Employee Perceptions of Humanistic Responsibility on Commitment

KOON VUI-YEE*  
Department of Management, Sunway University  

ABSTRACT

This study addresses the impact of humanistic responsibility in Malaysian organizations. It is argued that humanistic principles consist of four primary constructs, namely: autonomy, trust, development, and self-determination. In such, this study examines the effects of Malaysian employee perceptions on organisational humanistic responsibility while considering how each of these constructs, measured separately, contribute towards employee commitment. It also addresses how the four constructs, when combined together, produce even greater impact on humanistic responsibility. The research drew on a self-administered questionnaire distributed to manufacturing and services companies in Malaysia. The data analysis applies partial least squares according to the exploratory factor analysis approach. Research findings from the companies in Malaysia reveal that two primary constructs of humanistic responsibility have a positive and significant relationship on employee commitment when acting alone, and even more so when they are combined together. Interestingly, one of the primary constructs that have no significance when acting alone will become significant when the constructs form in alignment with others in a humanistic approach. The findings confirm the important and deep-seated effect of humanistic responsibility on employee commitment in Malaysia.

JEL Classification: M12, M14 and M19

Keywords: Humanistic Responsibility; Employee Commitment; Autonomy; Trust; Development; Self-Determination.
INTRODUCTION

Corporate social responsibility (CSR) is a popular topic in today’s business world. It expands organisational roles from solely profit-seeking to ideas beyond the traditional scope, such as quality of life, environmental protection and even community support (Curran et al., 2000; Crane and Matten, 2007; Davies and Crane, 2010). Since the inception of the topic, researchers have established several related concepts of CSR, such as corporate citizenship, corporate social responsiveness, and corporate social performance. However, the majority of studies in CSR are rich at a macro level, where organisations tend to study how CSR would affect institutional and organisational outcomes by measuring its impact on external stakeholders (Aguinis and Glavas, 2012). To be specific, very little empirical work taking a holistic approach on the individual dimension has been done (Arnaud and Wasieleski, 2014). The degree to which CSR is embedded in the organisation would be more accurately measured if the individual level is taken into consideration within the framework of empirical research. Measurement of CSR using the individual level is required for both theoretical and empirical scopes of CSR research (Aguinis and Glavas, 2012). This present study is to answer those calls by measuring CSR at the individual level.

Measuring the individual level, such as studying perception of employees, is important. Empirical research has found employee perception to be an important antecedent that causes a change in workplace attitudes, behaviours and performance. For instance, employees who perceived the higher level of informational justice reported less resistance to change (Georgalis et al., 2015); and employee perception at work influences future organisational outcomes, such as employee retention, customer loyalty and financial performance (James K. et al., 2010). The majority of studies concentrates on how CSR activities affect potential employees, or how CSR activities influence the behaviours and attitudes of current employees (Carroll, 1991; Lin and Wei, 2006; Peterson, 2004). For instance, employee attitudes and performance were found to be better when CSR activities were available in an organisation (Turban and Greening, 1996; Hickman et al., 1999; Bhattacharya and Sen, 2001, Bhattacharya and Sen, 2004; Fombrun, 2005). These studies tend to measure how an employee is directly impacted by organisational CSR policies and practices, but not the employees’ perceptions of how effective their CSR activities were to them. As CSR activities include responsibility to employees, who are important stakeholders (Clarkson, 1995), employees can be affected by, or affect, their organisation’s CSR activities, and react differently to work in terms of their attitudes, behaviours and performance (Koh and Boo, 2001; Peterson, 2004; Bowen and Ostroff, 2004; Nishii et al., 2008). It is expected that when an organisation emphasises activities that are socially responsible to employees, these “humanist” human resource management (HRM) activities do affect organisational performance through better worker attitudes and behaviours. CSR with a humanistic approach emphasises the usual human needs and is oriented to the development of human virtue (Mele, 2003), and practices that contain CSR activities that are related to their employees (Ciprian-Dumitru, 2013) have been discussed theoretically. Thus far, there is no empirical research to evaluate corporate humanistic responsibility in human resource practices (Arnaud and Wasieleski, 2014). In addition to this, there are only a few studies that examine the effect of socially responsible HRM on employee attitudes (Shen and
Zhu, 2011), but not the “humanist element of HRM”. In such, this present study evaluates the effect of the humanist element in CSR applied to HRM and uses the employee’s perception rather than the organisational or institutional perception to measure the effectiveness of CSR in an organisation.

Organization commitment (OC) is the employee’s psychological attachment to the organisation (Meyer and Allen, 1991). Past studies have shown that different characteristics of HRM have different effects on specific OC elements. In view of this, an attempt has been made to study the effects of HRM with humanistic responsibility on employee behaviour. This study examines how the concepts of humanistic HRM impacts employee commitment in the organisation.

This study consists of three contributions of assessing perceptions of CSR. First, it contributes to the understanding of employee perceptions on the effectiveness of CSR and how employees perceive themselves to being treated or being directly affected. As the CSR activities of the organisation use humanistic elements, it is interesting to know whether an organisation that is perceived as humanistic by employees will bring any significant effect to employees’ behaviours in the workplace. The second contribution is the empirical research used to measure humanistic responsibility. To date, there is a discussion of theoretical concepts of humanistic or social responsibility (Arnaud and Wasieleski, 2014); but thus far, there is no empirical research available to assess these concepts. To illustrate this point, a search of Google Scholar finds only 24 entries for the term “humanistic HRM” and no matches for “humanistic HRM and commitment”. There is concern with humanistic HRM, but these concerns are mostly directed toward theoretical concepts rather than empirical research. Finally, this study explores a macro-level construct of humanistic social responsibility along with the micro-level construct of organisational commitment focusing on individual analysis. Most literature focuses on macro-level constructs, which assess the instrument of CSR. The linkage between the macro- and micro-level constructs; however, is still minimal. Researchers have called for future management research to connect both the macro and micro level (Aguinis et al., 2011).

LITERATURE REVIEW AND HYPOTHESES

As previously noted, employees are considered to be one of the most important stakeholders, as they significantly affect the organisation. As employees are more conscious of the widening obligations of firms towards society, they perceive CSR as one of the important issues to be considered by employers. Employer ignorance on CSR has resulted in influences on employee attitudes and behaviours, namely employee commitment, in this study.

CSR was first proposed as a matter of social obligation, social responsibility and social responsiveness (Sethi, 1975). The model of CSR was then divided into economic, legal, ethical and philanthropic responsibilities (Carroll, 1979). Wartick and Cochran, (1985) continued by differentiating the concepts of social responsibility and social responsiveness, then introducing social issues management. The concept of CSR was later divided into four different stages, namely: conception, explosion, development and extension (Carroll, 1999). The conception stage is the process forming the CSR concept, which emphasises normative and ethical
businesses. The explosion stage showed a growth in CSR awareness. This stage has led to creating more ethical and social values instead of economic values. In the development stage, sustainable principles that involve environmental issues become one of the main concerns in CSR. In the extension stage, CSR has moved toward the new millennium, with increasing attention to influential stakeholder groups—employees. These stages show that CSR has evolved greatly over the decades.

Although past literature on theoretical development has produced a clearer definition of CSR, it generally focuses on the macro-social effects of CSR on an organisational-level analysis of CSR’s effect on profit (Paul Lee, 2008). CSR activities should be incorporated into the strategies and operating practices that emphasise its well-being and relationship with all stakeholders. However, a firm societal relationship has not yet been explicitly verified through empirical studies. Glavas and Kelley, (2014) defined the new version of CSR as one that should include organisational care for the well-being of its stakeholders and environment while creating value for the business. In addition, CSR should be studied in such ways to allow for micro-level research of employees. Furthermore, Aguilera et al., 2007) have proposed that a multilevel theoretical framework – which includes the micro (individual), meso (organisational), macro (country), and supra (transnational) levels, as well as a combination of theories from psychology, sociology, legal studies, ethics and international business – is necessary to understand social changes that could impede CSR. This study contributes to that theory by narrowing the micro-macro divide. In particular, this study builds from the employee perception domain (micro level) of social responsibility and transposes the CSR construct using human resource practices (meso level) of Malaysian companies (macro level).

Humanism in CSR should examine to a greater extent the modern management and economic literature available in order to provide a stronger moral foundation for the development of businesses (Mele et al., 2011). Scholars often view the rhetoric of HRM to have implicit economic views of human beings (Thompson, 2011), thereby offering contradictory notions of how humans as employees are viewed (Bolton et al., 2012). A value-laden framework for human resources addresses the “missing human in HRM” (Sayer, 2007). Organisations that manage their business with humanistic attitudes provide clear direction of responsible management where their business emphasises human dignity (Spitzeck, 2011). A comprehensive outlook of HRM should include the concepts that explain how a real business enterprise interacts with the human community. Thereby, this study uses the key principles of humanist social responsibility, which are then incorporated into HRM practices, namely humanist HRM. The four tools for generating “a humanist” work environment are used to measure CSR. The four tools include autonomy, development, trust, and self-determination. The theoretical concepts of these tools are adopted from Arnaud and Wasielewski, 2014). Each of the tools was measured to explore its impact on organisational commitment. Empirical studies suggest that CSR does influence workplace behaviours and attitudes positively (Brammer et al., 2007; Maignan et al., 1999). An organisation that concerns itself with social responsibility usually provides a better, more enjoyable working environment, thus employees will have greater pride and be more committed to their organisation. With this notion, this study posits a similar impact of humanistic social responsibility on organisational commitment.
Autonomy

The first component of humanistic perspectives of CSR is the autonomy involved. An organisation that sees the human being as a whole and provides a supportive environment that enables employees to exercise their freedom in decision making is one of the important characteristics of being “humanist” (Arnaud and Wasieleski, 2014; Mele, 2013). In Hackman and Oldham (1976), the authors described work autonomy in job characteristics as the level of discretion and freedom received by employees to complete their work, while Baard, Deci and Ryan (2004) describe autonomy more as a job characteristic, since it is part of the interpersonal climate between the manager-subordinates relationship.

Employees expect to have high motivation when employees are free to choose or participate in determining one’s employment, and how to perform their jobs. Designing a job that gives autonomy to employees includes accountability and responsibility; thus, this is the greatest way to train an employee on the job. When employees have the freedom to make a decision, it creates a genuine interest in considering problems and needs of people who affect, or are affected by, the decision. In this way, a humanist value is implicitly incorporated with autonomy.

Further, higher autonomy is found to be positively related to higher self-esteem (Chu, 2006). In terms of job attitudes and behaviours, researchers found that employees such as those in managerial and supervisory positions with high autonomy demonstrate positive behaviours such as lower absenteeism (Pathak and Das, 2003), higher job satisfaction, and job commitment (Sisodia and Das, 2013). In addition, when employees perceived that the organisation supported the climate of autonomy, this had positive influence on job satisfaction (Deci et al., 2001; and when employees were satisfied with their supervisor-subordinate communication and relationship, this influenced the perception of autonomy and subsequently had significant positive effect on affective commitment (Baard et al., 2004). Furthermore, when employees’ perceive that they are working within a particular organisation that facilitates employee performance and psychological well-being through organisational structures, this is described as structural empowerment (Spreitzer, 2007). The quality of structural empowerment is affected by employee perception (Kanter, 1977). Thus, perceived autonomy in a supportive climate is essential to increasing an employee’s commitment. These findings provide a rationale for examining the influence of perceived work autonomy on employees’ attitudes and behaviours, and lead to the following hypothesis:

**Hypothesis 1** Perceived work autonomy is positively associated with employees’ commitment.

Development

The second component of humanistic perspectives of CSR is the development. Following humanist philosophy, human resource practices should include the opportunity for employees to undertake stimulating challenges to develop their talent and potential (Arnaud and Wasieleski, 2014). In particular, challenging tasks should be given to employees at the appropriate level where it can increase the level of the employee’s abilities (Locke and Latham, 2005) and not be...
so difficult that it may cause frustration and dissonance (Gagne and Deci, 2005). Development consists of both learning and training (Maurer and Tarulli, 1994), and should be provided by organisations to challenge employees. Learning refers to the process of acquiring knowledge or skills through study, experience or teaching; while training is concerned with systematic efforts of teaching a specific knowledge or skill. The majority of applied psychology literature found an association between development activities and employee attitudes, such as higher organisational commitment and job satisfaction (Mikkelsen et al., 1999). Specifically, an organisation that continuously provides learning activities to employees contributes to better financial performance for the organisation (Ellinger et al., 2002), while training was also found to contribute to committed employees (Jex and Britt, 2008; Ahmad and Bakar, 2003; Bartlett, 2001; Bartlett and Kang, 2004). The research found that when employees perceived that the organisation provided development opportunities for them, it creates a strong corporate climate that suggests the organisation is willing to invest in them and treat them as one of the organisation’s important assets. This perception influences organisation commitment positively (Bartlett, 2001; Boon and Arumugam, 2006; Lam and Zhang, 2003; Chiang and Jang, 2008). Furthermore, employees will have the psychological obligation to improve their work performance when they perceive that the organisation supports them in developing their knowledge or skills to facilitate their tasks (Eisenberger et al., 1986). Thus, it forms a reciprocal process when employees perceive support from their organisation: they feel obligated to their organisation and ensure themselves to be committed to the organisation. In contrast, employees that perceive a lack of support from the organisation will decrease their commitment, as they feel ignored by the organisation (Robinson and Morrison, 1995). Their feelings that the organisation does not care to improve their level of competencies are then perceived as a lack of humanist HRM. In such, the second hypothesis of this study examines the influence of development on employee commitment and hypothesises that:

**Hypothesis 2** Perceived work development is positively associated with employees’ commitment.

**Trust**

The third component of humanistic perspectives of CSR is trust. Trust is defined by Mayer et al. (1995) as “the willingness of a party to be vulnerable to the actions of another party based on the expectations that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party”. A humanist HRM should have work relationships that are based on trust and mutual respect. Employees exhibit trust of their organisation when they have a high expectation that their organisation will care about them, both now and in the future, as well as improve the quality-of-work life for both the individual and the organisation. With trust, the employee will demonstrate a reciprocal process with better attitudes and interpersonal relationships among the organisation’s members (Yoon Jik and Hanjun, 2011), and is more likely to make decisions based on the benefit of both parties rather than self-interest (Tan and Ho, 2015). According to Morgan and Hunt (1994), trust is considered to be a type of psychological state in exchange relations that does not necessarily equate to
that of a behavioural state; on the other hand, commitment represents active and determined willingness to engage in exchange relationships. That is why the relationship between trust and organisational commitment is a reciprocal one: it is possible to postulate that trust promotes commitment (Demir, 2011; Coyle-Shapiro et al., 2002). This leads to the third hypothesis:

**Hypothesis 3**  Perceived work trust is positively associated with employees’ commitment.

**Self-Determination**

The fourth component of the humanistic perspective of CSR is self-determination. Self-determination refers to whether an individual is self-motivated. In humanist HRM, the organisation should provide an organisational environment that enables employees to have self-consciousness and freedom to make their own decisions, determine their own destiny (Mele, 2012), and grow (Arnaud and Wasieleski, 2014). Employees should be motivated to perform to their fullest potential without any influences from external factors or pressures. The conditions to fulfil self-determination of employees are a need for relatedness, need for competence and need for autonomy: the three innate psychological needs. Fulfilling these psychological needs contributes to intrinsic motivation and personal growth. In contrast, without these needs, intrinsic motivation and growth could be affected negatively (Deci and Ryan, 2000). Most researchers found that fulfilling psychological needs creates high self-determination that is associated with positive outcomes, such as well-being (Sheldon et al., 1996), vitality (Reis et al., 2000), positive affect (Sheldon et al., 2001) and work commitment (Deci et al., 2001). Self-determination is innate, essential and universal (Ryan and Deci, 2000). In addition, domain-specific settings and activities, such as human resource practices in organisations, are critical in helping to fulfil these psychological needs.

One such activity is a physical activity (McDonough and Crocker, 2007). In relation to this study, physical activities may be defined as human resource practices implemented by an organisation to increase employees’ psychological needs. The important notion of self-determination explains that satisfaction of the psychological need leads to better outcomes. For instance, Gagne and Deci, (2005) found that satisfaction of these three innate needs is positively related to favourable job attitudes, such as work commitment. Using the basic tenets of this notion, this study explores the relationship between perceived self-determination with organisational commitment; therefore, the fourth hypothesis is:

**Hypothesis 4**  Perceived self-determination is positively associated with employees’ commitment.
Combination of the Four Tools

Theoretical concepts of a humanistic approach have been used in counselling, (Hornung and Rousseau, 2007), micro-sociology, psychology, and education fields; however, thus far, there has been no empirical research conducted in a management setting to measure the effectiveness of this approach. As specified earlier in the introduction, the conceptual framework in this study is new; therefore, there is no literature available using an overall framework linking both humanistic HRM and organisational commitment. The four tools – including autonomy, development, trust and self-determination – have been studied individually in most empirical research and found to be favourable to employees’ attitudes (Hornung and Rousseau, 2007; Truitt, 2011; Heuvel et al., 2015; Fernandez and Moldogaziev, 2015). However, it is interesting to take note of the strength of the combination of the four tools.

It is perceived that humanist responsibility in an organisation brings produced more significant effect when the four tools are combined into a single bundle. For instance, the combination of aligned human resource practices via a high-performance work system has been found to increase employee’s skills and productivity through better employee attitudes (Datta et al., 2005) rather than using single human resource practices, alone. Using the similar notion of high-performance work system, this current study hypothesised that a combination of the four components creates the stronger significant effect on employee commitment. This leads to the following hypotheses:

**Hypothesis 5**  Perceived humanistic responsibility brings greater impact to organisational commitment.

The objectives of this study are to examine the relationship between employee perception of the humanistic social responsibility of HRM and their commitment to the organisation. Specifically, the Hypothesis 5 is the new hypothesis proposed in this study, while Hypotheses 1 through 4, which have received support in previous studies, are included in the study for completeness. As claimed by De Los Salmones et al., (2005), most researchers have failed to acknowledge the multi-dimensional nature of social responsibility. Therefore, this study explores both the single and multi-dimensional natures of humanistic social responsibility. Figure 1 shows the research hypotheses of this study.

![Figure 1: Research Model and Hypotheses](image-url)
METHODS

Subjects and procedures

The hypotheses of this study described above were empirically tested using a survey method based on individual-level analysis. The survey was collected from full-time and non-human resource (HR) department employees from a total of 123 manufacturing and services firms in Malaysia. As the study measures the employee perception of the humanism value in HR practices in the organisation, non-HR employees as respondents were measured rather than HR department employees to avoid self-report bias. When selecting the sample subjects for empirical research, especially in CSR, surveying subjects using various firms is more effective, as different firms may have their own dimensions of corporate social responsibility (Chieh-Peng, 2010). Therefore, this study uses various firms from among manufacturing and services firms in Malaysia. Of the approximately 1,000 surveys distributed, 640 were collected; among the 640 surveys collected, there were 526 usable surveys, for a response rate of 64% and 52.6%, respectively. 51% of the respondents came from manufacturing sectors (including agro-based and services-related firm) and 49% of the respondents were from the services sector (including ICT and primary agriculture firms).

Measures and assessment of goodness of measures

The humanistic approach to social responsibility is a new concept, and thus far, there is no empirical research or agreed-upon list of HRM practices or activities to constitute humanistic responsibility. Therefore, this current study uses the four principles of a humanistic approach – autonomy, development, trust and self-determination, as recommended by Arnaud and Wasieleski (2014) – to serve as constructs to measure CHR. The constructs of the study were measured on a six-point semantic differential Likert-type scale drawn as a response format (e.g., 1 = ‘strongly disagree’ and 6 = ‘strongly agree’). Twenty-five (25) questions were formed and adapted from an extensive literature review, from the work of Guest et al., (2004), Spreitzer, (1996), Hubbell and Chory-Assad, (2005), Cook and Wall, (1980), and Deci and Ryan, (1985) in order to build the constructs of CHR.

The constructs of employee commitment were measured using Allen and Meyer, 1990’s (1990) three components, which were affective, continuance and normative. These scales were used in this study as it consists of acceptable reliabilities across numerous studies where the Cronbach or coefficient alpha for affective commitment is 0.85, 0.73 for normative commitment, and 0.79 for continuance commitment.

Common method variance

Prior to further analysis, common method variance bias (CMV) needs to be examined when the undertaken variables are measured using a cross-sectional survey method (Akter et al., 2011). CMV refers to variance attributed to measurement method rather than variance explained by the study’s construct. The presence of CMV can be detected if one principle factor counts for
the majority of the variance explained (Podsakoff and Organ, 1986). As such, CMV was first to be examined in order to obtain rigorous empirical evidence in this study. The unrotated factor analysis showed that the first factor accounted for only 23.41% of the total 54.08% variance, and thus, the CMV was not a serious threat in the study. Doty and Glick (1998) found that CMV resulted in 26% bias on the observed relationships among constructs but they also reiterated that although this is a concern, it does not invalidate many research findings. According to Podsakoff and Organ (1986), CMV is problematic only if a single latent factor accounts for the majority of the explained variance.

**Assessment of first-order constructs level**

Construct validity testifies to how well the results obtained from the use of the measure fit the theories around which the test is designed (Sekaran and Bougie, 2010). The question here is: does the instrument tap the concept, as theorised? This can be accessed through convergent and discriminant validity. First, the respective loadings and cross-loadings from Table 1 were checked and a cut-off value for loadings at 0.5 are treated as significant (Hair et al., 2014). As such, if any of the items has a loading of higher than 0.5 on two or more factors, then they will be deemed to have significant cross-loadings. From Table 1, some of the items of the particular constructs were loaded lower than the recommended value of 0.5, and therefore deleted. The deleted items were T3, T4, T5, SD5, A4, TD4, OC5 and OC6. The remaining items were all loaded higher on the particular construct and loaded lower on the other constructs, thus confirming construct validity.

<table>
<thead>
<tr>
<th>Table 1 Loadings and Cross Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autonomy</td>
</tr>
<tr>
<td>A1</td>
</tr>
<tr>
<td>A2</td>
</tr>
<tr>
<td>A3</td>
</tr>
<tr>
<td>A4</td>
</tr>
<tr>
<td>A5</td>
</tr>
<tr>
<td>TD1</td>
</tr>
<tr>
<td>TD2</td>
</tr>
<tr>
<td>TD3</td>
</tr>
<tr>
<td>TD4</td>
</tr>
<tr>
<td>T1</td>
</tr>
<tr>
<td>T2</td>
</tr>
<tr>
<td>T3</td>
</tr>
<tr>
<td>T4</td>
</tr>
<tr>
<td>T5</td>
</tr>
<tr>
<td>SD1</td>
</tr>
</tbody>
</table>
Next, the convergent validity, which is the degree to which multiple items to measure the same concepts are in the same agreement, was tested. As suggested by Hair et al. (2014), factor loadings, composite reliability, and average variance extracted were used to assess the convergent validity. The loadings for all items exceeded the recommended value of 0.5 (Hair et al., 2014). Composite reliability values (see, Table 2), which depict the degree to which the construct indicators indicate the latent construct, ranged from 0.785 to 0.844, which exceeded the recommended value of 0.7 (Hair et al., 2014). The average variance extracted (AVE) measures the variance captured by the indicators relative to measurement error, and it should be greater than 0.50 to justify using a construct (Barclay et al., 1995). The average variance extracted for all constructs was more than 0.5, except for trust and autonomy, which measured slightly lower than the threshold. Although AVE of these two constructs were lower than the threshold, slightly below 0.5 is acceptable if the composite reliability is higher than 0.6 (Fornell and Larcker, 1981). Furthermore, as reported earlier, these constructs do not produce discriminant validity problems.

<table>
<thead>
<tr>
<th>Model Construct</th>
<th>Measurement Item</th>
<th>Loading</th>
<th>CR(^a)</th>
<th>AVE(^b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autonomy</td>
<td>A1</td>
<td>0.698</td>
<td>0.785</td>
<td>0.483</td>
</tr>
<tr>
<td></td>
<td>A2</td>
<td>0.559</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A3</td>
<td>0.840</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A4</td>
<td>0.652</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td>TD1</td>
<td>0.818</td>
<td>0.813</td>
<td>0.593</td>
</tr>
<tr>
<td></td>
<td>TD2</td>
<td>0.723</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TD3</td>
<td>0.766</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self Determination</td>
<td>SD1</td>
<td>0.613</td>
<td>0.795</td>
<td>0.495</td>
</tr>
<tr>
<td></td>
<td>SD2</td>
<td>0.785</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD3</td>
<td>0.772</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD4</td>
<td>0.627</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Bold values are loadings for items which are above the recommended value of 0.5.
Then, discriminant validity was tested. The discriminant validity of the measures (the degree to which items differentiate among constructs or measure distinct concepts) was assessed by examining the correlations between the measures of potentially overlapping constructs. Items should load more strongly on their own constructs in the model, and the average variance shared between each construct and its measures should be greater than the variance shared between the construct and other constructs (Compeau et al., 1999). As shown in Table 3, the squared correlations for each construct are less than the average variance extracted by the indicators measuring that construct indicating adequate discriminant validity. In total, the measurement model demonstrated the adequate convergent validity and discriminant validity.

Table 3 Discriminant validity of constructs

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Autonomy</th>
<th>Development</th>
<th>Commitment</th>
<th>Self Determination</th>
<th>Trust</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autonomy</td>
<td>0.695</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td>0.250</td>
<td>0.770</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment</td>
<td>0.141</td>
<td>0.203</td>
<td>0.704</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self Determination</td>
<td>0.367</td>
<td>0.453</td>
<td>0.264</td>
<td>0.815</td>
<td></td>
</tr>
<tr>
<td>Trust</td>
<td>0.296</td>
<td>0.512</td>
<td>0.258</td>
<td>0.483</td>
<td>0.758</td>
</tr>
</tbody>
</table>

Assessment of second-order construct level

Table 4 shows that all first-order constructs have a positively significant association with humanistic responsibility values, except autonomy constructs. One notable fact is that development has the largest and most positive beta weight. This is then followed by self-determination and trust based on the weight magnitudes. All the measured indicators are statistically different from zero, except autonomy constructs. The variance inflation factor (VIF) values in Table 5 are all less than the threshold of 3.33 (Diamantopoulos and Siguaw, 2006). Therefore, the results did not seem to pose a multicollinearity problem. In fact, the results indicated the absence of conceptual overlap among the indicators and sufficient discriminant validity was expected.
Table 4 Parameter estimated of Second-Order Measurement Model

<table>
<thead>
<tr>
<th>Model Construct</th>
<th>Measurement Item</th>
<th>Loadings</th>
<th>Cronbach’s α</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humanistic Responsibility</td>
<td>SD2</td>
<td>0.697</td>
<td>0.7864</td>
<td>0.806</td>
<td>0.526</td>
</tr>
<tr>
<td></td>
<td>SD3</td>
<td>0.574</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SD4</td>
<td>0.588</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>T1</td>
<td>0.689</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>T2</td>
<td>0.582</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TD1</td>
<td>0.687</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TD2</td>
<td>0.629</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>TD3</td>
<td>0.617</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Second order construct/First-order constructs/ dimensions | Standard Beta | Standard Error | T-values | VIF |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Humanistic responsibility Autonomy</td>
<td>-0.004</td>
<td>0.004</td>
<td>1.059</td>
<td>1.261</td>
</tr>
<tr>
<td>Humanistic responsibility Development</td>
<td>0.484</td>
<td>0.017</td>
<td>28.842***</td>
<td>1.335</td>
</tr>
<tr>
<td>Humanistic responsibility Self Development</td>
<td>0.421</td>
<td>0.017</td>
<td>25.089***</td>
<td>1.278</td>
</tr>
<tr>
<td>Humanistic responsibility Trust</td>
<td>0.322</td>
<td>0.014</td>
<td>23.797***</td>
<td>1.121</td>
</tr>
</tbody>
</table>

* Composite reliability (CR) = (square of the summation of the factor loadings)/(square of the summation of the factor loadings) / (square of the summation of the error variances)

* Average variance extracted (AVE) = (summation of the square of the factor loadings)/(summation of the square of the factor loadings) / (summation of the error variances)

Hypotheses Testing for first-order and second-order

Next, the path analysis was analysed to test the four hypotheses generated as first-order. The $R^2$ value was 0.094, suggesting that 9.4 of the variance in an extent of organisational commitment can be explained by trust, autonomy, self-determination, and development. A close look shows that self-determination was positively related ($\beta=0.162, p<0.01$) to the extent of organisational commitment and so was trust ($\beta=0.148, p<0.01$), whereas autonomy and development was not a significant predictor of the extent of organisational commitment. Thus, H3 and H4 of this study were supported, whereas H1 and H2 were not. Further analysis on testing the second order of H5 was made. The result shows that humanistic responsibility was positively related ($\beta=0.285, p<0.01$) to organisational commitment. Furthermore, the combination of first-order constructs into humanistic responsibility provides greater strength to commitment.
**Table 5** Path coefficients and hypothesis testing

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Relationship</th>
<th>Standard Beta</th>
<th>Std Error</th>
<th>T-Values</th>
<th>Supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>First order model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1</td>
<td>Autonomy -&gt; OC</td>
<td>0.026</td>
<td>0.037</td>
<td>0.697</td>
<td>No</td>
</tr>
<tr>
<td>H2</td>
<td>Development -&gt; OC</td>
<td>0.047</td>
<td>0.053</td>
<td>0.880</td>
<td>No</td>
</tr>
<tr>
<td>H3</td>
<td>SD -&gt; OC</td>
<td>0.162</td>
<td>0.056</td>
<td>2.869***</td>
<td>Yes</td>
</tr>
<tr>
<td>H4</td>
<td>Trust -&gt; OC</td>
<td>0.148</td>
<td>0.051</td>
<td>2.886***</td>
<td>Yes</td>
</tr>
<tr>
<td>Second-order model</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H5</td>
<td>HRHRM -&gt; OC</td>
<td>0.285</td>
<td>0.041</td>
<td>6.888***</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Note: OC=organisation commitment; SD=self-determination; HRHRM=humanistic responsibility of HRM

**DISCUSSION**

This study examines how the perceived extent of autonomy, development, self-determination, and trust may predict an employee’s organisational commitment using partial least squares (PLS). As these extents are the first-order constructs, an attempt is made to assess whether the combination of the first-order constructs into second-order constructs affect the organisational commitment to a greater extent. Before further analysis was made, this study examined the goodness of measure by testing both convergent and discriminant validity using the PLS approach. Reliability was measured by referring to the Cronbach alpha values and composite reliability values. Both the Cronbach alpha values and composite reliability values were on par with the criteria set up by other established researchers. As such, the measure of the second-order constructs was shown to be reliable.

The findings of this study confirmed views that trust and self-determination create positive influences on organisational commitment. However, development and autonomy create no influences on organisation commitment. Interestingly to note, when these constructs are acting alone, not all of them affect commitment. This further complements previous research showing that CSR activities should include a humanistic approach (Arnaud & Wasieleski, 2014). Furthermore, this study creates important linkages between humanistic responsibilities of HRM and organisational commitment, unlike many previous studies that link specifically corporate social activities with organisational outcomes, such as customers’ or financial profits (e.g., Becker-Olsen *et al*., 2006).

This study has unique findings compare to other previous research, as efforts have been made to discover whether the combination of perceived trust, autonomy, self-determination, and development will bring greater effect on organisational commitment rather than when acting alone. Results in Table 4 showed that all three constructs such as trust, self-determination, and development are the contributors of humanistic responsibility. Employee commitment in the organisation is greater when three of the constructs act together as a humanistic approach. A closer look shows that development, alone, would not contribute to organisational commitment; but a combination of other constructs does have a significant effect on commitment. However, autonomy was found to be an insignificant construct for humanistic approach and brings no
contribution to commitment. Nevertheless, all three constructs of the humanistic approach are equally important, as they create synergy that helps the entire social responsibility activities to function effectively. Overall, these social responsibility activities need to have the same fit among each other. To make sure the activities fit, these components should be treated as interdependent and complementary with one another using the same positive perception on the social responsibility of the company. As research in humanistic management is still relatively new and is in its early stages of development (Spitzeck, 2011), this finding provides vital contributions by allowing a new direction for social responsibility research to explore more perception attributes in humanistic responsibility, and to understand how various attributes impact the linkages of a humanistic approach with employee attitudes or behaviours.

This paper argues that employee perception on organisational activities is an important factor that affects their commitment to their work. Perception of availability of tools and practices that enhance employee development influences their commitment to work. This study found that when employees perceive that an organisation provides practices like opportunities for further education, an abundance of different training programmes, and the opportunities to participate in training to extend employees’ skills and abilities, this could influence a positive relationship with their commitment. The retention rate of valued workers is higher when an organisation invests in training (Wallis and Kennedy, 2013). Therefore, it is not surprising that an employee will commit to organisations that provide such investment.

Employee commitment is higher when employees trust their organisation. Immediate superiors play an important role in improving the perception of trust among their employees. If the organisation values high performance, the employee should receive pay raises, incentives, and promotions based on the performance outcome of employees. The discussion between superiors and employees on compensation, performance appraisal and other matters of human resource practices should be perceived as fair and fulfilling the mutual respect of both parties (Swiercz et al., 2012). One of the signs of mutual respect between employees and an organisation is to provide a work-life balance programme, which allows them to have a balance of work and family responsibilities.

Employees are likely to be committed in the organisation when they perceive that the organisation respects their self-determination. Self-determination (SDT) maintains that an understanding of human motivation requires a consideration of one’s psychological growth, integrity, and well-being. When these needs are satisfied, such satisfaction can enhance self-motivation and mental health. To satisfy these needs, employees should receive respect and recognition from their superior or organisation. As the work environment is becoming more competitive, management should be able to recognise and motivate their knowledge-workers to achieve the organisation’s goal (Dunkin, 2003). This achievement will encourage employees to be involved in the discussion of their appraisal and their development, which can provide mutual benefits for both parties, namely the employees and the organisation.

Interesting to note is that this study showed that autonomy has no significant effect on commitment and is not one of the constructs of humanistic HRM. The majority of studies conducted in Western countries found that a high level of autonomy creates a higher level
of employee commitment. However, studies on autonomy conducted in Asia showed mixed results. For instance, only higher hierarchical levels that provide autonomy have a significant effect on commitment (Sisodia and Das, 2013), and the need for autonomy in a job varies with the personality of the employees in Pakistan (Raza Naqvi et al., 2013). As the majority of respondents in this survey were first-line employees from the manufacturing and services sectors, these employees prefer direction from the manager because they do not want to be accountable for the outcomes of certain tasks.

The combination of trust, development, and self-determination creates humanistic responsibility principles. Humanistic principles imply the consideration of each person as a dignified individual who has the trust, respect, and opportunity to have personal and job growth. With this, employees are likely to generate commitment. If employees see themselves as being treated importantly by the organisation, they are willing to make personal sacrifices by emphasising organisational interest rather than their own individual interest. This notion is similar with Koon (2014), which noted that an organisation that provides training and development opportunities, good compensation system, fair performance appraisal, and a work-life balance programme encourages positive employee behaviour, such as commitment, job satisfaction, and lower turnover intention. Further, strong commitment from top management to reward employees consistently benefits an organisation (Jaworski and Kohli, 1993). Prior to this, top management plays an important role in humanistic responsibility in the organisation. Management should practise humanistic management by ensuring that the trust, development, and self-determination tools or activities are available in the organisation and perceived positively by employees. It would be a waste if employees perceived such implementation of these tools as not real, resulting in suspicion of their organisation’s humanistic responsibility activities. Thus, activities – particularly their human resource practices, such as job design, performance appraisal, training and development, compensation and reward, and others – must be consistently implemented in such a way where they are in the same alignment. A healthy climate of humanistic responsibility happens when the psychological climate of the employees and functional climate of the organisation is consistent.

LIMITATION OF THE STUDY

This study contains two limitations related to measurements and interpretation of the results. The first limitation of this study is its generalisability, as the subject samples are obtained from a single-country setting. The feedback obtained from the sample in Malaysia may not be fully generalizable to employees from different countries. For instance, this study has shown that autonomy does not affect organisational commitment. The components examined for the purpose of humanistic responsibility may reach different levels of knowledge and culture in various organisations, as culture is known as the core values, assumptions, interpretations, and approaches that characterise an organisation (Cameron and Quinn, 1999). Furthermore, Strautmanis, (2007) explained that social responsibility is part of organisational culture. When an organisational culture changes, so does the value of social responsibility perceived within the organisation.
The second limitation of this study is the content of measurement items, since until now, there has been no specific measurement for humanistic HRM, although several human resource practices have been adopted and modified by several researchers to create the constructs based on the description from Arnaud and Wasieleski, 2014). Constructs such as autonomy, self-determination, and development managed to achieve acceptable internal consistency, whereas trust constructs with two measurement items were marginally lower than 0.5. As the current study is focused on exploratory factor analysis, a construct with two items, or even one item, is considered acceptable. Furthermore, the composite reliability for all constructs was in the acceptable values. As for convergent validity, both trust and autonomy constructs were marginally lower than threshold, but allowed confirmation of the discriminant validity. It is suggested that future empirical research could develop a more comprehensive scale to measure the humanistic responsibility of HRM, and subsequently conduct a confirmatory factor analysis on the model.

The third limitation of the study is the focus on the employees’ feelings and perception rather than their actual performance. Although this study does not measure the reality or direct evidence of their actions and performance, measuring one’s perception is sufficient for establishing their reality. Perception is the way people organise and interpret their sensory input, or what they see and hear. As such, perception is important, as an individual’s behaviour is determined based on their perception of what reality is. The degree or level of employee perception of the organisation influences their behaviour at work. Besides, every individual could have the difference level of perception due to vast life experiences, education, and occupations (Erickson, 2013), as well as varied attitudes and behaviours. Future empirical studies could improve the limitation of this study by measuring other control variables, such as life experiences, education, and occupations. Longitudinal observation of research subjects can also produce more valid data regarding influences of perceived humanistic responsibility on organisational commitment.

CONCLUSION

The most important notion derived from this study is using the right combination of tools and practices that emphasise humanistic responsibility when managing human resources to enhance organisational commitment. Acquiring commitment from employees is definitely a challenging task for the organisation, as the formation of commitment is a complex process. The result of this study discovers the antecedents of corporate humanistic responsibilities that help in promoting employee commitment. It is important to note that satisfying employees’ personal needs, alone, is not the only way to build commitment in the workplace; there is also a requirement for sufficient support of social needs from the organisation. Employees were found to be more committed and improve productivity when they feel satisfied with organisational social responsibility (Amble, 2009). The manager must be aware that an employee’s behaviour is connected to their inner feelings and self-concepts. This explains why when employees feel positive about their firm’s overall activities and corporate humanistic responsibilities, their work commitment increases. As employee commitment and firm success is interrelated, organisations should practice a humanistic approach in their corporate social responsibility because this approach is likely to strengthen employee commitment in a workplace.
REFERENCES


