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#### **Conference** Paper

## Organizational Commitment Versus Career Commitment

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#### Abstract

This study aims to determine the effect of career satisfaction on organizational commitment and career commitment. In addition, the study also aims to determine the effect of organizational commitment as variables that mediate the relationship between career satisfaction and career commitment. The sample used in this study is comprised of employees at a manufacture and service company. The data analysis in this study is conducted using the Partial Least Square (PLS). The results prove the existence of significant effects related to these following hypotheses: the influence of career satisfaction on career commitment; the influence of career satisfaction on career commitment; the influence of career satisfaction on career commitment; the influence of career satisfaction on career commitment.

Keywords: career satisfaction, organizational commitment, career commitment

## 1. Introduction

Companies in today's competitive business conditions are facing demands for excellence in retaining employees who have the best skills, expertise and experience. A company that wants to maintain its competitive advantage in products and labor markets requires employees who are committed and integrated with the company. Organizational Commitment and Career Satisfaction have become an important research agenda in the field of Human Resource Development and Organizational Development; therefore, an approach is needed to implement a comprehensive career development program implemented in the form of human resource development practices.

One of the ways organizations face the issue of the availability of qualified human resources is to support employees to develop their own careers and increase satisfaction with their careers within the company. Career Satisfaction measures subjectively the career success defined by individual satisfaction on career achievement [10]. Although not directly, this approach is consistent with the notion that organizations

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perform a new, supportive role in enabling the success of their employees' careers [2]. From this perspective, the Career Development System emerges as a formal, organized, and planned effort to achieve a balance between individual career needs and the needs of the organization's workforce. Career development is designed to enhance one's career satisfaction and organizational effectiveness [15]. After the achievement of satisfaction on the management and attention of the company to the development of career, the benefits to be gained by the company is the fit of employees with the company, better communication between managers and employees, and increased employee loyalty to the organization. However, as it happens, employee turnover intention remains very high.

Based on these descriptions, it is necessary to examine the role of career satisfaction in increasing organizational commitment and in increasing career commitment. Hopefully, this research can give positive information and input for organizations in general, to be more attentive to career development programs as instruments to strengthen the career satisfaction and the organizational commitment of employees. Furthermore, from the results of this study, it is also expected that the organizations will be able to conduct good career development planning so that all parties can understand about the appropriate actions need to be applied in career development programs. It also can provide input for employees to pay attention to personal career development, as a responsibility and awareness of their role in the organization.

## 2. Literature Review

Although some previous studies have shown that employee career satisfaction will be able to increase commitment to the organization, some other studies have shown that turnover intentions for considering finding new jobs are also high [19]. High turnover intention is proven to predict the turnover behavior, at which stage the employee realizes this idea of leaving and actually exits the organization [3]. On the other hand, when a person finds himself or herself to have increased his skills and achieved his goals, then the person will experience satisfaction with the career role they are performing. Furthermore, a satisfied employee will be more committed to the career they are having [5].

Career satisfaction or subjective career success is one's evaluation of career development, achievement and expected outcomes relative to one's own goals and aspirations [16]. Career success can also be interpreted as an outcome of good work and psychological feelings, accumulated as a result of one's work experience. Traditional **KnE Social Sciences** 



career research only assesses career success through objective assessment indicators, that is by indicators of career success measured through promotion, rank and retention [8]. Meanwhile, career satisfaction is more like a subjective career success because it describes broader results, such as 'sense of purpose and work-life balance' [2]. Another opinion that supports the claim states that 'career success is subjectively measurable through employee perceptions of career success and career satisfaction' [12].

Organizational commitment is an employee's attitude toward their organization or a psychological level that categorizes employee relationships with their organization, which has implications for the decision to continue membership in that organization [13]. An employee will show high loyalty if they have a strong commitment to organization. As expressed in a study conducted by Mowday, Porter, and Steers (1982) organizational commitment is the level of loyalty and contribution of a person to the organization. In other words, the higher the commitment of employees, the higher the level of loyalty and contribution to the organization. Loyalty and contribution are two things that are important to the organization. Employees with high loyalty and contribution will do their job as well as possible in order to achieve organizational goals and progress [14]. Therefore, it is very important for the organization to instill organizational commitment in its employees. However, organizational commitment is not something that can be obtained instantly. Commitment grows through a series of processes as long as employees are members in the organization.

Career commitment started from a research conducted by Blau (1988) on professionalism. This study identifies six characteristics of the ideal profession - expertise, autonomy, commitment to work and profession, profession identification, ethics, and collegial maintenance of standards. One characteristic, namely commitment to work, refers to a person's dedication to work and aspirations to a career. Many studies focus on these characteristics. The researchers used terms such as professional commitment, occupational commitment, career salience and career orientation to translate commitment to work and profession [4]. In another study, it was found that, in the measurement of career orientation, there are two separate factors [4], namely career centeredness and career commitment. Career commitment includes the extent to which work activity is reflected in a person's life plan and a person's desire to keep working in his chosen career even though he can earn money without working. According to Hall (1971), career commitment is the power of employee motivation to work in the career roles that they have selected. Blau defines career commitment as a person's attitude toward their work or field. A person who is committed to a career that is being undertaken tends to make more efforts to achieve the targets of their career.



Career commitment as a subjective dimension of a career is an affective concept that identifies a series of related assignments in a particular field with the behaviors of overcoming disappointments in the attempt to pursue career goals.

## 3. Hypotheses Development

Based on the theoretical basis for each variable to be studied, the following explains some of the relationships between variables. Each relationship between these variables will produce a hypothesis that will be a brief estimation of the results of this study.

## 3.1. Career satisfaction and career commitment

Hall (1971) suggests that a person's level of commitment to their career role depends on his or her views on increasing or decreasing their competence and success in their career role. Previous studies have revealed that a person has subjective judgment in evaluating career development. When a person themselves to have improved their skills, that they can balance between life and work, and they have achieved targets, then the person will feel satisfaction with the career role they have. Furthermore, satisfied employees will be more committed to the career they are having. This subjective measurement is more relevant to use as a measure of personal career satisfaction [9].

The relationship between career satisfaction and career commitment is also found in a research conducted by Aryee and Tan. The study investigated the relationship between the constituent factors and the outcomes of career commitment. One of the factors predicted as a form of career commitment is career satisfaction. The results showed that there were positive and significant results on the relationship between career commitment and career satisfaction. This positive and significant relationship indicates that the more satisfied employees are with their careers, the commitment to their careers also increases [1].

## H1: There is a positive and significant effect from career satisfaction on career commitment

## 3.2. Career satisfaction and organizational commitment

Career satisfaction will be felt by the employee when they see that they can achieve the targets set in their career. If an employee is satisfied with the achievements they



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get during their career, they will feel that the organization has facilitated them in developing their career. An employee will perceive that the organization participates in the achievement of targets in their career. Therefore, an employee who is satisfied with their career will perform best for the good of the organization. Organizational commitment reflects one's persistence in making sacrifices for the good of the organization, so the results of his research show that career satisfaction can be a predictor of organizational commitment [11].

## H2: There is a positive and significant effect from career satisfaction on organizational commitment

## 3.3. Organizational commitment and career commitment

Organizational commitment is identification of individual, loyalty, or involvement, characterized by belief, willingness and membership with an organization [14]. On the other hand, career commitment is defined as one's motivational power to work in a chosen career role [7]. When an employee is committed to the organization, the employee will do their best for the organization, including having a job in the career role they have chosen.

In the research on the relationship between job satisfaction variable, job promotion, organizational commitment and career commitment, one hypothesis predicted the relationship between organizational commitment and career commitment. The results showed that there is a positive and significant relationship of both variables. Through the results of the study, it can be concluded that, when employees are committed to the organization, they will also be committed to the career they have chosen.

# H3: There is a positive and significant effect from organizational commitment on career commitment.

# 3.4. Career satisfaction, career commitment and organizational commitment

According to a research conducted by Aryee and Tan (1992), career satisfaction has a positive and significant relationship to career commitment. Similarly, Mowday, Porter, and Steers (1982) stated that career satisfaction is a predictor of organizational commitment. In addition, organizational commitment also has a positive relationship to career commitment [18]. Studies have proven that there is a positive relationship



between the three variables. In other words, when employees feel satisfaction with their careers, they will be more committed to their career, and this can increase employees' commitment to the organization.

H4: There is a positive and significant effect from career satisfaction on career commitment through organizational commitment as an intervening variable

## 4. Research Methodology

This study uses a quantitative approach, where, in this approach, research is focused on testing the hypothesis.

In this study, data were collected through questionnaires and also from related documents, which were then processed by using partial least squares (PLS) analysis. Determination of sample is done by using simple random sampling technique, which is included in probability sampling. Simple random sampling is a technique of determining the sample used when research is done to obtain a sample that can represent the population or to make generalizations [17]. Respondents in this study are 166 permanent employees who have had a minimum of two years working period in manufacturing and service companies.

#### 4.1. Measurement

Measurements of Career Satisfaction, Organizational Commitment and Career Commitment variables are based on respondents' answers or ratings on the statements in the questionnaire in which value is determined on a Likert scale with a value of 1 meaning 'strongly disagree' to the value of 5 which means 'strongly agree'. Career satisfaction was measured by Greenhaus et al. (1990) in five items ( $\alpha = 0.92$ ). Organizational commitment was measured by Meyer, Allen, and Smith (1993) in five items( $\alpha = 0.92$ ). Career commitment was measured by Blau (1988) in five items( $\alpha = 0.89$ ).

### 4.2. Career satisfaction

In this study, career satisfaction is defined as the perceived satisfaction of employees associated with the achievement of targets in a career that is taken. Measurement of career satisfaction variables uses instruments from Greenhaus, Parasuraman, and Wormley (1990) with indicators such as career satisfaction achieved, satisfaction level



of career objectives, satisfaction level of career earned income, and satisfaction level of skill development or competency provided by the company.

## 4.3. Organizational commitment

In this study, organizational commitment is defined as the strength of the employee's perceived relationship to the company, which keeps them in the company they work for. Measurement of organizational commitment variables uses instruments from Meyer, Allen, and Smith (1993), which are divided into three components with indicators for affective commitment, which are employees' emotional attachment, identification and involvement within the organization (Meyer and Allen, 1991). Furthermore, the continuance commitment refers to the employee's awareness of the costs or sacrifices associated with leaving the company for which they work (Meyer and Allen, 1991). Finally, the normative commitment reflects employees' feelings regarding their moral obligations to continue the work (Meyer, Allen, and Smith, 1993).

### 4.4. Career commitment

In this study, career commitment is defined as the power level of one's motivation to keep working on the career role that has been chosen and is being undertaken at the moment. Measurement of career commission variables uses instruments from Blau (1988), with indicators such as employee consideration for switching profession based on salary received, employee's desire to have a career for themselves in the current profession, the level of motivational strength of employees to continue the profession they are in, the views of employees about how ideal is the work they are doing.

## 5. Discussion

The research hypothesis is acceptable if the *t*-statistic value is greater than *t*-table at the 5% ( $\alpha$ ) error rate of 1.96. The value of the path coefficient (original sample estimate) and *t*-statistic/*t*-count value on the inner model have been provided in Table 1.



	Original Sample (O)	T-Statistics ( O/STERR )	Information
Career Satisfaction $\rightarrow$ Career Commitment	0.3450	2.6383	Positive and significant
Career Satisfaction $\rightarrow$ Organizational Commitment	0.2208	1.3579	Not significant
Organizational Commitment → Career Commitment	0.3817	3.1427	Positive and significant
	Indirect Influence	Direct Influence	Information
Career Satisfaction $\rightarrow$ Organizational Commitment $\rightarrow$ Career Commitment	0.2208 x 0.3817 = 0.0843	0.3450	Not significant

TABLE 1: Result of coefficient of path and *t*-count.

#### 5.1. Influence of career satisfaction on career commitment

Based on the results table of coefficient of path and *t*-count, it can be seen that coefficient path influence of career satisfaction to career commitment is equal to 0.3450 with the value of *t*-count equal to 2.6383, greater than *t*-table value of 1.96, showing that there is positive influence which is significant between career satisfaction toward career commitment. That is, an increase in career satisfaction will result in an increase in career commitment.

These results indicate that the higher the satisfaction that employees feel toward achieving the targets in their careers, the employee's career commitment will also increase. Career commitment is the level of motivational power that employees feel to continue or survive with a career they have. A high average career commitment value with a moderate career satisfaction can be achieved because employees with high career commitments tend to be more adaptable to the perceived dissatisfaction of their careers.

Meanwhile, employee career satisfaction is in the medium category, in other words, employees can be said to be not satisfied with their career. Career satisfaction at moderate levels can also be influenced by the age-related composition of respondents, who are predominantly young (26-30 years. Research has found that age affects employee satisfaction. At a young age, there are still many hopes and ideals, so employees tend to feel less satisfied with the achievements of a career [16].



## 5.2. Influence of career satisfaction on organizational commitment

Based on the results table of coefficient of path and *t*-count, it can be seen that coefficient path influence of satisfaction toward organizational commitment is 0.2208 with *t*-count equal to 1.3579, smaller than *t*-table value of 1.96, showing that career satisfaction has no effect on organizational commitment. That is, changes in career satisfaction will not result in changes in organizational commitment.

The test results prove that the increase or decrease that occurs in career satisfaction will not cause changes in the low level of organizational commitment felt by employees. It indicates that organizational commitment or attachment to an employee's company is not determined by satisfaction of achievement of targets in the employee's career. Moreover, the age-dominated composition of the respondents (21–25 years and 26–30 years old) is identical to their high standards, making it difficult to satisfy employees in this age range. The majority of the last level of education of respondents is a university degree (S1). Young age and last undergraduate education make these employees feel that they still have a wide opportunity to be able to work in different organizations, or find new jobs. At that age, employees also feel that they still have plenty of time and opportunity for a career or to move to another organization. This is supported by the characteristics of respondents who have a very high learning goal orientation, so that employees highly prioritize new learning and experience that are not only limited to the organization where they currently work.

# 5.3. Influence of organizational commitment on career commitment

Based on the results table of coefficient of path and *t*-count, it can be seen that coefficient of path of organizational commitment to career commitment is equal to 0.3817 with *t*-count value equal to 3.1427, greater than *t*-table value of 1.96, this shows that organizational commitment has positive influence and is significant to career commitment. That is, an increase in organizational commitment will result in increased career commitment.

The test results prove that if the organizational commitment perceived by employees increases, career commitment will also increase. A career is defined as any experience and activity that is a part of an employee's job or assignment, and is considered as a part of an organization. Employees with high organizational commitment will be motivated to retain their membership in the organization, including continuing



the careers the employees are currently having within the organization. Therefore, employees who have a strong sense of attachment to the organization will also feel bound and motivated to continue the career they have as a part of the organization.

# 5.4. Influence of career satisfaction on career commitment through organizational commitment

The result of testing with PLS shows that the coefficient of career path toward career commitment through organizational commitment is 0.0843. The result is obtained from the result of coefficient path of relationship of career satisfaction to organizational commitment and organizational commitment to career commitment (0.2208 x 0.3817). The value of 0.0843 is smaller when compared with the coefficient path between career satisfaction to career commitment, which is 0.3450. In addition, the direct influence of career satisfaction on organizational commitment is not significant. This shows that career satisfaction does not have a significant effect on career commitment through organizational commitment, or, in other words, organizational commitment has no impact on changes in career commitment.

In this research, the overall organizational commitment variable is high, but only on affective and normative components. In the continuance commitment component, there are points that express the employee's difficulties to leave the organization, where the point has the lowest value. The low value indicates that the employee does not find it difficult to decide to leave the organization. This fact is supported by the composition of young employees who still have many opportunities for careers in different companies or to move between organizations. Therefore, low organizational commitment cannot be a mediator between career satisfaction and career commitment.

## 6. Conclusion

Based on the results of the study, it is concluded that achieving career satisfaction in the organization does not guarantee that the employee will be committed to the organization. The results of this study indicate that one indicator of organizational commitment is the continuance commitment, one that arises as the impact of employee awareness of the costs or sacrifices that will arise from leaving the organization, and which shows a low value. So, if employees see that the organization can no longer enable employees to reach the targets set, then the employees will likely choose to **KnE Social Sciences** 



move to another organization. In addition, the majority of respondents of this study are young employees (21–30 years old), the majority of whom possess an undergraduate education level and who tend to have high standards or targets. So, if employees are not satisfied with what was achieved in one organization, employees will tend to feel that they still have plenty of time and opportunity to try new achievements in different organizations.

On the other hand, it turns out that the satisfaction of the career affects the commitment to the career of employees. That is, the perceived satisfaction of employees associated with the achievement of targets in a career that is being followed at the time will foster one's motivation to keep working in the profession that has been selected and is being undertaken. So, in this study it can be concluded that, when an employee is satisfied with their career, it does not guarantee that the employee is committed to the organization and that the employee will not hesitate to leave the organization where he/she is currently working and move on to another organization, albeit in the same field of work.

However, there was a positive relationship between organizational commitment and career commitment. This means that employees with high organizational commitment will be motivated to maintain membership in the organization, including continuing the career path the employees are having within the organization. So, employees who have a strong sense of attachment to the organization will also feel bound and motivated to continue a career as a part of the organization. Therefore, it is very important for the organization to keep looking for other factors besides career satisfaction that can foster commitment to the organization.

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