Association for Information Systems
AIS Electronic Library (AISeL)

ACIS 2007 Proceedings | Australasian (ACIS)

1-1-2007

Assessing the Extent to which Career Development Impacts Employee Commitment: a Case Study of the ICT industry in Hong Kong

Joseph Chui
University of South Australia, josephchui@canada905.com

Canon Tong
University of South Australia, canon.tong@unisa.edu.au

Joseph M. Mula
University of Southern Queensland, mula@usq.edu.au

Follow this and additional works at: http://aisel.aisnet.org/acis2007

Recommended Citation
Chui, Joseph; Tong, Canon; and Mula, Joseph M., "Assessing the Extent to which Career Development Impacts Employee Commitment: a Case Study of the ICT industry in Hong Kong" (2007). *ACIS 2007 Proceedings*. Paper 79.
http://aisel.aisnet.org/acis2007/79

This material is brought to you by the Australasian (ACIS) at AIS Electronic Library (AISeL). It has been accepted for inclusion in ACIS 2007 Proceedings by an authorized administrator of AIS Electronic Library (AISeL). For more information, please contact elibrary@aisnet.org.

Assessing the Extent to which Career Development Impacts Employee Commitment: a Case Study of the ICT industry in Hong Kong

Joseph Chui
International Graduate School of Business
University of South Australia
Adelaide SA, Australia
Email: josephchui@canada905.com

Canon Tong
International Graduate School of Business
University of South Australia
Adelaide SA, Australia
Email: canon.tong@unisa.edu.au

Joseph M Mula
School of Accounting Economics & Finance
University of Southern Queensland
Toowoomba, Australia
Email: mula@usq.edu.au

Abstract

Many employee commitment studies have been undertaken recently in Mainland China that suggested necessary modifications should be made to the western traditional three-component commitment model to suit the Chinese context. This paper attempts to validate the generalizability of Wang's five-component commitment model as well as its relationship with career development among 300 ICT professionals in Hong Kong. Results suggest that the five-component commitment model which included affective commitment, active continuance commitment, passive continuance commitment, normative commitment, and value commitment is better than the traditional three-component model for explaining employee commitment of ICT professionals in Hong Kong. The independent variable of perceived value of career development is found having an impact on all five components, particularly value commitment which is not regarded as an independent component in the traditional model. Demographics data such as age, gender, and tenure which are the antecedents of employee commitment do not display any correlations with employee commitment in this study.

Keywords

ICT, employee commitment, perceived value of career development.

Introduction

This research aims to understand the relationship between career development and employee commitment (defined as organizational commitment) among ICT professionals in Hong Kong by using Wang's five-component commitment model. Many research studies have been undertaken in the last decade to understand employee commitment, the antecedents that led to employee commitment, the consequences of employee commitment (organizational performance), and the relationship of employee commitment with job satisfaction, with different foci in various industries. This empirical research will add on new knowledge to the existing literature of employee commitment from cross-cultural perspective and will provide business implications to strategic human resources management.

Economic Rebound

To compete effectively with other neighboring Asian countries, the Hong Kong government has formulated a strategy to position Hong Kong as the premier digital city and telecommunications hub of Asia (the mission of Commerce, Industry and Technology Bureau of the Hong Kong Special Administrative Region). To further strengthen this effort, the Hong Kong government established an Office of the Government Chief Information Officer (OGCIO) in 2004 in order to provide leadership for the development of the ICT industry within and outside the Government and to sustain Hong Kong's position as the leading digital city in the region.

Hong Kong has gone through a series of painful economic setbacks since the late 1990s: the Asian economic turmoil from late 1997 to 1999, the USA's 9/11 terrorist attack in 2001, Bird Flu in 2002, and SARS in 2003. The economy has shown positive recovery recently. The latest economic indicators (Table 1) show that Hong Kong has experienced strong economic growth for three consecutive years with GDP growing from 8.6% in 2004 to 7.5% in 2005 and then to 6.8% in 2006. Domestic demand has recovered from deflation in 2004 (-0.4%) to inflation in 2006 (+2.0%). The unemployment rate, according to Census and Statistics Department, has declined from a peak of almost 9% in 2003 down to 7.9% in 2004 and then to 5.6% in 2006. The latest unemployment figure in July 2007 has even dropped further to 4.1%.

According to the figures published in the World Investment Report 2006, UNCTAD, Hong Kong being the gateway to Mainland China, has attracted over US$30 billion of foreign direct investment (FDI) in the first three quarters of 2006, up 22% from the same period in 2005. This indicate that Hong Kong is Asia's second largest source of FDI and is also the second largest recipient of FDI in Asia (after Mainland China). All these favorable factors have given the job market a push and thus the unemployment rate has been declining since 2004 according to government statistics. At the same time, employee turnover starts increasing and this poses a problem to most organizations.

Table 1: Hong Kong major economic indicators

Indicators	2004	2005	2006	2007F
Population, Mid-year (million)	6.78	6.81	6.86	6.92
Gross Domestic Products (US$ billion)	165.6	177.2	188.8	199.4-201.3
Real GDP Growth (%)	+8.6	+7.5	+6.8	+6.3[a]
GDP Per Capita (US$)	24,400	26,000	27,500	28,800-29,000
Inflation (% Change in Composite CPI)	-0.4	+1.0	+2.0	+1.7[a]
Unemployment Rate (%)	7.9	6.8	5.6	4.1[b]

F = Government forecast for 2007
a = Year-on-year in 1st half 2007
b = July 2007
Source: Economic & Trade Information on Hong Kong (May 2007), Hong Kong Trade Development Council

Challenge for ICT Industry

Government estimates show that there are around 74,000 ICT practitioners in Hong Kong. Despite the fact that many ICT functions have been moving away from Hong Kong to Mainland China and to India, the demand for ICT professional is still very high. Same as in many other professions, employee turnover in the ICT industry is high and has therefore imposed a big challenge to HR managers. According to The Hudson Report – Employment and HR Trends (April to June 2007 edition), a labor market survey of key business sectors revealed that 56% of the companies surveyed had plans to increase headcount in the second quarter of 2007. Business executives were all positive about the first half of 2007 with salaries rising significantly and companies planning to pay more bonuses. A finding from the survey that was particularly relevant to this research is that the employee turnover in Hong Kong was higher than in any other market surveyed in Asia. This higher turnover occurred in all major sectors, including the ICT industry. Evidence suggested that one of the most important reasons for this high turnover, other than compensation, was the perception of limited career progression. Academic research also confirmed an important relationship between career development and employee commitment among ICT professionals (Paul & Anantharaman 2004).

It is widely recognized that ICT professionals are extremely valuable resource within organizations; they are critical to the successful implementation and use of sophisticated information technology within their organizations. One of the major challenges that the ICT industry faces is the ever changing technology. People working in the industry are exposed to considerable stress and they fear being out-of-date. Some ICT professionals would even like their organization to adopt new technology so that they can learn something new while others have no desire at all and are unable to keep up with the latest technology advancements. Therefore, management has to motivate these people by providing them opportunities for career development (Mak & Sockel 2001).

Literature Review

Employee Commitment – The Dependent Variable

Mowday, Steers and Porter (1979, p. 226) defined employee commitment as 'the relative strength of an individual's identification with and involvement in a particular organization'. There are two mainstreams of employee commitment research in the west. Mowday, Steers and Porter (1979) first used a 15-item OCQ (Organizational Commitment Questionnaires) to measure commitment in a series of studies. Meyer and Allen (1991) further enriched the commitment concepts, and classified commitment into three different components, i.e., affective commitment, continuance commitment, and normative commitment.

Employees with strong affective commitment will stay with the organization because they are emotionally attached to the company while those who have strong continuance commitment will stay with the organization for various reasons that include the lack of job alternatives elsewhere or the costs associated with leaving the organization which will result in losing income and retirement fund. Employees with strong normative commitment will stay because of some sort of obligation. The common theme of these three commitments is that commitment is a psychological state which characterizes an employee's relation with the company. This will in turn affect the decision whether to stay with the company or not (Meyer & Allen 1991).

After the Chinese Government opened up the market to western countries, thousands of multinational companies rushed in to establish their offices and/or manufacturing facilities in Mainland China. The liberalized market in China offers the opportunity for conducting commitment-related research. While the renowned employee commitment models developed by Mowday, Steers and Porter (1979) and Meyer and Allen (1991) have been widely adopted for a considerable number of commitment studies all over the world, researchers in China suggest that modifications of western employee commitment models are needed in the Chinese context.

Since the turn of the century, numerous employee studies were conducted in Mainland China. Wong et al. (2001) conducted a study among Chinese employees from non-state (or non-government) owned enterprises and discovered that the organizational commitment (OC) of Chinese employees has a direct correlation with job satisfaction and an employee's intent to leave. The OC is the predictor of job satisfaction but not the other way round, which was different from the findings of studies carried out in western countries. Some researchers have tried to find out whether there are any organizational commitment differences between employees working for state-owned enterprises and those who are working in foreign invested or joint venture organizations. Chiu (2002) conducted a study among 300 employees from six different enterprises in Shanghai; whilst Wang (2004) conducted research among 1,200 employees from seven different enterprises in the Guangdong province. Both studies confirmed that people working in state-owned enterprises have displayed different employee commitment from those who are working in foreign-invested organizations. However, each of their samples was confined to one city only and is not representative enough to generalize the findings to the whole of Mainland China.

Development of Commitment Model for China

Many commitment research studies conducted in China have used the traditional three-component model by Meyer and Allen (1991) as well as the OCQ questionnaire (Mowday, Steers & Porter 1979). In view of the cultural differences, many researchers have questioned the applicability of the model in the Chinese context. In Japan, researchers have suggested different sub-dimensions of organizational commitment. Sekimoto and Hanada's study in 1987 (cited in Wang 2004, p. 650) proposed a 'four sub-dimensional structure, i.e., desire to work, desire to remain, value internalization, and utilitarian'. Another Japanese researcher Takao in 1998 (cited in Wang 2004, p. 650) proved another model with 'four components that includes affective commitment, continuance commitment, normative commitment, and value commitment'.

Cheng and Stockdale (2003) tested the construct validity of Meyer and Allen's three-component commitment model in China. It transpired that the five-factor oblique model that addressed two oblique sub-dimensions of continuance commitment (low alternatives and high sacrifice) (McGee & Ford 1987) was best suited to the data even though the original three-component model was also well suited. However, these two sub-dimensions of continuance commitment are not supported in Chen and Francesco's (2003) study. This may be caused by the study being conducted among 800 employees from a single large pharmaceutical manufacturer in southern China, resulting in a possible sampling distortion.

Ling, Fang and Zhang (2002) argued that different employee commitment should be displayed in different countries because of social, institutional, and cultural variations. They further argued that the commitment models developed in western countries could not be generalized in China. They did a study among 1,500 Chinese employees working in different Chinese-owned enterprises. Based on the commitment model developed by Meyer and Allen (1991), Ling, Fang and Zhang (2002) proposed a five-component model which includes:

- Affective commitment – Referred to the identification with and the attachment to the work unit (or organization)
- Normative commitment – Referred to the attitudes to and the performance in the unit (or organization) based on social norms and professional ethnics
- Ideal commitment – Referred to the emphasis on personal development and the realization of inspirations
- Economic commitment – Referred to staying with the unit (or organization) because of fear of economic loss
- Choice commitment – Referred to staying with the unit (or organization) because of the failure of finding a better job

Affective commitment, normative commitment, and continuance (economic) commitment were found to be the common denominator in the different cultures. The ideal commitment and choice (or opportunity) commitment, however, were not well elaborated in the Ling, Fang and Zhang's (2002) study. Wang (2004, p. 651) further explained this five-component model that '…Ideal commitment in a Chinese context may imply that communist ideals have an effect on the organizational commitment of Chinese employees… corresponds to a large extent with continuance commitment as presented by western researchers…' According to Wang (2004), the five-component commitment model developed by Ling, Fang and Zhang (2002) suggests that a unique Chinese organizational commitment phenomenon might exist. If this were the case, commitment models developed in western countries would not be sufficient to fully explain the commitment of Chinese employees. Wang (2004, p. 660) subsequently utilized a five-component model which includes affective commitment (A), active continuance commitment (Ca), passive continuance commitment (Cp), normative commitment (N), and value commitment (V) (as shown in Figure 1) for a comparative study conducted in southern China.

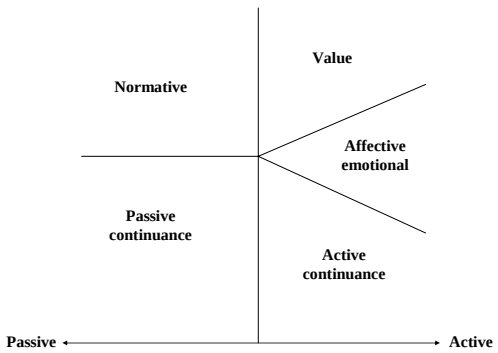

Figure1: Organizational commitment structure of Wang's model (Wang 2004, p. 660)

Affective commitment is the same as in Meyer and Allen's (1991) model that is widely employed to measure emotional attachment. Continuance commitment is divided into active and passive commitments. Active continuance commitment in this model represents a more active type of motivation that a person associates with the organization. The employee could choose to stay with the organization because of the availability of on-the-job training or promotion opportunities etc. This is developed based on the "ideal commitment" suggested by Ling, Fang and Zhang (2002) which is different from the traditional high-sacrifice/low-alternative format. On the other hand, passive continuance commitment represents the traditional type of continuance commitment, i.e., an employee chooses to stay with the organization because he or she lacks the ability to find an alternative job. Normative commitment, same as the one in Meyer and Allen's (1991) model, represents a sense of obligation to stay with the organization. An employee with high level of normative commitment should have a feeling of moral obligation to stay with the organization. For instance, an employee who has completed an MBA degree which was sponsored by the employer may feel obliged to stay. Value commitment, which is not mentioned in the renowned three-component commitment model, refers to 'an employee's feelings of value congruence with the organization and a willingness to exert considerable effort on behalf of the organization' (Wang 2004, p. 656). An employee who has been working for the same organization for a long period of time will have developed emotional attachment to the company but this will not guarantee hard work. Therefore, this can be

viewed as a sub-dimension of affective commitment, which measures only emotional attachment (Chen & Francesco 2003).

The research conducted by Wang (2004) in Mainland China has proven that the five-component commitment model works better in the Chinese context. As Hofstede (1993) pointed out, Chinese have a collectivism culture as opposed to an individualistic culture in the west. Compared to Mainland China, Hong Kong is a more westernized and commercialized society as a result of having been ruled by the British government for over 150 years before the 1st of July 1997. The economic and business environment in Hong Kong is much more similar to the west than to Mainland China. However, over 90% of the population in Hong Kong is Chinese, and a similar traditional Chinese culture is shared with the people in Mainland China. Despite the British influence in the past and the position of Hong Kong as an international hub for multinational organizations, this newly developed five-component commitment model would have the ability to be generalized in Hong Kong as well. Therefore, it is hypothesized that:

Hypothesis 1: The Wang's (2004) five-component commitment model is better than the three-component model (Meyer & Allen 1991) and the four-component model (Ling, Fang & Zhang 2002) for explaining employee commitment of ICT professionals in Hong Kong.

Demographic Variables

Research studies have discovered many different antecedents to employee commitment such as HR practices (Conway 2004, Zheng, Morrison & O'Neill 2006, Kim & Rowley 2006, and Meyer & Smith 2000), customer satisfaction (Allen & Grisaffe 2001), mentoring (Joiner, Bartram & Garreffa 2004), individual career management (Sturges, Guest, Conway & Davey 2002), job satisfaction (Jernigan, Beggs & Kohut 2002 and Igbaria & Guimaraes 1993), and corporate social responsibility (Brammer, Millington & Rayton 2006 and Collier & Esteban 2007). Demographic profiles such as age, gender, and tenure with the company are also found to be another important variables or antecedents to the development of continuance commitment (Allen & Meyer 1993, Meyer & Smith 2000, and Hackett et al 1994). Older employees tended to be more affectively committed than younger employees (Mathieu & Zajac 1990, Meyer & Smith 2000, and Allen & Meyer 1993). Age is a significant predictor of normative commitment (Allen & Meyer 1993 and Taormina 1999). Recently, the linkage between demographic and employee commitment has been challenged by researchers since many studies in China have demonstrated very weak correlation, if any, between the two. The results of a recent study conducted in Guangzhou and Shanghai on organizational commitment suggested that the demographic profile have no relationship to organizational commitment (Chen & Francesco 2000). The researchers suggested that the results could be due to cultural difference as well as to the impact of inter-personal relationships that are an important influential part of Chinese society; this is commonly referred to as "guanxi". Therefore, to determine if demographic variables can be the antecedent variables to employee commitment for this study, it is hypothesized that:

Hypothesis 2: Demographic variables are significantly correlated with employee commitment (affective, active continuance, passive continuance, normative, and value commitments).

Perceived Value of Career Development – Independent Variable

The three or five components of commitment mentioned earlier allow the identification of antecedent variables that are associated with each unique form of commitment. According to Arnold and Davey (1999), work characteristics have strong correlation with organizational commitment, and career development is the most powerful predictor in anticipating organizational commitment. Aryee and Tan (1992) confirmed that organizational opportunity for development is one of the major antecedents of career commitment, and this career commitment is in turn correlated with skill development. Fenton-O'Creevy et al. (1997) also reported that perceptions of good career opportunities within an organization are one of the most important predictors of college graduates' organization commitment. For the purpose of this study, the work done by Rothwell and Arnold (2005) in the UK that studied the engagement of professionals with CPD is considered to be the closest to this research. The objective of their study was to assess how professionals perceive the value of CPD. Accordingly the items they used for the survey were adopted to measure the perceived value of career development among ICT professionals for this research. Consequently, it is necessary to find out whether the perceived value of career development has a positive impact on the five-component commitment model of this study; so it is therefore hypothesized that:

Hypothesis 3: The perceived value of career development has a positive impact on the five-component commitment model of this study.

Research Method

Sample

A mailed survey was employed for this study. Self-completed questionnaires were sent to target respondents in selected companies or associations. Target participants were ICT practitioners working in IT department or ICT companies. They were non-clerical, local Hong Kong Chinese employees, and involved in hardware, software, communication, and/or infrastructure. A total of 165 companies and 130 individuals were randomly selected from the sampling frame. The sampling frame was compiled using the member lists sourced from seven websites (publicly available) of major ICT associations in Hong Kong. These ICT associations were chosen based on the fact that they are actively supporting the ICT industry and play an important role in influencing Hong Kong Government's strategy and development direction of the industry in Hong Kong. Some of them worked with the Hong Kong Government to organize the first Hong Kong ICT Awards in 2006. The sampling frame indicated a good cross-section of industries from private and public sectors, different company size, and the inclusion of both local and multinational companies.

For each selected company, an invitation letter together with 25 questionnaires (with stamped self-addressed envelops) were sent to the head of the ICT department (or the general manager/HR manager in the case of an ICT company) to seek their assistance with distributing the questionnaires to appropriate ICT personnel. An invitation letter that described the details of the study such as research objectives and eligibility of participants was included.

Out of the 4,255 questionnaires dispatched, 304 were returned, representing a response rate of 7%. This response rate for mail survey is believed to be quite good when the average is only 3% to 5% in Hong Kong (according to the comment made by the General Manager of a leading market research company in Hong Kong). Every effort has been made to boost the response rate that included user-friendly lay-out of the questionnaire format, pilot testing, follow-up calls, multiple mailings, and results sharing.

Four questionnaires were disqualified because of not being answered by local Hong Kong Chinese, and thus the total number of useable questionnaires for data analysis was 300.

Questionnaire

The questionnaire was mainly composed of three major sections to measure employee commitment, perceptions of value of career development, and perceptions of availability of career development opportunities (not described in this paper).

Affective commitment. Items used to measure affective commitment were "I am extremely glad that I chose this company to work for over others at the time I joined", "I talk up this company to my friends as a great company to work for", and "I am proud to tell others that I am part of this company". These three items were quoted from OCQ with the word 'organization' being changed to 'company', and have a Cronbach's alpha of 0.65.

Continuance commitment. Eight continuance commitment items were adopted from Ling et al.'s (2002) study. These items were divided into active continuance commitment and passive continuance commitment. Active continuance commitment included "I work for the company because it provides me with many on-the-job training opportunities", "I work for the company because it is a good chance to realize my goals", "I work for the company because I can make full use of what I have learned here", "I work for the company because of the challenging job", and "I work for the company because there are many opportunities for promotion". Passive continuance commitment contained "I work for the company because I cannot find a better one", "I cannot quit the job arbitrarily because I have to support my family", and "I work for the company because I do not want to lose my fringe benefits". The Cronbach's alpha for active and passive continuance commitment are 0.71 and 0.60 respectively.

Normative commitment. The three normative commitment items were quoted from OCQ, and they are "I consider it my obligation to work for the same company all the while", "I would like lifetime employment if possible", and "I would do any job as long as I work here". The Cronbach's alpha for this one was 0.80.

Value commitment. Two items were coming from OCQ and they were "I am willing to put in a great deal of effort beyond that normally expected in order to help this company to be successful" and "I really care about the fate of this company". The other two were obtained from Ling et al. (2002) and were "This company really inspires me to do my job to the very best of my abilities" and "One should work with utmost efforts for the company". The Cronbach's alpha was 0.70.

Perceived value of career development. This was measured by the nine items adopted from Rothwell & Arnold (2005, p. 23). They were "Career development can enhance my employability and career prospects",

"Career development has benefits to my employer or organization", "Career development is important because of the changing nature of my work", "Career development is not just another chore; it has significant benefits for me", "Career development will improve my job performance", "Career development will improve my job and career prospects", "Engaging in career development activities has a motivating effect on me", "It's worth making an effort on career development because of the beneficial outcomes", and "There are rewards for continuing my professional development". The Cronbach's alpha was 0.87.

Data Analysis

All variables (except demographics) were rated on a five-point Likert scale from strongly agree to strongly disagree. Correlation analysis was used to determine the relationships among all variables. Confirmatory factor analysis was used for testing the goodness-of-fit of the data set. To assess the impact of perceived value of career development on employee commitment, structural equation modeling (AMOS) was employed.

Results

Components of Commitment

The five-component commitment model proposed by Wang (2004) was found to have a better fit with the data than the traditional three-component model by Meyer and Allen (1991) and the four-component model by Ling, Fang and Zhang (2002). In other words, the Wang's (2004) five-component commitment model fits the data best and is better than the three-component model (Meyer & Allen 1991) and the four-component model (Ling, Fang & Zhang 2002) for explaining employee commitment of ICT professionals in Hong Kong. Table 2 shows the results of the confirmatory factor analysis. Among the three different commitment structures (or models), the five-component model fits the data best (Model 3). It is generally agreed that the value of GFI, AGFI, CFI, and NFI, should be greater than 0.90 in order to have a good fit between the model and the data. Model 3 appears to have a better fit with the data as compared to the other two models despite the NFI being 0.9. Another important statistic to look at is χ^2/df which demonstrates the fitness of the data. The χ^2/df of Model 3 at 2.391 is lower than that of the other models and a reading of less than 3 is considered as a good fit. Therefore, the results from the confirmatory factor analysis confirmed that the five-component model fits the data set better, and it fails to reject the first hypothesis.

Table 2: Confirmatory factor analysis results (n=300)

Model	GFI	AGFI	CFI	NFI	χ2	DF	χ2/DF	SRMR
1 A-C-N	0.856	0.796	0.746	0.700	328.988***	74	4.446	0.069
2 A-C-N-V	0.858	0.812	0.791	0.728	419.592***	129	3.253	0.058
3 A-Ca-Cp-N-V	**0.899**	**0.862**	**0.875**	**0.806**	**298.882*** **	**125**	**2.391**	**0.043**

*** $p < 0.001$

Correlations

Means, standard deviations, and inter-correlations were computed for all antecedent variables and each employee commitment component (Table 3). The general rule of thumb is that the correlation values (R square) should be less than 0.75. Table 3 shows that the correlation between affective commitment and active continuance commitment is 0.84 and the one between value commitment and active continuance commitment is 0.80. Judging from the fact that each commitment component represents different behavioral and attitudinal dimensions of the person, these components were not regarded as inter-correlated.

Table 3: Means, standard deviation, and inter-correlations among variables (n=300)

Variables	Mean	SD	1	2	3	4	5	6	7
1 Affective commitment	3.40	0.51	1.00						
2 Active continuance	3.39	0.51	0.84**	1.00					
3 Passive continuance	3.11	0.65	0.16	0.22*	1.00				
4 Normative commitment	2.80	0.76	0.38**	0.38**	0.53**	1.00			
5 Value commitment	3.37	0.54	0.70**	0.80**	0.23*	0.56**	1.00		
6 Age	2.65	1.15	0.05	0.07	0.07	-0.05	0.04	1.00	
7 Gender	1.30	0.46	0.01	-0.01	-0.08	-0.03	0.04	-0.05	1.00
8 Tenure	1.49	0.77	0.02	0.06	0.02	-0.12	-0.13	0.59**	-0.04

Note: ** Correlation is significant at the 0.01 level
* Correlation is significant at the 0.05 level

Demographic variables, i.e., age, gender, and tenure, were hypothesized to be the antecedents of employee commitment. All three demographic variables do not show any significant correlations with any of the five commitment dimensions among ICT professionals, and the results rejected this hypothesis. In other words, demographic variables are not the antecedent variables of employee commitment in this study. In practical terms, the results imply that demographic variables are something uncontrollable by management, and therefore HR managers are advised not to focus on certain group of employees based on profiling when they develop human resource strategies for improving employee commitment for ICT professionals.

Impact of Perceived Value of Career Development on Employee Commitment

Given the fact that perceived value of career development has already been confirmed to be one of the antecedents of the traditional three-component commitment model (Meyer & Allen 1991; Fenton-O'Creevy et al. 1997), it is necessary to find out whether the perceived value of career development has a positive impact on the five-component commitment model of this study. The third hypothesis was tested using Structural Equation Modeling (SEM). The results of the SEM in Figure 2 demonstrate that the perceived value of career development has a significant impact on each of the five components of commitment. Except passive continuance commitment that has a p-value<0.01, all other components have a p-value<0.001. The finding fails to reject the fourth hypothesis. In other words, perceived value of career development has a positive impact on the five-component commitment model in this study. While perceived value of career development has a significant impact on all five commitment components, it has the biggest impact on value commitment, followed by affective commitment, active continuance commitment, normative commitment, and passive continuance commitment.

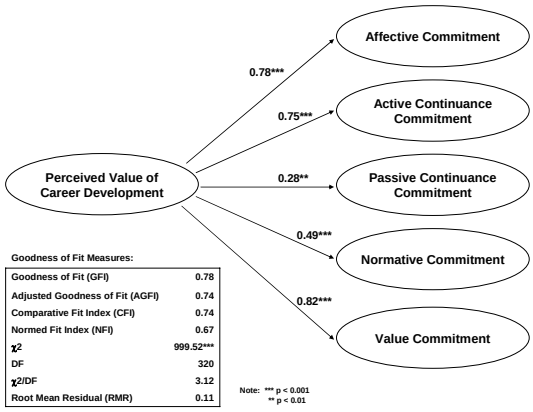

Figure 2: Impact of perceived value of career development on employee commitment

Discussion

There are two important implications. First, this study demonstrated the need to develop an employee commitment model for studying the employee commitment of Chinese employees. Just relying on the traditional

three-component commitment model (Meyer & Allen 1991) and OCQ appears to be insufficient according to the results of this study. Furthermore, the five-component model developed by Wang (2004) that was developed for Chinese employees in Mainland China can fit into the survey data better than the traditional three-component commitment model developed by Meyer and Allen (1991). Generalization of a Mainland Chinese oriented model in Hong Kong appears to be possible although Hong Kong Chinese has an individualistic culture as opposed to the collectivism culture in Mainland China (Hofstede 1993). HR practitioners are advised to learn more about value commitment which is not mentioned in the traditional three-component commitment model in order to better understand the commitment of ICT professionals and the most effective approaches to communicating organizational goals and values.

Second, career development is perceived to be very important by ICT professionals for their future career growth. They are very concerned about their employability and career prospects, and they continuously learn new technology in order to stay up-to-date. Therefore, if they are not provided with career development opportunities by their organization, ICT professionals will very likely look for another company which does offer development opportunities.

Limitations

This research was conducted among ICT practitioners in Hong Kong. While the research data was reliable and valid, to generalize the five-component commitment model and the results to other professions or other countries may not be possible. More studies need to be conducted in other industries and/or countries in order to improve the ability for generalization.

External labor market conditions may have significant impacts on internal career development as well as employee commitment. HR managers will usually make every effort to maintain a stable work force when the external job market is highly attractive. However, it is sometimes difficult for employees to resist external opportunities which generally come with very attractive offers. Employees' attitudes and behaviors toward commitment may become irrelevant under such condition. None of these elements were addressed in this research and were excluded from the conceptual framework.

Despite every effort has been made to improve the response rate, the number of response was still on the low side. In the future, using the letter head from the university or even having an endorsement from the University would greatly improve the credibility for the research study.

Directions for Future Research

To turn this research into a continuous tracking (longitudinal) study would help better understand the changes of career development on employee commitment. Conducting the same research among people in different professions would further improve the generalizability of the model. Finally, those researchers who are interested in commitment research should attempt to test this five-component model in other countries and see if it is appropriate in a non-Chinese context.

References

Allen, NJ & Grisaffe, DB 2001, 'Employee commitment to the organization and customer reactions: Mapping the linkages', *Human Resource Management Review*, vol. 11, no. 3, pp. 209-236.

Allen, NJ & Meyer, JP 1993, 'Organizational commitment: Evidence of career stage effects?' *Journal of Business Research*, vol. 26, pp. 49-61.

Arnold, J & Davey, KM 1999, 'Graduates' work experiences as predictors of organizational commitment, intention to leave, and turnover: Which experiences really matter?', *Applied Psychology: An International Review*, vol. 48, no. 2, pp. 211-238.

Aryee, S & Tan, K 1992, 'Antecedents and outcomes of career commitment', *Journal of Vocational Behavior*, vol. 40, pp. 288-305.

Brammer, S, Millington, A & Rayton, B 2006, 'Do CSR policies affect employees' commitment to their organizations?', *People Management*, vol. 12, no. 3, p. 52.

Chen, ZX & Francesco, AM 2000, 'Employee demography, organizational commitment, and turnover intentions in China: Do cultural differences matter?", *Human Relations*, vol. 53, no. 6, pp. 869-887.

Chen, ZX & Francesco, AM 2003, 'The relationship between the three components of commitment and employee performance in China', *Journal of Vocational Behavior*, vol. 62, no. 3, pp. 490-510.

Cheng, Y & Stockdale, MS 2003, 'The validity of the three-component model of organizational commitment in a Chinese context', *Journal of Vocational Behavior*, vol. 62, no. 3, pp. 465-489.

Chiu, W 2002, 'Do types of economic ownership matter in getting employees to commit?', *International Journal of Human Resource Management*, vol. 13, no. 6, pp. 865-882.

Collier, J & Esteban, R 2007, 'Corporate social responsibility and employee commitment', *Business Ethics*, vol. 16, no. 1, pp. 19-33.

Conway, E 2004, 'Relating career stage to attitudes towards HR practices and commitment: Evidence of interaction effects?', *European Journal of Work and Organizational Psychology*, vol. 13, no. 4, pp. 417-446.

Fenton-O'Creevy, MP, Winfrow, P, Lydka, H & Morris, T 1997, 'Company prospects and employee commitment: An analysis of the dimensionality of the BOCS and the influence of external events on those dimensions', *British Journal of Industrial Relations*, vol. 35, no. 4, pp. 593-608.

Hackett, RD, Bycio, P & Hausdorf, PA 1994, 'Further assessments of Meyer and Allen's (1991) three-component model of organization commitment', *Journal of Applied Psychology*, vol. 79, no. 1, pp. 15-23.

Hofstede, G 1993, 'Cultural constraints in management theories', *Academy of Management Executive*, vol. 7, no. 1, pp. 81-94.

Igbaria, M & Guimaraes, T 1993, 'Antecedents and consequences of job satisfaction among information center employees', *Journal of Management Information System*, vol. 9, no. 4, pp. 145-174.

Jernigan, IE, Beggs, JM & Kohut, GF 2002, 'Dimensions of work satisfaction as predictors of commitment type', *Journal of Managerial Psychology*, vol. 17, no. 7, pp. 564-579.

Joiner, TA, Bartram, T & Garreffa, T 2004, 'The effects of mentoring on perceived career success, commitment and turnover intentions', *Journal of American Academy of Business, Cambridge*, vol. 5, no. 1/2, pp. 164-170.

Kim, JW & Rowley, C 2006, 'Commitment to company and labor union: Empirical evidence from South Korea', *International Journal of Human Resource Management*, vol. 17, no. 4, pp. 673-692.

Ling, W, Fang, L & Zhang, Z 2002, 'Research on Chinese employees' organizational commitments', *Social Sciences in China*, vol. 23, no. 3, pp. 59-67.

Mak, BL & Sockel, H 2001, 'A confirmatory factor analysis of IS employee motivation and retention', *Information & Management*, vol. 38, pp. 265-276.

Mathieu, JE & Zajac, DM 1990, 'A review and meta-analysis of the antecedents, correlates, and consequences of organizational commitment', *Psychological Bulletin*, vol. 108, no. 2, pp. 171-194.

McGee, GW & Ford, RC 1987, 'Two (or more?) dimensions of organizational commitment: Reexamination of the affective and continuance commitment scales', *Journal of Applied Psychology*, vol. 72, no.4, pp. 638-641.

Meyer, JP & Allen, NJ 1991, 'A three-component conceptualization of organization commitment', *Human Resource Management Review*, vol. 1, no. 1, pp. 61-89.

Meyer, JP & Smith, CA 2000, 'HRM practices and organizational commitment: Test of a mediation model', *Canadian Journal of Administrative Sciences*, vol. 17, no. 4, pp. 319-331.

Mowday, RT, Steers, RM & Porter, LW 1979, 'The measurement of organizational commitment', *Journal of Vocational Behavior*, vol. 14, no. 2, pp. 224-247.

Paul, AK & Anantharaman, RN 2004, 'Influence of HRM practices on organizational commitment: A study among software professionals in India', *Human Resource Development Quarterly*, vol. 15, no. 1, pp. 77-88.

Rothwell, A & Arnold, J 2005, 'How HR professionals rate "continuing professional development"', *Human Resource Management Journal*, vol. 15, no. 3, pp. 18-32.

Sturges, J, Guest, D, Conway, N & Davey, KM 2002, 'A longitudinal study of the relationship between career management and organizational commitment among graduates in the first ten years at work', *Journal of Organizational Behavior*, vol. 23, no. 6, pp. 731-748.

Taormina, RJ 1999, 'Predicting employee commitment and satisfaction: The relative effects of socialization and demographics', *International Journal of Human Resource Management*, vol. 10, no. 6, pp. 1060-1076.

Wang, Y 2004, 'Observations on the organizational commitment of Chinese employees: Comparative studies of state-owned enterprises and foreign-invested enterprises', *International Journal of Human Resource Management*, vol. 15, no. 4, pp. 649-669.

Wong, CS, Wong, YT, Hui, C & Law, KS 2001, 'The significant role of Chinese employees' organizational commitment: Implications for managing employees in Chinese societies', *Journal of World Business*, vol. 36, no. 3, pp. 326-340.

Zheng, C, Morrison, M & O'Neil, G 2006, 'An empirical study of high performance HRM practices in Chinese SMEs', *International Journal of Human Resource Management*, vol. 17, no. 10, pp. 1772-1803.

Copyright

Joseph Chui, Canon Tong and Joseph Mula © 2007. The authors assign to ACIS and educational and non-profit institutions a non-exclusive licence to use this document for personal use and in courses of instruction provided that the article is used in full and this copyright statement is reproduced. The authors also grant a non-exclusive licence to ACIS to publish this document in full in the Conference Proceedings. Those documents may be published on the World Wide Web, CD-ROM, in printed form, and on mirror sites on the World Wide Web. Any other usage is prohibited without the express permission of the authors.