



# **Continuance Commitment and Organisational Performance of Manufacturing Firms in Port Harcourt, Nigeria**

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## **ABSTRACT**

This study examined the relationship between continuance commitment and organisational performance of manufacturing firms in Port Harcourt, Nigeria. The study adopted a cross-sectional survey in its investigation of the variables. Primary data was generated through self-administered questionnaire. The population of the study was 260 employees of 10 selected manufacturing firms in Port Harcourt. The sample size of 154 was determined using calculated using the Taro Yamane's formula for sample size determination. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient with the aid of Statistical Package for Social Sciences version 23.0. The tests were carried out at a 95% confidence interval and a 0.05 level of significance. The study finding revealed that there is a significant relationship between continuance commitment and organisational performance of manufacturing firms in Port Harcourt, Nigeria. The study thus concludes that continuance commitment is a significant predictor of organisational performance of manufacturing firms in Port Harcourt, Nigeria. The study recommends that management of manufacturing firms are encouraged to provide fair pay benefits to their workers, as happy workforce tends to work hard by putting in their best to achieve organizational goals. An effective reward system aimed at increasing employees' job satisfaction is recommended in these organizations as a way of stimulating continuance commitment of employees.

**Keywords:** Continuance Commitment, Organisational Performance

## **INTRODUCTION**

Employee-organization relationship has great importance for the success and persistence of any organization. To build a strong relation among employee and organization, there is a need for organization to ensure high level of employee satisfaction and commitment. Organizational commitment has been studied over more than four decades in private, public and non-profit sector. It has an important place in the field of organizational behavior. Three-component model: affective, normative and continuance, has multi-dimensional conceptualization (Meyer & Allen, 1991). Continuance commitment has negative correlation with desirable work behavior (Meyer, Stanley, Herscovitch & Topolynitsky, 2002). It is the willingness of employees to remain in organization because of fear of losing the benefits employee is acquiring from the job.

Employees should be made to be satisfied with their job so that the organizational turnover rate should be reduced and cost on manpower selection and training should be reduced also. Organizational commitment in recent years has become an important concept in the field of organizational research and in the understanding of employees' behavior in workplace. It reflects the extent to which employees identify

with an organization and are committed to its goal. There is no gain saying that no organization in today's competitive world can perform at peak levels unless each employee is committed to organization's objectives and works as effective team members. In explaining the significance of organizational commitment, Meyer and Allen, (1991) cited in Dorgham (2012) developed a three-component model of commitment which dominates organizational commitment research this model propose that organizational commitment is experienced by the employee as three simultaneous mindset encompassing affective, normative, and continuance organizational commitment. Affective commitment reflects commitment based on perceived obligation towards the organization, it refers to employees' emotional attachment, identification with, and involvement in the organization. Employee with a strong affective commitment stay in the organization because they want to which is rooted in the norms of reciprocity. Continuance commitment refers to employees assessment of whether the costs of leaving there greater than the costs of staying .Employee who perceive that the cost of leaving the organization are greater are greater than the cost of staying remain because they need to. This study therefore examines the relationship between continuance commitment and organisational performance of manufacturing firms in Port Harcourt, Nigeria.

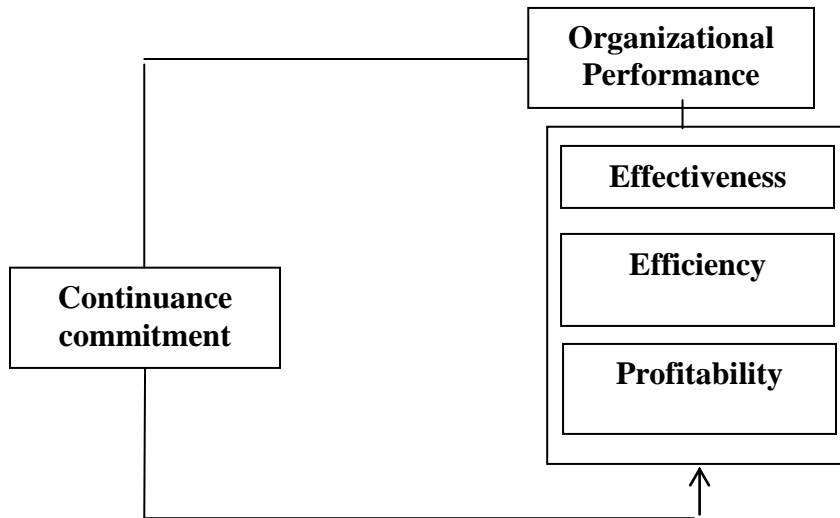
One of the dimensions of organizational commitment according to Meyer and Allen theory is continuance commitment, which is based on the theory of investments (Rafiei, Amini & Navid, 2014). It is explained as commitment related with expenses that workers perceive are associated with abandoning the institution. This type of commitment is grounded on the number of investment (Side-bets) individual make in their current institutions and absence of job opportunities (Dixit & Bhati, 2012). Continuance commitment is grounded on the benefits the worker has made in an institution (Folorunso, Andewale & Abodunde, 2014). It is the availability of an employee from staff to stay in the organization on account of the venture which incorporate warm association with other employees, benefits, individual funds and obtained work aptitudes which are particular to a specific institution (Nawaz et al, 2013). Consequently the period of time the worker has been in the institution, involvement in communal activities and additional rewards that make it costly for one to quit working for the organization (Adekola, 2012).

According to Sharma and Sinha (2015) workers tend to keep working in one institution due to financial and non-financial implications and benefits. Financial implication can be pensions and non-financials implication such as good relationship with fellow employees. Therefore the worker cannot afford to quit the organization because of these costs. The duration which an employee has been working in an organization creates a perception that they would lose the benefits they gained on account of the time spent in the institution and sees that there are job opportunities elsewhere. According to Dixit and Bhati, (2012) when an employee is mindful of the benefits of being in an organization, then the employee is continually committed. In continuance commitment the worker should aware of the actual costs before leaving the organization (Nawaz, et al, 2013). Ideally, workers with high continuance commitment to the institution will work hard to ensure that the institutions goals and objectives are achieved. They see themselves as an important part of the organization. They became more involved in achieving the organizational missions and visions by improving their job performance (Irefin, and Mechanic, 2014). According to Lew (2012), continuance commitment plays a crucial role in improving the performance of workers. Continuance commitment associated with remaining with or quitting an organization. If a worker realized that the cost of leaving is greater than the advantages of remaining within an organization, then the concerned employee will plan to remain rather than quit the institution. According to Khan et al., (2013), continuance commitment is the main advantage enjoyed from being with the group Continuance commitment is based on apparent advantages and disadvantages. It calls upon the worker to consider the merits and demerits of leaving the organization (Khan et al, 2013). Continuance commitment is therefore considered to be calculative. It considers the benefits of remaining and the losses of quitting working in the institution (Ferreira et al, 2011). According to Masood, Nassem and Khan (2016), employees with high level of continuance commitment will remain in the organization. Individuals with continuance commitment remain with specific organization because of money and other investments they as employee have made as a result of the time spent in the organization, and not because the subscribe

with its principles. Again, there is a dual association between institution and employees and this affiliation is continuance commitment (Daneshfard and Ekvaniyan, 2012)

Furthermore, this study was also guided by the following research questions:

- i. How does continuance commitment affect the effectiveness of manufacturing firms in Port Harcourt?
- ii. How does continuance commitment affect the efficiency of manufacturing firms in Port Harcourt?
- iii. How does continuance commitment affect the profitability of manufacturing firms in Port Harcourt?



**Fig.1 Conceptual Framework for the relationship between continuance commitment and organizational performance**

**Source: Author’s Desk Research, 2019**

**LITERATURE REVIEW**

**Social Exchange Theory**

The meaning of employee commitment can best be explained by employing the social exchange theory. The social exchange theory is grounded in an economic model of human behaviour whereby interactional processes between individuals are motivated by a desire to maximize rewards and minimize losses. The basic premise of social exchange theory is that relationships providing more rewards than costs will yield enduring mutual trust and attraction (Blau, 1964).

Furthermore, these social transactions incorporate both material benefits and psychological rewards including status, loyalty and approval. For example, in the workplace, the supervisor provides a subordinate with support and monetary rewards while in exchange, the subordinate contributes personal devotions and expertise. The most widely studied behavioural correlate of commitment has been turnover in the organization.

However, this focus on turnover may be short-sighted. Organizational effectiveness depends on more than simply maintaining a stable workforce; employees must perform assigned duties dependably and be willing to engage in activities that go beyond role requirements (Organ, 1988). It thus seems reasonable to assume that employee willingness to contribute to organizational effectiveness will be influenced by the nature of the commitment they experience. Employees who want to belong to the organization (affective commitment) might be more likely than those who need to belong (continuance commitment) or feel obliged to belong (normative commitment) to make an effort on behalf of the organization. It is interesting to note that, of the studies that have reported positive correlations between commitment and performance, most have used measures of affective commitment. It is possible that an obligation to

remain will carry with it an obligation to contribute, in which case normative commitment would also correlate positively with effort and performance. Continuance commitment is perhaps least likely to correlate positively with performance. Employees whose tenure in the organization is based primarily on need may see little reason to do more than is required to maintain their membership of the organization. Organizations need employees who are willing to go beyond the call of duty and engage in extra-role behaviours. For this reason, research continued to examine the link between the three components of commitment and a multidimensional measure of work behaviour. Allen and Smith (1987) and Meyer and Allen (1984) found that measures of work behaviour correlated positively with measures of affective and normative commitment but not with continuance commitment.

Research by Randall, Fedor and Longenecker (1990) revealed that affective commitment contributed significantly to the prediction of concern for quality, sacrifice orientation and willingness to share knowledge. Normative commitment contributed only to the prediction of sacrifice orientation, and continuance commitment did not add significantly to the prediction of any of these behaviours. These findings thus provide support for the proposition that the three components of commitment have different implications for work-related behaviour other than turnover. A term closely related to commitment is organizational citizenship. According to Graham (1991), it can be conceptualized as a global concept that includes all positive organizationally relevant behaviours of individual organization members. It thus includes traditional in-role job performance behaviours, organizationally functional extra-role behaviours and political behaviours, such as full and responsible organizational participation, that have typically been omitted previous studies of citizenship. In order to understand how employees' perceptions and attitudes affect their commitment, and hence their work behaviour, it is necessary to take a brief look at the precise meaning of organizational citizenship behavior.

### **Behavioral Commitment Theory**

The definition of the behavioral conceptualization and theory of organizational commitment is perhaps best stated by Mowday, Porter and Steers (1982), when they wrote that behavioral commitment “. . . relates to the process by which individuals become locked into certain organizations” (p. 26). The primary assertion of the theories of behavioral commitment posits that an individual's psychological state of commitment to an organization is a consequence of the actions of the individual. Under this theoretical lens, an individual's behavior also creates the conditions through which a psychological state of commitment is reached. Meyer and Allen (1991), when contrasting the behavioral perspective and the attitudinal perspective of commitment, describe the behavioral perspective as a cycle that starts and ends with the individual's behavior. Salancik (1977), in the primary work on behavioral commitment, argued that organizational commitment arises out of (a) an attachment to the individual's own freely chosen actions, (b) a perceived obligation to follow through with these actions, and (c) the perceived costs of continuing or not continuing the actions. Salancik used the term “volition” to describe the individual's perception that an action was made out of a free choice. Salancik posited that when volition is high, an individual might feel more personally responsible for that action. In addition, Salancik theorized that perceived costs of continuing the action result in the repetition of past actions in the future. For example, under the behavioral lens of commitment, if an employee freely chooses to act loyally to a supervisor, then that individual will feel a heightened obligation to continue to act loyally. Moreover, if the costs of not continuing to act loyally are high, the obligation to continue acting loyally will be further heightened; thus producing a psychological state of commitment to the supervisor.

### **Continuance Commitment**

The second dimension of the tri-dimensional model of organizational commitment is continuance commitment. Meyer and Allen (1997) define continuance commitment as “awareness of the costs associated with leaving the organization”. It is calculative in nature because of the individual's perception or weighing of costs and risks associated with leaving the current organization. Meyer and Allen (1991) further state that “employees whose primary link to the organization is based on continuance commitment

remain because they need to do so". This indicates the difference between continuance and affective commitment. The latter entails that individual's stay in the organization because they want to. Continuance commitment can be regarded as an instrumental attachment to the organization, where the individual's association with the organization is based on an assessment of economic benefits gained.

Organizational members develop commitment to an organization because of the positive extrinsic rewards obtained through the effort-bargain without identifying with the organization's goals and values. Continuance commitment refers to an awareness of the costs associated with leaving the organization. The potential costs of leaving an organization include the threat of wasting the time and effort spent acquiring nontransferable skills, losing attractive benefits, giving up seniority-based privileges, or having to uproot family and disrupt personal relationships. Apart from the costs involved in leaving the organization, continuance commitment will also develop as a function of a lack of alternative employment opportunities. Employees whose primary link to the organization is based on continuance commitment remain because they need to.

### **Organizational Performance**

Organizations get their work accomplished through employees who perform different tasks. Therefore in order to improve the performance of organizations, employee commitment is necessary as it promotes level of individual employee performance. An employee who is committed in the work place is of great value to the organization as they may need little or no supervision to accomplish the tasks assigned to them (Brown *et al.* Taylor, 2011). John & Elyse (2010) asserted that there is no firm that can achieve peak performance in the current competitive business environment unless it makes optimal use of its employees. Every employee needs to be committed to the company's goals and objectives, performs their duties as effectively as a member of the team in order to realize organizational objectives. Employees need to partner with the entrepreneurs as they rely on the efforts of the entrepreneur to deliver on the organizational objectives. This is due to the fact employees want to be part of an organization that is successful, which pays well and offers opportunities for development and security of tenure (John & Elyse, 2010). Brown & Taylor (2011) argued that committed employees remain within the organization therefore saving the organization of the costs required to recruit, train and develop new staff. In addition, high staff turnover increases customer satisfaction due to discontinued service delivery (Scott, 2007).

Jaw and Liu (2004), argue that commitment is a human relation idea as well as a generator of energy that activates the human brain. When employees are not committed, the implementation of new ideas and initiatives will not be easy. John and Elyse (2010) define commitment as a psychological state that holds the employees to the organization. It is binding force that is felt in different ways including: an affective attachment and sense of involvement with the object, a felt duty to the target, and an knowledge of the costs that will be incurred if involvement with the target is discontinued (Conway and Monks, 2002). In general, employee commitment can be conceptualized into three components including: normative commitment, affective commitment and continuance commitment (Hurter, 2008). Normative commitment reflects an employee's feeling of obligation to continue working with the organization because they believe it is right to be loyal to, and to continue staying in the organization (Conway and Monks, 2002). Staff dedication to the work place is linked with an employee's obligation to their work though it is closely related to that affectionate an employee feels about their work (Coyle-Shapiro, 2006).

Organizational performance comprises the actual output or results of an organization as measured against its intended outputs (or goals and objectives). According to Richard (2009) organizational performance encompasses three specific areas of firm outcomes namely (a) financial performance (profits, return on assets, return on investment, etc.); (b) product market performance (sales, market share, etc.); and (c) shareholder return (total shareholder return). Organizations achieve their objectives when competent and committed employees are engaged. Getting committed employees who are competent and ready to give in their best in the pursuit of the objectives of the organization has been one of the problems facing most

organizations especially in the service industry. Sharma and Bajpai assert that employees are regarded as committed to an organization if they willingly continue their association with the organization and devote considerable effort to achieving organizational goals. The high levels of effort exerted by employees with high levels of organizational commitment would lead to higher levels of performance and effectiveness of both the individual and the organizational levels. Porter (1998) noted that the traditional control-oriented performance measurement system in the industrial era is losing its relevance in today's fast changing environment where organizations are re-shaped into flat or hierarchy structure, the diversity and unique requirements of different enterprise have made performance measurement system tougher. The performance measurement system uses to determine how well an organization performs includes; customers satisfaction, effectiveness and returns on investment.

### **Effectiveness**

Effectiveness measures the extent to which the service provided meets the objectives and expectations of the organization or a customer. Effectiveness measures include: Coverage: The number of customers you serve, Accomplishment: Measures the overall outcome or achievement of a program, Quality: The proportion of service provided without error and Satisfaction: Customer satisfaction as measured by a predefined survey. Effectiveness refers to the extent to which the stated objectives of a business are met. Effectiveness for this thesis, used cost effective in determining the extent to which the competitive strategy of the organization have been met and hence determine their performance. Effectiveness measures how well the outputs of a program or service achieved stated objective (desired outcomes) of that program or service. Commonmeasure of the organizational performance is effectiveness (Bounds et al., 2005; Robbins, 2000).

Although managers and investors often place effectiveness with efficiency, yet according to Mouzas (2006), each of these terms have their own distinct meaning. Most organizations assess their performance in terms of effectiveness. Their main focus is to achieve their mission, goals and vision, effectiveness oriented companies are concerned with output, sales, quality, creation of value added, innovation, cost reduction, it measures the degree to which a business achieved its goals or the way output interact with the economic and social environment. Zheng (2010) said that effectiveness determines the policy objectives of the organization or the degree to which an organization realize its own goal. Meyer and Herscovitch (2001) analyzed organizational effectiveness through employees commitment. According to Heilman and Kennedy-Philips (2011) organizational effectiveness helps to assess the progress towards mission fulfillment and goal achievement. To improve on organizational effectiveness management should strive for better communication, interaction, leadership, direction, adaptability and positive environment.

### **Efficiency**

Michael Vanbruaenene (2004) says Efficiency refers to how an organization uses its resources such as available funding and staff to achieve organization objectives. Efficiency measures include, per unit costs which refers to a measure of per unit cost and reveals how many resources are consumed in producing a unit of service, Cycle time: Measures the amount of time it takes for a process to be completed. Response time: Measures the amount of time it takes to respond to a request for service. Backlog: Measures the amount of work in queue, waiting to be processed. One way is to measure total work in queue waiting to be processed. Another way is to measure backlog as the amount of work not processed within a required or targeted time frame. Staffing ratios: Another way of looking at staffing is computing a ratio of staffing to a particular function or in comparison to the total organization and per unit equipment utilization: Measures the efficient use of equipment. Efficiency is all about resource allocation across alternative uses (Kumar and Gulati, 2010).Efficiency measures relationship between inputs and outputs or how successfully the inputs have been transformed into outputs (Low, 2000). To maximize the output Porter's Total Productive Maintenance system suggests the elimination of six losses, which are: reduced yield –from start up to stable production; process defects; reduced speed; idling and

minor stoppages; set-up and adjustment; and equipment failure. The fewer the inputs used to generate outputs, the greater the efficiency. According to Pinprayong and Siengthai (2012) there is a difference between business efficiency and organizational efficiency. Business efficiency reveals the performance of input and output ratio, while organizational efficiency reflects the improvement of internal processes of the organization, such as organizational structure, culture and community.

It is important to understand that efficiency doesn't mean that the organization is achieving excellent performance in the market, although it reveals its operational excellence in the source of utilization process. Organizations can be managed effectively, yet, due to the poor operational management, the entity will be performing inefficiently (Karlaftis, 2004). Inefficient and ineffective organization is set for an expensive failure. In such case there is no proper resources allocation policy and there is no organizational perspective of their future. Organization has leadership issues, high employee turnover rate and no clear vision where the organization will be standing tomorrow. If the organization is able to manage its resources effectively, yet it does not realize its long term goals, it will bankrupt slowly. This strategy is cost efficient but it is not innovative and creates no value. Management has no clear customer oriented policy set in place, which leads to constant focus on efficiency. Such organization uses all its efforts to implement strict resource allocation policy, which translates into strict staff cost control, training cost reduction or even elimination. These actions lead to low morale of the organization, high turnover rate of the employees and low customer satisfaction. Efficient but ineffective organization cannot be competitive and it will bankrupt eventually. If the company is inefficient but effective it might survive, but the cost of operational management, processes and inputs will be too high. Cost inefficient organizations do not have proper resource allocation management. From the accounting perspective they might break even or have very little profit. Although, such organizations have excellent long term perceptions of the degree of the overall success, market share, profitability, profitability rate, and innovativeness of the organization in comparison with key competitors (Zokaei, 2006). Inefficient – effective organizations should consider the assessment of their recourse allocation. Usually, the morale in such entities is high. Delicate changes brought in the operations and introduced in a subtle manner should result the increase in the efficiency, which would lead organization to desired competitive advantage.

High effectiveness and high efficiency organizations are well known as high performance entities. They demonstrate excellence in their operational performance as well as strategic planning. Their outcome is productive, cost management is under control, tasks distributed and completed in a timely matter. Usually such organizations have high morale and staff commitment, which also results the highest quality of the outcome. Employees are well aware of the tasks they have been delegated to perform, they are also well informed of the indicators, which are used to assess their outcomes.

### **Profitability**

Profitability is an excess of revenue over associated expenses for an activity over a period of time. Every organization or business expected to earn a profit, because profits are the engine drive room for success. The profitability and survival of any business dependence on the profit earn by such a firm. Thus, profit should not just be seen as the reward to owners of business rather it should be related with the interest of other segments of the society. Profit is the medium for deciding not just the economic, but the level of managerial efficiency and achievement of societal objective.

Profitability can be defined as the ability of firms or business to be able to make profit from all it business activities. Profitability determines the level or degree to which firm efficiently manages available resources to yield the maximum return on business. Harward and Upto (1961) profitability can be defined as the ability of a firm given investment to earn a return from its use.

However, it is very important to note that the concept profitability can never be liken to efficiency, because is just an index of efficiency. Though, profitability is an important indicator for determining the extent of efficiency, the level of profitability cannot be taken as a final proof of efficiency. Sometimes satisfactory profits can indicate inefficiency and conversely, a proper degree of efficiency can be accompanied by an absence of profit. Profitability on this ground work at indictors like gross domestic

products, net operating profits and return on capital employed ratio, while profitability analysis from the standard point of shareholders include Net Profit to Net revenue ratio and return on owners' equity ratio.

### **Continuance Commitment and Organizational Performance**

Continuance commitment, the second construct of employee commitment propounded by Meyer and Allen (1990), is built upon the Becker's side-bet theory. According to this theory, when an individual works for several years in an organization, he tends to accumulate investments in the form of time, job effort and organization specific skills which are too costly to lose. According to Romzek (1990), employees tend to evaluate their investments by looking at what they have contributed towards the organization and what they would gain by remaining in the organization and what they would lose if they leave the firm. When an employee feels that he or she does not possess the necessary skills to compete for a job in any other field, then the employee tends to develop continuance commitment and becomes more committed to the organization because of the limited opportunities and alternatives (Meyer & Allen, 1990). It has been reported that employees tend to develop continuance commitment when they perceive that the cost of leaving the organization is high. The antecedents of continuance commitment are investments and alternative employments. Investment means the loss incurred by the employees in leaving the organization (Meyer & Allen, 1990). Investment can be either work or non-work related. Examples of work related investments are losing a senior position and rewards associated with the position, loss of benefits and incentives. Meyer and Allen (1997) found in their study that there is a negative correlation between continuance commitment and opportunity to be employed in another organization. Employees who perceive that they have other alternatives for employment may display a weak continuance commitment.

Normative commitment is the third construct of employee commitment. There is limited literature which has explored normative commitment. Allen and Meyer (1990) and Randall and Cote (1991) attempted to differentiate normative commitment from affective and continuance commitment. Normative commitment demonstrates an obligation by an employee to continue employment with the organization. According to Allen and Meyer (1990), individuals with a high level of normative commitment feel that they should continue providing their services to the firm. Values and employees' values, the latter tend to display a higher level of employee commitment. This finding is in consonance with that of Mayer and Schoorman (1992) who found that when employees accept the company's values, they exhibit increased commitment.

From the foregoing point of view, we hereby hypothesized thus:

- Ho<sub>1</sub>:** There is no significant relationship between continuance commitment and effectiveness of manufacturing firms in Port Harcourt.
- Ho<sub>2</sub>:** There is no significant relationship between continuance commitment and efficiency of manufacturing firms in Port Harcourt.
- Ho<sub>3</sub>:** There is no significant relationship between continuance commitment and profitability of manufacturing firms in Port Harcourt.

### **METHODOLOGY**

The study adopted a cross-sectional survey in its investigation of the variables. Primary data was generated through self-administered questionnaire. The population of the study was 260 employees of 10 selected manufacturing firms in Port Harcourt. The sample size of 154 was determined using calculated using the Taro Yamane's formula for sample size determination. The reliability of the instrument was achieved by the use of the Cronbach Alpha coefficient with all the items scoring above 0.70. The hypotheses were tested using the Spearman's Rank Order Correlation Coefficient with the aid of Statistical Package for Social Sciences version 23.0.



**DATA ANALYSIS AND RESULTS**

**Table 1: Correlation Matrix for Continuance Commitment and Organizational Performance**

		Continuance commitment	Effectiveness	Efficiency	Profitability	
Spearman's rho	Continuance commitment	Correlation Coefficient	1.000	.959**	.941**	.884**
		Sig. (2-tailed)	.	.000	.000	.000
		N	121	121	121	121
	Effectiveness	Correlation Coefficient	.959**	1.000	.968**	.882**
		Sig. (2-tailed)	.000	.	.000	.000
		N	121	121	121	121
	Efficiency	Correlation Coefficient	.941**	.968**	1.000	.851**
		Sig. (2-tailed)	.000	.000	.	.000
		N	121	121	121	121
	Profitability	Correlation Coefficient	.884**	.882**	.851**	1.000
		Sig. (2-tailed)	.000	.000	.000	.
		N	121	121	121	121

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

*SPSS 21.0 data Output, 2019*

Table 1: illustrates the test for the three previously postulated bivariate hypothetical statements.

***Ho<sub>1</sub>: There is no significant relationship between continuance commitment and effectiveness of manufacturing firms in Port Harcourt.***

The correlation coefficient (r) shows that there is a significant and positive relationship between continuance commitment and effectiveness. The rho value 0.959 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a very strong correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between organizational links and employee social efficacy of manufacturing companies in Port Harcourt.

***Ho<sub>2</sub>: There is no significant relationship between continuance commitment and efficiency of manufacturing firms in Port Harcourt.***

The correlation coefficient (r) shows that there is a significant and positive relationship between continuance commitment and efficiency. The rho value 0.941 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a very strong correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between continuance commitment and efficiency of manufacturing firms in Port Harcourt.

***Ho<sub>3</sub>: There is no significant relationship between continuance commitment and profitability of manufacturing firms in Port Harcourt.***

The correlation coefficient (r) shows that there is a significant and positive relationship between continuance commitment and profitability. The rho value 0.884 indicates this relationship and it is significant at p 0.000<0.05. The correlation coefficient represents a very strong correlation between the variables. Therefore, based on empirical findings the null hypothesis earlier stated is hereby rejected and the alternate held. Thus, there is a significant relationship between continuance commitment and profitability of manufacturing firms in Port Harcourt.

## DISCUSSION OF FINDINGS

The study was aimed at investigating the relationship between continuance commitment and organizational performance of some manufacturing companies in Port Harcourt. It is in response to the growing concern among stakeholders in the manufacturing industry, particularly management at the lowest performance. The indices for measuring organizational performance are effectiveness, efficiency and profitability. While office management are accountability and productivity, to investigate the research problem, three research question and nine hypotheses were formulated and data collected on each of them.

The first hypothesis was tested using the Spearman Rank Correlation Coefficient (rs) statistical technique. The analysis shows a computed (Z) value of -0.27, this indicates that there is a positive relationship between effectiveness, efficiency and profitability. Spearman Rank Correlation Coefficient (rs) was also the statistical technique for testing the second hypothesis the test showed a computed (Z) value -0.81, indicating that there is a positive relationship between formal structure and productivity. Spearman Rank Order Correlation Coefficient (rs) was also adopted to test the third hypothesis, the test showed a computed (Z) value of -0.27, indicating that there is a positive relationship between informal structure and accountability.

Lastly, Spearman Rank Order Correlation Coefficient (rs) was also the statistical technique for testing the fourth hypothesis the test showed a computed (Z) value -1.24. This indicates that there is a positive relationship between:

- There is a significant relationship between continuance commitment and effectiveness of manufacturing companies in Port Harcourt.
- There is a significant relationship between continuance commitment and efficiency of manufacturing companies in Port Harcourt.
- There is a significant relationship between continuance commitment and Profitability of manufacturing companies in Port Harcourt.

## CONCLUSION AND RECOMMENDATIONS

Manufacturing companies operate across various regions where the operating environments and the socio-economic characteristic of the customers are different. Referring back to our finding where affective, continuance and normative commitment affect the effectiveness, efficiency and the profitability as an indication of why firms should be conscious of their various strategies to achieve employee commitment as these will aid them to achieve their ultimate goal. It is identified that employees commitment determine the level of performance in organization and the organizational performance depends more upon the affective commitment and continuous commitment of the employees. Individuals who are committed to their jobs are more productive than employees with low level of commitment.

The study recommends that management of manufacturing firms are encouraged to provide fair pay benefits to their workers, as happy workforce tends to work hard by putting in their best to achieve organizational goals. An effective reward system aimed at increasing employees' job satisfaction is recommended in these organizations as a way of stimulating continuance commitment of employees.

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