses**

The preliminary factor analyses showed that items intended to measure the constructs of 12 employees' daily work experiences loaded on 12 factors (the K bank sample), 13 factors (the B bank sample) and 12 factors (the total sample). In the K bank sample, however, the items intended to measure promotional chances and job security concern loaded on the same factor (the 6<sup>th</sup> factor). On the other hand, the items intended to measure favourable training policies and practices loaded on two factors (the 3<sup>rd</sup> and 11<sup>th</sup> factors). The three items (7, 8, and 9) loaded on the 11<sup>th</sup> factor. In the B bank sample, the items intended to measure promotional chances and job security concern loaded on different factors. On the other hand, the items intended to measure favourable training policies and practices also loaded on two factors (the 3<sup>rd</sup> and 13<sup>th</sup> factors). The two items (7 and 8) loaded on the 13<sup>th</sup> factor. Thus, the items intended to measure employees' daily work experiences have 13 factors in the B bank sample. In the total sample, on the other hand, the items intended to measure each construct loaded on each intended factor, thereby having 12 factors.

As for items intended to measure favourable training policies and practices, in the K bank sample, although the magnitude of factor loading of item 9 on the 11<sup>th</sup> factor is slightly higher than that on the 3<sup>rd</sup> factor, the magnitude of factor loadings of item 9 on the 3<sup>rd</sup> factor and the 11<sup>th</sup> factor was similar – 0.541 for factor loading on the 3<sup>rd</sup> factor and 0.548 for factor loading on the 11<sup>th</sup> factor. Moreover, only two items (items 7 and 8) loaded on another factor in the B bank sample. Thus, two items (7 and 8) were deleted. Then, factor analyses were conducted

again. The results of the original factor analyses of items measuring employees' daily work experiences are shown in Appendices II-1 (the K bank sample), II-2 (the B bank sample), and II-3 (the total sample).

Other preliminary factor analyses of items measuring the constructs of positive affectivity and negative affectivity, the commitment construct, and the constructs of five dimensions of organisational citizenship behaviour showed that items loaded on the intended factor as expected.

On the other hand, the factor analyses of items measuring the three mediating constructs showed that the items loaded on four factors (the K bank sample), five factors (the B bank sample), and four factors (the total sample). In the K bank sample and the total sample, two items (6 and 7) intended to measure OBSE loaded on another one factor (the 4<sup>th</sup> factor). On the other hand, in the B bank sample, three items (5, 6, and 7) loaded on another two factors, i.e. for item 5, the 4<sup>th</sup> factor; for items 6 and 7, the 5<sup>th</sup> factor. Thus, two items that loaded on another factor in all three samples (items 6 and 7) were deleted. Then, factor analyses were again conducted. Although item 5 loaded on another factor in the B bank sample, because it loaded on its intended factor in the K bank sample and the total sample, the item was included in subsequent factor analyses. The results of the original factor analyses of items measuring the three mediating constructs are shown in Appendix II-4.

**Appendix II-1: Original factor analysis of items measuring employees' daily work experiences (K bank sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Job Complexity 1	.622	.243	.019	.128	.178
Job Complexity 2	.693	.151	-.015	.066	.058
Job Complexity 3	.736	.149	.072	.076	.044
Job Complexity 4	.742	.066	.084	-.019	.144
Job Complexity 5	.726	.122	.119	.080	.230
Job Complexity 6	.789	.078	.120	.055	.060
Job Complexity 7	.774	.108	.005	.055	.009
Job Complexity 8	.787	.183	.055	.092	.056
Job Complexity 9	.821	.095	.092	-.021	.013
Job Complexity 10	.717	.125	.050	.114	.108
Job Complexity 11	.772	.111	.041	.053	.018
Job Complexity 12	.646	.116	-.025	.125	-.086
Job Complexity 13	.762	.135	-.006	.031	-.011
Job Complexity 14	.677	.208	.031	.103	.058
Job Complexity 15	.802	.022	.063	.064	.083
Interactional Justice 1	.207	.738	.174	.172	.201
Interactional Justice 2	.182	.796	.146	.176	.150
Interactional Justice 3	.170	.779	.174	.231	.192
Interactional Justice 4	.145	.822	.172	.173	.154
Interactional Justice 5	.197	.784	.130	.239	.207
Interactional Justice 6	.228	.777	.104	.164	.249
Interactional Justice 7	.246	.766	.099	.168	.279
Interactional Justice 8	.256	.750	.085	.147	.279
Interactional Justice 9	.251	.710	.089	.180	.280
Favourable Training Policies 1	.127	.006	.711	.130	.140
Favourable Training Policies 2	.062	.156	.654	.195	.231
Favourable Training Policies 3	.075	.163	.738	.081	.091
Favourable Training Policies 4	.022	.115	.778	.150	.236
Favourable Training Policies 5	.047	.153	.719	.233	.166
Favourable Training Policies 6	.030	.117	.710	.129	.126
Favourable Training Policies 7	.133	.119	.440	.086	.266
Favourable Training Policies 8	.128	.124	.334	.152	.165
Favourable Training Policies 9	.109	.164	.541	.207	.140
Favourable Training Policies 10	.010	.293	.579	.059	.150
Distributive Justice 1	.119	.268	.258	.794	.141
Distributive Justice 2	.079	.209	.228	.814	.154
Distributive Justice 3	.138	.214	.208	.805	.167
Distributive Justice 4	.120	.228	.120	.766	.132
Distributive Justice 5	.136	.225	.104	.724	.234
Distributive Justice 6	.123	.220	.100	.725	.262
Formal Procedural Justice 1	.137	.219	.196	.238	.593
Formal Procedural Justice 2	.062	.302	.270	.200	.739
Formal Procedural Justice 3	.144	.373	.219	.213	.696
Formal Procedural Justice 4	.149	.319	.256	.177	.736
Formal Procedural Justice 5	.076	.293	.182	.196	.720
Formal Procedural Justice 6	.160	.383	.173	.145	.648
Formal Procedural Justice 7	.107	.381	.189	.225	.714

**Appendix II-1 (cont.): Original factor analysis of items measuring employees' daily work experiences (K bank sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Promotional Chances 1	.161	.103	.290	.254	.044
Promotional Chances 2	.149	.091	.241	.200	.089
Promotional Chances 3	.165	.018	.273	.307	.188
Job Security Concern 1	.173	.120	.054	.110	.081
Job Security Concern 2	.204	.229	.033	.048	.061
Job Security Concern 3	.207	.219	.065	.029	.047
Co-worker Support 1	.163	.148	.214	.117	.082
Co-worker Support 2	.165	.169	.190	.119	.080
Co-worker Support 3	.158	.148	.169	.112	.050
Supervisory Support 1	.165	.371	.200	.110	.150
Supervisory Support 2	.184	.374	.231	.149	.092
Supervisory Support 3	.152	.348	-.032	.055	.148
Supervisory Support 4	.163	.358	.196	.111	.145
Participatory Management 1	.295	.114	.185	.157	.262
Participatory Management 2	.318	.234	.113	.091	.126
Participatory Management 3	.239	.358	.109	.113	.129
Participatory Management 4	.292	.345	.206	.129	.092
Skill Transferability 1	.379	.020	.131	.079	.213
Skill Transferability 2	.145	.043	.070	.089	-.027
Skill Transferability 3	.120	.044	-.080	-.075	-.044
Role Clarity 1	.256	.111	.121	-.031	-.039
Role Clarity 2	.277	.005	.178	.118	.072
Role Clarity 3	.237	.128	.237	.141	.192
Eigenvalues	23.907	6.621	3.806	2.955	2.515
% Variance Explained	34.152	9.458	5.438	4.221	3.593

**Appendix II-1 (cont.): Original factor analysis of items measuring employees' daily work experiences (K bank sample)**

	Factor 6	Factor 7	Factor 8	Factor 9	Factor 10	Factor 11	Factor 12
Job Complexity 1	.081	.065	-.044	.151	-.018	-.052	.114
Job Complexity 2	.142	-.015	-.077	.169	-.053	.039	.082
Job Complexity 3	.126	.116	.122	-.107	-.102	-.057	-.020
Job Complexity 4	.116	.040	.099	.031	.079	-.072	-.079
Job Complexity 5	.030	.006	-.002	.046	.067	-.019	.021
Job Complexity 6	.088	.035	.068	.059	.134	-.025	-.050
Job Complexity 7	.034	.021	.032	.045	.027	.003	.088
Job Complexity 8	.082	.023	.091	.154	.072	.098	.012
Job Complexity 9	.037	.058	.010	.093	.054	.048	-.076
Job Complexity 10	.050	.097	.067	-.035	.026	-.071	.039
Job Complexity 11	.068	.062	.022	.116	.044	.051	.051
Job Complexity 12	.115	.081	.121	-.028	-.011	.238	.072
Job Complexity 13	.081	.086	.129	.111	.071	.156	.048
Job Complexity 14	.035	.138	.018	.143	.142	.144	.085
Job Complexity 15	.032	.089	.079	.088	.143	.012	.098
Interactional Justice 1	.117	.120	.169	.146	.055	.116	.009
Interactional Justice 2	.125	.109	.149	.103	.024	.112	.025
Interactional Justice 3	.091	.057	.173	.111	.037	.073	.013
Interactional Justice 4	.096	.074	.193	.077	.023	.081	.021
Interactional Justice 5	.063	.078	.090	.082	.022	.063	.051
Interactional Justice 6	.133	.061	.101	.140	-.004	.032	.003
Interactional Justice 7	.134	.125	.031	.090	.005	.016	-.011
Interactional Justice 8	.090	.064	.090	.084	.010	.027	.045
Interactional Justice 9	.137	.046	.037	.062	.028	-.063	.059
Favourable Training Policies 1	.173	.120	.222	.076	.013	.024	-.030
Favourable Training Policies 2	.126	.180	.062	.151	-.020	-.057	-.101
Favourable Training Policies 3	.032	.167	.151	.074	-.058	.079	.097
Favourable Training Policies 4	.050	.058	-.078	.098	.050	-.004	.036
Favourable Training Policies 5	-.016	.066	-.090	.065	.071	.062	.053
Favourable Training Policies 6	.078	.013	.132	.008	.052	.281	.099
Favourable Training Policies 7	.058	.222	.069	.022	-.102	.544	.035
Favourable Training Policies 8	.042	.171	.115	.139	-.057	.674	.045
Favourable Training Policies 9	.120	.029	.126	-.047	-.016	.548	.193
Favourable Training Policies 10	.105	.195	.010	-.028	.019	.431	.059
Distributive Justice 1	.064	.086	.087	.006	.042	-.041	.054
Distributive Justice 2	.054	.048	.061	.055	.051	-.022	.067
Distributive Justice 3	.128	.082	.073	.009	.023	-.036	.074
Distributive Justice 4	.063	.070	.043	.105	.029	.137	-.033
Distributive Justice 5	.115	.048	.031	.085	-.020	.171	.026
Distributive Justice 6	.098	.101	.021	.124	-.019	.122	-.025
Formal Procedural Justice 1	.063	.002	.117	.198	.069	.035	-.005
Formal Procedural Justice 2	.005	-.004	.100	.189	.037	-.001	.021
Formal Procedural Justice 3	.024	.023	.081	.111	.033	.005	.068
Formal Procedural Justice 4	.046	.085	.118	.076	-.056	.075	.035
Formal Procedural Justice 5	.137	.083	.139	.021	-.023	.178	.050
Formal Procedural Justice 6	.060	.191	-.071	-.003	.023	.101	-.016
Formal Procedural Justice 7	.133	.030	-.006	.017	-.003	.120	.033

**Appendix II-1 (cont.): Original factor analysis of items measuring employees' daily work experiences (K bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Promotional Chances 1	<b>.536</b>	.187	.243	.159	.050	.205	-.252
Promotional Chances 2	<b>.558</b>	.213	.340	.105	.048	.145	-.268
Promotional Chances 3	<b>.520</b>	.146	.184	.162	.065	.109	-.250
Job Security Concern 1	<b>.816</b>	.015	-.033	.154	.074	.019	.129
Job Security Concern 2	<b>.759</b>	-.002	-.079	.037	.028	-.067	.164
Job Security Concern 3	<b>.806</b>	.028	-.025	.082	.040	.039	.140
Co-worker Support 1	.093	<b>.807</b>	.148	.094	.064	.085	.125
Co-worker Support 2	.056	<b>.839</b>	.154	.120	.035	.061	.054
Co-worker Support 3	.034	<b>.843</b>	.136	.086	.093	.099	.068
Supervisory Support 1	-.001	.237	<b>.548</b>	.262	-.006	-.017	.241
Supervisory Support 2	.003	.168	<b>.657</b>	.165	-.005	.016	.178
Supervisory Support 3	-.018	.213	<b>.612</b>	-.038	.088	.156	-.084
Supervisory Support 4	.083	.214	<b>.599</b>	.159	.024	.073	.161
Participatory Management 1	.199	.175	.043	<b>.631</b>	-.015	.054	.062
Participatory Management 2	.259	.079	.111	<b>.674</b>	-.022	.046	.097
Participatory Management 3	.091	.107	.185	<b>.614</b>	.011	.038	.003
Participatory Management 4	.166	.165	.084	<b>.571</b>	.044	.074	-.041
Skill Transferability 1	.111	.141	.012	-.097	<b>.594</b>	-.117	-.046
Skill Transferability 2	.017	.058	.061	.052	<b>.875</b>	-.016	.001
Skill Transferability 3	.081	.007	-.012	.003	<b>.867</b>	.010	.018
Role Clarity 1	.144	.427	.394	.115	-.028	.127	<b>.519</b>
Role Clarity 2	.203	.309	.160	.012	-.001	.164	<b>.575</b>
Role Clarity 3	.164	.302	.221	.149	.018	.065	<b>.533</b>
Eigenvalues	2.200	1.979	1.565	1.345	1.100	1.060	1.016
% Variance Explained	3.143	2.827	2.236	1.921	1.572	1.514	1.451

**Appendix II-2: Original factor analysis of items measuring employees' daily work experiences (B bank sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Job Complexity 1	<b>.636</b>	.115	.084	.052	.156
Job Complexity 2	<b>.742</b>	.112	.023	.002	-.044
Job Complexity 3	<b>.754</b>	.164	.140	-.017	-.004
Job Complexity 4	<b>.774</b>	.131	.159	.055	.011
Job Complexity 5	<b>.764</b>	.131	.157	.084	.142
Job Complexity 6	<b>.801</b>	.122	.123	.027	.061
Job Complexity 7	<b>.825</b>	.032	.016	.057	.060
Job Complexity 8	<b>.778</b>	.099	.058	.055	.073
Job Complexity 9	<b>.814</b>	.014	.025	.079	.016
Job Complexity 10	<b>.742</b>	.107	.135	.045	.068
Job Complexity 11	<b>.840</b>	.024	.089	.033	.084
Job Complexity 12	<b>.756</b>	.104	.045	.031	.067
Job Complexity 13	<b>.774</b>	-.055	.099	.129	.181
Job Complexity 14	<b>.743</b>	.126	.019	.064	.107
Job Complexity 15	<b>.824</b>	.107	.048	.080	.073
Interactional Justice 1	.064	<b>.767</b>	.121	.151	.146
Interactional Justice 2	.164	<b>.813</b>	.125	.148	.123
Interactional Justice 3	.159	<b>.761</b>	.144	.222	.211
Interactional Justice 4	.162	<b>.799</b>	.096	.164	.185
Interactional Justice 5	.159	<b>.809</b>	.097	.129	.160
Interactional Justice 6	.147	<b>.811</b>	.089	.142	.187
Interactional Justice 7	.149	<b>.769</b>	.087	.153	.215
Interactional Justice 8	.122	<b>.816</b>	.077	.118	.262
Interactional Justice 9	.161	<b>.789</b>	.077	.137	.259
Favourable Training Policies 1	.069	.117	<b>.775</b>	.036	.098
Favourable Training Policies 2	.094	.223	<b>.600</b>	-.029	.050
Favourable Training Policies 3	.164	.091	<b>.709</b>	.093	.122
Favourable Training Policies 4	.074	.047	<b>.765</b>	.095	.194
Favourable Training Policies 5	.080	.080	<b>.702</b>	.162	.220
Favourable Training Policies 6	.091	.056	<b>.741</b>	.176	.166
Favourable Training Policies 7	.082	.098	.358	.075	-.004
Favourable Training Policies 8	.091	.107	.414	.109	.129
Favourable Training Policies 9	.115	.103	<b>.688</b>	.237	.195
Favourable Training Policies 10	.144	.115	<b>.693</b>	.130	.261
Distributive Justice 1	.074	.196	.145	<b>.801</b>	.072
Distributive Justice 2	.043	.212	.157	<b>.835</b>	.096
Distributive Justice 3	.097	.204	.182	<b>.813</b>	.111
Distributive Justice 4	.171	.227	.125	<b>.695</b>	.123
Distributive Justice 5	.110	.161	.066	<b>.801</b>	.171
Distributive Justice 6	.086	.163	.124	<b>.778</b>	.174
Formal Procedural Justice 1	.118	.295	.185	.173	<b>.532</b>
Formal Procedural Justice 2	.159	.246	.193	.093	<b>.707</b>
Formal Procedural Justice 3	.201	.233	.292	.116	<b>.730</b>
Formal Procedural Justice 4	.081	.309	.194	.109	<b>.730</b>
Formal Procedural Justice 5	.174	.256	.192	.204	<b>.731</b>
Formal Procedural Justice 6	.107	.308	.228	.100	<b>.654</b>
Formal Procedural Justice 7	.139	.318	.248	.146	<b>.718</b>

**Appendix II-2 (cont.): Original factor analysis of items measuring employees' daily work experiences (B bank sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Co-worker Support 1	.090	.128	.112	.080	.025
Co-worker Support 2	.096	.170	.117	.084	.092
Co-worker Support 3	.062	.129	.098	.145	.111
Supervisory Support 1	.072	.329	.121	.025	.054
Supervisory Support 2	.084	.341	.134	.147	-.027
Supervisory Support 3	.029	.335	-.048	.095	.024
Supervisory Support 4	.096	.296	.178	.155	.058
Promotional Chances 1	.109	.135	.070	.268	.109
Promotional Chances 2	.142	.168	.160	.190	.094
Promotional Chances 3	.106	.178	.173	.273	.091
Participatory Management 1	.285	.069	.171	.075	.164
Participatory Management 2	.247	.119	.136	.050	.135
Participatory Management 3	.151	.262	.076	.244	.110
Participatory Management 4	.155	.249	.087	.132	.131
Job Security Concern 1	.036	.138	.103	.134	.144
Job Security Concern 2	.110	.127	.102	.196	.020
Job Security Concern 3	.105	.055	.058	.131	.104
Role Clarity 1	.191	.043	-.059	-.117	-.108
Role Clarity 2	.212	.099	.132	.037	.078
Role Clarity 3	.169	.117	.187	.010	.100
Skill Transferability 1	.261	.087	.228	.054	.051
Skill Transferability 2	.116	.023	.033	.013	.014
Skill Transferability 3	.053	-.032	-.034	.019	-.027
Eigenvalues	19.485	7.021	4.128	3.324	3.101
% Variance Explained	27.836	10.030	5.896	4.749	4.430



**Appendix II-2 (cont.): Original factor analysis of items measuring employees' daily work experiences (B bank sample)**

	Factor 6	Factor 7	Factor 8	Factor 9	Factor 10	Factor 11	Factor 12	Factor 13
Job Complexity 1	.049	-.104	.015	.158	.120	.001	-.084	.093
Job Complexity 2	.131	-.087	-.014	.084	.097	.028	-.015	-.021
Job Complexity 3	.081	-.032	.016	.083	.091	.098	.028	.023
Job Complexity 4	.068	-.073	.069	.184	.022	.042	.092	.050
Job Complexity 5	.045	-.036	.063	.095	.030	.004	.036	-.052
Job Complexity 6	.042	-.040	.079	.134	.057	.059	.177	.016
Job Complexity 7	-.002	.131	-.038	-.026	.021	.038	-.002	-.006
Job Complexity 8	.090	.103	.075	.052	.061	-.004	.017	-.016
Job Complexity 9	-.031	.074	.013	-.038	.029	.004	.007	-.036
Job Complexity 10	.006	.089	.014	.072	-.003	.034	.012	-.063
Job Complexity 11	-.091	.033	.022	.011	-.050	.073	.011	.043
Job Complexity 12	.076	.053	.134	-.060	.004	.067	.022	-.044
Job Complexity 13	.012	.118	.060	.013	-.015	.092	.096	.095
Job Complexity 14	.029	.047	.021	.129	.034	.113	.073	.131
Job Complexity 15	-.054	.057	-.021	.053	-.017	.090	.074	.065
Interactional Justice 1	.089	.221	.062	.120	.139	.022	-.018	.014
Interactional Justice 2	.083	.162	.071	.101	.067	.010	.013	-.060
Interactional Justice 3	.076	.137	.081	.060	.050	-.036	-.023	-.049
Interactional Justice 4	.075	.172	.016	.107	.062	.057	-.027	.089
Interactional Justice 5	.144	.125	.028	.096	.064	.103	-.013	.087
Interactional Justice 6	.093	.087	.025	.056	.046	.072	.009	.023
Interactional Justice 7	.048	.107	.069	.091	.023	.051	.041	.113
Interactional Justice 8	-.001	.090	.118	.062	.051	.061	.058	.047
Interactional Justice 9	.002	.050	.138	.011	-.014	.027	.037	-.006
Favourable Training Policies 1	.056	-.017	.066	.134	.021	.080	.052	-.049
Favourable Training Policies 2	.155	-.120	.013	.212	.025	.102	.020	-.031
Favourable Training Policies 3	.110	-.007	-.029	.101	.083	.051	-.030	.002
Favourable Training Policies 4	.030	.078	.092	-.024	-.001	.065	.094	.037
Favourable Training Policies 5	.002	.115	.067	-.060	.133	.030	.034	.075
Favourable Training Policies 6	-.044	.072	.079	.038	.058	-.031	-.024	.158
Favourable Training Policies 7	.149	-.033	.156	-.036	.021	.064	-.007	.664
Favourable Training Policies 8	.089	.084	.020	.066	.035	-.005	-.037	.652
Favourable Training Policies 9	.116	.138	.033	.050	-.004	-.016	.039	.300
Favourable Training Policies 10	.003	.104	.132	-.052	.018	.034	.016	.214
Distributive Justice 1	.051	.092	.138	.112	.029	.046	.024	.069
Distributive Justice 2	.050	.052	.101	.107	.022	.038	.054	.029
Distributive Justice 3	.048	.049	.072	.101	.093	.020	.066	.064
Distributive Justice 4	.106	.021	.123	.073	.152	.004	-.065	.068
Distributive Justice 5	.058	.044	.142	.022	.113	.003	.017	-.016
Distributive Justice 6	.051	.101	.113	-.016	.147	-.057	-.009	-.022
Formal Procedural Justice 1	.088	.056	.103	.101	-.019	-.052	-.053	-.150
Formal Procedural Justice 2	.095	-.039	.060	.193	.003	.040	.026	-.011
Formal Procedural Justice 3	.062	.116	.081	.008	.091	.002	.027	.059
Formal Procedural Justice 4	.061	.072	.025	.112	.102	.048	.003	.132
Formal Procedural Justice 5	.024	.050	.093	.052	.065	.048	-.015	.055
Formal Procedural Justice 6	.018	-.045	-.002	-.100	.103	-.042	.047	.012
Formal Procedural Justice 7	-.004	-.057	.037	.032	.062	.076	-.010	.019

**Appendix II-2 (cont.): Original factor analysis of items measuring employees' daily work experiences (B bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>	<b>Factor 13</b>
Co-worker Support 1	<b>.836</b>	.161	.080	.058	.059	.163	.010	.075
Co-worker Support 2	<b>.840</b>	.141	.082	.071	-.023	.078	-.047	.032
Co-worker Support 3	<b>.837</b>	.136	.047	-.017	.083	.122	-.055	.080
Supervisory Support 1	.198	<b>.695</b>	.043	.193	-.063	.128	-.072	.060
Supervisory Support 2	.216	<b>.741</b>	.081	.184	-.032	.089	.010	.017
Supervisory Support 3	.140	<b>.678</b>	.048	.019	.112	.077	.108	.024
Supervisory Support 4	.057	<b>.573</b>	.066	.218	.020	.199	-.019	-.039
Promotional Chances 1	.122	.115	<b>.792</b>	.106	.144	.037	.076	.096
Promotional Chances 2	.069	.089	<b>.908</b>	.104	.106	.051	.085	.058
Promotional Chances 3	.055	-.007	<b>.784</b>	.130	.135	-.032	.039	.009
Participatory Management 1	-.001	.007	.257	<b>.681</b>	.111	.193	.028	.053
Participatory Management 2	.028	.164	.176	<b>.729</b>	.066	-.016	.051	.010
Participatory Management 3	.028	.168	-.115	<b>.606</b>	.138	.133	.119	.053
Participatory Management 4	.087	.227	.080	<b>.622</b>	.049	-.057	.006	-.069
Job Security Concern 1	-.004	.009	.133	.103	<b>.822</b>	-.036	.083	.072
Job Security Concern 2	.133	-.050	.075	.090	<b>.731</b>	.013	.032	-.146
Job Security Concern 3	-.009	.077	.109	.050	<b>.855</b>	-.007	.016	.104
Role Clarity 1	.195	.123	-.024	.110	-.004	<b>.679</b>	.053	.192
Role Clarity 2	.115	.069	.069	.001	-.033	<b>.824</b>	-.074	-.071
Role Clarity 3	.083	.153	.002	.046	-.005	<b>.800</b>	-.061	-.035
Skill Transferability 1	.132	.036	.098	.091	-.006	-.016	<b>.651</b>	-.227
Skill Transferability 2	-.098	.024	.042	.013	.060	-.012	<b>.837</b>	.019
Skill Transferability 3	-.054	-.018	.036	.041	.044	-.049	<b>.854</b>	.079
Eigenvalues	2.228	1.923	1.679	1.596	1.490	1.404	1.189	1.041
% Variance Explained	3.183	2.747	2.399	2.279	2.128	2.006	1.699	1.487

**Appendix II-3: Original factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Job Complexity 1	<b>.635</b>	.191	.093	.102	.168
Job Complexity 2	<b>.726</b>	.124	.023	.043	.029
Job Complexity 3	<b>.740</b>	.152	.133	.044	.038
Job Complexity 4	<b>.752</b>	.111	.140	.023	.079
Job Complexity 5	<b>.742</b>	.126	.144	.099	.196
Job Complexity 6	<b>.790</b>	.113	.143	.046	.063
Job Complexity 7	<b>.807</b>	.062	.039	.060	.046
Job Complexity 8	<b>.783</b>	.149	.105	.083	.070
Job Complexity 9	<b>.816</b>	.068	.063	.030	.058
Job Complexity 10	<b>.728</b>	.127	.110	.088	.095
Job Complexity 11	<b>.815</b>	.073	.036	.034	.055
Job Complexity 12	<b>.715</b>	.102	.082	.083	.003
Job Complexity 13	<b>.780</b>	.062	.067	.077	.088
Job Complexity 14	<b>.719</b>	.170	.099	.092	.084
Job Complexity 15	<b>.815</b>	.074	.098	.076	.070
Interactional Justice 1	.146	<b>.747</b>	.184	.160	.180
Interactional Justice 2	.186	<b>.795</b>	.171	.159	.145
Interactional Justice 3	.174	<b>.766</b>	.181	.223	.204
Interactional Justice 4	.173	<b>.793</b>	.194	.167	.174
Interactional Justice 5	.182	<b>.793</b>	.147	.187	.184
Interactional Justice 6	.192	<b>.797</b>	.119	.155	.213
Interactional Justice 7	.204	<b>.773</b>	.128	.162	.235
Interactional Justice 8	.195	<b>.791</b>	.111	.136	.254
Interactional Justice 9	.211	<b>.762</b>	.102	.162	.256
Favourable Training Policies 1	.112	.108	<b>.727</b>	.080	.121
Favourable Training Policies 2	.079	.215	<b>.594</b>	.082	.143
Favourable Training Policies 3	.141	.119	<b>.731</b>	.096	.115
Favourable Training Policies 4	.065	.099	<b>.757</b>	.140	.204
Favourable Training Policies 5	.085	.122	<b>.717</b>	.213	.185
Favourable Training Policies 6	.119	.084	<b>.797</b>	.162	.132
Favourable Training Policies 7	.128	.101	<b>.561</b>	.065	.121
Favourable Training Policies 8	.161	.109	<b>.616</b>	.115	.123
Favourable Training Policies 9	.162	.125	<b>.761</b>	.203	.152
Favourable Training Policies 10	.166	.192	<b>.747</b>	.104	.185
Distributive Justice 1	.107	.239	.223	<b>.791</b>	.109
Distributive Justice 2	.077	.208	.223	<b>.816</b>	.131
Distributive Justice 3	.132	.212	.230	<b>.800</b>	.140
Distributive Justice 4	.166	.227	.187	<b>.726</b>	.131
Distributive Justice 5	.138	.191	.133	<b>.764</b>	.206
Distributive Justice 6	.122	.195	.167	<b>.751</b>	.215
Formal Procedural Justice 1	.140	.251	.198	.206	<b>.584</b>
Formal Procedural Justice 2	.117	.271	.238	.150	<b>.731</b>
Formal Procedural Justice 3	.193	.296	.315	.176	<b>.699</b>
Formal Procedural Justice 4	.132	.316	.295	.147	<b>.713</b>
Formal Procedural Justice 5	.149	.266	.277	.199	<b>.712</b>
Formal Procedural Justice 6	.140	.341	.223	.125	<b>.658</b>
Formal Procedural Justice 7	.136	.351	.262	.185	<b>.713</b>

**Appendix II-3 (cont.): Original factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Co-worker Support 1	.127	.133	.198	.096	.055
Co-worker Support 2	.133	.168	.184	.099	.084
Co-worker Support 3	.114	.137	.178	.124	.072
Supervisory Support 1	.120	.331	.185	.079	.107
Supervisory Support 2	.138	.340	.207	.166	.038
Supervisory Support 3	.092	.321	.012	.083	.089
Supervisory Support 4	.137	.310	.217	.142	.107
Job Security Concern 1	.117	.129	.128	.128	.106
Job Security Concern 2	.164	.165	.069	.136	.050
Job Security Concern 3	.169	.121	.121	.096	.077
Participatory Management 1	.293	.102	.180	.112	.212
Participatory Management 2	.288	.180	.132	.073	.127
Participatory Management 3	.209	.302	.136	.175	.116
Participatory Management 4	.230	.300	.113	.132	.111
Promotional Chances 1	.141	.154	.215	.231	.075
Promotional Chances 2	.158	.161	.234	.159	.098
Promotional Chances 3	.141	.141	.230	.278	.131
Skill Transferability 1	.314	.063	.137	.075	.142
Skill Transferability 2	.141	.043	.067	.051	-.006
Skill Transferability 3	.098	.007	-.018	-.023	-.036
Role Clarity 1	.228	.084	.082	-.086	-.071
Role Clarity 2	.248	.104	.174	.082	.069
Role Clarity 3	.204	.155	.222	.123	.132
Eigenvalues	23.195	6.416	3.759	3.137	2.723
% Variance Explained	33.136	9.166	5.370	4.482	3.890

**Appendix II-3 (cont.): Original factor analysis of items measuring employees' daily work experiences (total sample)**

	Factor 6	Factor 7	Factor 8	Factor 9	Factor 10	Factor 11	Factor 12
Job Complexity 1	.065	-.072	.109	.149	-.007	-.040	.062
Job Complexity 2	.075	-.045	.134	.116	-.016	-.045	.009
Job Complexity 3	.084	.053	.103	.019	.032	-.001	.064
Job Complexity 4	.038	-.003	.045	.126	.089	.115	.029
Job Complexity 5	.029	-.008	.040	.086	.015	.071	.003
Job Complexity 6	.022	.002	.022	.106	.094	.176	.050
Job Complexity 7	.017	.094	.044	.018	-.039	.016	.041
Job Complexity 8	.056	.104	.077	.101	.070	.052	.022
Job Complexity 9	.018	.016	.012	.043	.051	.037	.002
Job Complexity 10	.028	.060	.012	.047	.018	.055	.070
Job Complexity 11	-.023	.006	-.021	.053	.063	.022	.097
Job Complexity 12	.070	.111	.067	-.053	.100	.001	.075
Job Complexity 13	.043	.142	.035	.034	.092	.069	.088
Job Complexity 14	.092	.057	.042	.110	.022	.098	.104
Job Complexity 15	.011	.067	.003	.071	.019	.115	.107
Interactional Justice 1	.100	.214	.110	.119	.103	.021	.054
Interactional Justice 2	.085	.168	.080	.100	.094	.022	.046
Interactional Justice 3	.071	.149	.059	.097	.078	.019	.008
Interactional Justice 4	.069	.204	.074	.080	.050	-.001	.054
Interactional Justice 5	.111	.128	.063	.084	.017	.001	.083
Interactional Justice 6	.072	.101	.086	.115	.044	.007	.061
Interactional Justice 7	.084	.080	.076	.103	.061	.029	.045
Interactional Justice 8	.031	.091	.068	.087	.068	.045	.070
Interactional Justice 9	.025	.025	.056	.064	.080	.054	.064
Favourable Training Policies 1	.061	.011	.035	.173	.120	.091	.107
Favourable Training Policies 2	.143	-.123	-.018	.249	.105	.045	.100
Favourable Training Policies 3	.118	.047	.045	.138	-.011	.004	.080
Favourable Training Policies 4	.036	-.052	.004	.118	.035	.110	.069
Favourable Training Policies 5	.037	-.010	.052	.054	.005	.084	.036
Favourable Training Policies 6	-.015	.110	.094	.045	.038	.057	.019
Favourable Training Policies 7	.179	.122	.042	-.110	.200	-.115	.061
Favourable Training Policies 8	.123	.203	.062	-.018	.124	-.097	.006
Favourable Training Policies 9	.050	.168	.080	.055	.076	.009	.061
Favourable Training Policies 10	.063	.089	.072	-.034	.106	.036	.067
Distributive Justice 1	.066	.077	.023	.078	.112	.054	.070
Distributive Justice 2	.046	.067	.030	.094	.079	.070	.048
Distributive Justice 3	.059	.064	.096	.064	.084	.064	.052
Distributive Justice 4	.081	.045	.088	.073	.116	-.036	.009
Distributive Justice 5	.054	.061	.113	.050	.116	-.010	.022
Distributive Justice 6	.073	.076	.116	.056	.104	-.012	-.020
Formal Procedural Justice 1	.048	.096	.006	.146	.109	.029	-.017
Formal Procedural Justice 2	.029	.036	-.004	.194	.037	.032	.021
Formal Procedural Justice 3	.035	.111	.075	.069	.016	.042	.020
Formal Procedural Justice 4	.068	.099	.062	.091	.055	-.016	.062
Formal Procedural Justice 5	.040	.118	.093	.021	.111	-.014	.070
Formal Procedural Justice 6	.105	-.037	.076	.058	.026	.045	.001
Formal Procedural Justice 7	.040	-.025	.092	.031	.052	-.001	.081

**Appendix II-3 (cont.): Original factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Co-worker Support 1	<b>.820</b>	.167	.072	.085	.079	.040	.186
Co-worker Support 2	<b>.833</b>	.148	.004	.107	.097	.009	.131
Co-worker Support 3	<b>.845</b>	.145	.051	.038	.066	.023	.139
Supervisory Support 1	.203	<b>.642</b>	-.023	.238	.016	-.027	.174
Supervisory Support 2	.182	<b>.690</b>	-.021	.202	.060	.019	.136
Supervisory Support 3	.169	<b>.681</b>	.034	-.016	.086	.097	.037
Supervisory Support 4	.108	<b>.578</b>	.045	.211	.070	.024	.224
Job Security Concern 1	.014	.003	<b>.808</b>	.132	.195	.085	.038
Job Security Concern 2	.073	-.038	<b>.780</b>	.101	.069	.056	.037
Job Security Concern 3	.025	.072	<b>.848</b>	.080	.137	.034	.025
Participatory Management 1	.069	.017	.109	<b>.660</b>	.207	.013	.167
Participatory Management 2	.044	.146	.160	<b>.707</b>	.140	.015	.052
Participatory Management 3	.058	.212	.116	<b>.588</b>	-.008	.056	.084
Participatory Management 4	.145	.170	.102	<b>.599</b>	.116	.028	-.022
Promotional Chances 1	.122	.092	.182	.135	<b>.754</b>	.067	.070
Promotional Chances 2	.101	.122	.176	.106	<b>.763</b>	.076	.075
Promotional Chances 3	.064	-.010	.168	.161	<b>.714</b>	.077	.036
Skill Transferability 1	.116	.004	.039	.050	.072	<b>.658</b>	.005
Skill Transferability 2	-.017	.041	.021	.026	.058	<b>.847</b>	.014
Skill Transferability 3	-.012	.030	.092	-.004	.022	<b>.845</b>	-.031
Role Clarity 1	.276	.256	.039	.101	.062	-.001	<b>.624</b>
Role Clarity 2	.139	.059	.041	.009	.077	-.023	<b>.803</b>
Role Clarity 3	.130	.113	.039	.118	.023	.002	<b>.767</b>
Eigenvalues	2.154	1.856	1.577	1.440	1.203	1.139	1.058
% Variance Explained	3.077	2.651	2.253	2.057	1.719	1.627	1.512

**Appendix II-4: Original factor analysis of items measuring the hypothesised mediating constructs in Model 1**

	<b>K Bank Sample</b>				<b>B Bank Sample</b>				
	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
POS 1	.514	.242	.393	-.046	.509	.191	.399	.103	-.031
POS 2	.612	.122	.146	.133	.742	.062	.052	.081	.171
POS 3	.763	.121	.180	.023	.790	.036	.052	.111	.014
POS 4	.678	.138	.271	.102	.736	.077	.074	.054	.148
POS 5	.776	.121	.186	-.054	.747	.123	.132	.096	-.028
POS 6	.763	.072	.102	.022	.782	.149	.107	.038	.013
POS 7	.604	.175	.159	.132	.718	.069	.153	-.033	.033
POS 8	.631	.185	.177	.150	.761	.211	.007	.138	.074
POS 9	.765	.176	.138	.170	.776	.073	.013	.087	.074
POS 10	.825	.099	.088	-.011	.834	.032	.127	.054	.005
POS 11	.755	.182	.126	.190	.781	.132	.102	.032	.038
POS 12	.800	.134	.163	.089	.811	.106	.111	.033	.027
POS 13	.811	.131	.134	.067	.808	.031	.091	.030	.122
POS 14	.802	.094	.166	.014	.804	.056	.173	.041	.036
POS 15	.687	.175	.225	.052	.770	.137	.163	.045	.043
POS 16	.754	.135	.210	.159	.765	.164	.137	.026	.139
POS 17	.701	.091	.055	.230	.737	.107	.089	.009	.193
Self-Efficacy 1	.041	.661	.309	-.364	.101	.728	.151	.169	-.129
Self-Efficacy 2	.168	.734	.038	.056	.161	.739	.232	-.013	.063
Self-Efficacy 3	.209	.776	.118	.012	.175	.753	.154	-.022	.113
Self-Efficacy 4	.172	.820	.233	.043	.149	.775	.008	.174	.084
Self-Efficacy 5	.131	.783	.240	.095	.149	.734	-.079	.211	.117
Self-Efficacy 6	.146	.809	.203	-.046	.105	.786	.014	.156	-.072
Self-Efficacy 7	.126	.808	.251	.126	.117	.731	-.035	.147	.144
Self-Efficacy 8	.174	.818	.260	.070	.076	.783	.026	.140	.092
Self-Efficacy 9	.145	.774	.265	.102	.071	.791	.179	.086	.032
Self-Efficacy 10	.109	.768	.290	.018	.017	.805	.245	.029	-.003
OBSE 1	.267	.355	.671	.139	.259	.140	.799	.200	.081
OBSE 2	.275	.345	.637	.233	.278	.074	.763	.254	.227
OBSE 3	.230	.248	.730	.063	.232	.201	.747	.228	.071
OBSE 4	.250	.313	.745	.145	.255	.207	.550	.484	.184
OBSE 5	.273	.319	.754	.194	.071	.313	.498	.511	.234
OBSE 6	.283	.017	.196	.821	.221	.133	.227	-.024	.827
OBSE 7	.324	.167	.427	.665	.274	.141	.171	.225	.784
OBSE 8	.244	.278	.693	.207	.150	.225	.273	.754	.221
OBSE 9	.203	.304	.767	.016	.110	.242	.213	.784	.075
OBSE 10	.187	.281	.762	-.071	.011	.289	.234	.716	-.200
Eigenvalues	9.816	7.182	5.527	1.715	10.396	6.488	3.136	2.657	1.776
% Variance Explained	26.530	19.410	14.937	4.634	28.097	17.535	8.477	7.182	4.801

**Appendix II-4 (cont.): Original factor analysis of items measuring the hypothesised mediating constructs in Model 1**

	<b>Total Sample</b>			
	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>
POS 1	<b>.521</b>	.221	.397	-.047
POS 2	<b>.698</b>	.101	.135	.132
POS 3	<b>.783</b>	.086	.174	.014
POS 4	<b>.717</b>	.122	.208	.119
POS 5	<b>.773</b>	.126	.198	-.042
POS 6	<b>.777</b>	.125	.123	.018
POS 7	<b>.686</b>	.131	.154	.045
POS 8	<b>.716</b>	.212	.154	.064
POS 9	<b>.784</b>	.135	.131	.102
POS 10	<b>.838</b>	.069	.140	-.005
POS 11	<b>.782</b>	.156	.137	.116
POS 12	<b>.816</b>	.133	.155	.060
POS 13	<b>.817</b>	.089	.145	.100
POS 14	<b>.810</b>	.083	.183	.036
POS 15	<b>.734</b>	.168	.204	.064
POS 16	<b>.765</b>	.161	.180	.162
POS 17	<b>.728</b>	.111	.084	.219
Self-Efficacy 1	.090	<b>.691</b>	.274	-.246
Self-Efficacy 2	.156	<b>.729</b>	.124	.077
Self-Efficacy 3	.193	<b>.755</b>	.140	.088
Self-Efficacy 4	.182	<b>.799</b>	.196	.056
Self-Efficacy 5	.161	<b>.769</b>	.178	.083
Self-Efficacy 6	.137	<b>.801</b>	.173	-.064
Self-Efficacy 7	.146	<b>.777</b>	.195	.124
Self-Efficacy 8	.141	<b>.803</b>	.211	.080
Self-Efficacy 9	.120	<b>.776</b>	.214	.084
Self-Efficacy 10	.080	<b>.779</b>	.263	.015
OBSE 1	.285	.231	<b>.724</b>	.118
OBSE 2	.294	.195	<b>.717</b>	.226
OBSE 3	.240	.207	<b>.739</b>	.082
OBSE 4	.253	.252	<b>.762</b>	.137
OBSE 5	.212	.312	<b>.781</b>	.175
OBSE 6	.260	.060	.199	<b>.838</b>
OBSE 7	.308	.171	.371	<b>.708</b>
OBSE 8	.209	.252	<b>.740</b>	.159
OBSE 9	.180	.287	<b>.766</b>	.011
OBSE 10	.147	.281	<b>.767</b>	-.119
Eigenvalues	10.429	6.779	5.664	1.642
% Variance Explained	28.186	18.323	15.307	4.437



**Appendix III-1: Factor analysis of items measuring employees' daily work experiences (K bank sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Job Complexity 1	<b>.623</b>	.241	.024	.126	.180
Job Complexity 2	<b>.695</b>	.152	-.005	.058	.058
Job Complexity 3	<b>.734</b>	.142	.053	.053	.053
Job Complexity 4	<b>.736</b>	.063	.054	.148	.148
Job Complexity 5	<b>.723</b>	.119	.104	.230	.230
Job Complexity 6	<b>.785</b>	.075	.100	.065	.060
Job Complexity 7	<b>.775</b>	.106	.010	.051	.014
Job Complexity 8	<b>.792</b>	.182	.083	.091	.056
Job Complexity 9	<b>.821</b>	.096	.089	-.019	.013
Job Complexity 10	<b>.714</b>	.121	.025	.115	.113
Job Complexity 11	<b>.777</b>	.110	.054	.055	.019
Job Complexity 12	<b>.658</b>	.116	.042	.128	-.089
Job Complexity 13	<b>.770</b>	.135	.044	.026	-.011
Job Complexity 14	<b>.686</b>	.208	.074	.106	.055
Job Complexity 15	<b>.802</b>	.020	.062	.073	.080
Interactional Justice 1	.210	<b>.736</b>	.206	.174	.202
Interactional Justice 2	.187	<b>.794</b>	.181	.178	.151
Interactional Justice 3	.175	<b>.775</b>	.198	.229	.196
Interactional Justice 4	.152	<b>.817</b>	.202	.173	.157
Interactional Justice 5	.196	<b>.782</b>	.144	.242	.208
Interactional Justice 6	.227	<b>.775</b>	.113	.171	.248
Interactional Justice 7	.246	<b>.764</b>	.101	.173	.280
Interactional Justice 8	.255	<b>.749</b>	.087	.153	.277
Interactional Justice 9	.245	<b>.707</b>	.071	.185	.284
Favourable Training Policies 1	.119	.049	<b>.696</b>	.120	.150
Favourable Training Policies 2	.052	.147	<b>.604</b>	.195	.238
Favourable Training Policies 3	.075	.151	<b>.738</b>	.077	.099
Favourable Training Policies 4	.020	.104	<b>.751</b>	.154	.241
Favourable Training Policies 5	.047	.141	<b>.714</b>	.244	.165
Favourable Training Policies 6	.038	.109	<b>.772</b>	.127	.126
Favourable Training Policies 9	.124	.165	<b>.670</b>	.201	.130
Favourable Training Policies 10	.116	.289	<b>.684</b>	.063	.144
Distributive Justice 1	.117	.259	.239	<b>.797</b>	.142
Distributive Justice 2	.078	.202	.214	<b>.818</b>	.152
Distributive Justice 3	.135	.207	.189	<b>.811</b>	.164
Distributive Justice 4	.131	.225	.156	<b>.771</b>	.123
Distributive Justice 5	.147	.222	.153	<b>.728</b>	.225
Distributive Justice 6	.131	.218	.128	<b>.733</b>	.252
Formal Procedural Justice 1	.136	.218	.196	.238	<b>.593</b>
Formal Procedural Justice 2	.058	.297	.260	.202	<b>.740</b>
Formal Procedural Justice 3	.142	.369	.216	.214	<b>.698</b>
Formal Procedural Justice 4	.150	.313	.270	.179	<b>.738</b>
Formal Procedural Justice 5	.082	.289	.233	.195	<b>.720</b>
Formal Procedural Justice 6	.163	.379	.205	.145	<b>.649</b>
Formal Procedural Justice 7	.109	.377	.223	.224	<b>.714</b>

**Appendix III-1 (cont.): Factor analysis of items measuring employees' daily work experiences (K bank sample)**

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Promotional Chances 1	.161	.099	.344	.235	.048
Promotional Chances 2	.153	.086	.280	.180	.096
Promotional Chances 3	.169	.014	.287	.324	.184
Job Security Concern 1	.171	.119	.063	.114	.078
Job Security Concern 2	.201	.224	.025	.005	.064
Job Security Concern 3	.208	.216	.079	.034	.047
Co-worker Support 1	.160	.145	.228	.114	.085
Co-worker Support 2	.163	.166	.199	.116	.084
Co-worker Support 3	.157	.146	.185	.110	.052
Supervisory Support 1	.161	.364	.193	.113	.153
Supervisory Support 2	.185	.363	.233	.161	.095
Supervisory Support 3	.154	.346	.008	.065	.144
Supervisory Support 4	.164	.350	.214	.119	.145
Participatory Management 1	.295	.116	.190	.159	.254
Participatory Management 2	.320	.236	.124	.092	.120
Participatory Management 3	.238	.360	.113	.117	.122
Participatory Management 4	.295	.345	.225	.128	.089
Skill Transferability 1	.367	.016	.100	.079	.215
Skill Transferability 2	.143	.045	.067	.086	-.037
Skill Transferability 3	.110	.048	-.065	-.074	-.055
Role Clarity 1	.260	.107	.161	-.037	-.036
Role Clarity 2	.284	.046	.225	.131	.064
Role Clarity 3	.238	.120	.261	.146	.189
Eigenvalues	23.335	6.535	3.629	2.961	2.456
% Variance Explained	34.316	9.610	5.337	4.355	3.612

**Appendix III-1 (cont.): Factor analysis of items measuring employees' daily work experiences (K bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>
Job Complexity 1	.084	.067	-.043	.149	-.017	.108
Job Complexity 2	.149	-.011	-.072	.160	-.056	.073
Job Complexity 3	.109	.109	.102	-.080	-.077	-.023
Job Complexity 4	.101	.031	.075	.064	.109	-.078
Job Complexity 5	.022	-.002	-.011	.064	.086	.026
Job Complexity 6	.076	.026	.053	.083	.156	-.047
Job Complexity 7	.035	.026	.030	.042	.026	.076
Job Complexity 8	.088	.026	.103	.134	.060	.011
Job Complexity 9	.036	.053	.007	.097	.061	-.078
Job Complexity 10	.037	.090	.046	-.005	.049	.028
Job Complexity 11	.070	.062	.026	.104	.038	.043
Job Complexity 12	.131	.088	.156	-.074	-.043	.078
Job Complexity 13	.094	.095	.153	.072	.044	.041
Job Complexity 14	.048	.144	.042	.103	.117	.083
Job Complexity 15	.028	.083	.077	.095	.151	.099
Interactional Justice 1	.121	.125	.181	.129	.046	.002
Interactional Justice 2	.130	.115	.162	.084	.023	.017
Interactional Justice 3	.092	.063	.175	.101	.029	.000
Interactional Justice 4	.096	.076	.200	.064	.012	.012
Interactional Justice 5	.065	.080	.094	.083	.027	.048
Interactional Justice 6	.131	.057	.103	.146	.041	.007
Interactional Justice 7	.130	.121	.027	.098	.015	-.008
Interactional Justice 8	.088	.058	.089	.010	.023	.049
Interactional Justice 9	.128	.043	.021	.088	.053	.057
Favourable Training Policies 1	.149	.126	.185	.120	.037	-.067
Favourable Training Policies 2	.097	.172	.016	.214	.021	-.128
Favourable Training Policies 3	.013	.170	.124	.103	-.047	.068
Favourable Training Policies 4	.025	.052	-.114	.138	.073	.016
Favourable Training Policies 5	-.034	.059	-.102	.084	.081	.044
Favourable Training Policies 6	.078	.023	.144	-.001	.029	.088
Favourable Training Policies 9	.151	.051	.184	-.019	-.073	.196
Favourable Training Policies 10	.120	.204	.055	-.091	-.034	.062
Distributive Justice 1	.049	.083	.068	.033	.063	.040
Distributive Justice 2	.044	.045	.047	.074	.067	.057
Distributive Justice 3	.114	.077	.058	.036	.045	.065
Distributive Justice 4	.069	.066	.062	.077	-.016	-.028
Distributive Justice 5	.125	.050	.057	.050	-.043	.032
Distributive Justice 6	.103	.096	.037	.105	-.029	-.016
Formal Procedural Justice 1	.062	.074	.108	.203	.073	-.020
Formal Procedural Justice 2	-.012	-.038	.087	.207	.050	.014
Formal Procedural Justice 3	.020	.023	.072	.126	.043	.059
Formal Procedural Justice 4	.043	.086	.116	.081	-.054	.031
Formal Procedural Justice 5	.145	.089	.157	-.003	-.042	.052
Formal Procedural Justice 6	.064	.192	-.057	-.024	.010	-.012
Formal Procedural Justice 7	.138	.033	.068	.003	-.013	.035

**Appendix III-1 (cont.): Factor analysis of items measuring employees' daily work experiences (K bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>
Promotional Chances 1	<b>.540</b>	.204	.259	.126	.025	-.280
Promotional Chances 2	<b>.555</b>	.224	.343	.085	.027	-.304
Promotional Chances 3	<b>.507</b>	.139	.187	.153	.066	-.248
Job Security Concern 1	<b>.815</b>	.016	-.034	.163	.086	.121
Job Security Concern 2	<b>.751</b>	-.029	-.089	.052	.046	.154
Job Security Concern 3	<b>.806</b>	.028	-.022	.084	.047	.135
Co-worker Support 1	.090	<b>.812</b>	.145	.096	.068	.109
Co-worker Support 2	.051	<b>.842</b>	.147	.121	.039	.039
Co-worker Support 3	.033	<b>.847</b>	.137	.083	.093	.057
Supervisory Support 1	-.012	.239	<b>.530</b>	.294	.012	.223
Supervisory Support 2	-.012	.165	<b>.639</b>	.192	.011	.168
Supervisory Support 3	-.017	.208	<b>.632</b>	-.044	.082	-.071
Supervisory Support 4	.076	.213	<b>.596</b>	.172	.031	.153
Participatory Management 1	.206	.176	.045	<b>.629</b>	-.017	.057
Participatory Management 2	.268	.083	.114	<b>.666</b>	-.029	.090
Participatory Management 3	.098	.109	.188	<b>.608</b>	.008	-.002
Participatory Management 4	.174	.174	.089	<b>.546</b>	.029	-.053
Skill Transferability 1	.096	.136	-.012	-.067	<b>.623</b>	-.052
Skill Transferability 2	.020	.054	.065	.051	<b>.869</b>	-.057
Skill Transferability 3	.090	.009	-.011	-.015	<b>.852</b>	.028
Role Clarity 1	.148	.442	.399	.110	-.037	<b>.519</b>
Role Clarity 2	.206	.313	.180	.006	-.009	<b>.568</b>
Role Clarity 3	.161	.308	.224	.159	.021	<b>.518</b>
Eigenvalues	2.205	1.947	1.559	1.320	1.087	1.064
% Variance Explained	3.243	2.863	2.292	1.942	1.598	1.565

**Appendix III-2: Factor analysis of items measuring employees' daily work experiences (B bank sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Job Complexity 1	<b>.638</b>	.112	.105	.049	.152
Job Complexity 2	<b>.741</b>	.110	.015	.003	-.039
Job Complexity 3	<b>.753</b>	.162	.128	-.014	.003
Job Complexity 4	<b>.774</b>	.128	.158	.056	.017
Job Complexity 5	<b>.764</b>	.130	.149	.083	.143
Job Complexity 6	<b>.800</b>	.120	.117	.028	.066
Job Complexity 7	<b>.825</b>	.033	.021	.055	.057
Job Complexity 8	<b>.777</b>	.100	.051	.056	.076
Job Complexity 9	<b>.814</b>	.017	.028	.077	.010
Job Complexity 10	<b>.741</b>	.109	.115	.047	.073
Job Complexity 11	<b>.841</b>	.024	.016	.033	.083
Job Complexity 12	<b>.755</b>	.107	.037	.031	.067
Job Complexity 13	<b>.775</b>	-.006	.028	.127	.177
Job Complexity 14	<b>.745</b>	.123	.044	.063	.106
Job Complexity 15	<b>.824</b>	.108	.061	.079	.069
Interactional Justice 1	.064	<b>.767</b>	.121	.150	.149
Interactional Justice 2	.163	<b>.815</b>	.114	.147	.125
Interactional Justice 3	.158	<b>.764</b>	.139	.220	.210
Interactional Justice 4	.163	<b>.797</b>	.108	.163	.189
Interactional Justice 5	.159	<b>.806</b>	.107	.130	.166
Interactional Justice 6	.147	<b>.810</b>	.090	.141	.191
Interactional Justice 7	.150	<b>.767</b>	.106	.152	.217
Interactional Justice 8	.122	<b>.815</b>	.084	.118	.264
Interactional Justice 9	.161	<b>.789</b>	.078	.135	.261
Favourable Training Policies 1	.067	.121	<b>.754</b>	.034	.096
Favourable Training Policies 2	.091	.224	<b>.575</b>	-.028	.054
Favourable Training Policies 3	.164	.094	<b>.706</b>	.089	.117
Favourable Training Policies 4	.074	.052	<b>.774</b>	.088	.181
Favourable Training Policies 5	.080	.086	<b>.716</b>	.155	.206
Favourable Training Policies 6	.093	.060	<b>.770</b>	.170	.153
Favourable Training Policies 9	.118	.101	<b>.728</b>	.234	.190
Favourable Training Policies 10	.146	.117	<b>.728</b>	.124	.251
Distributive Justice 1	.074	.194	.155	<b>.801</b>	.075
Distributive Justice 2	.042	.210	.162	<b>.835</b>	.099
Distributive Justice 3	.097	.202	.194	<b>.813</b>	.114
Distributive Justice 4	.172	.224	.137	<b>.694</b>	.126
Distributive Justice 5	.109	.162	.069	<b>.800</b>	.170
Distributive Justice 6	.085	.165	.121	<b>.777</b>	.173
Formal Procedural Justice 1	.116	.293	.153	.175	<b>.542</b>
Formal Procedural Justice 2	.158	.242	.186	.094	<b>.713</b>
Formal Procedural Justice 3	.201	.231	.303	.113	<b>.727</b>
Formal Procedural Justice 4	.082	.304	.219	.106	<b>.729</b>
Formal Procedural Justice 5	.174	.251	.203	.203	<b>.734</b>
Formal Procedural Justice 6	.107	.305	.234	.097	<b>.654</b>
Formal Procedural Justice 7	.139	.313	.252	.144	<b>.721</b>

**Appendix III-2 (cont.): Factor analysis of items measuring employees' daily work experiences (B bank sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Co-worker Support 1	.090	.126	.123	.079	.026
Co-worker Support 2	.095	.172	.116	.085	.092
Co-worker Support 3	.062	.130	.110	.144	.108
Supervisory Support 1	.072	.327	.131	.026	.057
Supervisory Support 2	.083	.342	.134	.148	-.025
Supervisory Support 3	.028	.337	-.047	.096	.025
Supervisory Support 4	.095	.296	.169	.156	.062
Participatory Management 1	.286	.064	.177	.075	.170
Participatory Management 2	.247	.116	.137	.048	.137
Participatory Management 3	.150	.258	.080	.244	.114
Participatory Management 4	.154	.248	-.005	.132	.136
Promotional Chances 1	.109	.137	.085	.267	.105
Promotional Chances 2	.142	.169	.168	.189	.093
Promotional Chances 3	.106	.181	.173	.271	.088
Job Security Concern 1	.036	.137	.114	.131	.141
Job Security Concern 2	.108	.129	.075	.195	.023
Job Security Concern 3	.106	.054	.071	.130	.104
Role Clarity 1	.192	.037	-.032	-.113	-.104
Role Clarity 2	.209	.103	.114	.039	.078
Role Clarity 3	.167	.121	.177	.101	.098
Skill Transferability 1	.255	.089	.181	.055	.055
Skill Transferability 2	.114	.020	.042	.010	.010
Skill Transferability 3	.051	-.037	-.023	.018	-.026
Eigenvalues	19.223	7.001	3.985	3.258	3.054
% Variance Explained	28.269	10.295	5.860	4.792	4.492

**Appendix III-2 (cont.): Factor analysis of items measuring employees' daily work experiences (B bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Job Complexity 1	.047	-.096	.146	.025	.128	.005	-.093
Job Complexity 2	.129	-.087	.093	-.021	.097	.029	-.010
Job Complexity 3	.080	-.036	.095	.008	.090	.103	.037
Job Complexity 4	.067	-.068	.188	.063	.025	.044	.097
Job Complexity 5	.043	-.043	.107	.056	.029	.006	.039
Job Complexity 6	.040	-.039	.137	.074	.007	.062	.184
Job Complexity 7	-.001	.129	-.027	-.036	.022	.039	-.003
Job Complexity 8	.089	.100	.058	.069	.059	-.004	.026
Job Complexity 9	-.030	.068	-.039	.016	.029	.004	.007
Job Complexity 10	.005	.078	.087	.004	-.008	.036	.026
Job Complexity 11	-.091	.036	.004	.027	-.049	.075	.013
Job Complexity 12	.077	.046	-.053	.129	.001	.066	.031
Job Complexity 13	.014	.123	-.002	.073	-.011	.098	.093
Job Complexity 14	.029	.062	.109	.031	.041	.115	.070
Job Complexity 15	-.052	.059	.040	.008	-.015	.094	.076
Interactional Justice 1	.090	.218	.122	.061	.139	.025	-.014
Interactional Justice 2	.083	.150	.112	.066	.065	.012	.018
Interactional Justice 3	.077	.126	.065	.080	.048	-.035	-.006
Interactional Justice 4	.076	.178	.100	.020	.066	.060	-.027
Interactional Justice 5	.144	.132	.092	.029	.068	.105	-.012
Interactional Justice 6	.092	.085	.059	.024	.048	.075	.001
Interactional Justice 7	.050	.117	.078	.076	.028	.053	.039
Interactional Justice 8	-.001	.092	.058	.120	.054	.062	.060
Interactional Justice 9	.002	.045	.015	.138	-.013	.029	.037
Favourable Training Policies 1	.058	-.039	.159	.051	.015	.081	.065
Favourable Training Policies 2	.155	-.139	.238	-.020	.021	.106	.033
Favourable Training Policies 3	.112	-.017	.113	-.036	.081	.049	-.023
Favourable Training Policies 4	.035	.065	-.019	.093	-.002	.065	.093
Favourable Training Policies 5	.008	.104	-.060	.073	.133	.033	.033
Favourable Training Policies 6	-.037	.074	.026	.089	.061	-.032	-.026
Favourable Training Policies 9	.123	.153	.033	.045	.006	-.008	.031
Favourable Training Policies 10	.010	.111	-.067	.143	.023	.035	.014
Distributive Justice 1	.051	.095	.111	.139	.033	.046	.024
Distributive Justice 2	.049	.053	.109	.099	.025	.037	.056
Distributive Justice 3	.047	.055	.096	.072	.096	.017	.068
Distributive Justice 4	.106	.027	.072	.123	.157	.003	-.066
Distributive Justice 5	.058	.038	.023	.144	.114	.002	.019
Distributive Justice 6	.051	.089	-.010	.114	.145	-.056	-.005
Formal Procedural Justice 1	.084	.043	.127	.082	-.027	-.058	-.034
Formal Procedural Justice 2	.091	-.040	.196	.054	.003	.039	.036
Formal Procedural Justice 3	.063	.114	.003	.086	.093	.006	.028
Formal Procedural Justice 4	.061	.084	.095	.035	.110	.051	-.003
Formal Procedural Justice 5	.022	.057	.046	.092	.068	.045	-.012
Formal Procedural Justice 6	.016	-.045	.097	-.001	.107	-.039	.004
Formal Procedural Justice 7	-.007	-.055	.034	.033	.064	.075	-.010

**Appendix III-2 (cont.): Factor analysis of items measuring employees' daily work experiences (B bank sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Co-worker Support 1	<b>.837</b>	.165	.056	.081	.063	.169	.010
Co-worker Support 2	<b>.843</b>	.135	.071	.084	-.024	.084	-.037
Co-worker Support 3	<b>.839</b>	.134	-.021	.053	.086	.129	-.055
Supervisory Support 1	.198	<b>.701</b>	.194	.040	-.061	.129	-.073
Supervisory Support 2	.216	<b>.738</b>	.191	.076	-.034	.092	.013
Supervisory Support 3	.142	<b>.671</b>	.021	.050	.110	.085	.108
Supervisory Support 4	.054	<b>.566</b>	.231	.057	.018	.199	-.014
Participatory Management 1	-.006	.020	<b>.672</b>	.258	.116	.191	.033
Participatory Management 2	.026	.168	<b>.723</b>	.180	.070	-.011	.055
Participatory Management 3	.024	.175	<b>.595</b>	-.108	.145	.140	.119
Participatory Management 4	.083	.222	<b>.625</b>	.078	.050	-.053	.013
Promotional Chances 1	.125	.113	.010	<b>.798</b>	.146	.040	.077
Promotional Chances 2	.072	.085	.107	<b>.807</b>	.106	.051	.087
Promotional Chances 3	.058	-.016	.136	<b>.783</b>	.133	-.032	.046
Job Security Concern 1	-.003	.011	.096	.139	<b>.825</b>	-.033	.079
Job Security Concern 2	.128	-.062	.108	.060	<b>.715</b>	.006	.045
Job Security Concern 3	-.009	.085	.040	.114	<b>.858</b>	-.006	.015
Role Clarity 1	.194	.147	.086	-.015	.003	<b>.683</b>	.048
Role Clarity 2	.110	.050	.013	.064	-.038	<b>.825</b>	-.067
Role Clarity 3	.079	.138	.051	.022	.001	<b>.802</b>	-.058
Skill Transferability 1	.126	.009	.122	.076	-.003	-.014	<b>.669</b>
Skill Transferability 2	-.101	.029	.001	.047	.065	-.008	<b>.832</b>
Skill Transferability 3	-.059	-.004	.026	.041	.052	-.044	<b>.849</b>
Eigenvalues	2.229	1.913	1.642	1.577	1.469	1.397	1.181
% Variance Explained	3.278	2.813	2.414	2.319	2.161	2.054	1.736



**Appendix III-3: Factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Job Complexity 1	.634	.192	.086	.104	.168
Job Complexity 2	.725	.123	.015	.045	.030
Job Complexity 3	.742	.150	.123	.045	.043
Job Complexity 4	.752	.110	.131	.025	.082
Job Complexity 5	.744	.124	.140	.010	.198
Job Complexity 6	.790	.113	.136	.049	.066
Job Complexity 7	.809	.061	.038	.058	.046
Job Complexity 8	.783	.149	.094	.084	.073
Job Complexity 9	.817	.068	.058	.030	.067
Job Complexity 10	.729	.125	.104	.087	.098
Job Complexity 11	.814	.075	.026	.035	.056
Job Complexity 12	.716	.103	.067	.085	.066
Job Complexity 13	.779	.064	.051	.079	.090
Job Complexity 14	.717	.173	.085	.096	.086
Job Complexity 15	.814	.076	.089	.078	.071
Interactional Justice 1	.146	.746	.170	.161	.185
Interactional Justice 2	.187	.793	.163	.158	.149
Interactional Justice 3	.176	.765	.176	.221	.208
Interactional Justice 4	.173	.792	.183	.168	.179
Interactional Justice 5	.181	.793	.129	.192	.189
Interactional Justice 6	.190	.795	.106	.158	.217
Interactional Justice 7	.202	.773	.112	.166	.239
Interactional Justice 8	.193	.791	.094	.141	.259
Interactional Justice 9	.211	.761	.093	.163	.259
Favourable Training Policies 1	.121	.103	.740	.078	.131
Favourable Training Policies 2	.085	.211	.599	.084	.152
Favourable Training Policies 3	.151	.115	.743	.095	.125
Favourable Training Policies 4	.074	.095	.769	.138	.213
Favourable Training Policies 5	.093	.120	.728	.212	.194
Favourable Training Policies 6	.126	.085	.797	.165	.143
Favourable Training Policies 9	.165	.131	.729	.215	.167
Favourable Training Policies 10	.171	.195	.732	.111	.197
Distributive Justice 1	.108	.237	.212	.793	.113
Distributive Justice 2	.078	.206	.215	.817	.134
Distributive Justice 3	.133	.209	.219	.802	.144
Distributive Justice 4	.165	.227	.169	.730	.134
Distributive Justice 5	.137	.192	.117	.766	.208
Distributive Justice 6	.122	.196	.148	.755	.219
Formal Procedural Justice 1	.142	.247	.187	.206	.588
Formal Procedural Justice 2	.117	.268	.226	.152	.735
Formal Procedural Justice 3	.195	.294	.301	.177	.704
Formal Procedural Justice 4	.132	.315	.275	.151	.719
Formal Procedural Justice 5	.150	.265	.256	.203	.718
Formal Procedural Justice 6	.140	.340	.213	.127	.661
Formal Procedural Justice 7	.136	.350	.247	.188	.717

**Appendix III-3 (cont.): Factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>	<b>Factor 4</b>	<b>Factor 5</b>
Co-worker Support 1	.129	.132	.176	.099	.060
Co-worker Support 2	.135	.168	.162	.100	.089
Co-worker Support 3	.115	.137	.152	.127	.078
Supervisory Support 1	.123	.322	.173	.079	.113
Supervisory Support 2	.142	.331	.194	.164	.045
Supervisory Support 3	.093	.314	-.017	.087	.095
Job Security Concern 1	.116	.130	.116	.131	.109
Job Security Concern 2	.166	.162	.076	.132	.050
Job Security Concern 3	.169	.120	.106	.010	.081
Participatory Management 1	.288	.102	.173	.117	.212
Participatory Management 2	.284	.180	.129	.076	.126
Participatory Management 3	.204	.302	.128	.179	.117
Participatory Management 4	.228	.299	.112	.131	.111
Promotional Chances 1	.143	.154	.195	.232	.081
Promotional Chances 2	.162	.158	.219	.159	.104
Promotional Chances 3	.143	.140	.213	.279	.137
Skill Transferability 1	.316	.058	.151	.070	.143
Skill Transferability 2	.138	.044	.077	.053	-.085
Skill Transferability 3	.093	.010	-.014	-.019	-.039
Role Clarity 1	.225	.085	.059	-.080	-.068
Role Clarity 2	.247	.104	.160	.084	.073
Role Clarity 3	.204	.154	.215	.124	.135
Eigenvalues	22.721	6.376	3.574	3.108	2.689
% Variance Explained	33.414	9.377	5.256	4.571	3.955

**Appendix III-3 (cont.): Factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Job Complexity 1	.066	-.073	.108	.157	-.010	-.037	.064
Job Complexity 2	.073	-.041	.136	.124	-.021	-.042	.076
Job Complexity 3	.085	.064	.106	.016	.034	-.004	.061
Job Complexity 4	.039	.003	.047	.130	.087	.116	.029
Job Complexity 5	.030	.004	.043	.084	.017	.067	-.002
Job Complexity 6	.023	.005	.023	.110	.092	.177	.051
Job Complexity 7	.018	.100	.045	.011	-.033	.010	.037
Job Complexity 8	.057	.106	.077	.102	.072	.051	.024
Job Complexity 9	.019	.019	.013	.042	.054	.035	.002
Job Complexity 10	.028	.072	.015	.041	.023	.050	.065
Job Complexity 11	-.023	.001	-.022	.058	.063	.024	.102
Job Complexity 12	.072	.109	.068	-.053	.104	.016	.080
Job Complexity 13	.045	.131	.033	.040	.094	.072	.098
Job Complexity 14	.092	.048	.040	.122	.018	.105	.114
Job Complexity 15	.012	.064	.025	.074	.020	.117	.111
Interactional Justice 1	.102	.222	.111	.116	.109	.019	.055
Interactional Justice 2	.088	.180	.081	.092	.102	.016	.044
Interactional Justice 3	.076	.162	.060	.085	.090	.012	.053
Interactional Justice 4	.072	.212	.075	.077	.055	-.004	.056
Interactional Justice 5	.111	.132	.063	.094	.013	.007	.087
Interactional Justice 6	.071	.107	.086	.123	.040	.011	.062
Interactional Justice 7	.084	.081	.076	.115	.056	.035	.050
Interactional Justice 8	.030	.093	.068	.101	.061	.052	.075
Interactional Justice 9	.025	.033	.056	.067	.080	.055	.063
Favourable Training Policies 1	.077	.054	.042	.135	.148	.060	.092
Favourable Training Policies 2	.152	-.085	-.011	.229	.118	.027	.087
Favourable Training Policies 3	.134	.087	.052	.101	.018	-.026	.067
Favourable Training Policies 4	.053	-.012	.010	.080	.064	.080	.054
Favourable Training Policies 5	.053	.023	.057	.020	.031	.067	.026
Favourable Training Policies 6	.003	.128	.097	.020	.062	.035	.023
Favourable Training Policies 9	.063	.162	.081	.011	.083	.090	.085
Favourable Training Policies 10	.079	.095	.074	-.045	.122	.024	.080
Distributive Justice 1	.068	.088	.025	.075	.116	.052	.066
Distributive Justice 2	.048	.076	.031	.091	.083	.068	.045
Distributive Justice 3	.060	.073	.098	.063	.087	.062	.048
Distributive Justice 4	.082	.043	.087	.082	.114	-.032	.014
Distributive Justice 5	.055	.056	.111	.057	.115	-.065	.027
Distributive Justice 6	.074	.073	.115	.063	.103	-.080	-.014
Formal Procedural Justice 1	.049	.109	.008	.139	.115	.023	-.023
Formal Procedural Justice 2	.030	.042	-.004	.195	.038	.032	.020
Formal Procedural Justice 3	.040	.117	.077	.064	.023	.038	.020
Formal Procedural Justice 4	.071	.101	.062	.095	.056	-.016	.066
Formal Procedural Justice 5	.044	.116	.094	.024	.113	-.014	.076
Formal Procedural Justice 6	.108	-.033	.076	.060	.027	.043	.002
Formal Procedural Justice 7	.006	-.022	.093	.036	.051	-.061	.084

**Appendix III-3 (cont.): Factor analysis of items measuring employees' daily work experiences (total sample)**

	<b>Factor 6</b>	<b>Factor 7</b>	<b>Factor 8</b>	<b>Factor 9</b>	<b>Factor 10</b>	<b>Factor 11</b>	<b>Factor 12</b>
Co-worker Support 1	.823	.175	.073	.084	.081	.038	.188
Co-worker Support 2	.837	.156	.005	.101	.103	.042	.133
Co-worker Support 3	.848	.149	.052	.038	.069	.022	.143
Supervisory Support 1	.203	<b>.665</b>	-.018	.221	.024	-.037	.164
Supervisory Support 2	.183	<b>.714</b>	-.015	.180	.071	.001	.126
Supervisory Support 3	.166	<b>.683</b>	.038	-.015	.084	.100	.040
Supervisory Support 4	.109	<b>.600</b>	.051	.194	.080	.014	.215
Job Security Concern 1	.015	.001	<b>.808</b>	.139	.195	.088	.043
Job Security Concern 2	.074	-.022	<b>.783</b>	.088	.078	.045	.025
Job Security Concern 3	.025	.079	<b>.848</b>	.085	.137	.036	.030
Participatory Management 1	.067	.014	.106	<b>.680</b>	.195	.023	.173
Participatory Management 2	.043	.142	.156	<b>.719</b>	.134	.023	.057
Participatory Management 3	.056	.207	.112	<b>.601</b>	-.014	.066	.091
Participatory Management 4	.146	.174	.099	<b>.597</b>	.120	.028	-.022
Promotional Chances 1	.127	.096	.183	.130	<b>.761</b>	.061	.071
Promotional Chances 2	.106	.135	.179	.094	<b>.773</b>	.065	.072
Promotional Chances 3	.068	.000	.170	.155	<b>.721</b>	.070	.034
Skill Transferability 1	.118	.024	.042	.033	.084	<b>.647</b>	-.010
Skill Transferability 2	-.018	.035	.018	.035	.053	<b>.853</b>	.018
Skill Transferability 3	-.015	.011	.087	.015	.012	<b>.858</b>	-.021
Role Clarity 1	.275	.245	.036	.117	.054	.097	<b>.635</b>
Role Clarity 2	.140	.061	.040	.013	.078	-.022	<b>.804</b>
Role Clarity 3	.132	.121	.038	.115	.027	.000	<b>.765</b>
Eigenvalues	2.152	1.852	1.549	1.424	1.194	1.135	1.051
% Variance Explained	3.164	2.723	2.277	2.094	1.755	1.669	1.545

**Appendix IV-1: Correlations among variables in the research model  
(Pearson's two-tailed test: K bank sample)**

	Mean	SD	N	$\alpha$	1	2	3	4
<b>(a) Demographic and Dispositional Variables</b>								
1 Age	33.8750	5.5335	456		---			
2 Organisational Tenure	5.1754	1.6145	456		.651***	---		
3 Current Position Tenure	4.8311	2.1049	456		.321***	.410***	---	
4 Position	2.4167	1.0259	456		.819***	.565***	.089	---
5 Gender <sup>a</sup>	.7083	.4550	456		.308***	.064	.047	.350***
6 Marital Status <sup>b</sup>	.7390	.4396	456		.535***	.442***	.100*	.485***
7 Education	14.2588	2.1491	456		.195***	-.253***	-.129**	.216***
8 Positive Affectivity	4.6526	1.0542	456	.903	-.003	.090	-.022	-.043
9 Negative Affectivity	3.7182	1.2215	455	.886	.013	.049	.023	-.031
<b>(b) Antecedents</b>								
10 Favourable Training policies and practices	4.3799	1.2246	456	.904	.183***	.136**	.084	.193***
11 Supervisory Support	5.2330	1.1114	456	.853	.088	.061	.013	.084
12 Co-worker Support	5.2127	1.1058	456	.927	.083	.087	-.015	.127**
13 Role Clarity	5.3940	1.0273	456	.795	.176***	.214***	.110*	.164***
14 Promotional Chances	4.4635	1.2675	456	.845	.064	.100*	-.099*	.175***
15 Job Security Concern	4.2652	1.4097	455	.879	-.096*	-.077	-.144**	.027
16 Participatory Management	4.1864	.9855	456	.849	.243***	.242***	.068	.294***
17 Distributive Justice	4.0800	1.0918	456	.935	.067	.077	-.071	.113*
18 Formal Procedural Justice	4.1231	1.1684	455	.935	.130**	.093*	.018	.131**
19 Interactional Justice	4.5916	1.1689	456	.966	.106*	.065	-.008	.089
20 Job Complexity	4.8178	.9091	456	.950	.219***	.192***	.016	.266***
21 Skills/Knowledge Transferability	4.0395	1.3737	456	.769	.075	-.031	.008	.087
<b>(c) Mediating Variables</b>								
22 Self-Efficacy	4.9401	.9213	456	.946	.119*	.130**	.059	.127**
23 Perceived Organisational Support	4.4859	.8579	456	.954	.051	.105*	-.072	.056
24 Organisation-Based Self-Esteem	4.9904	.8513	456	.935	.228***	.304***	.123**	.241***
<b>(d) Commitment</b>								
25 Affective Commitment	5.0186	1.0414	456	.899	.258***	.339***	.032	.206***
<b>(e) Organisational Citizenship Behaviour</b>								
26 Altruism	4.9221	.8527	456	.850	.143**	.171***	.024	.158**
27 Conscientiousness	4.9435	.8868	456	.887	.212***	.250***	.108*	.155**
28 Courtesy	5.5246	.8580	456	.903	.201***	.218***	.107*	.178***
29 Sportsmanship	4.9655	1.1935	456	.856	.067	.013	.016	.089
30 Civic Virtue	5.1557	.9135	456	.850	.154**	.207***	.049	.131**

\* =  $p \leq .05$ ;

\*\* =  $p < .01$

\*\*\* =  $p < 0.001$

<sup>a</sup> Dummy variable: 1 = male, 0 = female

<sup>b</sup> Dummy variable: 1 = married, 0 = single

**Appendix IV-1 (cont.): Correlations among variables in the research model  
(K bank sample)**

	5	6	7	8	9	10	11	12
<b>(a) Demographic and Dispositional Variables</b>								
1 Age								
2 Organisational Tenure								
3 Current Position Tenure								
4 Position								
5 Gender	---							
6 Marital Status	.245***	---						
7 Education	.311***	.202***	---					
8 Positive Affectivity	-.090	.046	-.124**	---				
9 Negative Affectivity	-.056	-.060	-.068	-.084	---			
<b>(b) Antecedents</b>								
10 Favourable Training policies and practices	.153**	.120*	-.043	.210***	-.087	---		
11 Supervisory Support	.092*	.103*	-.004	.197***	-.188***	.448***	---	
12 Co-worker Support	.076	.136**	.011	.177***	-.172***	.442***	.551***	---
13 Role Clarity	.052	.105*	-.079	.307***	-.168***	.438***	.542***	.584***
14 Promotional Chances	.166***	.090	.063	.250***	-.161**	.518***	.400***	.405***
15 Job Security Concern	.102*	.003	.119*	.257***	-.180***	.256***	.232***	.218***
16 Participatory Management	.126**	.156**	.008	.282***	-.148**	.454***	.545***	.440***
17 Distributive Justice	.144**	.115*	.010	.302***	-.002	.498***	.416***	.336***
18 Formal Procedural Justice	.160**	.128**	.048	.355***	-.022	.575***	.489***	.331***
19 Interactional Justice	.166***	.092*	.042	.403***	-.108*	.464***	.639***	.381***
20 Job Complexity	.198***	.239***	.102*	.344***	-.122**	.254***	.388***	.327***
21 Skills/Knowledge Transferability	.164***	.129**	.288***	.153**	-.136**	.117*	.154***	.202***
<b>(c) Mediating Variables</b>								
22 Self-Efficacy	.121**	.147**	.062	.386***	-.261***	.275***	.373***	.404***
23 Perceived Organisational Support	.035	.097*	.000	.490***	-.044	.442***	.378***	.333***
24 Organisation-Based Self-Esteem	.109*	.169***	-.068	.445***	-.083	.316***	.379***	.365***
<b>(d) Commitment</b>								
25 Affective Commitment	-.008	.198***	-.167***	.475***	-.179***	.326***	.362***	.288***
<b>(e) Organisational Citizenship Behaviour</b>								
26 Altruism	.033	.069	-.086	.286***	-.125**	.183***	.274***	.343***
27 Conscientiousness	-.060	.178***	-.135**	.283***	-.019	.176***	.313***	.313**
28 Courtesy	.071	.131**	-.101*	.280***	-.188***	.246***	.383***	.393***
29 Sportsmanship	.020	.050	.049	.079	-.550***	.092*	.257***	.164***
30 Civic Virtue	.030	.131**	-.109*	.335***	-.178***	.279***	.328***	.305***

**Appendix IV-1 (cont.): Correlations among variables in the research model  
(K bank sample)**

	13	14	15	16	17	18	19	20	21
<b>(a) Demographic and Dispositional Variables</b>									
1 Age									
2 Organisational Tenure									
3 Current Position Tenure									
4 Position									
5 Gender									
6 Marital Status									
7 Education									
8 Positive Affectivity									
9 Negative Affectivity									
<b>(b) Antecedents</b>									
10 Favourable Training policies and practices									
11 Supervisory Support									
12 Co-worker Support									
13 Role Clarity	---								
14 Promotional Chances	.415***	---							
15 Job Security Concern	.312***	.525***	---						
16 Participatory Management	.467***	.515***	.443***	---					
17 Distributive Justice	.318***	.473***	.285***	.440***	---				
18 Formal Procedural Justice	.337***	.409***	.283***	.519***	.575***	---			
19 Interactional Justice	.405***	.418***	.378***	.602***	.560***	.693***	---		
20 Job Complexity	.444***	.345***	.364***	.529***	.317***	.338***	.460***	---	
21 Skills/Knowledge Transferability	.141***	.199***	.190***	.157**	.127**	.131**	.166***	.320***	---
<b>(c) Mediating Variables</b>									
22 Self-Efficacy	.507***	.343***	.421***	.456***	.271***	.287***	.434***	.537***	.156**
23 Perceived Organisational Support	.379***	.478***	.317***	.446***	.543***	.541***	.594***	.471***	.258**
24 Organisation-Based Self-Esteem	.487***	.383***	.343***	.524***	.321***	.347***	.459***	.608***	.114*
<b>(d) Commitment</b>									
25 Affective Commitment	.409***	.376***	.217***	.384***	.293***	.348***	.408***	.463***	.121**
<b>(e) Organisational Citizenship Behaviour</b>									
26 Altruism	.416***	.250***	.276***	.335***	.131**	.133**	.291***	.343***	.042
27 Conscientiousness	.414***	.204***	.174***	.326***	.150**	.133**	.213***	.361***	.065
28 Courtesy	.475***	.238***	.138**	.287***	.128**	.158**	.273***	.418***	.094*
29 Sportsmanship	.198***	.086	.106*	.151**	-.036	-.024	.145**	.206***	.121**
30 Civic Virtue	.469***	.254***	.188***	.318***	.219***	.250***	.329***	.423***	.081

**Appendix IV-1 (cont.): Correlations among variables in the research model  
(K bank sample)**

	22	23	24	25	26	27	28	29	30
<b>(a) Demographic and Dispositional Variables</b>									
1 Age									
2 Organisational Tenure									
3 Current Position Tenure									
4 Position									
5 Gender									
6 Marital Status									
7 Education									
8 Positive Affectivity									
9 Negative Affectivity									
<b>(b) Antecedents</b>									
10 Favourable Training policies and practices									
11 Supervisory Support									
12 Co-worker Support									
13 Role Clarity									
14 Promotional Chances									
15 Job Security Concern									
16 Participatory Management									
17 Distributive Justice									
18 Formal Procedural Justice									
19 Interactional Justice									
20 Job Complexity									
21 Skills/Knowledge Transferability									
<b>(c) Mediating Variables</b>									
22 Self-Efficacy	---								
23 Perceived Organisational Support	.391***	---							
24 Organisation-Based Self-Esteem	.625***	.534***	---						
<b>(d) Commitment</b>									
25 Affective Commitment	.426***	.540***	.548***	---					
<b>(e) Organisational Citizenship Behaviour</b>									
26 Altruism	.490***	.226***	.483***	.454***	---				
27 Conscientiousness	.463***	.294***	.531***	.511***	.501***	---			
28 Courtesy	.490***	.181***	.492***	.524***	.567***	.615***	---		
29 Sportsmanship	.221***	.023	.181***	.210***	.183***	.107*	.327***	---	
30 Civic Virtue	.513***	.326***	.534***	.584***	.574***	.495***	.623***	.329***	---



**Appendix IV-2: Correlations among variables in the research model  
(Pearson's two-tailed test: B bank sample)**

	Mean	SD	N	$\alpha$	1	2	3	4
<b>(a) Demographic and Dispositional Variables</b>								
1. Age	34.8040	6.3461	454		---			
2. Organisational Tenure	5.4075	1.5917	454		.739***	---		
3. Current Position Tenure	5.0573	1.9601	454		.358***	.353***	---	
4. Position	2.6189	1.3642	454		.879***	.696***	.144**	---
5. Gender <sup>a</sup>	.7181	.4504	454		.471***	.259***	-.014	.439***
6. Marital Status <sup>b</sup>	.7335	.4426	454		.565***	.502***	.242***	.442***
7. Education	14.5463	2.0244	454		.259***	-.043	.053	.186***
8. Positive Affectivity	4.3159	.9805	454	.854	-.045	-.037	.000	-.041
9. Negative Affectivity	3.7775	1.1231	454	.896	-.092*	-.078	-.053	-.064
<b>(b) Antecedents</b>								
10. Favourable Training policies and practices	3.2742	1.1191	454	.902	.065	.003	-.028	.119*
11. Supervisory Support	4.8596	1.1081	454	.843	-.002	-.023	-.085	.011
12. Co-worker Support	4.9758	1.0019	454	.895	.020	-.025	-.039	.008
13. Role Clarity	5.0771	1.0102	454	.775	.188***	.194***	.058	.180***
14. Promotional Chances	3.9633	1.2016	454	.893	.134**	.158**	-.057	.197***
15. Job Security Concern	3.8216	1.2925	454	.821	-.104*	-.137**	-.067	-.065
16. Participatory Management	3.8750	.8843	454	.797	.241***	.216***	.048	.280***
17. Distributive Justice	3.6244	1.0133	454	.930	.041	-.029	-.138**	.093*
18. Formal Procedural Justice	3.5950	1.0432	454	.914	.013	-.050	-.093*	.080
19. Interactional Justice	4.1907	1.0627	454	.961	.004	-.037	-.083	.040
20. Job Complexity	4.3781	.9446	454	.958	.148**	.151**	-.051	.208***
21. Skills/Knowledge Transferability	3.5991	1.3105	454	.740	.035	.020	.006	.086
<b>(c) Mediating Variables</b>								
22. Self-Efficacy	4.6952	.8086	454	.931	.069	.146**	.064	.076
23. Perceived Organisational Support	3.9644	.8407	454	.958	.028	.067	-.025	.076
24. Organisation-Based Self-Esteem	4.6101	.8017	454	.928	.199***	.195***	.067	.236***
<b>(d) Commitment</b>								
25. Affective Commitment	4.5767	1.2430	454	.921	.284***	.311***	.106*	.288***
<b>(e) Organisational Citizenship Behaviour</b>								
26. Altruism	4.8508	.8323	454	.896	.100*	.094*	.095*	.052
27. Conscientiousness	4.7693	.7975	454	.661	.145**	.167***	.095*	.133**
28. Courtesy	5.3040	.8626	454	.900	.142**	.133**	.083	.113*
29. Sportsmanship	4.8331	1.0690	454	.803	.200***	.146**	.047	.196***
30. Civic Virtue	5.0171	.8864	454	.842	.193***	.144**	.062	.188***

\* =  $p \leq .05$ ;

\*\* =  $p < .01$ ;

\*\*\* =  $p < 0.001$

<sup>a</sup> Dummy variable: 1 = male, 0 = female

<sup>b</sup> Dummy variable: 1 = married, 0 = single

**Appendix IV-2 (cont.): Correlations among variables in the research model  
(B bank sample)**

	5	6	7	8	9	10	11	12
<b>(a) Demographic and Dispositional Variables</b>								
1 Age								
2 Organisational Tenure								
3 Current Position Tenure								
4 Position								
5 Gender	---							
6 Marital Status	.242***	---						
7 Education	.305***	.138**	---					
8 Positive Affectivity	-.060	.028	.012	---				
9 Negative Affectivity	-.066	-.032	-.094*	-.050	---			
<b>(b) Antecedents</b>								
10 Favourable Training policies and practices	.080	.065	-.046	.283***	.114*	---		
11 Supervisory Support	.052	.003	.046	.216***	.047	.275***	---	
12 Co-worker Support	.055	-.006	-.006	.200***	-.050	.282***	.420***	---
13 Role Clarity	.069	.171***	-.075	.318***	-.064	.230***	.356***	.346***
14 Promotional Chances	.143**	.054	.063	.271***	.015	.342***	.304***	.273***
15 Job Security Concern	.056	-.019	.128**	.184***	-.046	.240***	.151**	.167***
16 Participatory Management	.109*	.211***	.061	.232***	.092	.341***	.451***	.249***
17 Distributive Justice	.050	.001	.065	.213***	.051	.386***	.342***	.272***
18 Formal Procedural Justice	.087	.084	.023	.250***	.090	.540***	.304***	.255***
19 Interactional Justice	.056	.056	.090	.257***	.013	.363***	.568***	.331***
20 Job Complexity	.044	.074	-.067	.241***	.002	.275***	.205***	.184***
21 Skills/Knowledge Transferability	.070	-.021	.188***	.108*	-.036	.154**	.074	-.003
<b>(c) Mediating Variables</b>								
22 Self-Efficacy	.020	.119*	.020	.352***	-.101*	.088	.176***	.155**
23 Perceived Organisational Support	-.004	.060	.002	.448***	.022	.516***	.298***	.294***
24 Organisation-Based Self-Esteem	-.055	.209***	-.035	.384***	.047	.237***	.244***	.215***
<b>(d) Commitment</b>								
25 Affective Commitment	.035	.214***	-.113*	.323***	-.066	.240***	.251***	.234***
<b>(e) Organisational Citizenship Behaviour</b>								
26 Altruism	-.002	.070	.022	.284***	.006	.086	.163***	.254***
27 Conscientiousness	-.065	.129**	-.097*	.181***	-.018	.077	.081	.127**
28 Courtesy	-.038	.063	-.019	.231***	-.081	.081	.241***	.239***
29 Sportsmanship	.013	.113*	.000	.127**	-.475***	-.013	.044	.047
30 Civic Virtue	.124**	.121**	-.023	.300***	-.030	.226***	.206***	.284***

**Appendix IV-2 (cont.): Correlations among variables in the research model  
(B bank sample)**

	13	14	15	16	17	18	19	20	21
<b>(a) Demographic and Dispositional Variables</b>									
1 Age									
2 Organisational Tenure									
3 Current Position Tenure									
4 Position									
5 Gender									
6 Marital Status									
7 Education									
8 Positive Affectivity									
9 Negative Affectivity									
<b>(b) Antecedents</b>									
10 Favourable Training policies and practices									
11 Supervisory Support									
12 Co-worker Support									
13 Role Clarity	---								
14 Promotional Chances	.138**	---							
15 Job Security Concern	.045	.364***	---						
16 Participatory Management	.270***	.405***	.322***	---					
17 Distributive Justice	.122**	.492***	.363***	.376***	---				
18 Formal Procedural Justice	.178***	.354***	.296***	.429***	.445***	---			
19 Interactional Justice	.241***	.376***	.278***	.458***	.471***	.613***	---		
20 Job Complexity	.318***	.252***	.188***	.410***	.242***	.333***	.326***	---	
21 Skills/Knowledge Transferability	.002	.194***	.147**	.201***	.109*	.101*	.100*	.233***	---
<b>(c) Mediating Variables</b>									
22 Self-Efficacy	.282***	.205***	.253***	.287***	.145**	.135**	.229***	.298***	.054
23 Perceived Organisational Support	.197***	.451***	.287***	.422***	.483***	.586***	.550***	.422***	.248**
24 Organisation-Based Self-Esteem	.274***	.325***	.295***	.458***	.206***	.217***	.288***	.510***	.221**
<b>(d) Commitment</b>									
25 Affective Commitment	.275***	.335***	.093*	.365***	.193***	.192***	.279***	.332***	.098*
<b>(e) Organisational Citizenship Behaviour</b>									
26 Altruism	.274***	.074	.077	.188***	.094*	.060	.144**	.148**	.014
27 Conscientiousness	.242***	.074	.024	.116*	.039	.072	.108*	.209***	-.077
28 Courtesy	.327***	.130**	.068	.198***	.135**	.007	.157**	.172***	.041
29 Sportsmanship	.212***	.015	-.014	-.015	-.073	-.038	.053	.104*	-.007
30 Civic Virtue	.343***	.206***	.125**	.156**	.105*	.097*	.169***	.241***	.081

**Appendix IV-2 (cont.): Correlations among variables in the research model  
(B bank sample)**

	22	23	24	25	26	27	28	29	30
<b>(a) Demographic and Dispositional Variables</b>									
1. Age									
2. Organisational Tenure									
3. Current Position Tenure									
4. Position									
5. Gender									
6. Marital Status									
7. Education									
8. Positive Affectivity									
9. Negative Affectivity									
<b>(b) Antecedents</b>									
10. Favourable Training policies and practices									
11. Supervisory Support									
12. Co-worker Support									
13. Role Clarity									
14. Promotional Chances									
15. Job Security Concern									
16. Participatory Management									
17. Distributive Justice									
18. Formal Procedural Justice									
19. Interactional Justice									
20. Job Complexity									
21. Skills/Knowledge Transferability									
<b>(c) Mediating Variables</b>									
22. Self-Efficacy	---								
23. Perceived Organisational Support	.301***	---							
24. Organisation-Based Self-Esteem	.435***	.428***	---						
<b>(d) Commitment</b>									
25. Affective Commitment	.280***	.397***	.460***	---					
<b>(e) Organisational Citizenship Behaviour</b>									
26. Altruism	.354***	.098*	.345***	.340***	---				
27. Conscientiousness	.310***	.107*	.343***	.392***	.528***	---			
28. Courtesy	.391***	.111*	.445***	.407***	.606***	.551***	---		
29. Sportsmanship	.129**	.005	.204***	.284***	.102*	.108*	.278***	---	
30. Civic Virtue	.386***	.273***	.423***	.466***	.511***	.485***	.637***	.222***	---

**Appendix IV-3: Correlations among variables in the research model  
(Pearson's two-tailed test: total sample)**

	Mean	SD	N	$\alpha$	1	2	3
<b>(a) Demographic and Dispositional Variables</b>							
1. Age	34.3385	5.9676	910		---		
2. Organisational Tenure	5.2912	1.6064	910		.698***	---	
3. Current Position Tenure	4.9440	2.0360	910		.341***	.385***	---
4. Position	2.5176	1.2102	910		.854***	.634***	.122***
5. Gender <sup>a</sup>	.7132	.4525	910		.393***	.160***	.018
6. Marital Status <sup>b</sup>	.7363	.4409	910		.548***	.470***	.167***
7. Education	14.4022	2.0916	910		.231***	-.146***	-.040
8. Positive Affectivity	4.4846	1.0314	910	.882	-.037	.017	-.021
9. Negative Affectivity	3.7479	1.1731	909	.890	-.039	-.009	-.011
<b>(b) Type of Bank</b>							
10. Bank <sup>c</sup>	.5011	.5003	910		-.078*	-.072*	-.056
<b>(c) Antecedents</b>							
11. Favourable Training policies and practices	3.8283	1.2503	910	.920	.073*	.031	.003
12. Supervisory Support	5.0467	1.1248	910	.851	.026	.007	-.043
13. Co-worker Support	5.0945	1.0613	910	.913	.041	.026	-.032
14. Role Clarity	5.2359	1.0305	910	.791	.167***	.190***	.075*
15. Promotional Chances	4.2139	1.2595	910	.893	.082*	.111**	-.089**
16. Job Security Concern	4.0436	1.3698	909	.856	-.111**	-.116***	-.116***
17. Participatory Management	4.0310	.9487	910	.829	.224***	.214***	.049
18. Distributive Justice	3.8527	1.0772	910	.936	.036	.011	-.111**
19. Formal Procedural Justice	3.8593	1.1381	909	.929	.050	.009	-.044
20. Interactional Justice	4.3916	1.1345	910	.965	.039	.004	-.051
21. Job Complexity	4.5985	.9522	910	.956	.157***	.149***	-.029
22. Skills/Knowledge Transferability	3.8198	1.3597	910	.762	.041	-.018	-.002
<b>(d) Mediating Variables</b>							
23. Self-Efficacy	4.8179	.8751	910	.940	.081*	.125***	.053
24. Perceived Organisational Support	4.2257	.8881	910	.960	.014	.061	-.063
25. Organisation-Based Self-Esteem	4.8007	.8481	910	.933	.188***	.228***	.082*
<b>(e) Commitment</b>							
26. Affective Commitment	4.7982	1.1669	910	.914	.252***	.302***	.058
<b>(f) Organisational Citizenship Behaviour</b>							
27. Altruism	4.8865	.8429	910	.870	.116***	.130***	.055
28. Conscientiousness	4.8566	.8475	910	.792	.167***	.202***	.096**
29. Courtesy	5.4145	.8669	910	.910	.157***	.165***	.087**
30. Sportsmanship	4.8995	1.1344	910	.832	.128***	.070*	.027
31. Civic Virtue	5.0865	.9023	910	.850	.167***	.170***	.050

\* =  $p \leq .05$ ;

\*\* =  $p < .01$

\*\*\* =  $P < 0.001$

<sup>a</sup> Dummy variable: 1 = male, 0 = female

<sup>b</sup> Dummy variable: 1 = married, 0 = single

<sup>c</sup> Dummy variable: 1 = K bank sample, 0 = B bank sample

**Appendix IV-3 (cont.): Correlations among variables in the research model  
(total sample)**

	4	5	6	7	8	9	10
<b>(a) Demographic and Dispositional Variables</b>							
1 Age							
2 Organisational Tenure							
3 Current Position Tenure							
4 Position	---						
5 Gender	.396***	---					
6 Marital Status	.454***	.244***	---				
7 Education	.201***	.308***	.170***	---			
8 Positive Affectivity	-.054	-.076*	.038	-.071*	---		
9 Negative Affectivity	-.046	-.060	-.046	-.078*	-.072*	---	
<b>(b) Type of Bank</b>							
10 Bank	-.084*	-.011	.006	-.069*	.163***	-.025	---
<b>(c) Antecedents</b>							
11 Favourable Training policies and practices	.097**	.100**	.086**	-.070*	.289***	-.003	.442***
12 Supervisory Support	.027	.070*	.054	.008	.228***	-.079*	.166***
13 Co-worker Support	.051	.064	.068*	-.004	.202***	-.118***	.112**
14 Role Clarity	.155***	.058	.137***	-.087**	.329***	-.121***	.154***
15 Promotional Chances	.163***	.150***	.072*	.048	.284***	-.083*	.199***
16 Job Security Concern	-.036	.078*	-.006	.110**	.244***	-.121***	.162***
17 Participatory Management	.263***	.115**	.180***	.021	.279***	-.043	.164***
18 Distributive Justice	.080*	.094**	.060	.020	.286***	.017	.212***
19 Formal Procedural Justice	.079*	.119***	.106**	.019	.333***	.022	.232***
20 Interactional Justice	.045	.110**	.075*	.051	.356***	-.057	.177***
21 Job Complexity	.205***	.115**	.152***	.002	.319***	-.065*	.231***
22 Skills/Knowledge Transferability	.070*	.115**	.056	.226***	.155***	-.093**	.162***
<b>(d) Mediating Variables</b>							
23 Self-Efficacy	.084*	.072*	.133***	.033	.385***	-.191***	.140***
24 Perceived Organisational Support	.039	.012	.077*	-.019	.491***	-.020	.294***
25 Organisation-Based Self-Esteem	.209***	.027	.185***	-.066*	.437***	-.028	.224***
<b>(e) Commitment</b>							
26 Affective Commitment	.234***	.013	.203***	-.147***	.411***	-.122***	.189***
<b>(f) Organisational Citizenship Behaviour</b>							
27 Altruism	.093**	.016	.070*	-.037	.287***	-.064	.042
28 Conscientiousness	.130***	-.063	.154***	-.124***	.249***	-.021	.103**
29 Courtesy	.127***	.015	.097**	-.070*	.271***	-.139***	.127***
30 Sportsmanship	.139***	.016	.080*	.023	.109**	-.517***	.058
31 Civic Virtue	.153***	.075*	.127***	-.073*	.326***	-.110**	.077*

**Appendix IV-3 (cont.): Correlations among variables in the research model  
(total sample)**

	11	12	13	14	15	16	17
<b>(a) Demographic and Dispositional Variables</b>							
1 Age							
2 Organisational Tenure							
3 Current Position Tenure							
4 Position							
5 Gender							
6 Marital Status							
7 Education							
8 Positive Affectivity							
9 Negative Affectivity							
<b>(b) Type of Bank</b>							
10 Bank							
<b>(c) Antecedents</b>							
11 Favourable Training policies and practices	---						
12 Supervisory Support	.393***	---					
13 Co-worker Support	.375***	.497***	---				
14 Role Clarity	.365***	.464***	.481***	---			
15 Promotional Chances	.468***	.374***	.358***	.303***	---		
16 Job Security Concern	.291***	.215***	.209***	.206***	.467***	---	
17 Participatory Management	.427***	.514***	.366***	.390***	.482***	.405***	---
18 Distributive Justice	.483***	.402***	.322***	.249***	.504***	.344***	.431***
19 Formal Procedural Justice	.589***	.423***	.313***	.288***	.412***	.315***	.498***
20 Interactional Justice	.445***	.616***	.370***	.346***	.420***	.352***	.551***
21 Job Complexity	.333***	.321***	.274***	.401***	.330***	.304***	.489***
22 Skills/Knowledge Transferability	.191***	.139***	.123***	.097**	.222***	.192***	.199***
<b>(d) Mediating Variables</b>							
23 Self-Efficacy	.229***	.297***	.305***	.415***	.300***	.361***	.396***
24 Perceived Organisational Support	.540***	.368***	.332***	.319***	.494***	.333***	.458***
25 Organisation-Based Self-Esteem	.342***	.338***	.312***	.405***	.384***	.345***	.511***
<b>(e) Commitment</b>							
26 Affective Commitment	.329***	.323***	.272***	.354***	.376***	.177***	.390***
<b>(f) Organisational Citizenship Behaviour</b>							
27 Altruism	.140***	.223***	.303***	.348***	.171***	.187***	.269***
28 Conscientiousness	.161***	.217***	.238***	.343***	.161***	.121***	.245***
29 Courtesy	.202***	.326***	.329***	.413***	.206***	.123***	.260***
30 Sportsmanship	.064	.164***	.117***	.210***	.064	.060	.086**
31 Civic Virtue	.256***	.276***	.301***	.414***	.241***	.169***	.252***

**Appendix IV-3 (cont.): Correlations among variables in the research model  
(total sample)**

	18	19	20	21	22	23	24
<b>(a) Demographic and Dispositional Variables</b>							
1 Age							
2 Organisational Tenure							
3 Current Position Tenure							
4 Position							
5 Gender							
6 Marital Status							
7 Education							
8 Positive Affectivity							
9 Negative Affectivity							
<b>(b) Type of Bank</b>							
10 Bank							
<b>(c) Antecedents</b>							
11 Favourable Training policies and practices							
12 Supervisory Support							
13 Co-worker Support							
14 Role Clarity							
15 Promotional Chances							
16 Job Security Concern							
17 Participatory Management							
18 Distributive Justice	---						
19 Formal Procedural Justice	.539***	---					
20 Interactional Justice	.537***	.670***	---				
21 Job Complexity	.315***	.370***	.418***	---			
22 Skills/Knowledge Transferability	.148***	.150***	.160***	.303***	---		
<b>(d) Mediating Variables</b>							
23 Self-Efficacy	.237***	.245***	.359***	.439***	.129***	---	
24 Perceived Organisational Support	.543***	.590***	.591***	.483***	.286***	.371***	---
25 Organisation-Based Self-Esteem	.302***	.325***	.404***	.582***	.194***	.552***	.516***
<b>(e) Commitment</b>							
26 Affective Commitment	.269***	.297***	.360***	.416***	.135***	.364***	.488***
<b>(f) Organisational Citizenship Behaviour</b>							
27 Altruism	.120***	.106**	.226***	.248***	.035	.428***	.169***
28 Conscientiousness	.118***	.126***	.180***	.302***	.016	.404***	.226***
29 Courtesy	.155***	.113**	.235***	.312***	.087**	.453***	.176***
30 Sportsmanship	-.039	-.016	.112**	.165***	.070*	.187***	.031
31 Civic Virtue	.177***	.192***	.263***	.340***	.092**	.459***	.309***



**Appendix IV-3 (cont.): Correlations among variables in the research model  
(total sample)**

	25	26	27	28	29	30	31
<b>(a) Demographic and Dispositional Variables</b>							
1 Age							
2 Organisational Tenure							
3 Current Position Tenure							
4 Position							
5 Gender							
6 Marital Status							
7 Education							
8 Positive Affectivity							
9 Negative Affectivity							
<b>(b) Type of Bank</b>							
10 Bank							
<b>(c) Antecedents</b>							
11 Favourable Training policies and practices							
12 Supervisory Support							
13 Co-worker Support							
14 Role Clarity							
15 Promotional Chances							
16 Job Security Concern							
17 Participatory Management							
18 Distributive Justice							
19 Formal Procedural Justice							
20 Interactional Justice							
21 Job Complexity							
22 Skills/Knowledge Transferability							
<b>(d) Mediating Variables</b>							
23 Self-Efficacy							
24 Perceived Organisational Support							
25 Organisation-Based Self-Esteem	---						
<b>(e) Commitment</b>							
26 Affective Commitment	.519***	---					
<b>(f) Organisational Citizenship Behaviour</b>							
27 Altruism	.416***	.391***	---				
28 Conscientiousness	.455***	.454***	.514***	---			
29 Courtesy	.482***	.471***	.586***	.589***	---		
30 Sportsmanship	.200***	.252***	.148***	.112**	.308***	---	
31 Civic Virtue	.484***	.522***	.545***	.494***	.633***	.283***	---

**Appendix V-1: Factor loadings (K bank sample)**

Indicators	Positive Affectivity	Negative Affectivity	Favourable Training	Supervisory Support	Co-worker Support	Role Clarity	Promotional Chances	Job Security Concern	Participatory Management	Distributive Justice
Positive Affectivity 1	.91									
Positive Affectivity 2	.85									
Negative Affectivity 1		.97								
Negative Affectivity 2		.80								
Favourable Training Polices 1			.85							
Favourable Training Polices 2			.94							
Favourable Training Polices 3			.82							
Supervisory Support 1				.84						
Supervisory Support 2				.88						
Supervisory Support 4				.78						
Co-worker Support 1					.89					
Co-worker Support 2					.92					
Co-worker Support 3					.89					
Role Clarity 2						.76				
Role Clarity 3						.84				
Promotional Chances 1							.84			
Promotional Chances 2							.81			
Promotional Chances 3							.76			
Job Security Concern 1								.87		
Job Security Concern 2								.77		
Job Security Concern 3								.89		
Participatory Management 1									.82	
Participatory Management 2									.82	
Participatory Management 4									.73	
Distributive Justice 1										.90
Distributive Justice 2										.96
Distributive Justice 3										.83

**Appendix V-1 (cont.): Factor loadings (K bank sample)**

Indicators	Formal Procedural Justice	Interactional Justice	Job Complexity	Skills Transferability	Self-Efficacy	POS	OBSE	Affective Commitment
Formal Procedural Justice 1	.93							
Formal Procedural Justice 2	.94							
Formal Procedural Justice 3	.86							
Interactional Justice 1		.96						
Interactional Justice 2		.96						
Interactional Justice 3		.94						
Job Complexity 1			.94					
Job Complexity 2			.94					
Job Complexity 3			.89					
Skills Transferability 2				.76				
Skills Transferability 3				.86				
Self-Efficacy 1					.92			
Self-Efficacy 2					.92			
Self-Efficacy 3					.92			
POS 1						.95		
POS 2						.92		
POS 3						.93		
OBSE 1							.92	
OBSE 2							.97	
OBSE 3							.87	
Affective Commitment 1								.92
Affective Commitment 2								.84
Affective Commitment 3								.85

**Appendix V-2: Factor loadings (B bank sample)**

Indicators	Positive Affectivity	Negative Affectivity	Favourable Training	Supervisory Support	Co-worker Support	Role Clarity	Promotional Chances	Job Security Concern	Participatory Management	Distributive Justice
Positive Affectivity 1	.90									
Positive Affectivity 2	.80									
Negative Affectivity 1		.85								
Negative Affectivity 2		.89								
Favourable Training Polices 1			.88							
Favourable Training Polices 2			.93							
Favourable Training Polices 3			.79							
Supervisory Support 1				.83						
Supervisory Support 2				.90						
Supervisory Support 4				.68						
Co-worker Support 1					.86					
Co-worker Support 2					.85					
Co-worker Support 3					.86					
Role Clarity 2						.84				
Role Clarity 3						.85				
Promotional Chances 1							.87			
Promotional Chances 2							.86			
Promotional Chances 3							.84			
Job Security Concern 1								.87		
Job Security Concern 2								.65		
Job Security Concern 3								.84		
Participatory Management 1									.84	
Participatory Management 2									.77	
Participatory Management 4									.58	
Distributive Justice 1										.90
Distributive Justice 2										.94
Distributive Justice 3										.83

**Appendix V-2 (cont.): Factor loadings (B bank sample)**

Indicators	Formal Procedural Justice	Interactional Justice	Job Complexity	Skills Transferability	Self-Efficacy	POS	OBSE	Affective Commitment
Formal Procedural Justice 1	.88							
Formal Procedural Justice 2	.94							
Formal Procedural Justice 3	.80							
Interactional Justice 1		.95						
Interactional Justice 2		.96						
Interactional Justice 3		.92						
Job Complexity 1			.93					
Job Complexity 2			.95					
Job Complexity 3			.90					
Skills Transferability 2				.81				
Skills Transferability 3				.75				
Self-Efficacy 1					.90			
Self-Efficacy 2					.85			
Self-Efficacy 3					.91			
POS 1						.95		
POS 2						.94		
POS 3						.94		
OBSE 1							.90	
OBSE 2							.96	
OBSE 3							.88	
Affective Commitment 1								.94
Affective Commitment 2								.89
Affective Commitment 3								.85

**Appendix V-3: Factor loadings (total sample)**

Indicators	Positive Affectivity	Negative Affectivity	Favourable Training	Supervisory Support	Co-worker Support	Role Clarity	Promotional Chances	Job Security Concern	Participatory Management	Distributive Justice
Positive Affectivity 1	.92									
Positive Affectivity 2	.82									
Negative Affectivity 1		.91								
Negative Affectivity 2		.85								
Favourable Training Polices 1			.89							
Favourable Training Polices 2			.95							
Favourable Training Polices 3			.82							
Supervisory Support 1				.84						
Supervisory Support 2				.89						
Supervisory Support 4				.74						
Co-worker Support 1					.88					
Co-worker Support 2					.89					
Co-worker Support 3					.88					
Role Clarity 2						.79				
Role Clarity 3						.87				
Promotional Chances 1							.86			
Promotional Chances 2							.84			
Promotional Chances 3							.81			
Job Security Concern 1								.87		
Job Security Concern 2								.72		
Job Security Concern 3								.87		
Participatory Management 1									.82	
Participatory Management 2									.81	
Participatory Management 4									.67	
Distributive Justice 1										.91
Distributive Justice 2										.95
Distributive Justice 3										.83

**Appendix V-3 (cont.): Factor loadings (total sample)**

Indicators	Formal Procedural Justice	Interactional Justice	Job Complexity	Skills Transferability	Self-Efficacy	POS	OBSE	Affective Commitment
Formal Procedural Justice 1	.91							
Formal Procedural Justice 2	.94							
Formal Procedural Justice 3	.84							
Interactional Justice 1		.96						
Interactional Justice 2		.96						
Interactional Justice 3		.94						
Job Complexity 1			.94					
Job Complexity 2			.95					
Job Complexity 3			.90					
Skills Transferability 2				.84				
Skills Transferability 3				.76				
Self-Efficacy 1					.91			
Self-Efficacy 2					.89			
Self-Efficacy 3					.92			
POS 1						.95		
POS 2						.94		
POS 3						.94		
OBSE 1							.91	
OBSE 2							.96	
OBSE 3							.88	
Affective Commitment 1								.94
Affective Commitment 2								.86
Affective Commitment 3								.86

Appendix VI-1: LISREL estimates of zero-order correlation matrix (K bank sample)

	1	2	3	4	5	6	7	8	9	10	11	12
1. Age	---											
2. Organisational Tenure	.65***	---										
3. Current Position Tenure	.32***	.41***	---									
4. Gender <sup>a</sup>	.31***	.06	.05	---								
5. Marital Status <sup>b</sup>	.53***	.44***	.10*	.24***	---							
6. Education	.19***	-.25***	-.13**	.31***	.20***	---						
7. Positive Affectivity	.02	.11*	-.01	-.08	.05	-.13*	---					
8. Negative Affectivity	.01	.04	.03	-.03	-.07	-.06	-.12*	---				
9. Favourable Training policies and practices	.20***	.15**	.09	.15**	.13**	-.04	.25***	-.07	---			
10. Supervisory Support	.10*	.09	.02	.08	.12*	-.02	.27***	-.16**	.52***	---		
11. Co-worker Support	.09	.09	-.02	.08	.14**	.01	.23***	-.14**	.46***	.61***	---	
12. Role Clarity	.19***	.23***	.10	.04	.10	-.09	.39***	-.15**	.53***	.62***	.60***	---
13. Promotional Chances	.08	.12*	-.10*	.19***	.11*	.07	.30***	-.19***	.58***	.46***	.46***	.49***
14. Job Security Concern	-.10*	-.07	-.16**	.09	.02	.11*	.30***	-.22***	.29***	.28***	.24***	.36***
15. Participatory Management	.28***	.26***	.07	.13*	.18***	.01	.35***	-.19***	.51***	.61***	.48***	.55***
16. Distributive Justice	.08	.08	-.07	.16**	.11*	.01	.31***	.03	.53***	.47***	.36***	.41***
17. Formal Procedural Justice	.13**	.09	.02	.16**	.13**	.04	.37***	-.01	.61***	.54***	.35***	.44***
18. Interactional Justice	.11*	.06	-.01	.17***	.09	.04	.44***	-.10*	.48***	.68***	.40***	.46***
19. Job Complexity	.23***	.20***	.02	.21***	.25***	.11*	.37***	-.13*	.27***	.41***	.34***	.47***
20. Skills/Knowledge Transferability	.04	-.05	.00	.13*	.12*	.30***	.12*	-.17**	.03	.07	.14**	.09
21. Self-Efficacy	.12*	.14**	.06	.12*	.15**	.06	.45***	-.27***	.29***	.41***	.43***	.54***
22. Perceived Organisational Support	.05	.11*	-.08	.04	.10*	.00	.54***	-.03	.47***	.42***	.36***	.50***
23. Organisation-Based Self-Esteem	.23***	.31***	.12*	.11*	.17***	-.07	.50***	-.10*	.33***	.44***	.39***	.54***
24. Affective Commitment	.27***	.35***	.03	-.01	.20***	-.17***	.55***	-.22***	.36***	.39***	.31***	.48***

\* = p ≤ .05;

\*\* = p < .01

<sup>a</sup> Dummy variable: 1 = male, 0 = female

<sup>b</sup> Dummy variable: 1 = married, 0 = single

\*\*\* = p < 0.001, two-tailed test



Appendix VI-1 (cont.) (K bank sample)

	13	14	15	16	17	18	19	20	21	22	23	24
1. Age	---											
2. Organisational Tenure	.60***	---										
3. Current Position Tenure	.60***	.52***	---									
4. Gender <sup>a</sup>	.52***	.28***	.46***	---								
5. Marital Status <sup>b</sup>	.45***	.30***	.56***	.58***	---							
6. Education	.46***	.40***	.61***	.58***	.72***	---						
7. Positive Affectivity	.38***	.38***	.58***	.31***	.34***	.46***	---					
8. Negative Affectivity	.15*	.16**	.10	.04	.01	.10	.23***	---				
9. Favourable Training policies and practices	.38***	.45***	.52***	.28***	.30***	.45***	.56***	.09	---			
10. Supervisory Support	.52***	.36***	.47***	.57***	.57***	.62***	.48***	.18**	.42***	---		
11. Co-worker Support	.42***	.37***	.58***	.32***	.36***	.47***	.63***	.02	.66***	.56***	---	
12. Role Clarity	.42***	.25***	.45***	.32***	.39***	.43***	.48***	.09	.44***	.57***	.57***	---
13. Promotional Chances												
14. Job Security Concern												
15. Participatory Management												
16. Distributive Justice												
17. Formal Procedural Justice												
18. Interactional Justice												
19. Job Complexity												
20. Skills/Knowledge Transferability												
21. Self-Efficacy												
22. Perceived Organisational Support												
23. Organisation-Based Self-Esteem												
24. Affective Commitment												

Appendix VI-2: LISREL estimates of zero-order correlation matrix (B bank sample)

	1	2	3	4	5	6	7	8	9	10	11	12
1 Age	---											
2 Organisational Tenure	.74***	---										
3 Current Position Tenure	.36***	.35***	---									
4 Gender <sup>a</sup>	.47***	.26***	-.01	---								
5 Marital Status <sup>b</sup>	.57***	.50***	.24***	.24***	---							
6 Education	.26***	-.04	.05	.30***	.14**	---						
7 Positive Affectivity	-.01	-.02	.01	-.06	.05	.02	---					
8 Negative Affectivity	-.10*	-.08	-.06	-.07	-.04	-.10*	-.09	---				
9 Favourable Training policies and practices	.07	.01	-.03	.08	.07	-.04	.29***	.13*	---			
10 Supervisory Support	.03	.01	-.08	.09	.02	.05	.25***	.06	.33***	---		
11 Co-worker Support	.02	-.03	-.04	.06	-.01	-.01	.24***	-.06	.31***	.49***	---	
12 Role Clarity	.16**	.15**	.04	.06	.14**	-.07	.39***	-.07	.31***	.39***	.37***	---
13 Promotional Chances	.14**	.17***	-.06	.15**	.06	.07	.34***	.01	.37***	.34***	.31***	.18**
14 Job Security Concern	-.13*	-.15**	-.07	.03	-.03	.13*	.23***	-.06	.26***	.13*	.16**	.06
15 Participatory Management	.30***	.28***	.03	.14**	.22***	.05	.28***	.11*	.39***	.44***	.26***	.32***
16 Distributive Justice	.05	-.02	-.13**	.05	.01	.06	.24***	.05	.42***	.38***	.31***	.21***
17 Formal Procedural Justice	.01	-.05	-.10*	.09	.08	.02	.27***	.10	.58***	.32***	.28***	.28***
18 Interactional Justice	.00	-.04	-.09	.06	.05	.09	.29***	.02	.38***	.59***	.36***	.30***
19 Job Complexity	.16**	.16**	-.05	.05	.08	-.07	.26***	.00	.29***	.23***	.19***	.34***
20 Skills/Knowledge Transferability	-.02	.00	.01	-.02	-.05	.18**	.05	-.06	.08	-.01	-.10	-.08
21 Self-Efficacy	.06	.15**	.06	.02	.12*	.02	.40***	-.11*	.08	.18***	.17***	.27***
22 Perceived Organisational Support	.03	.07	-.03	-.01	.06	.00	.48***	.02	.54***	.30***	.32***	.26***
23 Organisation-Based Self-Esteem	.19***	.19***	.06	-.07	.21***	-.04	.46***	.05	.25***	.25***	.22***	.25***
24 Affective Commitment	.30***	.33***	.11*	.05	.22***	-.11*	.40***	-.06	.27***	.27***	.24***	.26***

\* = p ≤ .05;

\*\* = p < .01

<sup>a</sup> Dummy variable: 1 = male, 0 = female

<sup>b</sup> Dummy variable: 1 = married, 0 = single

\*\*\* = p < 0.001, two-tailed test

Appendix VI - 2 (cont.) (B bank sample)

	13	14	15	16	17	18	19	20	21	22	23	24
1 Age	---											
2 Organisational Tenure	.41***	---										
3 Current Position Tenure	.50***	.35***	---									
4 Gender	.54***	.39***	.37***	---								
5 Marital Status	.39***	.34***	.45***	.47***	---							
6 Education	.40***	.30***	.42***	.50***	.64***	---						
7 Positive Affectivity	.27***	.19***	.47***	.26***	.36***	.34***	---					
8 Negative Affectivity	.16**	.15*	.15*	.06	.03	.04	.17**	---				
9 Favourable Training policies and practices	.23***	.28***	.31***	.16**	.14**	.24***	.31***	.03	---			
10 Supervisory Support	.49***	.31***	.47***	.50***	.62***	.58***	.44***	.21***	.32***	---		
11 Co-worker Support	.36***	.31***	.51***	.22***	.23***	.30***	.52***	.19***	.46***	.45***	---	
12 Role Clarity	.38***	.09	.40***	.20***	.21***	.28***	.36***	.07	.30***	.42***	.47***	---
13 Promotional Chances												
14 Job Security Concern												
15 Participatory Management												
16 Distributive Justice												
17 Formal Procedural Justice												
18 Interactional Justice												
19 Job Complexity												
20 Skills/Knowledge Transferability												
21 Self-Efficacy												
22 Perceived Organisational Support												
23 Organisation-Based Self-Esteem												
24 Affective Commitment												

Appendix VI-3: LISREL estimates of zero-order correlation matrix (total sample)

	1	2	3	4	5	6	7	8	9	10	11	12
1 Age	---											
2 Organisational Tenure	.70***	---										
3 Current Position Tenure	.34***	.38***	---									
4 Gender <sup>a</sup>	.39***	.16***	.02	---								
5 Marital Status <sup>b</sup>	.55***	.47***	.17***	.24***	---							
6 Education	.23***	-.15***	-.04	.31***	.17***	---						
7 Positive Affectivity	.00	.03	-.01	-.07	.05	-.07	---					
8 Negative Affectivity	-.05	-.02	-.01	-.05	-.06	-.08*	-.13**	---				
9 Favourable Training policies and practices	.08*	.04	.01	.10**	.09**	-.07	.31***	.00	---			
10 Supervisory Support	.05	.04	-.04	.08*	.07*	.00	.29***	-.06	.46***	---		
11 Co-worker Support	.04	.03	-.03	.07	.07*	-.01	.25***	-.12**	.40***	.55***	---	
12 Role Clarity	.15***	.17***	.05	.05	.12**	-.09*	.40***	-.11**	.45***	.52***	.49***	---
13 Promotional Chances	.09*	.12***	-.09**	.16***	.08*	.05	.35***	-.11**	.51***	.42***	.40***	.36***
14 Job Security Concern	-.13***	-.12***	-.13***	.06	.00	.10**	.29***	-.15***	.32***	.23***	.22***	.24***
15 Participatory Management	.27***	.25***	.04	.13***	.20***	.02	.33***	-.07	.46***	.55***	.39***	.45***
16 Distributive Justice	.04	.02	-.11**	.10**	.06	.02	.30***	.02	.51***	.45***	.35***	.34***
17 Formal Procedural Justice	.05	.01	-.05	.12***	.11**	.02	.35***	.03	.62***	.46***	.34***	.39***
18 Interactional Justice	.04	.00	-.05	.11***	.07*	.05	.39***	-.06	.46***	.65***	.40***	.40***
19 Job Complexity	.16***	.15***	-.03	.13***	.16***	.01	.34***	-.07	.35***	.35***	.29***	.42***
20 Skills/Knowledge Transferability	-.01	-.03	-.01	.06	.04	.21***	.13**	-.13***	.14***	.08	.07	.05
21 Self-Efficacy	.08*	.13***	.05	.07*	.14***	.03	.44***	-.21***	.24***	.32***	.33***	.42***
22 Perceived Organisational Support	.01	.06	-.07	.01	.08*	-.02	.53***	-.02	.56***	.40***	.36***	.41***
23 Organisation-Based Self-Esteem	.19***	.23***	.08*	.02	.18***	-.07*	.50***	-.04	.36***	.37***	.33***	.42***
24 Affective Commitment	.27***	.31***	.06	.02	.21***	-.15***	.49***	-.15***	.36***	.34***	.29***	.38***

\* = p ≤ .05;

\*\* = p < .01

<sup>a</sup> Dummy variable: 1 = male, 0 = female

<sup>b</sup> Dummy variable: 1 = married, 0 = single

\*\*\* = p < 0.001, two-tailed test

Appendix VI-3 (cont.) (total sample)

	13	14	15	16	17	18	19	20	21	22	23	24
1 Age	---											
2 Organisational Tenure												
3 Current Position Tenure												
4 Gender <sup>a</sup>												
5 Marital Status <sup>b</sup>												
6 Education												
7 Positive Affectivity												
8 Negative Affectivity												
9 Favourable Training policies and practices												
10 Supervisory Support												
11 Co-worker Support												
12 Role Clarity												
13 Promotional Chances	---											
14 Job Security Concern	.53***	---										
15 Participatory Management	.56***	.46***	---									
16 Distributive Justice	.55***	.36***	.44***	---								
17 Formal Procedural Justice	.45***	.35***	.53***	.56***	---							
18 Interactional Justice	.45***	.37***	.54***	.56***	.70***	---						
19 Job Complexity	.36***	.32***	.54***	.33***	.39***	.43***	---					
20 Skills/Knowledge Transferability	.20***	.17***	.16***	.11**	.08*	.11**	.24***	---				
21 Self-Efficacy	.33***	.39***	.44***	.25***	.26***	.38***	.46***	.08*	---			
22 Perceived Organisational Support	.53***	.36***	.48***	.57***	.62***	.61***	.50***	.25***	.39***	---		
23 Organisation-Based Self-Esteem	.42***	.37***	.57***	.31***	.34***	.42***	.60***	.15***	.58***	.54***	---	
24 Affective Commitment	.42***	.19***	.43***	.29***	.33***	.37***	.44***	.12**	.39***	.51***	.53***	---

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