

Human Resource Management

Extended Abstract

International Symposium of Sabaragamuwa University of Sri Lanka (ICSUSL) - 2017 A Study on the Impact of Psychological Capital on Organisational Commitment of Staff

Employees of Lanka Sugar Company (Private) Limited, Sevanagala

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1. Abstract

With the competitive business environment, sustainable competitive advantage is very much essential resources have become a sustainable competitive advantage and organizational commitment is the k goals of the organisations with high performance.

When considering about this sugar factory, executives of the company explains

employees directly involve, implement the decisions of executives and directly effect to the success of

Even though the researcher found the idle behaviours of these staff employees such as eating, sleeping, b engage in their duties, and complaining about organization and anytime they ready to quit the company So that the researcher identified the issue with organizational commitment of staff employees. Further Considering the literature of organizational commitment (OC), psychological capital is positive the organizational commitment (Larson & Luthans, 2006 as cited in pillay, Buitendach & Kanengoni, 2 empirical research has found that organizational commitment has a correlation with the all d psychological capital (Sinha, Talwar & Rajpal, 2002; Youssef & Luthans, 2007 as cited in Simons & 2013). Accordingly current study was developed.

Currently there are around 900 direct employees and 81 staff employees were selected as the population size was 66 based on Krejcie and Morgan (1970) table. Data were collected through self-administe questionnaire using validated and reliable scales developed by Allen and Mayer (1990) and Tuicomepee and, Watakakosol

(2013) adjusted to the Asian context and which is firstly d Youssef & Luthans (2007) for the Western context.

Organisational commitment acted as the dependent variable where each dimension of psychological c self-efficacy, optimism, hope and resilience were the predictors of the study. Therefore multiple regre was performed. Pertaining to the previous findings, the current study didn't find any impact of se organisational commitment in the selected context.

Further there was a gap in the literature regards to the behaviours of employees in sugar factories of Sr researcher couldn't find any research. So that. This study contributes to the existing literature as well a factory in order to gain and maintain a committed workforce.

Key Words: Hope, Optimism, Organisational Commitment, Self-efficacy, and Resilience

In the current study the researcher has not considered moderators or mediators. So that the future re advised to do the studies by considering moderators, mediators as results can be changed with the us well they are advised as to use the longitudinal time horizon. It will lead to have most accurate resul study.

2. Introduction and research problem/issue

Considering about the total current production of the sugar industry of the country, it is just 6% and s expected production even with the new physical resources for a longer time period. Therefore it is clea an issue with the human resources who are utilizing those resources. According to the executives of the s sugar industry was unable to achieve its internal targets due to human resource problems and finally it af the import cost of Sri Lanka.

There are some issues in this production company specially related to the human resources. The resear to observe few symptoms as mentioned earlier. According to Porter, (1974) as cited in Ahmad, & Hamad, (2014), explains that organizational commitment means that up to what exten are willing to embrace the organization and their desire to stay with the organization. F stated that committed employees don't complain about their organizations Accordingly, t found that there is an issue with the commitment of the staff employees.

In addition to the above observations, the researcher conducted a preliminary survey t level of employees' commitment and it was found that the actual commitment is less th level. Accordingly the researcher found that there is an issue with the commitment employees of this sugar factory.

Luthans, Avolio, Avey and Norman (2007) reported that psychological capita individuals' motivational tendencies attain through hope, self-efficacy, optimism and Further according to the experiential researches, organizational commitment is correlated with the dimensions of Psychological Capital called hope, optimism, resilien efficacy (Sinha, Talwar & Rajpal, 2002; Youssef & Luthans, 2007 as cited in Buitendach, 2013).

Moreover based on these previous findings, following hypotheses were developed. According to Hoveyda et al., (2012) as cited in Ahmadi, Shahbazi and Hashemian (efficacy is a prediction of emotional commitment. This explanation indicates the first as follows.

- **H_{1A}** - Self-efficacy positively impacts on Organisational Commitment of the staff employees o Company (Private) Limited, Sevanagala.

Optimism is positively related to the employee performance, job satisfaction, work happiness and organizational commitment (Youssef et al., 2007).

- **H_{1B}** - Optimism positively impacts on Organisational Commitment of the staff employees of Company (Private) Limited, Sevanagala..

Youssef et al., (2007) found as cited in Simons et al., (2013) that there is a positive impact on organizational commitment, employee satisfaction and work happiness. Accordingly, it leads to the third hypothesis as follows.

- **H_{1C}** - Hope positively impacts on Organisational Commitment of the staff employees of Company (Private) Limited, Sevanagala.

Resilience was also found to be positively related to Job performance, job satisfaction, work happiness and organizational commitment (Youssef et al., 2007). Therefore, last and fourth hypothesis can be stated as follows:

- Resilience positively impacts on Organisational Commitment of the staff employees of

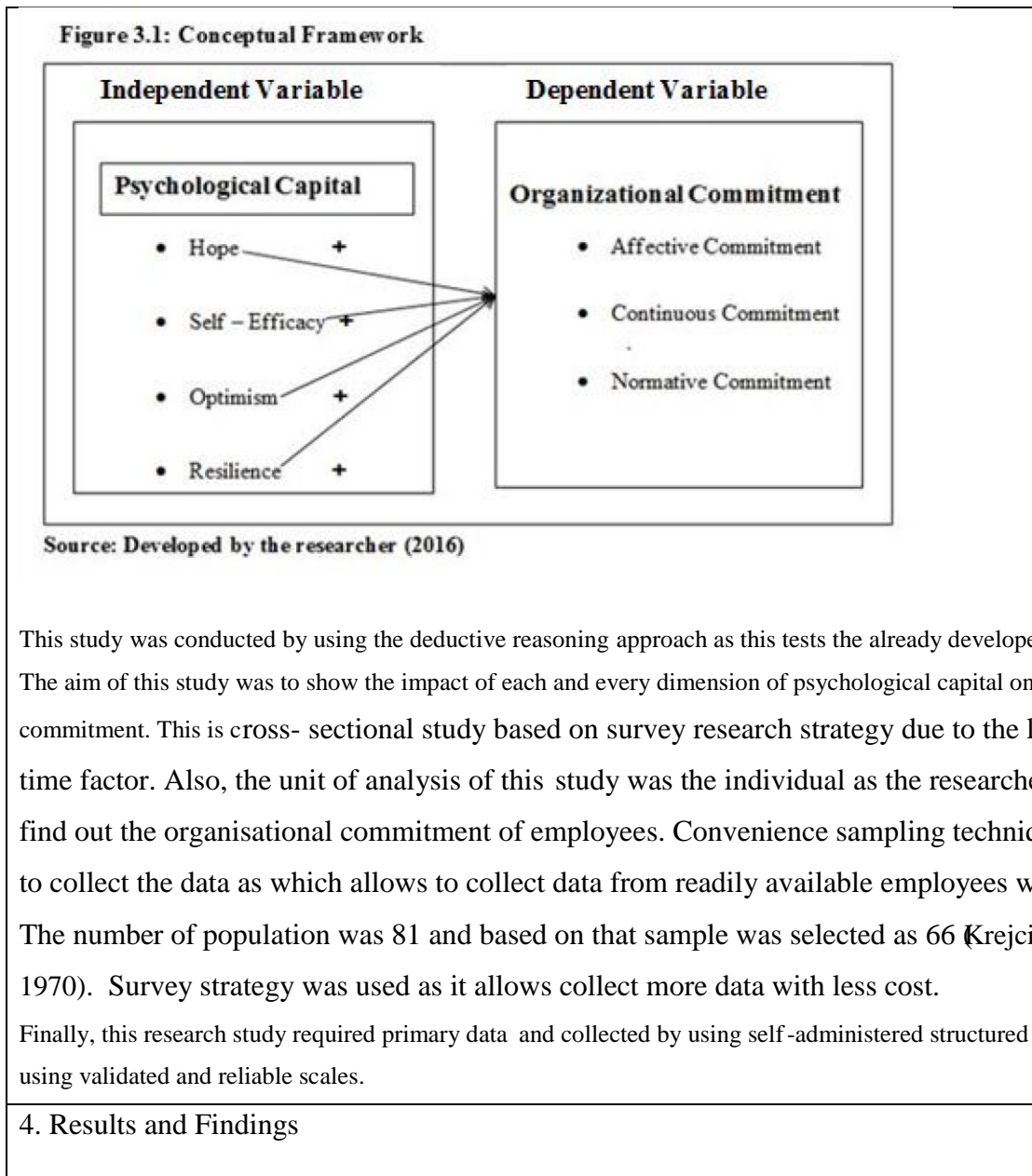
Company (Private) Limited, Sevanagala.

Finally the aim of the study is to find out; whether there is any positive impact of self-efficacy, hope and resilience on organisational commitment of staff employees.

3. Research Methodology

Sri Lanka has to accelerate the production of Sugar in the country. Committed employees are a major requirement for that. Because of this importance, it is needed to observe the behavior of the employees of sugar Industry. There is no any previous study conducted to solve this problem, there is a vacuum to be filled by doing this kind of study.

Further the researcher developed following conceptual framework based on independent and dependent variables.



This study was conducted by using the deductive reasoning approach as this tests the already developed. The aim of this study was to show the impact of each and every dimension of psychological capital on organizational commitment. This is cross-sectional study based on survey research strategy due to the 1-time factor. Also, the unit of analysis of this study was the individual as the researcher found out the organizational commitment of employees. Convenience sampling technique was used to collect the data as which allows to collect data from readily available employees who were available at the time of the study. The number of population was 81 and based on that sample was selected as 66 (Krejcie 1970). Survey strategy was used as it allows collect more data with less cost. Finally, this research study required primary data and collected by using self-administered structured questionnaire using validated and reliable scales.

4. Results and Findings

Mainly the researcher wanted to find out the impact of the dimension of psychological capital on organizational commitment. The output coefficient table is as follows.

Table: Coefficient Table

Predictor	Coefficient	P Value
		(significant value)
Constant	1.445	0.000
Self-efficacy	0.028	0.725
Optimism	0.168	0.024
Hope	0.156	0.033

Resilience 0.179 0.024

Source: Survey Data

The researcher has discovered that there is no any significant effect from self e organisational commitment under the 95% confidence level since output p value (0.725) than critical p value. The reason would be that as they don't have any sureness about to perform their duties.

According to the results, Optimism positively impacts on Organisational Commitment (Optimism $\beta_2 =$ output p value (0.024) is below the critical p value (0.05). Therefore, the results are statistically significant 95% confidence level ($p < 0.05$). So that H_{1B} was accepted.

When considering the regression analysis, it is clear that hope positively impacts on organisational comm $\beta_3 = 0.156$ since output p value (0.033) is below the critical p value (0.05). Therefore the results are significant under the 95% confidence level and H_{1C} was accepted.

The findings of the study justified that, resilience positively impacts on organisational commitment (R 0.179). Since the output p value (0.024) is below the critical p value (0.05). Therefore this is statistically under the 95% confidence level.

Based on above results the researcher developed following fitted regression line.

$$\mathbf{E \text{ (Organisational Commitment) / (Optimism+ Hope+ Resilience) = } 1.445 + 0.168 \text{ Optimism} + 0.156 \text{ Hope}$$

The determination of organisational commitment can be explained through this regression equation line coefficients of the fitted regression line can be explained as follows.

According to regression equation Constant or the β_0 is 1.445. This emphasizes that, it is expected that the organisational commitment will increase by 1.445 when hope, optimism and resilience remain zero. Further 0.168 is coefficient of Optimism, which means that, organisational commitment can be increased by 0.168 units increasing by 1 unit while keeping other factors as constants. In the same manner, organisational commitment increased by 0.156 units, if hope increase by 1 unit while keeping other factors as constants as the coefficient of hope takes 0.156. Finally, resilience shows 0.179 of regression coefficient. Therefore, it organisational commitment can be increased by 0.179 units of when resilience increase by 1 unit while factors as constants.

R squared value is 0.603 and it emphasizes that 60.3% of the variation of organizational Commitment explained by the optimism, hope and resilience of staff employees of this sugar factory. Moreover the overall p-value is 0.000. Therefore it is concluded that the fitted model is significant.

Finally, it can be concluded that resilience has the highest impact towards the organisational commitment employees of this sugar factory.

5. Conclusions, implications and significance

The study found that optimism, hope and resilience significantly and positively organizational commitment and self-efficacy was not found to be impacting on org commitment with special reference to the staff employees of this sugar factory. researcher has successfully proved three hypotheses of the study.

According to the findings of this study, if this organization can pay the attention necessary action like arranging training programmes, workshops, seminars.. etc to u optimism, hope and resilience of staff employees, they will be able to maintain a comm force for the organization as results of the study indicates a significant impact of optim and resilience on OC.

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FACTORS AFFECTING WOMEN CAREER DEVELOPMENT IN PRIVATE BANKS
OF SRI

LANKA (WITH SPECIAL REFERENCE TO KANDY MUNICIPALITY AREA)

By

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