

IMPACT OF UNETHICAL MANAGEMENT PRACTICES BY EMPLOYERS ON EMPLOYEE COMMITMENT DURING COVID 19 CRISES IN SAUDI ARABIA

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ABSTRACT

The present research examined the relationship between unethical management practices adopted by firms during Covid 19 crises and its impact on employee commitment. Data was collected by convenience sampling from 200 workers working in private company in KSA. The responses were recorded with the help of a five point likert scale; the responses varied from strongly disagree to strongly agree. Strongly disagree being highest and strongly agree being lowest. Face and construct validity of the instrument was used. Reliability test was done through cronbach alpha. Data Analysis was conducted with SPSS 20.0 through spearman's correlation coefficient. The results revealed that there exist a strong relationship between the management practices and employee commitment. The study recommended that management must adopt fair practices for their workers as it influenced the employee commitment at work.

Keywords: Unethical Management Practices, Employee Commitment, Covid-19 Crises, Coronavirus Outbreak, Job Security, Employee Mental State.

INTRODUCTION

Coronavirus outbreak resulted in unemployment, social unrest and loss of jobs of people in various sectors across the globe. In KSA, from march-end, covid-19 continues to sweep the nation, most organization in order to compensate their loss, terminated the employee services, reduced their salary to fifty percent, or offered them to stay on leave without pay. The post Covid 19 crises not only created job crises in labour market but affected the mental state of workers resulting in low employee commitment towards the organization. A committed employee is needed at the workplace to achieve the firm's objectives, business efficiency and profitability. But employee commitment can be achieved if employers respect the need and expectation of their workers, if their code of conduct is ethical and fair towards their employees by offering them fair compensation, favourable work environment and employee friendly policies. The objectives of the study were:

1. To discuss the relationship between demographic profile of workers and employee commitment.
2. To examine the impact of unethical management practices on employee commitment in private firms in KSA during Covid 19 crises.
3. To discuss the factors that affects the employee commitment.

LITERATURE REVIEW

Employee Commitment (Dependent Variable)

Dajani (2009), described employee commitment as an important factor that is closely associated with their work behaviour. Mohsan et al. (2011) emphasised on the contribution of committed employees in accomplishment of organizational goals in order to remain competitive. Angle & Perry (1983) and Robinson (1995) stated on the role of reciprocity in enhancing commitment. The researcher believed that if employer will fulfil all the expectation of its workers so in return the employee will become committed to its employer. Allen & Meyer (1996) described the three different components of employee commitment which include affective commitment, continuance commitment and normative commitment. Out of these the affective commitment is associated with the close emotional bond between the employer and the employee.

Management Practices (Independent Variable)

Pearson and Ananthram (2008) emphasised that to attain better outcome, it's important to match the individual need with the institutional need. Zhou & Li (2008) related the management practices with employee job involvement. The findings of Kazmi et al. (2008) in District Abbottabad, Pakistan supported the fact that poor management practices result in low employee commitment. Yap et al. (2010) identified that employees who are satisfied with the management practices are more committed to their organisation.

Relationship between Management Practices and Employee Commitment

Hurter (2008) found that high employee commitment results in better employee participation and improves the overall cost and efficiency of the firm. Snell and Bohlander (2007) stated the role of committed employees in improved firm productivity and profitability. Madigan and Testa (1999), found that committed employees helps in continuous improvement in the firm by working in a very diligent and conscientious manner. Robbins & Coulter (2003) emphasised that any organization or business firm can face and overcome its environmental or business challenges with the help of committed employees. Vanhala and Salminen (2016) found that job security increase the employee commitment. From the critical review of previous researches, it can be concluded that management practices does impact the organization commitment of the employee. Hence, present study was undertaken to determine the impact of unethical and unfair management practices on employee commitment in KSA during Covid 19 crises. It is expected that the findings of the study will help to understand the importance of management practices adopted by employers in situation of crises and will help the employers to implement better employee policies to ensure commitment in their workforce.

MATERIALS AND METHODS

The type of research was descriptive. The population of the study included the workers of private sector Company from manufacturing, textile, IT, telecommunication industry and other

sectors located in different locations of KSA including Riyadh, Jeddah, Dammam, Qassim & Hail. A total of 200 workers were surveyed .Total 188 response sheets were received during data collection process so response rate was 94 percent. Primary data was collected with help of a self-designed questionnaire. Pilot study was done to check the authenticity of self-designed questionnaire. Sources of secondary data were research articles, books, and online journal websites. The responses were recorded with the help of a five point likert scale; the responses varied from strongly disagree to strongly agree. Strongly disagree being highest and strongly agree being lowest. Through intense literature review, attributes of unethical management practices were identified. The scale of unethical management practices consisted of 10 items comprising of various management practices. Employee commitment scale comprised of three items such as affective commitment, continuance commitment and normative commitment. Face and construct validity of the instrument was used. Reliability test was done through Cronbach Alpha. Data Analysis was conducted with SPSS 20.0.The research tools used were descriptive analysis, Pearson correlation coefficient analysis and multiple linear regression.

Hypothesis of the Research

- H1* There is no association between demographic profile of the workers and employee commitment.
- H2* There is no association between unethical management practices and employee commitment.

RESULTS AND DISCUSSION

Reliability Test

The scale of unethical management practices consisted of 10 items comprising of management practices implemented by the employers of private firms in KSA. The employee commitment scale comprised of three items such as affective commitment, continuance commitment and normative commitment. Reliability test was done through cronbach alpha for each scale using SPSS 20.The reliability coefficient was found to be 0.838 for unethical management practices and 0.702 for employee commitment .As these values are greater than 0.7 so scale can be considered as having adequate reliability.

TABLE 1 RELIABILITY TEST			
	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
Unethical Management Practices	0.838	0.838	10
Employee Commitment	0.702	0.702	10

Demographic variables	Category	Frequency	Percentage
Marital Status	Married	120	64
	Unmarried	68	36
Age	Less than 25 years	18	9.57
	25-35 years	70	37.23
	36-45 years	60	31.91
	46-55 years	30	15.95
	More than 55 years	10	5.31
Education	Undergraduate	86	45.74
	Post Graduate	56	29.79
	Doctrate	13	6.92
	Diploma and certificate courses	33	17.55
Occupation	Manufacturing sector	23	12.23
	Textile sector	25	13.29
	IT companies	60	31.92
	Telecommunication company	35	18.62
	Other private companies	45	23.94
Experience	Less than 5 years	93	49.47
	6-10 years	50	26.60
	11-15 years	20	10.64
	16-20years	15	7.98
	More than 20 years	10	5.31
Total	Respondents	188	100

Demographic Variable	Test of Homogeneity of Variance		Mean Square	F		Sig.
	Levene Statistic	Sig.				
Marital Status	0.179	0.673	Between Groups	3099.249	21.043	0.000
			Within groups	147.287		
Age	16.355	0.000	Between Groups	1275.932	9.196	0.000
			Within Groups	138.743		

Education	6.239	0.000	Between Groups	210.240	1.295	0.277
			Within Groups	162.298		
Occupation	4.233	0.003	Between Groups	2661.528	24.540	0.000
			Within Groups	108.456		
Experience	3.799	0.005	Between Groups	1053.266	7.334	0.000
			Within Groups	143.610		

Hypothesis 1: The findings of testing first hypothesis revealed that there is a positive association between marital status, age, occupation, experience and employee commitment as the significant values were found to be less than 0.005. However education was found to be comparatively less associated with employee commitment.

Hypothesis 2: The findings of testing second hypothesis revealed that the significant level is ($p=0.000$) which is ($p<0.001$) concluding that there is a significant association between unethical management practices adopted by employers in KSA during Covid 19 crises and their employee commitment. So, the null hypothesis is rejected. The correlation coefficient was found to be ($p=-0.443$) in Table 4, showing that there is a negative correlation between unethical management practices and employee commitment. The model summary shown in Table 5 clearly depicts that the value of R square is (0.296) this means that there is around 30% variations in employee commitment due to unethical management practices. In Table 6, the Unstandardized coefficient of regression Beta is (-0.859) showing a strong negative impact of unethical management practices on employee commitment.

		Unethical Management Practices Final	Employee Commitment Final
Pearson Correlation	Unethical Management Practices	1.000	0.443
	Employee commitment final	0.443	1.000
Sig. (1-tailed)	Unethical Management Practices.	0.00	0.000
	Employee commitment final	0.000	0.0
N	Unethical Management Practices	188	188
	Employee Commitment final	188	188

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.443a	0.296	0.292	11.48114

a. Predictors: (Constant), Unethical Management Practices Final.
b. Dependent Variable: Employee Commitment Final.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations			Collinearity Statistics	
	B	Std. Error	Beta			Zero-order	Partial	Part	Tolerance	VIF
(Constant)	90.134	3.209		28.088	0.000					
EC final	-0.859 ^a	0.128	-0.443	-6.733	0.000	-0.443	-0.443	-0.443	1.000	1.000

a. Dependent Variable: Employee Commitment final

DISCUSSION

There is a strong need of committed employees in each firm to face competitive business environment. Committed employees not only help in attaining the firm's objective but lead to better business efficiency and profitability. However, employee commitment depends on the fair and equitable management policy and practices adopted by their employers. If unethical and improper management practices are used by employers it results in lack of their eagerness and enthusiasm to work and disrupts employee commitment. The findings of the present study can guide the employers in various organizations to design and adopt proper management practices that can enhance employee commitment.

CONCLUSION

The current research presented the effect of demographic profile of workers on their employee commitment and the impact of unethical management practices on employee commitment in private firms in KSA during coronavirus crises. The findings revealed that marital status, age, occupation and experience are associated with the employee commitment whereas education is less associated with employee commitment. A negative correlation was found between unethical management practices and employee commitment which explained the fact that if unethical management practices in any organization will be high then employee

commitment in that industry will be low. The results of this study concluded that there is a significant impact of unethical management practices on employee commitment in a firm.

LIMITATIONS

1. The data was collected during Covid 19 crises in KSA.
2. Findings of the study are related to workers of private sector companies located in KSA only.

ACKNOWLEDGEMENT

This study is funded by Deanship of Scientific Research, Princess Nourah Bint Abdulrahman University, Riyadh, through its fast track research funding programme.

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