Internal Image of Organization and Commitment of Employees[1]

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Abstract

The purpose of the investigation is to identify the relationship between internal image of organization and employees' commitment. The hypotheses of the study: 1) there is a relationship between the internal image of the organization and organizational commitment of employees; 2) affective component of organizational loyalty is mostly associated with the components of the internal image; 3) the activities and characteristics of the company mediate the relationship between internal image and employee commitment. The sample includes three Russian organizations (198 respondents). Methods: 1) the scale for internal image investigation developed by S.A. Shagzhina; 2) the questionnaire "The scale of organizational loyalty" by J. Meyer and N. Allen.

The existence of a relationship between internal image of organization and employees' commitment is demonstrated, and some interesting peculiarities of the correlations are revealed. It is established that the factor structure of the internal image is similar in different organizations, but the importance of different factors for employees varies depending on the particular type of organization. Affective commitment has closer ties with internal image of organization than other components of commitment. There are some universal correlations which are typical for every organization, for example, the correlation between the factor "Social Security" of internal image and affective commitment. On the other hand, there are some correlations between components of commitment and internal image that are specific only for one of the investigated organizations. We can conclude that there is correlation between internal image and organizational commitment, but it is mediated by organizational factors.

Keywords: internal image, external image, organizational commitment, organizational loyalty, affective commitment, normative commitment, continued commitment.

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Introduction

The problem of the phenomenon of organizational commitment and loyalty is one of the most popular in contemporary organizational psychology. A loyal staff creates a competitive advantage for a business organization, and even insures its survival in such extreme conditions as economic and political crisis. A loyal staff contributes to the quality of business processes, creates a positive external image of the company, and provides a healthy team atmosphereer, (Agatova, Smolyan, Solntseva, 2007; Valyuzhenich, 2007; Rgoades, Eisenberger, Armeli, 2001). This is why organizations are willing to finance corporate events, research and the creation of loyalty and commitment programs. These factors determine the importance and relevance of our investigation. The importance of the study is especially high during a period of crisis when an organization faces challenges it can manage only if it has loyal staff. The novelty of the investigation is conditioned by the findings of the correlation between commitment and internal image of organization and the role of organizational factors mediating this correlation.

Theoretical Background

The first scientific study of the phenomenon of organizational loyalty appeared at the beginning of the 20th century, and this area has been actively developed since the beginning of 60's - 70's. The concept of loyalty was developed in management, and later studies within the organizational psychology began to take place.

The definitions of organizational loyalty can be divided into two groups: 1) the definition of loyalty as commitment, dedication, which is facilitated by organizational factors (organizational commitment); 2) definition of loyalty as a special psychological phenomenon, directly related to the staff (employee loyalty). This division is typical for contemporary psychology, while the boundaries between the concepts of commitment and loyalty are blurred (Dominyak, 2003). In this paper we use the concepts of loyalty and commitment as synonyms.

In contemporary psychology the behavioral and attitudinal approaches to the investigation of loyalty and commitment are most popular. The behavioral approach assumes that loyalty is formed by the behavior of employees. There are three factors which influence the employee's behavior: 1) it is carried out in public; 2) it takes place on the basis of free choice; 3) the absence of loyal behavior leads to losses. Loyal behavior means that the employee wants to be a part of the organization and works more than required. At the same time the level of commitment to the organization depends on the ratio of remuneration and expenses. G. Becker presented his concept of loyalty, suggesting that, working in the same company, a person invests and accumulates experience that he does not want to lose during the transition to a new organization. In fact, this approach is based on the theory of positive and negative outcomes (Dominyak, 2003). However, some authors believe that loyal behavior depends on two factors: the loyalty of staff and situational factors. Workers' attitude is not entirely determined by their own behavior; situational factors (for example, labor market, the situation in the company, the employee's personal relationships), also play a significant role. Therefore, the organization is able to influence loyalty only through the situation in the company (Germanov, Plotnikova, 2003).

The second approach to the study of loyalty is the attitudinal approach. In this approach loyalty is considered as an attitude and as an emotional connection between the employee and the organization. Loyalty in this case is created by past experience, an employee's personal characteristics and his perception of the organization. L. Jowell considers an employee's commitment as an indicator of the strength of his connection with the organization. Loyalty is defined as the willingness of employees to make greater efforts on behalf of the organization, a strong desire to remain in the company, and acceptance of its main goals and values (Dominyak, 2003). Commitment in this case includes the identification with the organization, immersion in work and a sense of attachment to the company.

There are several concepts of understanding the phenomenon of loyalty within the attitudinal approach. Affective loyalty is regarded as pride in the organization, the desire to join it, involvement and attachment to it. Moral loyalty, as part of affective loyalty, implies the acceptance of the values and norms of the organization, its mission and goals. Normative loyalty defines the employee behavior, based on his belief that he should behave in a certain way. This kind of loyalty reflects the employee's sense of being obliged to the company. Normative loyalty can exist in the absence of affective loyalty. These concepts resonate with the three components of commitment described by D. Meyer and H. Allen: 1) affective commitment; 2) normative commitment; 3) continuance commitment (Meyer, Allen, 2007; Meyer, Allen, 1991). Affective commitment is based on emotional relationships between employee and organization as a result of positive work experience. Normative commitment is based on perceived obligations towards the organization. Continuance commitment reflects the perceived costs of leaving the organization. The three-component model is one of the most popular in organizational commitment research. Investigations indicate that commitment correlates with many organizational variables. Normative commitment is positively related to job evolvement, job satisfaction, organizational behavior, and negatively correlates with voluntary absenteeism, intention to leave the organization (Mathieu & Zajac, 1990; Meyer, Stanley, Herscovitch, & Topolnytsky, 2002; Cooper-Hakim & Viswesvaran, 2005). Affective commitment is positively related to physical and psychological well-being of employees ((Meyer & Maltin, 2010).

Based on the above definitions, we consider commitment as an employees' acceptance of the organizational values, goals and standards. Commitment provides an interest in employee's professional development and in the development of the organization, as well as job satisfaction. We also consider all the processes inside the organization, both at the individual and at the organizational levels, as corporate organizational commitment factors.

Among the factors that promote the emergence and strengthening of organizational commitment, the following are most important: 1) compensation for adverse working conditions; 2) properly structured information policy; 3) promotion of team spirit; 4) caring for employees and help in resolving difficulties (Agatova, Smolyan, Solntseva, 2007). In studies of organizational commitment such factors as job satisfaction, organizational identification, and leadership are most widely discussed. However, among these factors the internal image of the organization rarely appears.

Internal image of organization is a way the employees perceive their organization (Gorbatkina, 2002; Meschaninov, 2009; Shagzhina, 2008; Hatch, Schultz, 1997). Internal image defines trust of employees to the organization and, as a consequence, the organizational commitment. Piskunova believes that effective creation of a positive image and trust in organization implies: 1) the quality of activities; 2) comfort level of activity; 3) the price of services; 4) the identity of the manager and his "team"; 5) the characteristics of the staff; 6) external attributes. According to the researcher, these components of internal image determine the perception of the organization (Piskunova, 1997). Meshchaninov proposed the following structure of the organizational image: 1) conceptual paradigm of the image; 2) the aesthetic program of its expression; 3) the concept of recipient (visual and verbal) (Meschaninov, 2009).

Shagzina defines the internal image of the organization as the "created purposefully or naturally image that reflects the characteristics of the organization in the minds (or subconscious) of employees, indicating the attractiveness (or unattractiveness) membership in the organization and influencing the behavior of employees" (Shagzhina, 2008, p 9). Shagzhina identifies three structural components of internal image: 1) self-actualization as a major factor (the development of professional skills and knowledge, the implementation of needs in career development); 2) social security (material well-being, job security in the future); 3) status prestige of the organization (reputation of the company, developed corporate symbols, the location of the organization, the image of organizational leader, the image of the product) (Shagzhina, 2008).

At the moment, there are few empirical studies which show the relationship between the internal image of the organization and commitment of employees. There are some studies showing that the differences between the actual and the desired organizational culture make low the level of organizational commitment (Valyuzhenich, 2007). There is evidence that the image of the organization can influence organizational commitment, but only on its emotional component. In this case, the relationship between the inner image and organizational commitment results in a high level of personal satisfaction with work (Shagzhina, 2008).

The Empirical Study of Internal Image and Organizational Commitment

The purpose of the investigation was to identify the relationship between employee commitment and internal image of organization.

Hypotheses of the study: 1) there is a relationship between the internal image of the organization and organizational commitment of the staff; 2) the affective component of organizational commitment is mostly associated with components of internal image; 3) the kind of business and some characteristics of organization mediate the relationship between internal image and employee commitment.

Sample

We investigated the staff of three organizations of Russian cities Lipetsk and Voronezh. A total of 198 respondents participated: company "A", located in the city

of Lipetsk, included 98 people; the number of respondents from companies "B" (47 people) and "C" (53 people), located in Voronezh, was 100.

Company "A" is a trade company which sells products in different regions of the world, except in Russia. All employees receive an official ("white") salary[2]. The organization strives to maintain the remuneration and social security, to create safe and comfortable working conditions, improve procedures to attract, hire, encourage adaptation and professional development.

Company "B" is a branch of an American company. The company produces and sells software for various purposes for legal entities in Russia and abroad. The personnel policy is aimed at attracting talented young professionals, graduates and students. The company provides a range of compensation and benefits in order to keep their employees such as teaching of English at the expense of the employer and compensation of sport club membership. The company office is equipped for comfortable work and rest. The salary is official, and it is rather high in comparison with other companies in the sphere of information technologies in the city. The company provides professional development opportunities.

Company "C" distributes foods in the Central and the Volga region of Russia. The company also sells products under its own brands. Most employees work outside the office: they are engaged in the delivery of products and stocking in retail chains and individual outlets in the areas of regions. The organization has positioned itself as caring about the professional development of each employee. Currently, 80% of trainings and seminars are held for sales staff. There is a high level of staff turnover in some departments. The salary is only partly official.

Methods: 1) the method of studying the internal image of the organization, developed by Shagzhina (Shagzhina, 2008). The method is a variant of a semantic differential, the results were processed by factor analysis; 2) the questionnaire "The scale of organizational commitment" developed by Meyer and Allen, in Russian translation made by Dominyak (Germanov, Plotnikova, 2008; Dominyak, 2004; Pochebut, 2001).

Results

In company "A" the following factors of internal image were identified (Fig. 1): "The ability and appeal for self-actualization and development" (the percentage of explained variance 21.7%), "Social security" (15.5%), "General attractiveness"(11.1%), "Status - prestige"(10.8%), "Trust"(10.4%).

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[2] In Russia, some companies avoid paying taxes, artificially reducing official (or "white") salaries of employees, giving the rest of the salary in cash (the so-called "black" salary). However, the amount of pension is calculated on the basis of the employee's official salary amount. Thus, in this scheme, employees are socially insecure.
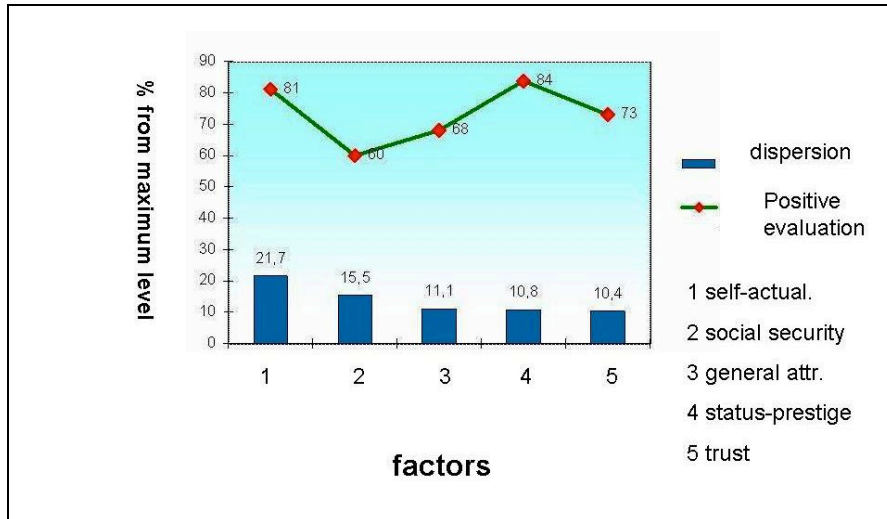
Figure 1: Company A: factors of internal image and their evaluations by employees

The study of organizational commitment in this organization showed that employees tend to stay in the organization due to severe involvement, attachment to the organization and identification with it (Fig. 2). This organization showed a high level of affective commitment (68%), and an average level of continued and normative commitment. Correlation analysis showed a correlation between factors of internal image with some components of organizational commitment: there are correlations between the factor "Ability and appeal to self-actualization and development" and the affective component of organizational commitment and continued commitment ($p < 0.05$), the factor "Social security" and affective commitment ($p < 0.05$).
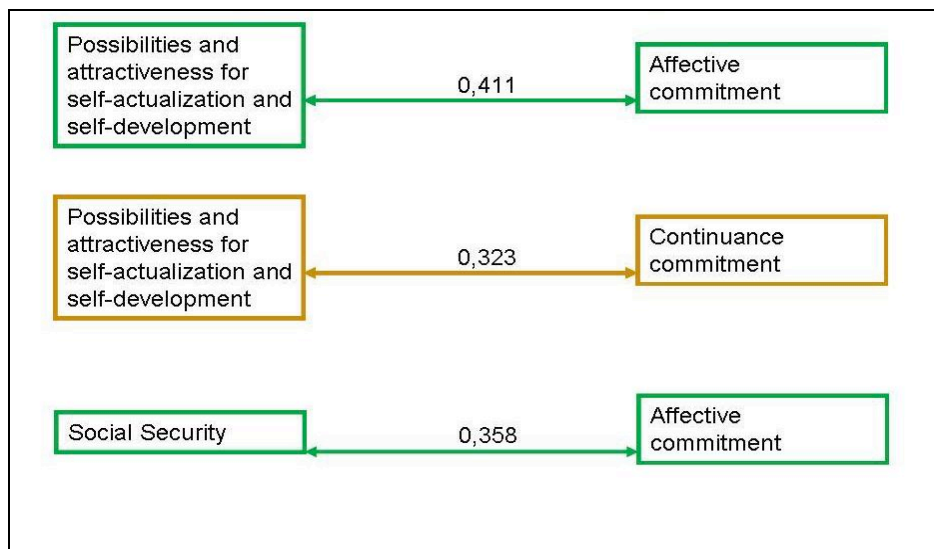

Figure 2: Company A: correlations between factors of internal image and components of organizational commitment ($p < 0.05$)

In company "B" the factor structure of internal image was the following (Fig. 3): "The ability and appeal to self-actualization and development" (38.5%), "Social security"

(22.7%), "General attractiveness" (17.1%), "The status-prestige" (7.1%), "Trust" (5.5%).
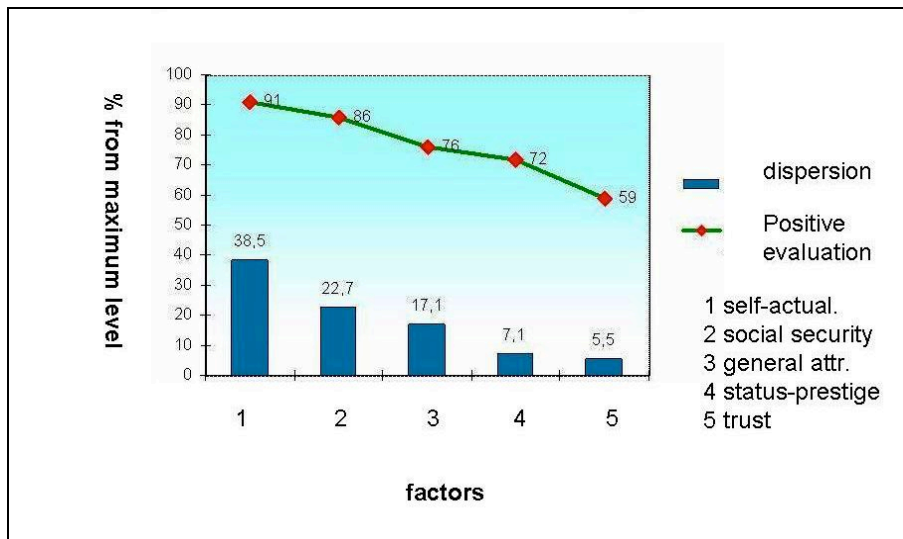

Figure 3: Company B: factors of internal image and their evaluations by employees

We discovered high level of affective commitment (79%) and continued commitment (69%), and the mean values on a scale of normative commitment (Fig. 4). Employees tend to stay in the organization due to the positive emotional relationship to the company, the attachment to it, and identification with it and its values. In addition, the company has a high level of continued loyalty, it indicates that employees remain in the organization, because they are quite appreciate their costs when moving to another job. Correlation analysis showed the correlation between factor "Ability and appeal to self-actualization and development" and the affective component of organizational commitment ($p < 0.05$); between factor "Social security", and affective and continued commitment ($p < 0.05$); between factor "General attractiveness" and continued commitment ($p < 0.05$). Perhaps this relationship is due to the fact that in Voronezh at the moment there are not so many companies that are willing to provide their employees with a pleasant, comfortable work place.
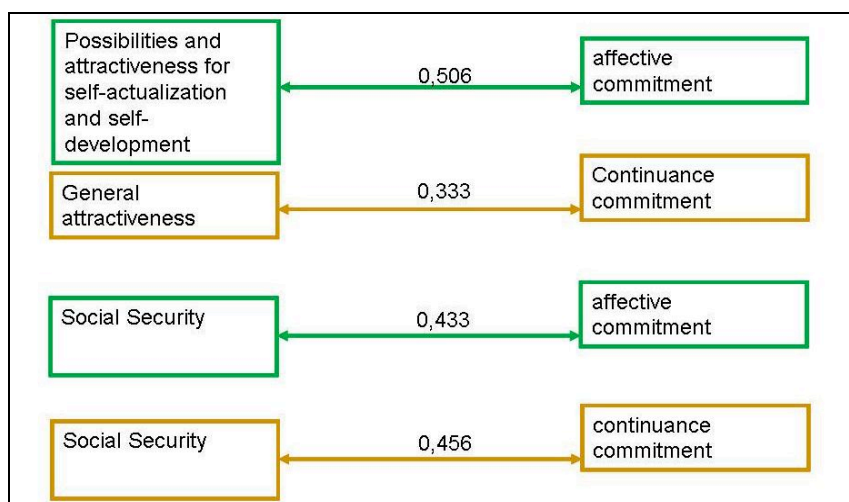

Figure 4: Company B: the correlations between factors of internal image and commitment components ($p < 0.05$)

In the company "C" (Fig. 5) we found the greatest weight of the factor "Social security" (25.6%). The next factor is the "Ability and appeal for self-actualization and development" (17.9%), and the follows are "Trust" (12.5%), "General attractiveness" (11.9%), "Status -prestige" (5,3%). It is interesting that the employees evaluate the factors "Trust" (66%), "Ability and appeal for self-actualization and the attractiveness and self-development" (63%) and" Status-prestige "(58%) as the most important, but in the structure of the internal image they presented weaker than factor "Social security".
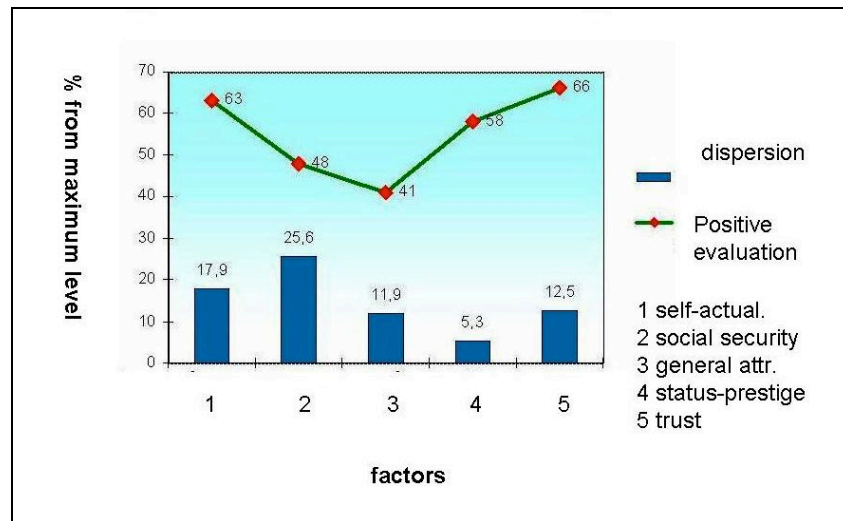

Figure 5: Company C: factors of internal image and their evaluations of employees

In general, all the values on the scale of organizational commitment are medium, which means that commitment is not high (Fig. 6). The highest is continued commitment (53%). That means that employees tend to stay in the organization due to the fact that they evaluate their costs when moving to another job. Correlation analysis revealed the correlation between factor "Ability and appeal for self-actualization and development" and affective commitment ($p < 0.05$), the factor "social security" with all loyalty scales ($p < 0.05$), and the factor of "Trust" was negatively associated with the normative component of commitment ($p < 0.05$).
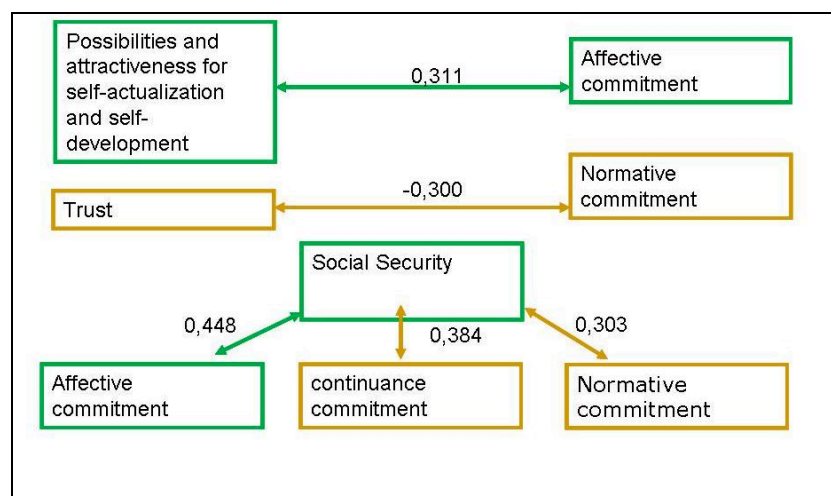

Figure 6: Company C: correlations between factors of internal image and commitment components ($p < 0.05$)

Discussion

The data showed that our hypothesis about the connection between internal image of the organization and employee's commitment was partly confirmed. We received the following correlations:

1. In all organizations a correlation between factor "Ability and appeal to self-actualization and development" and the affective component of organizational commitment was found. Thus, the affective commitment to the organization will be higher if employees perceive the organization as contributing to their self-actualization and development.

2. In all companies we found a correlation between the factor "Social security" and affective commitment.

Based on these two points, we can say that increasing of attractiveness for further development and to meeting empliyees' need for protection fosters positive attitudes to the organization. These links were also found in the study made by Shagzhina, which suggests that these relations are stable and do not depend on the areas in which the company operates, and its location.

3. However, we also found some correlations which are specific only for one of the investigated organizations:

a) In company "C" the factor "Social security" correlates not only with affective, but also with continued and normative commitment. Probably, this indicates that confidence in their position in the organization and guarantee of positive feeling within the company are so important that they ensure the commitment. In the same organization the factor "Trust" has a negative correlation with normative commitment.

b) In company "B" factor "General attractiveness" has a weak correlation with continued loyalty, which may also indicate the feasibility of working with this part of the internal image of the organization.

6. Related parameters and strength of correlation varies from organization to organization: we can assume that each of them have developed unique conditions that influence the internal image of the organization. We suppose that one important organizational factor is the official salary. Employees in the companies with official salaries feel more confident and pay more attention to the possibilities of professional development than to the social security.

Limitations

The limitations of our investigation are caused by its specific sample: we studied only three specific companies in specific Russian region. We tried to observe the companies with different businesses and characteristics, but of course it is impossible to cover all possible organizational conditions in one investigation.

Conclusion

We can conclude that our hypotheses were confirmed:

1) There is a correlation between internal image of organization and some components of organizational commitment.

2) There are correlations which are common for organizations with different characteristics: a) the correlation between factor "The ability and appeal to self-actualization and development" and the affective component of organizational commitment; b) the correlation between the factor "Social security" and the affective component of commitment. These correlations confirm our second hypothesis about closer ties of affective commitment with internal image of organization.

3) We found some links which are more typical only for certain companies: a) company "C" has some specific features: the factor of internal image "Social security" correlates with all components of organizational commitment, factor "Trust" has a negative correlation with normative commitment; b) in company "B" factor "General attractiveness" has weak correlation with continued loyalty. These correlations confirm our third hypothesis that some characteristics of organization mediate the relationship between internal image and employee commitment, but due to the limitations of our research, this problem needs further investigations.

Some authors believe that the image can only be deliberately created or also be dependent on spontaneously arising circumstances. Based on our analysis of the organizations that participated in our study, we can conclude that the internal image is formed both purposefully and as a result of the objective situation of the organization and some of its features. Internal image has strong correlations with organizational commitment and especially with its affective component, but these correlations are mediated by intra-organizational factors.

The results of the investigation can be used for elaboration the programs of increasing the stuff loyalty, as well as in organizational consulting and organizational culture developing.

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