



Competence and Organizational Commitment of Breweries in Rivers State, Nigeria

Orafre-Amaegbe, Josephine Enenimienyo

Department of Management, Faculty of Management Sciences,
Rivers State University, Port Harcourt.

Abstract: *This study examined the relationship between competence and organizational commitment of breweries in Port Harcourt Rivers State, Nigeria. The study adopted a cross-sectional survey method in the investigation of the study variables. The population of the study was 1,142 employees of 5 breweries in Port Harcourt, with a sample size of 296. Primary data for the study was collected through structured self-administered questions. The reliability of the instrument was determined using the Cronbach Alpha Coefficient with all the items scoring coefficients above 0.7. Data generated and collected for the purpose of the study were analyzed using Pearson's Product Moment Correlation Co-efficient with the aid of statistical package of social science (SPSS version 23.0). The study revealed that there is a positive relationship between competence and organizational commitment. Therefore, the research concludes that competence positively and significantly influences organizational commitment of breweries in Port Harcourt to a very great extent. The study recommends that breweries need to create an organizational culture that supports, facilitates and improve the competence of employees. Such culture includes monetary motivation, building trust, training and skills development and career growth progression in the organization.*

Keywords: *Competence, Active continuance commitment, Value commitment, Affective commitment*

INTRODUCTION

Modern day technological/industrial Revolution being experienced in the Business being experienced in the Business world has compelled Organizations to extend then primary goods from profit making and market scale needs to that of survival". The survival etc of Business Organization has become a key objective as a result of highly increased level of competition among organizations in every business section. There is therefore an imminent need for a committed workforce that will give organizations a competitive edge over their industry Rivals. Major competitive edge derived from Employee commitment are reduced staff turnover achievement of targets or set goals, leading to increased productivity. It is worthy to note that Employee's Psychological disposition and their attitudes towards their work have a tremendous influence on their performance and Productivity. When Employees are dissatisfied with their work, they are less committed and will look for other opportunities to quit. If opportunities are

unavailable they may emotionally or mentally withdraw from the Organization (Crawford, 2003). Organizational Commitment therefore is reverse situations where employees are emotionally and mentally attached to their organization see themselves as members of the organization without looking for opportunities to quit. Mayer and Allen (1991), defines Organizational commitment as a Psychological state that (a) Characterize the employees relationship with the organization and (b) has implications for the decision to continue or discontinue membership in the organization. Organizational commitment has also been defined as holding conviction to organization goals and values, having tendency towards significant efforts leading to achievement of such goals as well as consuming interest to continue with the organization.

The success of today's business organizations depends not only on its managerial skills, nor the skills of its employees nor the level of sophistication of its production equipment but also, mainly on its employee's organizational commitment. According to Agada and Zeb-Obipi (2014) committed employees have a sense of binding or link to the organization with an obligation to remain and contribute unsparingly to the success of the group they belong. They established that organizational goals are unattainable without the enduring commitment of members of the organization. They also argued that employees who are committed to their organization give it in crucial competitive advantages such as light productivity and lower turnover. It is also worthy of note that organizational commitment precipitates.

Employee's loyalty wherein individuals workers demonstrate their dedication to the organization irrespective of its success and failure (Mayer & Allen 1997). Wong (2004) sees organizational commitment as the obligation of an employee to the organization, hence, established the five component organizational commitment model. According to Wong there are five measures of organizational commitment which are:

Affective commitment: The strong feelings and emotional attachment an employee has for the organization and to his job

Continuance commitment: The employees' belief system and acceptance of the organizational goals, vision and mission

Normative commitment: The willingness to exert effort and represent the organization in its job performance.

On the other hand employee empowerment, according to Fernandez (2007) and Mayer and Allen (1997) several studies show the fact that involving and empowering employees greatly influences organizational commitment. They argues that empowered employees have a high level of commitment and involvement in the day to day process of decision making and contribute actively towards achieving organizational goals. Recent developments have shown that employees are more prone to leave their organizations for competitors who are offering better opportunities or conditions of work, hence placing business organizations in a position of losing their best hands. This by implication constitutes a serious threat to their survival, performance and the achievement of other goals within their industry of operation. One very

strategies solution to this imminent threat is organizational commitment. This purpose examined the relationship between competence and organizational commitment of breweries in Rivers State.

The specific objectives of this study include.

- i. To examine the relationship between competence and affective commitment of breweries in Rivers state.
- ii. To investigate the relationship between competence and value commitment of breweries in Rivers state.
- iii. To determine the relationship between competence and active continuance commitment of breweries in Rivers state.

The research questions are as follows

- i. What is the relationship between competence and affective commitment of breweries in Rivers State?
- ii. What is the relationship between competence and value commitment of breweries in Rivers State?
- iii. What is the relationship between competence and active continuance commitment of breweries in Rivers State?

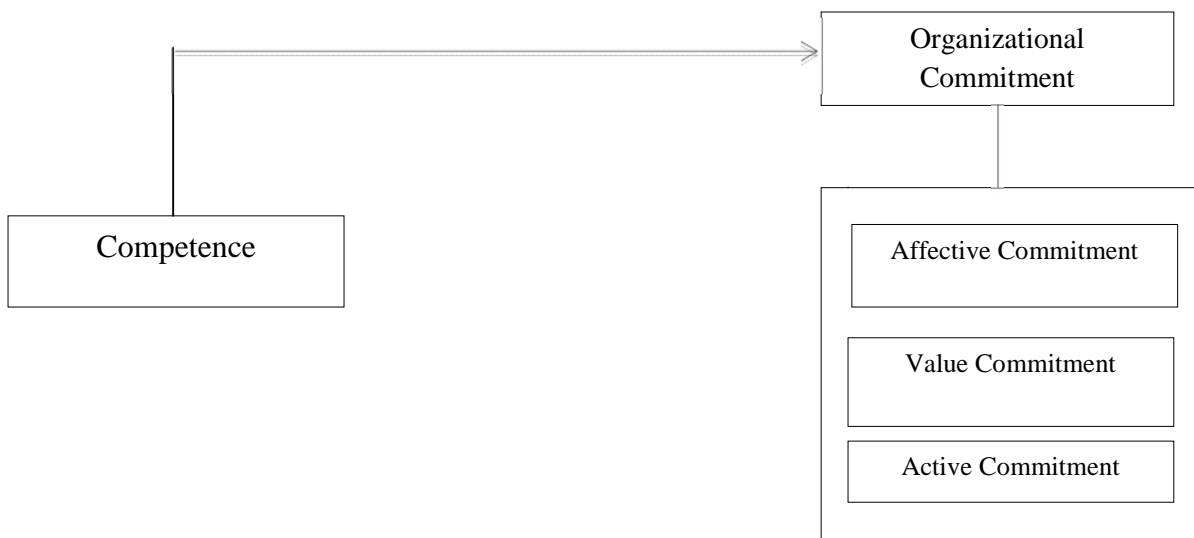


Fig.1: Conceptual framework for the relationship commitment and organizational commitment

Source: Desk Research (2019)

LITERATURE REVIEW

Theoretical Foundation

The underlying theory of the study can be drawn from one of Fayol's principles of management being initiative (1841-1925). Fayol's management principle of initiative establishes that managers must encourage employees to exercise initiative which is the ability to act on their own without direction from a supervisor. He opined that initiative can be a major source of strength for an organization because it leads to creativity and innovation. He also believes that initiative fosters commitment and loyalty among employees. The theoretical foundation of employee empowerment and organizational commitment can also be drawn from the contributions of McGregor's theory Y. The theory establishes that: That manager does not need to closely control worker's behaviour in order to make them perform at a high level because worker will exercise self - control when they are committed to the organizational goals.

It is the managers task to create a work setting that encourages commitment to organizational goals. That manager should provide opportunities for workers to be imaginative and exercise initiative and self – direction. Employee empowerment on organizational commitment and the relationship that exists between them is a recent area of study. Some of the studies carried out on these concepts include: The effect of empowering and engaging employees on organizational commitment in public, private sector banks operating in Chennai. The study established that empowered employees are said to be posit on making quick decisions and respond to any changes in the environment. The study also found out that engaged and empowered employees have a high level of commitment and involvement in the day to day processes of decision making and contribute actively towards achieving the goals of the organization.

Another study which believes that employee empowerment influences organizational commitment was on enhancing organizational commitment through employee empowerment. "Empirical evidence from Telecom sector employees by Muhammad, Khalid, Khan, Areesa, Tariqua, AsadAfzal, Hamayoun and Bhutta, (2014). The study found out that organizations that implement employee empowerment can motivate and retain their employees. They identified empowerment as the sharing of power from top management to low level management. Empowerment is concerned with decision making, motivation, job satisfaction and organizational commitment leading to improved productivity.

Finally, the study established that employees are more committed and play their role towards organizations effectiveness and success. Being a management style in which managers and subordinates are brought together to be involved in the organizations work process, to participate in decision making, creates the room for employees to respond swiftly to changes and threats from today's highly volatile and competitive Business Environment. Most of the studies carried out on employee's empowerment and organizational commitment were done outside the shores of Rivers State and Nigeria. The studies also were limited to the banking, Telecommunications and ICCT sectors of the economy. It is on this premise that the researcher intends to close this gap by carrying out the study on employee empowerment and

organizational commitment in Brewing companies within the food and brewing industry. Other similar researchers carried out on these concepts focused mainly on business outside the African but this study intends to focus on Rivers State paying close attention to speculations that influences the attitudes of employees in this geographical area that are distinct from those in advanced business societies.

Concept of Competence

It is the sense of belief that the employees have in their skills and capability to perform their work better (Spreitzer, 1995). It is also defined as the degree to which an individual employee is able to perform the task activities skillfully (Thomas & Velthouse, 1990). If the employees lack a sense of confidence in their skills and capability then they will feel not empowered by their superiors. Competence has been defined as a cluster of related abilities, commitments, knowledge and skills that enables a person or an organization to act effectively in a job or situation. Employee empowerment plan that increases their feeling of competence in the job they perform will lead to employee empowerment and improve organizational learning. It can also be defined as an individual's belief or confidence in his or her capability to perform tasks or work activities skillfully. Also known as sense of competence, is that believe an individual has about his ability to perform activities (Carless, 2004).

Competence can be referred to as the extent to which an employee can carry out assigned tasks skillfully when efforts are put in. Human Resource policies that pay attention to employee's professional development identify their personal competences; will help organizations determined positions that will best fit each employee for optimum performance.

Choi (2006) argues that empowerment is a process which improves self-conception. Self-conception is the belief that an employee can carry out assigned job tasks effectively. Employee empowerment means creating an environment that enables employees by motivating them, through access to resources, and information, specialized and required training. These increase the sense of competence in employees giving rise to their feeling of empowerment. According to Lamei (2003). Feeling is not something granted by managers to employees, rather, it is a situation in which employees decide and act in the best manager. It is a sense of freedom or autonomy about how individuals do their own work. Spreitzer (1995); Thomas and Velthous (1990), noted that if employees feel a sense of empowerment, they must have a substantial autonomy or power to make decisions 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.

Concept of Organizational Commitment

Organizational commitment can be seen as a behavioural attitude that reflects the loyalty of employees to their organization commitment is the emotional bond that exists between the employees and the Organization. Commitment is defined as the extent of an individual's loyalty and attachment to the organization, linked to the degree of efforts an individual will exert to support of the organizations goals. (Ashraf, *et al*, 2012).

According to Khan, Tarig, Hamayoun and Bhutta (2014). Organizational commitment is an attitude that reflects an employee's loyalty to the organization and this is an on-going process through which members of organization can express their concern for the organization and its continued success and well-being. Agada and Zeb-Obipi (2018), defined organizational commitment as a sustainable binding force or mind-set that propels an individual to stay and work dedicatedly and whole-heartedly to achieve organizational or unit goals. They argued that employee commitment is of a critical importance for the success of the organization. Employee commitment is the emotional bond or attachment between the employees and their organization (Baridam, 2017). He established that committed employees are those that perceive the needs of the organization as their personal needs and work towards meeting those needs willingly. He said those types of employees are considered to be the most valuable asset any organization can possess.

According to Obi, Onyekwelu, Onwubiko and Mohammed (2016), organizational commitment represents something beyond mere passive loyalty to the organization. It is a relationship employees have with their organization in which they are willing to give something of themselves in order to help the organization. Organizational commitment is an intriguing, challenging and most frequently researched concept in industrial organizational psychology and organizational behaviour. It has been an important subject of research among Human Resources Management Practitioners and organizational scientists.

Measures of Organizational Commitment

Affective Commitment

Can be defined as an employee's affection for his job. This occurs when an employee feels a strong emotional attachment to the organization and the tasks he is assigned to. It can also be referred to as an employee's affection for his job. It is a situation where an employee identifies with the organization's goal and values and is genuinely willing to remain in the organization. According to Ejirogehene, Bagshaw and Blue-Jack (2017) Employees with high effective commitment to an origination see themselves as integral part of the organization. Anything that threatens the organization an imminent danger to them as well.

Value Commitment

It is the feeling of value an employee places on his organization. It is a situation where employees are willing to exert extra effort beyond that normally expected of him in order to ensure their organization. Value commitment has to do with employee's support of organizational goals and their belief in and acceptance of those goals. (Mayer & Schoorman, 1992). Wong (2004) believes that employees follow and accept organizational goals in order to maintain stable employer employee relationships. This stable relationship enhances organizational commitment.

Active Continuance Commitment

An employee's willingness to continue working in his organization as a result of on-the-job opportunities he enjoys that helps them realize constitutes a source of motivation to the

employee. Workers are motivated to continue working for the organization because the organization provides on-the-job training opportunities for them such as promotions and rewards and also gives them own goals. Here employees also realizes that they could make full use of various skills, talents and abilities they have acquired in the organization employees are also given challenging jobs that are aimed at developing their skills and abilities.

Competence and Organizational Commitment

Competence been the degree to which an individual employee is able to perform the task activities skillfully Thomas and Velthouse (1990) is a feeling that can be enhanced in employees by management, as an employee empowerment plan. Choi (2006) argued that empowerment process which the feeling of competence in employees is an essential part of, results to high performance by employees and creates them a sense of satisfaction with their jobs. Competence gives employees freedom or autonomy about how they carry out their assigned tasks and decisions made about such assigned task. Howard and Foster (1999) sees competence as a sense of autonomy over the initiation, and continuation of work behaviour and processes.

In view of the foregoing argument, the following hypotheses were drawn.

- Ho₁:** There is no significant relationship between competence and affective commitment in the brewery companies
- Ho₂:** There is no significant relationship between competence and value commitment in the brewery companies
- Ho₃:** There is no significant relationship between competence and active continuance commitment in the brewery companies

METHODOLOGY

The study adopted a cross-sectional survey method in the investigation of the study variables. The population of the study was 1,142 employees of 5 breweries in Port Harcourt, with a sample size of 296. Primary data for the study was collected through structured self-administered questions. The reliability of the instrument was determined using the Cronbach Alpha Coefficient with all the items scoring coefficients above 0.7. Data generated and collected for the purpose of the study were analyzed using Pearson's Product Moment Correlation Coefficient with the aid of statistical package of social science (SPSS version 23.0). The reliability of the instrument is depicted by the table below:

Table 1: Reliability Coefficients of the variables

| S/No | Dimension/Measures of the study variable | Number of items | Number of cases | Cronbach's Alpha |
|------|--|-----------------|-----------------|------------------|
| 2 | Competence | 3 | 250 | 0.707 |
| 4. | Affective Commitment | 4 | 250 | 0.882 |
| 5. | Value Commitment | 3 | 250 | 0.803 |
| 6. | Active Continuance Commitment | 3 | 250 | 0.787 |

Source: SPSS Output

DATA ANALYSIS AND RESULTS

Bivariate Analysis

The Spearman's Rank (rho) coefficient was employed to test the hypotheses that were stated in the null form. The 0.005 significance level was adopted as the basis for accepting or rejecting the null hypotheses at (p0.005) or rejecting the null hypotheses at (p0.005).

Table 2: Correlation Matrix for Competence and Measures of Organizational Commitment

| | | | Competence | Affective Commitment | Value Commitment | Active Continuance Commitment |
|----------------|-------------------------------|-------------------------|------------|----------------------|------------------|-------------------------------|
| Spearman's rho | Competence | Correlation Coefficient | 1.000 | .895** | .604** | .723** |
| | | Sig. (2-tailed) | . | .000 | .000 | .000 |
| | | N | 250 | 250 | 250 | 250 |
| | Affective Commitment | Correlation Coefficient | .895** | 1.000 | .902** | .930** |
| | Sig. (2-tailed) | .000 | . | .000 | .000 | |
| | N | 250 | 250 | 250 | 250 | |
| | Value Commitment | Correlation Coefficient | .604** | .902** | 1.000 | .863** |
| | Sig. (2-tailed) | .000 | .000 | . | .000 | |
| | N | 250 | 250 | 250 | 250 | |
| | Active Continuance Commitment | Correlation Coefficient | .723** | .930** | .863** | 1.000 |
| | Sig. (2-tailed) | .000 | .000 | .000 | . | |
| | N | 250 | 250 | 250 | 250 | |

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Research Data 2019, (SPSS output version 21.0)

Ho₁: There is no significant relationship between competence and affective commitment of breweries in Rivers State.

From the result in the table above, the correlation coefficient shows that there is a positive and relationship between competence and affective commitment. The *correlation coefficient* 0.895 confirms the magnitude and strength of this relationship. The correlation coefficient represents a very high correlation between the variables indicating a very strong. The tests of significance indicates that the relationship is statistically significant at $p\ 0.000 < 0.05$. Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate accepted. Thus, there is a significant relationship between competence and affective commitment of brewing companies in Rivers State.

Ho₂: There is no significant relationship between competence and value commitment of breweries in Rivers State.

From the result in the table above, the correlation coefficient shows that there is a positive relationship between competence and value commitment. The *correlation coefficient* 0.604 confirms the magnitude and strength of this relationship. The correlation coefficient represents a high correlation between the variables indicating a strong relationship. The tests of significance indicates that the relationship is statistically significant at $p\ 0.000 < 0.05$. Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate accepted. Thus, there is a significant relationship between meaning and value commitment of brewing companies in Rivers State.

Ho₃: There is no significant relationship between competence and active continuance commitment of breweries in Rivers State.

From the result in the table above, the correlation coefficient shows that there is a positive relationship between competence and active continuance. The *correlation coefficient* 0.486 confirms the magnitude and strength of this relationship. The correlation coefficient represents a moderate relationship between the variables. The tests of significance indicates that the relationship is statistically significant at $p\ 0.000 < 0.05$. Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate accepted. Thus, there is a significant relationship between competence and active continuance commitment of brewing companies in Rivers State.

DISCUSSION OF FINDINGS

The study revealed that there is a positive relationship between competence and organizational commitment in the brewery sector in Rivers State, using Spearman's order correlation coefficient tool and at 95% confident interval. The results of the tests of hypotheses 1, 2 and 3 on table 1 shows that there is a positive relationship between competence and measures of

organizational commitment (0.895, 0.604 and 0.486 respectively). The tests of hypotheses revealed that there is a significant and positive relationship between competence and organizational commitment of brewing companies in Rivers State. This finding reinforces views by Gist (1987) that competence, or self-efficacy, is an individual's belief in his or her capability to perform his activities with skill in relation of employee competence to organizational growth and success. The study shows that successful, competent leaders reflect and model these core competencies. They recognize the importance of integrating core competencies in the day to day operations of the company through aggressive training and skill development of employees at all levels throughout the organization. In this regard, leaders have a strong and definitive influence on the depth and breadth of employee competency with the organization. The quality of leadership's knowledge of and relationship with its employees will enhance, impede or reduce employee competence. Poor leadership-employee relationship negatively impact employee competence, causing declining Spirals in morale, customer satisfaction and ultimately the success and growth of the organization. The manager who excels in interpersonal skills and possesses a strong commitment to organizational stewardship will ensure that employees feel valued and are empowered to strive in their own competency development.

CONCLUSION AND RECOMMENDATIONS

Employees are the most crucial asset that any organization can boost of, hence initiating and implementing policies and programmes that will develop their skills and ability to carry on their job effectively becomes crucial and worthwhile. The study has revealed that a positive relationship in the workplace between managers and employees most times contributes to the success of both the organization. The study concluded the quality of leadership's knowledge of and relationship with its employees will enhance, impede or reduce employee competence. From the findings, we make the following recommendations:

- i. Breweries should offer employees opportunity to participate in the decision making of the organization especially regarding their skills development.
- ii. Leaders within the organization should communicate goals and common aims of the organization to employees plainly and clearly and strategies should be collaboratively advance to achieve her goals.
- iii. Breweries need to create an organization culture that supports and facilitates employee competence. Such a culture includes building trust, changing management perspectives, providing opportunities for skill development, and opportunities for career growth within the organization.

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