



## PERCEIVED ORGANIZATIONAL SUPPORT AND PERSONAL VALUE ON ORGANIZATIONAL COMMITMENT

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Medical sales representatives are as sales forces and spearheading for the sales and distribution of products in a health care organization. The tasks performed by medical sales representatives involve a high degree of difficulties that require supports from a company.

The objectives of this research are 1) to analyze the effect of perceived organizational support on personal value; 2) to analyze the effect of perceived organizational support on organizational commitment; and 3) to analyze the effect of personal value on organizational commitment.

The approach for this research was a quantitative approach. The population of this study were medical sales representatives. While the technique for data collection applied non probability sampling in the form of accidental sampling with questionnaires to 100 respondents. Data were collected through questionnaires distribution to a number of respondents to obtain a primary data. Moreover, this research nalysis used path analysis. As the results, this research can be concluded that 1) the better supports were given to the medical company sales representative would be able to increase the Personal Value of medical sales representatives; 2) the Perceived Organization Support was also better in having an impact to increase organizational commitment; and 3) the personal value direct affected organizational commitment.

Keywords: perceived organizational support, personal value, commitment organization.

### **Research Background**

Competition among pharmaceutical industries generates complexities in the management of human resources within a pharmaceutical company. Each company has particular ways and strategies in marketing its products. Pharmaceutical companies use medical representatives as salespeople in marketing their products. Therefore, the medical representatives have to make appointments as well as to maintain good relations with doctors, pharmacies, hospitals and other health services. Working commitments are highly required so that the representatives are able to complete their company target. The employees who emotionally commit themselves to their company tend to show their high performance, low attendance, and lower tendency to resign (Mathieu & Zajac, 1990; Meyer & Allen, 1997; Mowday, Porter & Steers, 1982). Accordingly, this research aimed to investigate the effect of perceived organizational support on personal value and



organizational commitment, and of the impact of personal value on organizational commitment. Then, these factors will be delineated and explained below.

### **Organizational Commitment**

Organizational commitment is considered important in the study of organizational behavior. Previous researchers generally relate between organizational commitment, attitudes and workplace behavior (Porter et al., 1974, 1976; Koch & Steers, 1978; Angle & Perry, 1981). Hence, organizational commitment can be defined as the degree to which an employee brings a fully attention to an institution or organization, completes its working objectives, and maintains its membership in the organization (Robbins, 2007).

Moreover, organizational commitment refers to the attention of management organizations that address to the development of appropriate organizational values by balancing between organizational interests and employees' interests (Ward & Davis, 1995). A research result identifies that lack of commitment can reduce organizational effectiveness (Mowday et al., 1982). Then, the approach to organizational commitment generally refers to the framework of Mowday that emphasizes on affective bond between employees and organization (Mowday et al., 1982). The framework views organizational commitment involving (a) the strong belief on goals and values of an organization, (b) the willingness to work for an organization, and (c) the strong desire to maintain organizational membership (Mowday et al., 1982). In brief, organizational commitment lead for employees' positive or negative supports in the workplace.

### **Organizational Support**

Theory of organizational support underlies psychological processes due to the perceived organizational support (POS). There are three dimensions of POS. The first is based on reciprocity norms of which POS has to develop particular regulations so a company is able to notice its organizational welfares as well as to assist the organization achieving its goals. The second relates to caring, approval, and honor of which POS has to meet socio-emotional needs so that the employees are able to use their organizational membership and status as social identities. The last refers to performance-reward expectations of which POS seeks to strengthen employees' belief that the organization recognizes and give rewards for their increasing performance. Hence, this process creates good results for employees (i.e. increasing job satisfaction and positive mood) as well as for organization (i.e. increasing affective commitment and performance, and reducing turnover) (Rhoades and R. Eisenberger, 2002). Moreover, Eisenberger *et al.*, (1990) argues that POS is positively in relation to employee attendance, commitment, and performance. While other studies find positive linkages between POS and people's commitment within a company (Rhodes et al., 2001; Settoon et al., 1996). Obviously, the perceived organizational support may influence the degree of employees' personal beliefs.

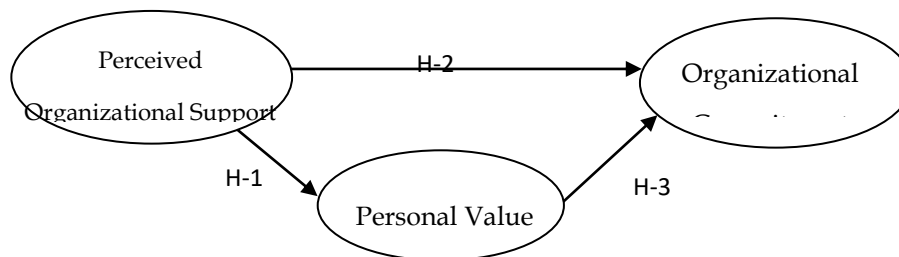


## Personal Value

Personal value refers to a belief, principle, or quality that an employee holds in high standard. Rokeach (1973) defines a value system as a hierarchical quality towards individual's value classification in accordance with their intention. The result of final conditions is personally or socially more preferable than the opposite ending (Rokeach, 1973: 32). In other words, values are beliefs towards conditions in which the opposite condition is considered better (Solomon, 2007: 315). Besides, individual values involve self-awareness and self-consciousness to influence his or her behavior choices. The values are considered as a standard and a benchmark for evaluation and assessment (Williams, 1968: 203). Instead, the values are mainly self-definition and comparable to the foundation of an organizational building (Feather, 1998: 639).

## Hiphoteses

This research analyzed the effect of perceived organizational support on personal value and organizational commitment. Therefore, this research framework is developed as the following diagram:



**Figure 1. Research Conceptual Framework**

Referring to this research problem, conceptual framework, and research objectives as discussed above, three research hypotheses are considered as follow:

- H-1: The better perceived organizational supports that were given to employees would affect to the higher degree of employees' personal values.
- H-2: The better perceived organizational supports that were given to employees would affect to the higher degree of organizational commitment.
- H-3 : The better personal values of employees would escalate organizational commitment.

## Research Method

This research is a quantitative research. Population of this research were medical sales representatives within pharmaceutical companies in Surabaya, Indonesia. The samples were taken through accidental sampling. According to Malhotra (1996), the numbers of samples are based on four or five times numbers of determinant variables or attributes. The indicators for this research were 18 indicators; therefore, the respondents were numbered four times of indicators, i.e. 72



respondents. Data for this research were primary data as the result of testing variables that were derived from respondents. Furthermore, the research analysis applied PLS.

### Descriptive Data Analysis

In this research, descriptive analysis was carried out to determine the respondents' level in response to the questionnaire questions. This research indicated that respondents' responses towards the question items. In general, the respondents' perceptions on variable of perceived organizational support (POS) revealed that respondents had legal responsibility, moral and financial concerns to that had good results.

The respondents' general perceptions on a variable of personal value indicated that the employees' individual beliefs in relation to their goals and life behaviors became the basis for completing their company's vision and mission. Hence, all employees must have core values in carrying out their professional duties. The total average value generated by this variable was 4.05 which meant good.

Moreover, the organizational commitment was derived for employee's identification and involvement. Those who relatively had strong commitment towards the organization as well as possessed the desire of the members of the organization intended to maintain their membership in the organization and were willing to make high efforts to achieve organizational goals. The total average value generated was 4.05 which meant good. As the results, all variables were described having good scores.

### Hyphothesis Testing Results

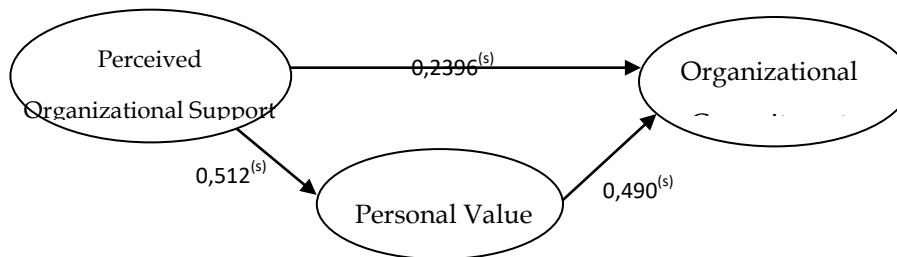
In this research, the hyphothesis testing was conducted with *t-test* on each path of partial and direct impact. The following table presented the results of hyphothesis testing directly:

**Table 1. Hyphothesis Testing Results**

Independent Variable	Dependent Variable	Path Coefficient	p-value	Notes
Perceived Organizational Support	Personal Value	0.512	< 0,001	Significant
Perceived Organizational Support	Organizational Commitment	0.239	0.014	Significant
Personal Value	Organizational Commitment	0.490	< 0,001	Significant



The result of hypthothesis testing on direct path can also be seen on the following figure:



**Figure 2. Results of Hypthothesis Testing**

This research found that the perceived organizational support had a significant effect on personal value. The result of the analysis was obtained with the path coefficient on 0.512 with  $p < 0.001$ . In other words, the result was considered to be significant. Since the path coefficient was positive so this could be indicated that the better degree of perceived organizational support meant the higher degree of personal value.

Then, the perceived organizational support had a significant effect on organizational commitment. This analysis result was also obtained through path coefficient on 0.239 with  $p = 0.014$ ; so this result was indicated to be significant. The path coefficient was positive; meaning the higher degree of perceived organizational support could increase the organizational commitment. Moreover, the personal value had a significant effect on organizational commitment. This result of analysis using PLS was obtained with the path coefficient on 0.490 with  $p < 0.001$ . In other words, this was said to be significant. The path coefficient was positive; this meant that the better personal value would increase the organizational commitment. Overall, the results of hyptheses testing proved positive or significant outcomes.

## Discussions

Theory on perceived organizational supports is mainly drawn from social exchange theory. This derives individuals who voluntarily provide benefits to others; thus, others have a norm to reciprocate by providing benefits to the giver. In this context, the perceived organizational support can be advanced through various ways, for example: giving rewards to employees for their works, thanking employee through media, and giving small gifts (Andrew et al., 2009). A previous research conducting by Eisenberger and Huntington (1986) has found that organizational support is assumed to strengthen affective ties between employees and organizations. Instead, Kamakura and Mason argue that individual values can influence employees' behavior in carrying out their performance as well as their concepts of individual values (1991: 208-210). Obviously, value systems have been used to predict various forms of behavior. Personal value can change the



individual behavior in relation to organizational commitment. Otherwise, personal value can be assumed for having a good standard of knowledge and ability.

This study found that organizational support had a significant influence on organizational commitment through personal value. In other words, the good and bad organizational support that was provided by the company could improve personal value. In turn, the perceived organizational support could increase organizational commitment. Moreover, the finding proved that the significant relationships between hypothesized variables. Another finding was also consistent with previous researches on its predecessors.

This research also enriched further findings about the influence of POS towards organizational commitment that was mediated by personal value of medical representatives. The finding indicated social exchange theory that could be applied to organization sector. Indeed, the patterns of interaction between individuals and other individuals within a company had an impact to develop job satisfaction and organizational commitment. Meanwhile, the patterns of interaction in this research were the pattern of beneficial working relationships between one and another.

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