EXPLORING THE IMPACT OF EMPLOYER EDUCATIONAL ASSISTANCE AS AN ORGANIZATIONAL DEVELOPMENT INTERVENTION ON ENHANCING ORGANIZATIONAL COMMITMENT AND REDUCING TURNOVER INTENTION: A CASE STUDY

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Abstract: This article aims to determine the relationship of employer educational assistance with organizational commitment in terms of affective commitment, continuance commitment, normative commitment to turnover intention, thought of quitting, and job alternatives. Many organizations offer the benefit of educational assistance to their employees. However, it seems that many of them are not sure whether the expenditure is harmonious with the benefits they receive in return. This is particularly true when organizations offer general rather than specific educational benefits that are not tied to job-related tasks. This has lead many organizations to ask what benefit if any, they receive from providing tuition assistance programs. While most of the previous research has been tied to tangible returns on this investment in employee capital, with varying conclusions, this study examines two of the intangible benefits that are proposed to accumulate to an organization providing educational assistance; increased organizational commitment and decline in turnover intention. The focal organization, a large corporation, is one of the leaders in the information and communication technologies sector in Thailand. The study focuses on 90 retail staff members. The method used is both quantitative in the form of surveys and qualitative in the form of action research. The process of ODI is based on employer educational assistance and its effect on organizational commitment and turnover intention. The research findings provide evidence that leads to the conclusion that there is a significant difference between pre- and post-ODI on organizational commitment and turnover intention. Continuance commitment has the most significant result after the intervention. Moreover, the results show a significant negative relationship between turnover intention and organizational commitment.

Keywords: Organization Development, Organization Development Intervention, employer educational assistance, Organizational Commitment, Affective Commitment, Continuance Commitment, Normative Commitment, Turnover Intention, Thought of Quitting, and Job Alternatives.

1. Introduction

Information and communication technologies (ICT) are evolving fast. They have revolutionized business organizations in terms of how they operate, speed of information, and amount of resources available for access. ICT includes devices such as computers, mobile phones and other hardware that allows flow and exchange of data over large areas.

While ICT wherewithal are critical to organizational effectiveness and business productivity, committed employees remain the most valuable resource as recognized by flourishing companies. Simply put, business owners need to promote the organizational commitment of their staff. One plausible method to achieve this goal is employer to the educational assistance (EEA).

Employees with low educational or job skills are generally limited to low paying production-type or retail jobs. Furthermore, employers are often reluctant to relocate to an area with low educational skills, especially when their production work relies on computer technology and robotics (Guffey, West, & White, 1997). Organizations supportive of their employees, therefore create opportunities for both their educational and career paths.

Organizational commitment, as a pivotal workplace variable, has been examined extensively for the past half century (e.g. Meyer & Allen, 1987; Kanter 1986; Mowdays, Steers, & Porter, 1982).

Prior research highlights the importance of the organizational commitment by identifying various antecedents and consequences of turnover intention (Mowday, Porter, & Steers, 1982). The main thrust of these research efforts is to provide reasonable explanations of

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