ORGANIZATIONAL COMMITMENT OF INDIAN PHARMACEUTICAL EMPLOYEES WITH RESPECT TO THEIR CAREER STAGES

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Abstract
Talent Retention has become a critical concern for the industries, more than talent acquisition, in the fast changing global scenario. This study is an attempt to deal with employee commitment issues, which are very serious in the Indian Pharmaceutical Industry. The objective of the study was to identify the type of organizational commitment of an employee, at different career stages. This exploratory study was carried out for the first time, where the same employee, at different career stages, was studied with the unique technique of Recall. This study came out with striking results that overall commitment may look similar but employees differed significantly in organizational commitment i.e. affective, normative and continuance commitment scores, at various career stages. This study, about career stages, would help Indian industries, to understand better, the needs of employees and evolve the strategy for holding them for longer period for mutual benefits. Further, this study would enable HR professionals, to be more effective, in carrying out various interventions for developing organisational loyalty.

Keywords: Organisational Commitment, Career Stage, Indian Pharmaceutical Industry.

JEL Code: M00, M1, L2.

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1. Introduction

The professional human capital is very limited in certain jobs like Engineering, Medicine, Nursing, etc. In early days, pharmacy was a profession whereas now a days, there are specialists to deal with specific drugs molecules development, clinical research, quality control, technology transfer, marketing, product launchers, sales and other specialities, to name a few. To adapt to the changes in the working environment, Indian Pharmaceutical Industry is utilizing its senior employees’ experience, commitment and loyalty as well as the latest technical skills and expertise to work on various information technology platforms and latest gadgets, handled by the new generation of employees. On the one hand, these budding experts are more realistic, enthusiastic and have growing career aspirations whereas senior employees have experience, expertise and set ways of problem solving and decision making. The need of the hour for Human Resource Manager of any organization is to maintain a good balance between senior and junior employees. The organizational commitment of an employee is one of the important aspects for the success of the organization. When an employee separates oneself from the organization, he departs with his skills, knowledge and experience. The organizational commitment is also having sub categories, which are Affective, Continuance and Normative (Meyer and Allen, 1991).

According to Super (1957), an employee starts working in his professional career from zero experience level at young age. He/she gains experience and climbs up various ladders of hierarchy. The present study has classified the professional career of a person in different Career Stages, namely, early stage (Exploration Stage), mid stage, (Establishment Stage) and later stage (Maintenance Stage), on the basis of age group, basic needs in life, working age profile and socio cultural considerations in India.

Requirement of each career stage differs from another stage. In the early career stage, employees want to develop, learn more on the job practical knowledge and hands on experience and at the same time, the employees at this early career stage, have a tendency to job hop for better job opportunity. In the middle career stage, employees have more financial burdens in terms of role responsibilities. The need at this stage is development, along with stabilizing. The highest career stage is of more family responsibilities, need for self-actualization, delegation and recognition.

2. Review of Literature

To have a comprehensive look at the various aspects under study, the literature was reviewed, with important milestones, in the development of the subject variables.

2.1 Organizational Commitment

To understand the concept of organizational commitment, many research works of different researchers, were studied. Kanter (1968) has defined commitment as the process through which individual interests become attached to the carrying out of socially organized patterns of behaviour, which are seen as fulfilling those interests, as expressing the nature and needs of those persons. Salancik (1977) conceives commitment as a state of being in which an individual becomes bound by his actions and it is these actions that sustain his activities and involvement. From this definition, it can be inferred that three features of behaviour are important in binding individuals to act: visibility of acts, the extent to which the outcomes are irrevocable and the degree to which the person undertakes the action voluntarily. On the other hand, Porters, et al., (1974) define organizational commitment as the strength of an individual’s identification with and involvement in a particular organization, characterized by three psychological factors: desire to remain in the organization, willingness...
to exert considerable effort on its behalf, and belief in and acceptance of its goals and values. In the last two decades, the focus on Organizational Commitment has been shifted from antecedents and outcomes of it to its classifications and various effects on organizations.

Meyer & Allen (1991) identified three distinct themes in the definition of commitment: commitment as an affective attachment to the organization (affective commitment), commitment as a perceived cost, associated with leaving the organization (continuance commitment), and commitment as an obligation to remain in the organization (normative commitment). All three components have implications for the continuing participation of the individual’s, in the organization. Mowday, et al., (1982) considered commitment as attachment and loyalty. While studying the different variables for organizational commitment, Amstrong (1999) asserted that creating commitment includes communication, education, training programs, and initiatives to increase involvement and ownership and the development of performance and reward management systems. He related commitment to the organization policies. On the other hand, Coleman and Cooper (1997) found that age was not related to organizational commitment. Various other studies on organizational commitment, revealed that searching for a new job, absenteeism, turnover and performance effectiveness (Abelson & Sheridan, 1981, Angle & Perry, 1981, Bluedorn, 1982, Farrell & Rusbult, 1981, Marsh & Mannari 1977, Morris & Sherman, 1981, Porter et al, 1974 and Steers, 1977), affect the organizational commitment.

2.2 Career Stages

Working life of every individual passes through typical evolutionary phases called Career Stages. On the basis of various studies of Careers of a group, individuals from different occupational groups posit that every five to seven years, the individuals have to pass through some kind of personal or career related decisions, with apparently a fairly predictive sequence. According to Super’s (1957) theory, there are three stages in a person’s vocational career over age 25-65 years: exploration, establishment, and maintenance. These career stages are based on qualitatively, different psychological tasks at each stage. On the other hand, Levinson et al., (1978) identified four “life areas”: Childhood (0-20 yrs.), Early Adulthood (20-40 yrs.), Middle Adulthood (40-60 yrs.), and Late Adulthood (over 60 yrs.). Brooks and Seers (1991) considered five stages, as per age criteria i.e. 18-21, 22-27, 28-32, 33-40, 41 and older. The age ranges, assigned to each stage, have varied considerably between empirical studies but usually the early career stage is considered to range from the ages of 20 to 34 years, the mid-career from 35 to 50 years and the late-career from 50 to 65 years. Super (1957, 1984) proposed a theory that people pass through specific career stages during their life span. These stages are characterized by various crucial activities and psychological adjustments which people have to make, irrespective of their occupation or background. Levinson et al., (1978) believe that there is a close, but no perfect correspondence between chronological age and period of life development, for both men and women. He has considered four different stages for career development, namely, occupational and organizational choice, early career, mid-career and late career. Mowday et al., (1982) proposed three stages in the development of organizational commitment: a) the pre-entry stage; b) the early employment stage; and c) the middle and late-career stages in the organization. A slightly different model was suggested by Reichers (1986), who excluded the pre-employment stage and concentrated on three stages of development: early, mid, and late-career stages. Kanwaldeep Kaur and Sandhu H. S., (2010)
conducted a study on 660 clerical and managerial staff of public and private banks in Punjab. The study variables were career stages in terms of age, tenure and organizational commitment. Career stage, as per the age and tenure, has been classified as early, mid and late stage (Levinson Model). The study reflected that there was significant difference among the career stages.

3. Need of the Study

The Pharmaceutical Industry in India is one of the steadily growing sectors and has been functioning very well at international, national and local levels. These organizations are working on new drug development, through their Research and Development Department, testing new drugs in clinical research, manufacturing and quality control of the drugs, marketing, product launch, sales and logistics of their old and new drugs. Lack of clear terminology was felt in both the areas of research. In the Indian context, organizational commitment as well as career stages need more exploration. But relatively less literature review is available. Thus the research gap was identified. According to Dolitte Compassionate Trend (2013), the Indian Pharmaceutical Industry has been ranked the fourth largest, with the highest retention of human resource. In this scenario, the Researcher felt the need to study the organizational commitment of employees at different career stages, which would help organizations to take policy decisions, to overcome the retention problem in the Indian Pharmaceutical Industry.

4. Statement of the Problem

With different generation of pharmaceutical employees, working together in the same organization, a need was felt to find out whether all employees recorded the same commitment level towards their organization or it differed. Which particular type of organizational commitment predominated at his/her different career stages? Based on these queries, following research questions were developed to guide the study: a) What is the relationship between organizational commitment and career stage of pharmaceutical employees in the Indian context? and b) Do employee organisational commitment and career stage have some common behavioural pattern?

5. Objectives of the Study

a. To study the levels of organizational commitment, at various career stages of Indian Pharmaceutical employees.

b. To evaluate the impact of demographic factors, on the relationship between organizational commitment and career stages of Indian Pharmaceutical employees.

c. To suggest the measures to improve organizational commitment of Indian Pharmaceutical employees, at various career stages.

6. Hypotheses

Based on the above objectives, following hypotheses of the study were framed.

H01: Indian Pharmaceutical employees have the same level of organizational commitment, at different career stages.

H02: Indian Pharmaceutical employees, at the same career stages, have different levels of organizational commitments.

H03: Demographic factors like employee designation, age, gender, educational qualifications, background, do not have any impact on the relationship between the two.

7. Research Methodology

7.1 Sample Selection

The convenient random sampling method was used. The respondents were the professional employees of various departments of Pharmaceutical Organizations, functioning in Mumbai. The questionnaires were administered to 100 employees, but only 85 responded.
7.2 Sources of Data

Data needed for the study, were collected through primary and secondary data collection methods. The primary data, on organizational commitment, were collected through three main methods: 1. Questionnaires, 2. Interviews and 3. Observations. The collection of primary data, on career stage, organizational commitment and personality type, was done by the method of questionnaire. In the first part of the questionnaire, the nature and the purpose of the work was explained and the assurance of complete secrecy of identity of respondent and responses, was given. Also some background information of respondents like tenure in organization, demographic information, was collected. For questionnaire, the scale developed by Mayer, Allen and Smith (1993) for organizational commitment was used. In the second part, the Researchers used standard questions for personality determination. Respondent had to answer section three, according to age groups, i) respondents born before or at 1968 (Late Stage), ii) respondents born between 1969 to 1980 (Mid Stage) and iii) respondents born between 1995 to 1981 (Early Stage). The secondary data were collected through desk research, including literature survey, referring e-libraries etc.

7.3 Period of the Study

The study was conducted, on different Pharmaceutical organizations of Mumbai during the period, from May 2015 to October 2015.

7.4 Tool Used in the Study

The data, collected with the help of the questionnaire, were analysed with the help of statistical package SPSS 20. These mean scores were subjected to various statistical analyses by employing the various statistical tools like mean, standard deviation. Anova was carried out for testing the research hypotheses.

8. Data Analysis and Discussion

The responses were collected through structured questionnaire. It was observed that respondents were from various departments of pharmaceutical organizations, which included research and quality control (15.4%), production (10.6%), sales and marketing (42.3%), HR (17.8%), finance (1.2%), logistic, stores and other departments (7.1%).

The 2.4 percentage of respondents were undergraduates who possessed diplomas. These respondents had work experience of less than one year. 56.5 percentage of respondent were graduates, 31.8 percentage postgraduates, 7.1 percentage possessed Ph.D and 2.4 percentage possessed other certificate courses such as clinical research etc. 94.1 percentage respondents were males whereas 5.9 percentage were females.

The minimum age of respondents was 20 years and maximum age was 47. The average age of respondents was approximately thirty one and a half years. 45.9% and 51.8% respondents were living in unitary family and joint family respectively. The average size of family consisted of four members of whom around two members were working. It was observed that if family had one working member, they tended to continue in organization for a longer time. Job hopping was rarely done unless good financial package was offered. There were many respondents, ranging from recently joined to 19 years of serving the same organization. Employees in Pharmaceutical industries join the organisations at an average age of 23 years.

Respondents (in percentage) were from the top level management (8.2,) middle level (34.1) and supervisory level (57.6). During the working tenure of an employee, he may be shifted to a maximum of five jobs. Table-1 describes the descriptive data analysis, showing that an employee changes at least two jobs in

<table>
<thead>
<tr>
<th>Table-1</th>
<th>Descriptive Data Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Changes</td>
<td>Percentage</td>
</tr>
<tr>
<td>At Least Two Jobs</td>
<td>94.1%</td>
</tr>
</tbody>
</table>
his professional tenure. It was observed that employees working in lower level or operating level, are decreasing and this was due to progression in professional life and higher attrition rate. It was also observed that early career stage employees frequently changed their jobs as compared to other two career stage employees.

For the study purpose, the Researchers had taken three career stages of an employee: Early stage, Mid stage and Late stage of a career. From Table-3 it is observed that total organizational commitment score, computed from mean scores, was the highest in early stage (51.12), followed by Mid stage (31.30) and Late stage (13.47). In this case, the Researchers had taken the mean of mean organizational commitment scores. The late career stage employees were more committed to organization with mean total organizational commitment score of 1.03, followed by mid career stage employees (0.9) and early career stage (0.6).

In the case of early career stage employees, affective commitment score was higher on employees, wishing to work for organization and their continuance commitment score was more consistent. Mid-career stage employees recorded high scores in affective commitment level, followed by normative commitment scores and continuance commitment scores. Like early career stage, mid-career stage also recorded consistent continuance commitment scores. Later career stage also recorded more affective commitment scores and normative career stage was more consistent. Over all, it was observed that scores of affective commitment were high at all the career stages. The above discussion confirms that \( H_03: \text{Employees have the same organizational commitment at different career stages,} \) is rejected. The mean organization commitment score was high in later career stage, followed by mid-career stage and early career stage.

Table-3 shows that statistically, early career stage and mid-career stage reflected the same responses i.e there was no significant difference in the responses. Affective commitment score was higher in both these career stages because they felt that their current job duties were rewarding and they liked the working environment. May be, some of their best friends were working for the same organization. Normative score, an outcome of obligation, based on reasons like employees organisation has given them their first break, mentoring and training given by superior etc. When they were lacking experience or qualification, their organization commitment score on continuance commitment, was the least in early stage because family responsibilities were relatively low and it grew with growing chronological age as well as profession age. Employees of later career stages scored more on the continuance commitment scale i.e cost-based reasons were more dominating, as these employees were more settled in their life. They may be bonded by some vehicle loan, home loan or education loan or any other personal loans. Many of the employees might have been promoted to higher management cadre. They were satisfied from their salary and benefits and thus a bonding was created with the organization. At the same time, in later career stage, employees were moving towards retirement life and their normative commitment was relatively less than other two career stages. The above discussion rejects \( H_02: \text{Employees, in the same career stages, have different levels of organizational commitments} \). The alternative hypothesis that Employees, in different career stages, have different levels of organizational commitment, gets accepted.

Table-2, shows that the family has been decreasing in the society, especially in unitary families. The earning members of family decreased to 2.02 members from 2.08 members. The decrease implies that when an employee
starts his job, he is living with his/her parents and parental family may have parents and siblings working, compared to later stage of life when an employee has his/her own unit of family. This leads to the rejection of the hypothesis, $H_{03}$: Demographic factors like employee designation, age, gender, educational qualification, background do not have any impact on the relationship between the two.

9. Findings and Conclusion

An employee in the Indian Pharmaceutical Industry, starts his first job at around 23 years, generally after completing his/her graduation. However, study age of respondents ranges between 20 years to 47. Employees of Indian Pharmaceutical Industry prefer to continue with their higher study while pursuing their job. Change in marital status was also observed in employees over a period of time. The average size of family had increased to 4.18 members against 4.11 members at the time of joining. It was observed that earlier family of employee was consisting of parents of employees, kids from marriage, forming a second set of family, consisting of husband wife and children along with dependent parents. This has also lowered down earning members of family to 2.02 from 2.08 members per family. Mostly, spouses of the employees, in later career stage, were less earning members compared to working of spouse at middle and early career stage employees. This was reflected in the increase in average per capita income of the family to Rupees 5.66 lakhs per annum from Rupees 3.5 lacks per annum. The above mentioned data were collected by asking the same set of parameters, at current dates and at the time of joining employees’ first job.

The mean total Organizational Commitment Score of later career stage employees was the highest, followed by mid career stage employees and early career stage employees. Early career stage employees recorded the least mean total organisational commitment score.

The sub categories of organization commitments like affective, continuance and normative commitment scores, differed at all the career stages. Early career stage and later career stage witnessed the same sub category distribution of organizational commitment. Affective commitment score was found to be higher in all the career stages. It was observed that in early career stage, affective organizational commitment scale was the highest, followed by continuance and normative organization commitment. At mid-career stage, it was affective, normative and continuance organization commitment and later stage was the same as early stage i.e. affective, continuance and normative organization commitment (Table-4).

10. Suggestions

With the observation and finding of the study, Human Resource Department of Indian pharmaceutical industry could focus, more on early career stage employees, by providing them lucrative CTC packages, loyalty bonus, training. Also mid and later career stage employees should be given proper recognition and appreciation, better incentive plan and other retention techniques so that the employees could continue working till their mid-career to increase the normative commitment.

11. Limitations

The present study suffered from following limitations. This study was conducted only for pharmaceutical industry employees in Mumbai area. Due to constrains of time, data collection, sample size, sampling might have suffered. Standard questionnaire and random responses have their own limitations.

12. Scope for Further Research

This study can be further carried out for early stage employees in pharmaceutical sector
as young employees are more compared to mid-career stage or later career stage employees. The results of study may differ, with other industries, having different human resource policies and also different climate and working culture. A comparison between two or more different industries could be done in future.

13. References


**Table-1: Employee Functional Level**

<table>
<thead>
<tr>
<th>Organizational level</th>
<th>At the time of joining</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Level</td>
<td>2.4%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Middle Level</td>
<td>12.9%</td>
<td>34.1%</td>
</tr>
<tr>
<td>Lower (Operative) Level</td>
<td>84.7%</td>
<td>57.6%</td>
</tr>
</tbody>
</table>

*Source: Primary Data  (Output of SPSS)*

**Table-2: Descriptive Statistics**

<table>
<thead>
<tr>
<th>Factors</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Age</td>
<td>85</td>
<td>20</td>
<td>47</td>
<td>31.68</td>
<td>8.030</td>
</tr>
<tr>
<td>Family Size current</td>
<td>85</td>
<td>1</td>
<td>5</td>
<td>4.18</td>
<td>0.819</td>
</tr>
<tr>
<td>No. of Earners current</td>
<td>85</td>
<td>1</td>
<td>5</td>
<td>2.02</td>
<td>0.850</td>
</tr>
<tr>
<td>Tenure current</td>
<td>85</td>
<td>0</td>
<td>19</td>
<td>2.79</td>
<td>3.480</td>
</tr>
<tr>
<td>Age at first Job</td>
<td>85</td>
<td>1</td>
<td>28</td>
<td>22.11</td>
<td>3.273</td>
</tr>
<tr>
<td>Organizations worked</td>
<td>85</td>
<td>1</td>
<td>5</td>
<td>2.04</td>
<td>0.907</td>
</tr>
<tr>
<td>Family Size first Job</td>
<td>85</td>
<td>1</td>
<td>5</td>
<td>4.11</td>
<td>1.024</td>
</tr>
<tr>
<td>No. of Earners first Job</td>
<td>85</td>
<td>1</td>
<td>5</td>
<td>2.08</td>
<td>0.903</td>
</tr>
<tr>
<td>Annual Family Income first Job</td>
<td>85</td>
<td>1</td>
<td>22</td>
<td>5.66</td>
<td>4.705</td>
</tr>
</tbody>
</table>

*Source: Primary Data  (Output of SPSS)*
### Table-3: Organizational Commitment Scores of Employees

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective Score Early Stage</td>
<td>85</td>
<td>0</td>
<td>37</td>
<td>17.70</td>
<td>13.197</td>
</tr>
<tr>
<td>Continuance score Early Stage</td>
<td>85</td>
<td>0</td>
<td>37</td>
<td>16.88</td>
<td>12.928</td>
</tr>
<tr>
<td>Normative score Early Stage</td>
<td>85</td>
<td>0</td>
<td>37</td>
<td>16.54</td>
<td>13.102</td>
</tr>
<tr>
<td>Mean Total organizational commitment Score</td>
<td></td>
<td></td>
<td></td>
<td>0.6 (51.12)</td>
<td></td>
</tr>
<tr>
<td>Affective Score Mid Stage</td>
<td>32</td>
<td>0</td>
<td>40</td>
<td>11.31</td>
<td>15.157</td>
</tr>
<tr>
<td>Continuance score Mid Stage</td>
<td>32</td>
<td>0</td>
<td>36</td>
<td>9.55</td>
<td>12.837</td>
</tr>
<tr>
<td>Normative score Mid Stage</td>
<td>32</td>
<td>0</td>
<td>36</td>
<td>10.44</td>
<td>13.888</td>
</tr>
<tr>
<td>Mean Total organizational commitment Score</td>
<td></td>
<td></td>
<td></td>
<td>0.9 (31.30)</td>
<td></td>
</tr>
<tr>
<td>Affective Score Late Stage</td>
<td>13</td>
<td>0</td>
<td>30</td>
<td>4.82</td>
<td>10.777</td>
</tr>
<tr>
<td>Continuance score Late Stage</td>
<td>13</td>
<td>0</td>
<td>32</td>
<td>4.42</td>
<td>10.045</td>
</tr>
<tr>
<td>Normative score Late Stage</td>
<td>13</td>
<td>0</td>
<td>31</td>
<td>4.23</td>
<td>9.523</td>
</tr>
<tr>
<td>Mean Total organizational commitment Score</td>
<td></td>
<td></td>
<td></td>
<td>1.03 (13.47)</td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Primary Data (Output of SPSS)

### Table-4: ANOVA

<table>
<thead>
<tr>
<th>Career Stage</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affirmative Score Mid Stage</td>
<td>Between Groups</td>
<td>35.890</td>
<td>1</td>
<td>35.890</td>
<td>0.155</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>19032.062</td>
<td>82</td>
<td>232.098</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>19067.952</td>
<td>83</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Continuance score Mid Stage</td>
<td>Between Groups</td>
<td>43.449</td>
<td>1</td>
<td>43.449</td>
<td>0.261</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>13633.361</td>
<td>82</td>
<td>166.260</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>13676.810</td>
<td>83</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Normative score Mid Stage</td>
<td>Between Groups</td>
<td>67.272</td>
<td>1</td>
<td>67.272</td>
<td>0.346</td>
</tr>
<tr>
<td></td>
<td>Within Groups</td>
<td>15941.431</td>
<td>82</td>
<td>194.408</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>16008.702</td>
<td>83</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Source:** Primary Data (Output of SPSS)

*Organizational Commitment of Indian Pharmaceutical Employees...*