

RELATIONSHIP BETWEEN PERCEIVED ORGANIZATIONAL COMMITMENT AND TARGET ACHIEVEMENT: EVIDENCE FROM AN EXAMINATION OF MARKETERS IN NORTH CYPRUS' BANKS

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ABSTRACT

This paper set out to understand the level of organizational commitment exhibited by marketers in the banking sector of North Cyprus. Relying on Allen & Meyer's (1990) organizational commitment model, the study discovered that all three commitment components of the model were exhibited by the respondents with a majority of the respondents (about 80%) exhibiting affective commitment to their organizations, while a slight majority (about 60%) exhibited continuance commitment and a negligible majority (about 53%) exhibiting normative commitment to their organizations. However, there was a mismatch with the observed commitment levels and the recorded performance levels for the respondents under study. This mismatch was attributed to the peculiar economic conditions within partially recognized countries of which North Cyprus is one.

Keywords: marketing, marketing management, marketing performance, organizational commitment, management, banking industry, North Cyprus.

INTRODUCTION:

Organizational commitment is an area of scholarly interest which a lot of researchers are currently paying much attention to. This article focuses on studying the target achievements of committed marketers in the banking sector of North Cyprus. The study will add to the marketing literature by specifically providing detailed information concerning the reasoning behind the work outcome of marketers in the banking sector of partially recognized nations.

Employees have a varying level of commitment to the organizations they work for. For different reasons, “all firms and all functional areas within firms demand that their employees be committed” (Hunt et al., 1985, p.112). Thus, management is always striving to create environments that will encourage commitment among employees in order to develop a more willing and hardworking workforce. As Bagozzi (1992) asserts, “sales effort is a behavioural outcome of salespeople’s organizational commitment” (Fu, et al. 2009, p.337). The effort marketers put into their jobs is expected to have a correlation with the commitment that they have to their organization. Evidence from extant literature suggests that committed employees are expected to give much more of themselves in terms of both time and strength of effort in being useful to their organizations (Fu, et al. 2009).

Examining extant organizational commitment literature reveals the existence of a lot of theoretical models motivated primarily by the school of thought these theorists belong to. DeConinck & Bachmann (1994) note that the two most prominent schools of thoughts to which organizational commitment researchers belong include the attitudinal or behavioural perspectives. They go a step further to explain that scholars who belong to the first school of thought are of the opinion that organizational commitment has to do with the attitude of employees towards the organizations they work for, and may include a view of commitment as the degree to which an employee identifies with and is literally involved with the organization he/she works for (DeConinck & Bachmann, 1994). Assessing the commitment of such employees thus depends on the evaluation of the extent of their belief in the organization especially with regard to their level of acceptance of the organization’s values and goal as well as the exhibition of a willingness to exert effort to enable the organization achieve its objectives and to remain with the organization (DeConinck & Bachmann, 1994; Mowday et al. 1979). From a behavioural perspective however, commitment is seen as a worker’s willingness to remain with an organization even though alternative employment opportunities may exist (DeConinck & Bachmann, 1994; Hunt et al. 1985). This is informed by the behaviours exhibited by the employee in relation to their consideration of the cost of leaving the current organization they work for and moving to a new organization. Such costs might include health benefits, pension eligibility, seniority entitlements and etc. (DeConinck & Bachmann, 1994). While both perspectives might look different they are actually very similar in principle as Johnson et al. (1990) highlighted that both perspectives include identifying with the objectives and values of the organization as well as a desire for continued employment with the organization.

A particular organizational commitment model which combines both the behavioural and attitudinal perspective is the prominent three-dimensional model developed by Allen & Meyer (1990). This model categorizes the types of commitment employees can exhibit to include affective, continuance and normative commitment. Employees who belong to the affective commitment category view the organizations they work for as sharing the same values that they hold dear, while those who have a continuance commitment to an organization remain with an organization because of the cost of leaving the organization and working elsewhere, and because they do not want to lose the accrued benefits or rights they have built up with the organization (Fu et al. 2009). Allen & Meyer, (1990) also describe normative commitment to be a type of commitment exhibited by employees who feel that for one reason or another, they have a moral obligation to remain with their current employees (Fu et al. 2009). From a hypothetic perspective, extant literature observed that marketers who exhibit an affective level of commitment to an organization often choose to remain with that organization, because they see the values and objectives of the organization to be similar or identical to theirs (Beck & Wilson, 2000); their tendency to remain with the organization can be seen as some reflection of some degree of satisfaction with the organization. Fu et al. (2009) observed that such employees were also likely to put in more effort to help the organization achieve its goals which are viewed by those employees to be

linked to or identical to theirs.

On the other hand, while employees who exhibit continuance levels of commitment may not share the same values with the organization, they will remain with the organization if the cost of switching to an alternative employment is higher than the benefits thereof (Beck & Wilson, 2000). Although when presented with alternatives they deem better than their current employment, employees who exhibit continuance commitment will leave their current employment Meyer et al. (1990), note that investments made in the organization over the years, especially those investments that provide the benefit of accrued entitlements, coupled with the existence of poor employment opportunities -not better than their current employment, force employees to continue working for the organization and also forces them to commit to the organization only because they need to. In other words, it is safe to assume that if an employee does not share the values or objectives of an organization, and still continues to work for that organization, the employee may be doing so because he/she needs to and will exhibit effort and commitment not because he/she is satisfied, but because he/she needs to maintain his or performance to either keep the present employment or maintain the accruing benefits based on already invested efforts made to the organization (Meyer et al. 1990). Such an employee can thus be expected to at the least meet his/her performance targets.

Finally, like the continuance commitment level, employees who exhibit the normative commitment levels may not necessarily remain with the organization because they feel satisfied, but because they feel a duty or obligation to do so. In other words, they stay with an organization because they believe it is the right thing to do, or it is what they should do (Allen & Meyer, 1990). Thus, because such employees are committed to doing the right or proper thing, and feel such an obligation or sense of duty towards the organization, it would appropriate then to assume that they would at the very least do their best to exhibit if not high, then average levels of target achievement (Allen & Meyer, 1990).

Although extant literature contains a wealth of information and insights regarding the relationship between organizational commitment on the performance of marketers drawn from other contexts, geographic concentrations and most especially with developed independent nations accounting for over half of all extant literature. There has however been no research work dedicated to studying this important phenomenon taking partially recognized countries- entities with distinctively unique and peculiar economic realities which basically depends on the economy of a benefactor nation or nations. It is the intention of this study to contribute to filling this gap in literature by examining the phenomenon within the banking sector of Northern Cyprus- a partially recognized nation economically dependent on Turkey it's benefactor nation.

Adopting Allen & Meyer's (1990) model, this research work set out to understand the relationship between the organizational commitment of marketers in North Cyprus' banks and their performance by focusing on the most prominent commitment categories exhibited by most of the marketers under study and the degree with which they achieved their periodic targets.

METHODOLOGY:

In a bid to comprehend the organizational commitment of marketers within North Cyprus banking industry and how the observed commitment types and patterns impact the performance of marketers, this study sought to test the implied literature-derived hypothesis in the previous sections by analyzing data obtained from a seven-point, thirty three item Likert questionnaire instrument. The instrument was administered to sixteen marketers pooled from three domestic banks in North Cyprus. Data retrieved was made to undergo response frequency analysis to deduce the over all organizational commitment of the respondents and make a connection with regard to their perceived performance levels, measured via perceived target achievements. In the next section, detailed explanation of the research findings are presented.

FINDINGS:

Data retrieved from the responses provided by the respondents to the analytic instrument was subjected to a descriptive analytic process using the Statistical Package for Social Sciences (SPSS). A

concise summary of the observations made from these responses are tabled in table 1 below:

Table 1: A summary of the responses retrieved from participants.

No.	Questionnaire Statements	Majority Response in Cumulative %
Affective Commitment		
1.	My personal goals are in line with the goals of the organization	81.3% agreement (12.5% St.A; 6.3% A; 62.5% Sl.A)
2.	My personal values are in line with the core values of the organization	56.3% agreement (6.3% St.A; 6.3% A; 43.8% Sl.A)
3.	This bank is my ideal type of bank to work for	62.5% agreement (12.5% St.A; 25% A; 25% Sl.A)
4.	In this bank, a marketer's goals are made very clear	100% agreement (75% St.A; 18.8% A; 6.3% Sl.A)
5.	In this bank, my role in achieving the marketing goal is made very clear	100% agreement (75% St.A; 25% A)
6.	The bank makes me feel my role is important	87.5% agreement (18.8% St.A; 31.3% A; 37.5% Sl.A)
7.	I work here because I want to	75% agreement (31.3% St.A; 43.8% A)
Continuance Commitment		
8.	It is more economically beneficial to work here	62.5% agreement (31.3% St.A; 6.3% A; 25% Sl.A)
9.	I still work here because the work load in other banks is more than it is here	75% not sure *
10.	I still work here because I have limited options	81.3% agreement (25% St.A; 31.3% A; 25% Sl.A)
11.	If I am presented with better job offers I would stop working here	87.5% agreement (50% St.A; 12.5% A; 25% Sl.A)
12.	I invested a lot here and if I leave, I will lose my entitlements	50.1% disagreement* (31.3% St.D; 12.5% D; 6.3% Sl.D)
13.	I will continue to work here as long as the benefits are favorable	93.8% agreement (62.5% St.A; 31.3% A)
14.	I work in this bank because I need to	100% agreement (87.5% St.A; 12.5% A)
Normative Commitment		
15.	I feel it is my duty to continue working in this bank	93.8% agreement (31.3% St.A; 37.5% A; 25% A)
16.	I feel I have a moral obligation towards this bank	50.1% disagreement * (43.8 St.D; 6.3% D)
17.	This bank has contributed to my career development and I feel loyal to it	62.5% agreement (12.5% St.A; 18.8% A; 31.3% Sl.A)
18.	I work here because it is the proper thing to do	56.3% agreement (12.5% St.A; 25% A; 18.8% Sl.A)
Source of Questionnaire Statements (Allen & Meyer, 1990)		
*Note: St.A: <i>strongly agree</i> ; A: <i>agree</i> ; Sl.A: <i>slightly agree</i> ; St.D: <i>strongly disagree</i> ; D: <i>disagree</i>		

The summary contained in the table above presents the response of the respondents based on Allen & Meyer's (1990) three-dimensional model of organizational commitment. This section will elaborate more on the responses according to the three relevant categories.

Presence of Affective Commitment among Marketers in North Cyprus' Banks:

The table above reveals that a majority of the respondents exhibited a very high level of affective commitment, as out of the seven representative statements designed to establish the presence of affective commitment among the respondents, a majority (an average of 80%) of all respondents agreed with the statements. In particular, over 80% of the respondents agreed to some extent that their personal goals were in line with their bank's goals, while over 56% agreed that their values were identical to those of the banks they work for. 100% agreed that the role of marketers are made very clear in North Cyprus' banks, and 75% of the respondents were of the opinion that they work at their current jobs because they want to. Findings on the existence of this particular level of commitment indicates that a majority of marketers were positively predisposed to the banks they work for, thus it can be concluded that a majority of marketer's in North Cyprus are satisfied with their jobs according to (Beck & Wilson, 2000) and put the effort to help their banks succeed by achieving their targets maximally (Fu et al., 2009).

Presence of Continuance Commitment Among Marketers in North Cyprus' Banks:

Again observing the summary of responses obtained in table 1 above, it can be seen that on the average, slightly more than half (about 60%) of the respondents provided responses that affirmed the presence of continuance commitment. In particular, 81.3% indicated that they worked at their current jobs because they have limited options, while 87.5% noted that if they are presented with better job offers, they would stop working at their current jobs. Perhaps the most convincing evidence of the presence of continuance commitment among the respondents is their response to statement 14, in which 100% indicated that they work at their current jobs because they need to. However, it is important to reiterate that on the average slightly over half of the respondents (60%) agreed to statements indicating a presence of continuance commitment. However, the above average presence of continuance commitment thus means that slightly more than half of the respondents are expected to at the least meet their performance targets (Allen & Meyer, 1990) so that they can maintain the benefits upon which their continuance commitment depends.

Presence of Normative Commitment Among Marketers in North Cyprus' Banks:

Finally, a not so high normative commitment level was observed from the responses of the participants. In this case, on the average, about 53% of the respondents affirmed statements which sought to confirm the presence of normative commitment. This is even more so as only 50% of the respondents felt that they work at their current jobs because they felt a moral obligation to do so, while 56.3% indicated that they work at their current job because it is the right thing to do. Correlating with findings from extant literature (Allen & Meyer, 1990) it can thus be expected that about half of the respondents may not necessarily be satisfied, but at the least would meet their performance targets.

In summary, on the average, about 80% of the respondents exhibited affective commitment to their organizations, while on the average, about 60% and 53% exhibited continuance commitment respectively. It can thus be expected from a hypothetical point of view that with regard to performance (target achievements) the respondents would at the least meet their targets and at the most, over achieve their periodic targets.

Marketers' Perception of Performance Levels Recorded :

The discussion in the previous section indicates that owing to the exhibited commitment categories exhibited by the respondents, performance targets are expected to be achieved or overachieved, but not under-achieved. Evidence recorded from the response of the participants with regard to their perceptions on the rate at which they attained their short-term (1year) performance objective, shows that the literature based expectations were not met as indicated in table 2 below.

Table 2: Response obtained on the short-term performance of the respondents

The average rate with which I achieved my performance targets last year is					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	30-49%	3	18.8	18.8	18.8
	50-69%	4	25.0	25.0	43.8
	70-89%	2	12.5	12.5	56.3
	90-99%	3	18.8	18.8	75.0
	100% & Above	4	25.0	25.0	100.0
Total		16	100.0	100.0	

Owing to the fact that we expect the respondents to have at the least achieved their performance targets (100%) or over achieved their performance targets (above 100%), the observed findings appears not to have met this expectation. This is because the table above shows that only 25% of all of the respondents achieved 100% and above of their performance targets combined. This leaves 75% of the respondents under-achieving their performance targets. In summary, it can be deduced that a majority of the respondents were of the opinion that their short-term performance levels were under-achieved, and this finding contradicts the position of extant literature (Allen & Meyer, 1990).

Table 3: Response obtained on the medium to long-term performance of the respondents

The average rate at which I achieved my performance targets in the past three years is					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	30-49%	3	18.8	18.8	18.8
	50-69%	4	25.0	25.0	43.8
	70-89%	6	37.5	37.5	81.3
	90-99%	3	18.8	18.8	100.0
	Total	16	100.0	100.0	

With regard to medium and long-term performance, findings revealed that none of the respondents achieved (100%) or over-achieved (over 100%) their performance targets. This again, leaves about 100% of the respondents under-achieving their performance targets. Also, this findings once again contradicts the position of extant literature which says that if affective, continuance and normative commitment is exhibited, the marketers are at the least expected to achieve their performance targets and at the most expected to over-achieve their performance targets, but not under-achieve them.

CONCLUSION:

This paper set out to understand level of organizational commitment exhibited by marketers in the banking sector of North Cyprus. Relying on Allen & Meyer's (1990) organizational commitment model, the study discovered that all three commitment components of the model were exhibited by the respondents with a majority of the respondents (about 80%) exhibiting affective commitment to their organizations, while a slight majority (about 60%) exhibited continuance commitment and a negligible majority (about 53%) exhibiting normative commitment to their organizations. As consistent with extant literature we expected to observe target achievement levels of 100% and above. However, the majority of the respondents (75%) under-achieved their short-term performance targets, recording achievement levels of below 100%; while only 25% of the respondents achieved or over achieved their short-term performance targets (100% and above). Veering further away from expected performance levels, all of the respondents under-achieved their long-term performance targets, recording achievement levels of less than 100%. These findings are a sharp deviation from the postulations and evidence in extant literature. Indeed the high combined organizational commitment levels (affective, continuance and normative) observed among the respondents and the low performance levels recorded

may be related to the psychological dynamics of the unique work and labour environment of North Cyprus. It can be argued that the limited economic sectors within this partially recognized countries limits the availability of professional jobs, and also the small nature of the island geographically and population-wise invariably implies that where available professional jobs in a particular economic sector such as the banking sector may be few in number. All of these points to the fact that securing a professional job in such an industry is challenging, and when marketers do secure a job at the banks, they invariably have a high tendency to exhibit some degree of commitment to their jobs whether it be affective, continuance or normative commitment. However, this high degree of commitment to their jobs exhibited, may not translate to high target achievement, as this depends on other economic and environmental factors beyond the control of even the most committed marketer. It is thus our recommendation that further studies be carried out to understand the effect of environmental conditions in partially recognized countries on the performance levels of marketers especially in the banking sectors of partially recognized countries.

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