PSYCHOLOGICAL EMPOWERMENT AND ORGANIZATIONAL COMMITMENT IN THE MALAYSIAN PRIVATE HIGHER EDUCATION INSTITUTIONS: A REVIEW AND RESEARCH AGENDA

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ABSTRACT

The main purpose of this paper is to examine the relationship between psychological empowerment and organizational commitment of academics in Malaysian Private Universities. The research is aim to appraise the existing literatures and eventually set the research agenda. Past studies revealed that there are relationships between the four cognitions of psychological empowerment: meaning, self-determination, competence and impact cognitions with organizational commitment. Furthermore, the extant literature also encapsulates the relationships between psychological empowerment and the three dimensions of organizational commitment: affective, normative and continuance commitment. However, results from the existing literatures are shown to be inconsistent. The paper concludes with suggestions for educational leaders to focus on enhancing psychological empowerment of impact, meaning, self-determination and competence cognitions in order to increase academic staff commitment within an organization. Successfully shaping the attitude of academics in private universities will lead to improvement of overall organizational performance. And, subsequently it will in transforming Malaysia from middle-nation income to high-nation income with both inclusive and sustainable.

Keywords: Psychological Empowerment, Organizational Commitment, Economic Transformation Programme, Malaysia

INTRODUCTION

Background of the Private Higher Education Institutions in Malaysia

The Ministry of Education Malaysia encouraged the practice of empowerment at both the private and public higher education institutions through promoting the switch from centralization to decentralization (Bahagian Perancangan dan Penyelidikan Pendidikan, 1995). Furthermore, the Malaysian government has also given highest priority to the higher education and training sector by allocating more resources through increase national budget for higher education. This reflects the government’s fundamental impetus in enhancing the nation’s human and intellectual capital.

As early as 1990, there were about 200 private colleges but no private university in Malaysia. The Malaysian Government subsequently issued three educational bills to promote both public and private higher education institutions sectors in 1996 (Country Summary of Higher Education). The three educational bills are The National Council on Higher Education Bill, The Private Higher Educational Institutions Bill and The National Accreditation Board Bill. The introduction of these bills greatly impacted the development of the Malaysian private higher education institutions. From 1996 to 2010,
there is a rapid growth in the number of private higher education institutions in Malaysia. Currently there are more than 450 institutions comprising of 21 private universities, 20 private university-colleges, 5 foreign universities branch campuses and nearly 400 private colleges in Malaysia (MOHE, 2010). In addition the total number of students has also increased from 294,600 in 2002 to 365,800 in 2007. Out of this, the increase in the number of students’ enrolment in private institutions has been impressive; from 29,747 in 2002 to 110,820 in 2007 (MOHE, 2010).

Research Problem and Objective

Due to the rapid expansion of the private higher education institutions (PHEIs) in Malaysia, the level of competition among the institutions has also intensified. Moreover, the increase in the number of higher education institutions will have direct impact on the number of academic staffs (more than 18,000 comprises of Malaysian and non-Malaysian academic staffs in year 2007) (MOHE, 2010). Besides, on 25th October 2010, Malaysia’s Prime Minister called for an implementation of the Economic Transformation Program (ETP) (Economic Transformation Programme takes off with eight early wins, 2010). The main objective of ETP is to transform Malaysia from a middle-income nation to a high-income nation with both inclusive and sustainable by the year 2020 (Economic Transformation Programme: A roadmap for Malaysia (1 Malaysia), 2010). Currently, Malaysian economy growth is at 4.3% from 2001 to 2009. In order to transform the country into a high-income nation, the economy must grow at an annual rate of 6 percent per year from 2011 to 2020.

The implementation of the Economic Transformation Program (ETP) will cover 12 National Key Economic Areas (NKEAs) which are greater Kuala Lumpur / Klang Valley, oil, gas and energy, financial services, wholesale and retail, palm oil, tourism, electronic and electrical, business services, communications and content infrastructure, education, agriculture and healthcare. All of these areas will spur the country in achieving high-income nation that are both inclusive and sustainable. One of the important driver or key economic areas was education which will help in transforming to or achieve to become a high-nation income (Economic Transformation Programme: A roadmap for Malaysia (1 Malaysia), 2010). There are another 3.3 million jobs to be created in year 2020. And education has to ensure that the Malaysian Higher Education able to produce enough and quality graduate to support the economic growth.

In order to maintain the teaching quality and to compete successfully in the domestic and international market, it is crucial for administrators at PHEIs to understand the behaviour and attitudes of academic staffs. By having this insight, deans and heads of department would be able to shape the attitudes of the academics by implementing empowerment that will subsequently lead to higher organizational commitment (Bogler & Somech, 2004; Dee Henkin & Duemer, 2002). And higher commitment will subsequently lead to higher employees’ retention, lower absenteeism and turnover rate. In turn the employees would be able to make more positive contributions towards organizational effectiveness (Chen & Chen, 2008; Liu, Fellows & Chiu, 2006). Shaping and changing the staffs’ attitudes is critical in enhancing employees’ organizational commitment for the overall improvement of organizational performance. Eventually, this will enable them to produce higher quality and competitive graduates to support the economic growth in next 10 years. The objective of this study therefore is to examine and understand the relationship between psychological empowerment and organizational commitment of academic staff in Malaysia private universities.

Significance of the Study

By reviewing literature concerning the relationship between psychological empowerment and organizational commitment, we can provide supports for the deans and heads of department to implement empowerment that will lead to higher organizational commitment (Bogler & Somech, 2004; Dee Henkin & Duemer, 2002). Besides, successfully shaping the attitudes of the academic staff will eventually lead to enhancement of productivity, creativity, innovation and overall organizational performance. Ultimately it is hopeful that through this initiative, Malaysian PHEIs will be able compete with other foreign universities in attracting students to study in Malaysia. Furthermore, it will
also increase the production of higher quality and competitive graduates to support the economic growth. And, subsequently will assist in transforming Malaysia from middle-nation income to high-nation income with both inclusive and sustainable.

LITERATURE REVIEW

Psychological Empowerment

Empirical research varies in the definition of empowerment (Spreitzer, Kizilos & Nason, 1997). Conger and Kanungo (1988) mentioned that the increase in attention on the topic of empowerment is necessary due to the limited understanding of the empowerment construct and its underlying processes. Conger and Kanungo (1988) also conducted a study which provides an analytical treatment of the empowerment construct and they define empowerment as a process of increasing employee feelings of self-efficacy within an organization.

Thomas and Velthouse’s (1990) study on cognitive elements of empowerment was an interpretive model of intrinsic task motivation. In their research, they identified four cognitions or task assessments as the basis for empowerment. The four cognitions are impact, competence, meaningfulness and choice. The combination of the four cognitions reflects an active orientation to a work role which indicates how an individual wishes to shape his or her work role or context.

Spreitzer (1996) make some improvement on the psychological empowerment construct model by extending and operationalizing the model of four empowerment components previously developed by Thomas and Velthouse (1990). Spreitzer (1996) renamed the meaningfulness dimension as “meaning” and the choice dimension as “self-determination”. Furthermore, the study also defines empowerment as reflecting a personal sense of control in workplace, as manifested in four beliefs about the person-work environment relationship in four cognitions, namely meaning, competence, self-determination and impact. The four dimensions are interrelated and in combination will measure the psychological empowerment constructs. When any one of these dimensions is missing, then the experience of empowerment will be limited.

Meaning cognition is defined as a sense of purpose or personal connection to the work goal (Spreitzer, 1995). However, Thomas and Velthouse (1990) define meaning as the value of a work goal or purpose, judged relation to an individual’s own ideal. The individual employee’s must have a belief in their sense of judgment, values, work role and behaviours with connection to the work or the employee’s must has the opportunity to be guided by their own ideas and standards to evaluate the achievement of the organizational goal or purpose. The company has to make sure that the objective of assigned work task is compatible with their employees’ value systems, in order to be perceived as meaningful to ensure that employees are motivated and committed to the organization (Brief & Nord, 1990). Meaning can be found in almost any task, job or organization (Pratt & Ashforth, 2003; Wrzesniewski, 2003).

Another dimension of psychological empowerment is competence and is defined as a sense of belief that the employees have in their skills and capability to perform their work better (Spreitzer, 1995). Competence dimension is also defined as the degree to which an individual employee is able to perform the task activities skillfully (Thomas & Velthouse, 1990). From the two definitions, if the employees lack a sense of confidence in their skills and capability, then they will feel not empowered by their superiors. Moreover, these employees must not only have the sense of belief in them that they have the necessary skills and capability, but at the same time, they should try to perform the task as well. According to Bandura (1977), high self efficacy will result in initiating behaviours, willingness to exert more effort and persistence in the face of obstacles. However, if employees have low self-efficacy, they will tend to avoid confronting their fears and improve their perceived competencies.

Self-determination is a sense of freedom or autonomy about how individuals do their own work (Spreitzer, 1995; Thomas & Velthouse, 1990). If employees feel a sense of empowerment, they must
have a substantial autonomy or power to make decision about their work. When employees believe that they are just following the order from their superior, then they will not feel a sense of empowerment due to the little autonomy and freedom given. Self-determination exists when employees have some control over what they do, how much effort should be put in their work, and when they have a say in when to start and stop their task (Spector, 1986). From the perspective of PHEIs, deans and heads of departments should give academics the freedom in completing the assigned task such as conducting the tutorial or lecture classes, administrative work, supervision of postgraduate or undergraduate students and doing research work.

Lastly, impact describes a belief that individual employee can influence the system in which they are embedded (Spreitzer, 1995). Impact meant that whether employees believe they are able to make a difference in their organization. In other words, impact is the degree to which employees can influence organization strategy, administrative or operating outcomes at work (Ashforth, 1989). When impact exists, employees would feel that they could perform better and have significant influence in the organization. Therefore managers need to affirm their employees that they can affect the organization outcome by completing the assigned tasks. Managers should provide their subordinates substantial opportunities to give opinions and suggestions about their operational changes in their work environment. This will have positive impact on their work outcomes.

Organizational Commitment

Organizational commitment is multidimensional in nature (Bateman & Strasser, 1984; Becker, Randal & Riegel, 1995). Employees who are committed to their organization would have a strong desire to remain a member of a particular organization. The employees also would be willing to put in a substantial effort on their job on behalf of the organization. Furthermore, they would also have high values and goals acceptability within the organization (Becker, Randal & Riegel, 1995).

Meyer and Allen (1987) developed a commitment model in which the commitment has been broken down into three approaches: affective, continuance and normative commitment. Their research provides preliminary evidence that affective, continuance and normative components of attitudinal commitment are conceptually and empirically separate. Further study by Meyer and Allen (1991) broadened the perspective on organizational commitment through the componential model. They suggest that organizational commitment should be conceptualized as a psychological state that is concerned about how individual feel about their organizational engagement and the desire to continue to remain with the organization.

One of the dimensions of organization commitment is affective commitment and is defined as an employee’s desire to be emotionally attached to the identification with and involvement in the organization (Allen and Meyer, 1990; Meyer & Allen, 1997). According to Noor and Noor (2006) employees who have strong affective commitment will more likely to remain in the organization because they want to. They will continue to work for the organization, when they agree with the organization’s goals and desire to remain in the company. However, when there is no desire to be emotionally attached and involved in the organization, the employees may desire to leave the company.

Another dimension of commitment is continuance commitment and is defined as the employees’ awareness or recognition of the benefits of continuing to remain in the organization versus the perceived cost of leaving the organization (Allen & Meyer, 1990; Meyer & Allen, 1991). According to Chan (2003), employees’ with high continuance commitment are more likely to remain in the organization.

Finally, the dimension of normative commitment is a consequence of an employee’s feeling of obligation to stay in the organization based on one’s personal norms and values (Allen & Meyer, 1990; Meyer & Allen, 1991). Even when the employees face pressure from others to leave the organization, the employee will still feel strongly to continue working for the organization. The
decision made by the employee whether to stay or leave the organization is based on their personal belief of the right and moral thing to do. The individual employees with higher normative component of organizational commitment usually will be more likely to remain within the organization (Meyer & Allen, 1991).

**Psychological Empowerment and Organizational Commitment**

Research has proved the empirical relationship between psychological empowerment and organizational commitment in different group of respondents (Raub & Robert, 2007; Liu, Fellows & Chiu, 2006; Kirkman & Rosen, 1999). Liu, Fellows and Chiu (2006) found that increase in the perception of work empowerment; will lead to the increase in organizational commitment of quantity surveyors in four different construction companies in Hong Kong. Organization could provide employees substantial opportunities to take on more responsibilities and to perform their work that are more challenging (Meyer and Allen, 1991). When the employees are given more responsibilities, are assigned tasks that are important to the organization performance, and are allowed to have opportunities to make significant decisions, giving them more chances to voice out their personal opinions, they will in turn feel more empowered. Empowered employees tend to be more willing to remain with the organization and work harder.

Another study by Bogler & Somech (2004) in Israeli middle and high schools looked at the relationship between empowerment and teachers’ organizational and professional commitment as well as organizational citizenship behavior. The study shows that the teachers’ empowerment level was significantly related to their feelings of commitment to the organization and their profession. Therefore, there is a strong relationship between psychological empowerment and organizational commitment (Raub & Robert, 2007).

Furthermore, Dee, Henkin and Duemer (2002) indicate that psychological empowerment was positive related to organizational commitment for teachers from eight elementary schools of an urban district located in South-western United States. When teachers have the right or power to make decision in their daily management work, this will lead to an increase in organizational commitment. Employees will feel more empowered and are more likely to reciprocate by being more committed to their organization (Kraimer, Seibert & Liden, 1999).

**The Four Cognitions of Psychological Empowerment and Organizational Commitment**

A number of researches examine the relationships between the four cognitions of psychological empowerment with organizational commitment (Chen & Chen, 2008; Nabila, 2008; Dee, Henkin & Duemer, 2002). However, the results indicated that not all the four cognitions of psychological empowerment have positive relationships with organizational commitment. Table I shows the summary of the results reported by the different researchers.

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Year</th>
<th>Meaning</th>
<th>Self-determination</th>
<th>Competence</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chen and Chen</td>
<td>2008</td>
<td>Significant</td>
<td>Not significant</td>
<td>Significant</td>
<td>Significant</td>
</tr>
<tr>
<td>Nabila</td>
<td>2008</td>
<td>Not significant positive</td>
<td>Not significant positive</td>
<td>Significant positive</td>
<td>Significant positive</td>
</tr>
<tr>
<td>Dee, Henkin and Duemer</td>
<td>2002</td>
<td>Significant positive</td>
<td>Significant positive</td>
<td>Not significant</td>
<td>Significant positive</td>
</tr>
</tbody>
</table>
In their study, Chen and Chen (2008) discovered that self-determination has no significant relationship with organizational commitment and whereas the other three cognitions seem to have significant relationship with organizational commitment. Nabila (2008) found that meaning and self-determination cognitions have no significant relationship with organizational commitment, but competence and impact dimensions have significant relationship. Furthermore, Dee, Henkin and Duemer (2002) revealed that only competence cognition has no significant relationship with organizational commitment.

Impact cognition displayed the most consistent results from past studies as compared to other cognitions of psychological empowerment. For impact cognition, superiors empower their employees by giving an opportunity and autonomy to make decision about their work methods, pace and efforts in order to increase their subordinates’ commitment (Nabila, 2008). For self-determination cognition, the majority of the studies found that self-determination cognition has no significant relationship with organizational commitment. However, when employees’ believe that they are just following the order from their superior rather than own action, they will feel a lack in the sense of empowerment due to the little autonomy and freedom. Self-determination exists, when employees have some control over what they will do, and how much effort they put into their work (Spector, 1986). Employees’ especially academic staff should have the freedom in organizing their daily work task. Therefore, self-determination dimension is very important in enhancing the organizational commitment of academicians.

For meaning and competence cognitions, it is also shown that both have significant relationship with organizational commitment. Organizations have to make sure that the objectives of the assigned work task are compatible with their employees’ value systems, in order for them to perceive the work to be meaningful (Brief & Nord, 1990). If the objective of the assigned work task is conflicting with the employees’ value systems, they will not feel empowered. Each individual employee within an organization must have a sense of belief that they have the necessary skills and capability to perform their work better (Spreitzer, 1995). Managers should not assign tasks that are unattainable and extremely difficult to achieve. Besides, superiors should also not assign works that require high quality skills that are beyond their employee’s capability. This will lead to reduced motivation and commitment towards the organization.

It is important to point out that the target respondents are different from one study to another. Chen and Chen’s (2008) study focuses on employees from three Taiwan state-owned enterprises. Nabila (2008) focuses on employees from the construction sectors in Kota Kinabalu, Malaysia whereas Dee, Henkin and Duemer (2002) look at teachers employed in eight elementary schools of an urban district located in a South-western American city. Under the circumstances, different background and experience will have different impacts on the perceptions or opinions on the relationship between the four cognitions of psychological empowerment and organizational commitment. Respondents working as teachers in elementary schools are more educated compared to employees from the construction sectors. That explains the results reported by various researchers are slightly different from one another.

Even though not all the four cognitions of psychological empowerment have positive relationships with organizational commitment, but in general, psychological empowerment may be an important elements or means for increasing employees’ organizational commitment and is helpful in reducing the burnout and absenteeism (Dee, Henkin & Duemer, 2002).

Psychological Empowerment and the Three Dimensions of Organizational Commitment

Literatures review reveals that some researchers have examined the relationship between psychological empowerment with each of the dimensions of organizational commitment: affective, continuance and normative (Meyer & Allen, 1991; Chan, 2003). A study by Jermier and Berkers (1979) found that if the superior allows their employees to participate in decision making, affective commitment to the organization among employees is stronger. Organizations that practice
decentralization rather than centralization by transferring power to their employees to make certain
decision will cause higher affective commitment (Bateman & Strasser, 1984). Chan (2003) also found
that psychological empowerment has a strong and direct positive association with affective
commitment. Employees who are psychologically empowered by their superior tend to be more
affectively attached to the organization and feel obligated to stay with the organization. This shows
that affective commitment is strongly related to psychological empowerment.

The study by Laschinger, Finnegan and Shamian (2001) discovered that there is a weak relationship
between continuance commitment and empowerment. Moreover, Chan (2003) indicates that there is a
negative relationship instead of positive relationship between continuance and psychological
empowerment. Chan (2003) interpreted this to mean that if employees experience higher level of
psychological empowerment; these employees normally are less likely to be motivated by continuance
commitment to remain with the organization. Employees with high continuance commitment will stay
in the organization which they cognitively evaluate that they will need to and not because they want
stay due to pension plans or moving to a new location (Chan, 2003). Moreover, continuance
commitment is not necessary an organizationally beneficially attitude. Although, employees might be
willing to stay longer with the organization, however this might be due to being unable to find a better
or more financially rewarding job than the current work. If the employees leave the organization, then
they will tend to lose more. Hence, there is a negative relationship between continuance commitment
and psychological empowerment.

Chan (2003) also argues that employees with high psychological empowerment have high normative
commitment towards the organization. His hypothesis was supported in which there is a direct and
positive relationship between psychological empowerment and normative commitment. This was
confirmed in the subsequent study by Krishna (2007). Furthermore, Chan (2003) also found that there
is direct relationship between normative commitment and psychological empowerment. This may be
because employees who are psychological empowered tend to be more emotionally attached to the
organization and feel the obligation to remain with the organization.

PROPOSED CONCEPTUAL FRAMEWORK AND HYPOTHESES DEVELOPMENT

This paper proposes to identify the relationship between psychological empowerment and
organizational commitment of academics in Malaysian PHEI. Based on the discussions presented in
the literature review, psychological empowerment affects organizational commitment. The four
cognitions of psychological empowerment, meaning cognition, competence cognition, self-
determination cognition and impact cognition affect organizational commitment. Further to this, extant
literature also encapsulate that psychological empowerment has influences over the three dimensions
of organizational commitment, that is affective commitment, normative commitment and continuance
commitment. Based on the above dimensions, the research framework is constructed and presented in
Figure I.

The study proposed the following hypotheses concerning the academics in Malaysia private
universities:

Hypothesis 1:
Psychological empowerment is related to organizational commitment.

Hypothesis 2:
The four cognitions of psychological empowerment, namely meaning cognition, self-determination
cognition, competence cognition and impact cognition are related to organizational commitment.

Hypothesis 3:
Psychological empowerment has influence over three dimensions of organizational commitment: affective commitment, normative commitment and continuance commitment.
CONCLUSION

The paper is a review of existing literature on the relationship between psychological empowerment and organizational commitment. The study evaluates the relationship between the cognitions of psychological empowerment: meaning, competence, self-determination and impact cognitions with organizational commitment as well as the psychological empowerment with the dimensions of organizational commitment: affective, normative and continuance dimensions.

The Malaysian PHEIs stand to gain from this empirical study as it will provide deans and heads of departments of PHEIs better and clearer understanding on how they can influence and shape their subordinates (academic staffs) attitudes by focusing to improve the right cognitions of psychological empowerment in order to increase academic staff organizational commitment. Higher organizational commitment agrees well for improved academics performance subsequently. Eventually, it will be able to increase the production of higher quality and competitive graduates to support the economic growth. And, consequently it will assist in transforming Malaysia from middle-nation income to high-nation income with both inclusive and sustainable.

REFERENCES


