THE RELATIONSHIP BETWEEN SELF-LEADERSHIP AND
ORGANIZATIONAL COMMITMENT:
CASE STUDY IN MELAKA HOUSING BOARD

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APPROVAL

"I hereby admit that I have read

this research dissertation and from my point of view,

the dissertation is satisfying in terms of scope and quality to be awarded with

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DECLARATION

"I admit that this report is my original work except for the summary and each passage that I had described the sources"

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ABTSRACT

Several kinds of attitudinal attitudes and attitudes in organizations affect institutional efficiency, this is linked to organizational commitment, apart from devotion and more initiative on behalf of the company. It thus demonstrates the importance of organizational commitment between and within government employees to make sure that people can produce quality service. Thus, this research aims to study the organizational commitment among staff of Melaka Housing Board (Lembaga Perumahan Melaka, LPM) as LPM's role in providing and encouraging more development of housing is getting more challenging and dynamic. Hence, the organization need the commitment of the staff. In addition, LPM did some initiative to increase their staffs' commitment. However, the motivation at individual state is still fairly contributing to the organization this shown at the decreasing performance on the statistic of online payment and online housing application. Hence this study targeted to investigate the relationship between Self-leadership towards organizational commitment. A total 60 employees of LPM were involved as respondents. Questionnaire was major research tool for data collection. The analysis method used were liner regression analysis for hypothesis testing via Statistical Package for Social Science (SPSS). The findings show there is significant relationship between self-leadership and organizational commitment. It is believed that this research paper will be beneficial to the industry and academician for future reference.

Keywords: Self-Leadership, Organizational Commitment, Melaka Housing Board (LPM)

ABSTRAK

Beberapa jenis sikap dalam organisasi mempengaruhi kecekapan institusi, ini dikaitkan dengan komitmen organisasi, selain daripada dedikasi dan lebih banyak inisiatif dari pihak organisasi. Ia menunjukkan betapa pentingnya komitmen organisasi di kalangan kakitangan kerajaan untuk memastikan bahawa individu dapat menghasilkan perkhidmatan yang berkualiti. Oleh itu, kajian ini bertujuan untuk mengkaji komitmen organisasi di kalangan kakitangan Lembaga Perumahan Melaka, (LPM) sesuai dengan peranan LPM dalam menyediakan dan menggalakkan lebih banyak pembangunan perumahan dilihat semakin mencabar dan dinamik. Justeru, pihak organisasi memerlukan komitmen pekerja. Di samping itu, LPM turut melaksanakan beberapa inisiatif bagi meningkatkan komitmen pekerja. Walau bagaimanapun, motivasi di peringkat individu masih kurang menyumbang kepada organisasi berdasarkan pada penurunan prestasi dalam statistik pembayaran dalam talian dan aplikasi perumahan dalam talian. Oleh itu kajian ini disasarkan untuk mengkaji hubungan antara kepimpinan diri terhadap komitmen organisasi. Seramai 60 pekerja LPM terlibat sebagai responden. Soal selidik adalah alat penyelidikan utama untuk pengumpulan data. Kaedah analisis yang digunakan adalah analisis regresi linear untuk ujian hipotesis melalui Pakej Statistik untuk Sains Sosial (SPSS). Hasil kajian menunjukkan bahawa terdapat hubungan signifikan antara kepimpinan diri dan komitmen organisasi. Adalah dipercayai bahawa kertas penyelidikan ini akan memberi manfaat kepada pengamal industri dan ahli akademik untuk rujukan masa depan.

Kata Kunci: *Kepimpinan Diri, Komitmen Organisasi, Lembaga Perumahan Melaka*

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CHAPTER 1

INTRODUCTION

1.1 Introduction

This research aims to find out the impact of self-leadership towards organizational commitment. The researcher wants to know how important the self-leadership in affecting the organizational commitment is. In this chapter, the researcher will share about the background of the study, problem statement, research questions and research objectives. The researcher will also explain about the scope of the research, definitions of key terms, significance of study and limitations face by researcher while doing the research.

1.2 Background of Study

Organizational commitment plays a vital role in every organization in order for an organization to succeed and grow. Organizational commitment is the sheer power of the identification and involvement of an individual in a specific organization (Mowday, Steers, & Porter, 1979). Every company or any organization greatest asset are their employees. It is impossible to succeed and grow without the help of other people inside the organization. According to (Barnard 1968), he said "By definition, without a individual, there is no organization. However, since we have pressured that it is not people but the services or behaviour or actions or influences of individuals which should be treated as organizations, it is clear that the desire of individuals to participate to the cooperative system is indispensable."(p.83). Every employees in an

organization must committed to their organization to help the organization grow. Generally, most organization give emphasis to increase commitment by utilising remuneration approaches for example through the pay, benefits and career opportunities.

Just like in Malaysia, Malaysia's 2020 Vision has led to some big changes in the strategic directions for many organizations in Malaysia. They are competing to sustain and becoming better than each other. Most of these organizations are trying to find many ways to increase the organizational commitment. This is because higher level or organizational commitment, the lesser the employee turnover. Other than that, higher level or organizational commitment will increase employee's loyalty and performance and also can reduce the work stress (J. P. Meyer, Allen, & Allen, 1997).

Not excluded, the government sector in Malaysia. The Recent reforms are an attempt by Malaysia to stay relevant and competitive in a quickly changing local and global ecosystem. This is obvious that adjustments were generally in line with values of New Public Management (NPM) and are not only intended at improving efficiency but capacity of the board. They also sought to incorporate administration machinery into a diverse, economy-driven and consumer-oriented management. As per the values and theory of New Public Management (NPM), ample emphasis was placed on value, efficiency, transparency and client focus. The knowledge of Malaysia reveals that since major progress is made in areas such as institutional reshaping, privatization and corporatization of public bodies, quality assurance, customer concentrate and ICT implementation, progress has been limited in other zones such as the introduction of performance standards, performance-related pay and cost-saving initiatives as recommended under NPM, amid employees and financial management reforms (Alam Siddiquee, 2006).

Along with Malaysia's 2020 Vision and the new public management, government organizations in Malaysia are also trying to increase their organizational commitment. Efficiency of workers, performance, motivation, and job satisfaction correlate substantially with organizational commitment (Reichers, 1985). Higher performance may result from the greater level of dedication to company and can cause employee to be More capable of both tangible rewards which are monetary and

recognition while the intrinsic rewards which are Satisfaction with the job and self-realization. In this research, researcher will be focusing on one of the government sector which is the Melaka Housing Board (Lembaga Perumahan Melaka, LPM).

1.3   Problem Statement

Government sector was said to be more secure than private sector however it is found that public or government servant have low organizational commitment (Lyons, Duxbury, & Higgins, 2006). Buchanan (1974) claims that poor performance is the outcomes from the overall lack of government sector organizational commitment. It has been said that public managers often focus on process rather than results, recognize worse with their organization's wider objectives and more about their initial job. This causes them less dedicated to the greater-level objectives of the organization (Buchanan, 1974). Studies showed that staff of the private industry showed relatively high levels of organizational commitment than those of civil servants which conclude that public servants were less engaged with the organizations compared to employees of the private industry (Lyons et al., 2006).

Melaka Housing Board (Lembaga Perumahan Melaka, LPM) is a public Board that was established on 17 December 2002 through an Enactment of Melaka Housing Board (Enakmen Lembaga Perumahan Melaka, ELPM, 2002) as stated in Government News volume 46, number 25 in 2002. Before the establishment of LPM, it was placed under Housing and Local Government unit at housing sector. Melaka is the second state that establish the Board after Selangor Government in order to improve Melaka at housing sector. LPM vision is to be a superior organization in the development of state housing. LPM also aims in enacting the policies and coordinate the development of affordable housing in Melaka to achieve the mission of "one family, a house".

LPM role is to plan, develop, implement and encourage development, implement marketing and selling houses generally and specifically public housing and low cost housing. LPM also carry out the role of inter-agency coordination enabling the rapid development and implementation of housing development. Besides that,

LPM manage and collect rental of Public House or State Government flat and collect sales of Low Cost Public Housing. Other roles of LPM are also to manage, maintain and monitor public and private housing and monitor abandon housing projects in Melaka. Lastly, LPM acts as source of housing information of Melaka.

Today, LPM still carry the main role of planning, developing, implementing marketing and selling public houses and low cost houses in order to achieve their mission of "one family, one house" for citizen of Melaka. However nowadays, LPM's role in providing and encouraging more development of housing is getting more challenging and dynamic so they need the commitment of the staff. According to the director of LPM, staffs are found to be reckless and not committed to work when there is no significant reward to the task given. Organizational commitment is playing a crucial and critical role of the organization to assure sustainability of LPM.

Many research have proved the importance of organizational commitment (Buchanan, 1974; Cohen, 1993; Porter, Steers, Mowday, & Boulian, 1974; Purba & Seniati, 2010; Steers, 1977). Organizational commitment is important in improving job performance (J. P. Meyer, Paunonen, Gellatly, Goffin, & Jackson, 1989; Tolentino, 2013). It is also important in increasing productivity (Balfour & Wechsler, 1996). These can be achieved if members of the organization play their roles and work on increasing their level of organizational commitment.

Despite these problems, LPM carried out a number of initiative to increase their staffs' organizational commitment in to increase the job performance as well. Generally, LPM did some initiative to increase their staffs' organizational commitment, however, the motivation at individual state is still fairly contributing to the organization. Based on the statistic of online payment and online housing application, LPM is facing a decreasing performance in both statistics (LPM Website).

This statement has attract the researcher to explore the issue. Thus, understanding the role of every staff at individual state is very crucial. Although there are previous research regarding on organizational commitment, however they are focusing on transformational leadership instead of at the individual state which is the self-leadership (Avolio, Zhu, Koh, & Bhatia, 2004; Dunn, Dastoor, & Sims, 2012).

Most researchers also carried out their research at private industry rather than public industry (Buelens & Van den Broeck, 2007; Bushra, Ahmad, & Naveed, 2011; Park, Park, Chung, & Kang, 2007; Warsi, Fatima, & Sahibzada, 2009). This show that there is still lacking of researches of the relationship of self-leadership and organizational commitment and also the lacking of studies at public sector.

Researcher is studying the relationship of self-leadership and organizational commitment. Even though there are previous researches that discussed and explore those variables, however those research are reported separately and in different context which show the findings of those researches were inconsistent and inconclusive. Therefore, a comprehensive research need to be accomplished to find out the relationship between self-leadership and organizational commitment.

1.4   Research Questions

This research explores the following key questions:
  i.   What is the level of self-leadership practices in the organization studied?
 ii.   What is the level of organizational commitment in the organization studied?
iii.   What is the relationship of self-leadership and organizational commitment in the organization studied?

1.5   Research Objectives

Based on the research questions, the research objectives have been constructed as follows:
  i.   To identify the level of self-leadership practices in the organization.
 ii.   To identify the level of organizational commitment in the organization.
iii.   To study the relationship between self-leadership and organizational commitment

1.6   Scope of Study

This scope of study involve employees of a government agency which is Melaka Housing Board (LPM). This study focus on determining whether self-leadership influences organizational commitment. This study also aim to find if relationship is found to determine how self-leadership related to organizational commitment in government sector. The respondent of this research consist of 52 employees of Melaka Housing Board (LPM). The independent variable of this research is self-leadership which is generally described as an employee's ability to take actions that improves his or her effectiveness (Manz, 1986). Organizational commitment is the dependent variable of this research which described as how strong and employee identifies with and participates in, the organization for which he or she is employed (Porter et al., 1974).

Therefore, the relationship between self-leadership and organizational commitment will be determined in this research.

1.7   Limitation of Study

There are quite an amount of constraints found in this research. This research population is restricted to only the staff of LPM which results of this research might not able be generalized and representative of other sector as the population and sample selection for data collection are within specific criteria. This research is using survey method through questionnaire instrument. Participants may have been biased and rated themselves better than what they actually are through the scale of answer provided in the questionnaire. They might also not serious in answering the questionnaire and answering them without even understanding the exact meaning of each question. Other than that, Participants might also misinterpret the questionnaire and cause them to answer the questionnaire inaccurately. So, the data obtained might not represent the exact result for the research conducted. Other than that, the measurement provided in this study was altered by previous research. Although those measurement have high reliability yet it is only limited to the context of this research.

1.8   Significance of the Study

Organizational commitment is crucial in having more quality of job performance. This research is important in to identify the relationship between self-leadership and organizational commitment among government organization. The importance of this research can be divided to two section which are the practical view and the knowledge view.

1.8.1   Practical Views

This research may be beneficial in giving input and awareness to the organizations concerning the significance of self-leadership especially in increasing the organizational commitment. Being exposed to the importance of self-leadership is appear capable to encourage the organization in improving the organizational commitment among employees so that the competency of employees will be according to the current needs. Holistic assessment towards the self-leadership and organizational commitment might produce more competence employees.

1.8.2   Knowledge Views

In terms of knowledge view, this study will provide more comprehensive understanding towards the relationship of self-leadership and organizational commitment. This research will also add the variety of study which also provide additional information and support towards previous studies done by foreign researcher and local researcher regarding the variables. The finding of this study could be beneficial for future research by other researcher. Besides, this study's finding will also provide more information regarding the relevance of the theories by previous researchers. This study believe that based on theories conclusion about the importance of self-leadership towards organizational commitment can be made.

1.9 Conceptual and Operational Definition

This section provides the definition of concepts and operational according to (Manz, 1986) and (Porter et al., 1974). The major constructs involve in the conceptual and operational definitions are self-leadership and organizational commitment.

1.9.1 Self Leadership

Self-leadership is the mechanism through which individuals use self-leadership strategies to develop a thinking model that positively influences their performance (Manz, 1986). Self-leadership is also portrayed as a method of efficiency enhancement (Christopher P Neck & Jeffery D Houghton, 2006). Self-leadership is commonly defined as the employee's Measurement of self-identification and self-influence utilizing self-leadership strategies to raise awareness of producing positive thinking models that have a positive impact on their efficacy via better intervention (Manz, 1986; Manz & Neck, 2004).

In this study, is definition of self-leadership is the mechanism which the individuals use the self-leadership strategies to develop a thinking model which positively influences their performance (Manz, 1986).

1.9.2 Organizational commitment

Organizational commitment is how strong an employee identifies to and participates in, the organization for which he or she is employed (Porter et al. 1974). It was discovered that organizational commitment is characterized as a connection between the employee and the organization's objectives and standards (Buchanan, 1974). Organizational engagement is the power of a person's verification with and participation in a specific organization, according to Porter et al. (1974). Organizational commitment is defined as "the relative strength of identification and

participation of a person in a specific organization" (Mowday et al., 1979). Comparably, Meyer and Allen (1991) considered affective organizational commitment to be "the emotional tie, identification and participation of the worker in the organization" (p. 67).

In this research, the overall strength of a person's verification and participation in a specific organization is organizational commitment (Mowday et al., 1979, p. 226).

1.10   Summary

In a conclusion, the function of self-leadership and organizational commitment should be paid more attention to as it is very crucial to every organization in to maintain or enhance the performance of every employee in the organization. This research will show the style of leadership of self-leadership and its influence on the commitment of organizations. Neck and Manz (1992) said that self-leadership strategies contribute to improved personal and performance of job. Self-leadership also offers the employee a technique that helps them recognize their personal strong characteristics and enable them to understand what motivates them (Stewart, Courtright, & Manz, 2011)

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Chapter one main aims is to introduce the rationale and purpose of the study while here in Chapter two, review of literature is split into many parts. In chapter one, problem, purpose, significance of the study, research objectives and limitation of the proposed study were introduced. In Chapter 2, researcher will examine the literature that serves as a foundation for this study. Since this study is done at Melaka Housing Board (LPM), a brief background of LPM will be provided as well. This chapter will explores the literature on the core theories of self-leadership and organizational commitment theory. Past research and research framework that is used in the study is also provided in this chapter.

Literature is very crucial in every study where this is the section where researcher describe in detail about all the data related to the research's objectives. Important keywords will also be described clearly in this chapter.

2.2 Background of Melaka Housing Board, Lembaga Perumahan Melaka (LPM)

LPM is one of Melaka Government Board was establish in 2002 through the Melaka Housing Board Enactment 2002. Before the establishment of LPM, it was placed under Housing and Local Government unit. Melaka is the second state to

establish this Board after Selangor Government to improve the function of government in housing development sector. To be a superior organization in developing the state housing is the vision of LPM. LPM also aims in enacting the policies and coordinate the development of affordable housing in Melaka to achieve the mission of "one family, a house". Currently, LPM has eight projects that are in progress carried out by different developer and is focusing on affordable housing consisting town houses, apartments and terrace houses.

2.3   Organizational commitment

An organization is made up of people and the organization's survival depends on the collaboration, support, operation and functioning of those people, all of whom have diverse responsibilities (Stogdill, 1950). It is also stated that organizational commitment is an appropriate measurement concept of organizational competency and performance. Committed employees express more constructive approaches and actions on the job like gratification and effectiveness than non-committed employees (J. P. Meyer, Stanley, Herscovitch, & Topolnytsky, 2002). Some studies also found which organizational commitment has a miraculous effect on the effectiveness of the organization. There is a positive relationship on employee's interest in the job and negative relationship with an employee's intent to stay at the job (Dubin, 1956). Thus organizational commitment can be a forecast of employee retention.

2.3.1   Three-Component Framework

Meyer and Allen (1991) established the Three-Component Framework (TCM), to describe the framework of organizational commitment. The three components reflect the "psychological state" that defines workers associations with the organization he or she works for, and the employee's wish for maintaining this employment. The three components of the framework are affective dedication, dedication to continuity, and dedication to nomination.