



The Effect of Organizational Communication Climate on Organizational Commitment in the Retail Industry

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ABSTRACT: This study aims to evaluate the effect of organizational communication climate on organizational commitment at the retail industry. The approach used in this study is a quantitative approach. The population of this study was the employees of the retail industry, with a total of 352 people used as the study sample. Then, for the data collection method used in this study is Likert scale, in which the Likert scale is used to measure the statements submitted in the questionnaire that represent the indicators of each variable in this study. After the data has been collected, the data was analyzed using SPSS 20 software. Based on the results of this study, it was found that there is significant and positive effect of organizational communication climate on organizational commitment.

KEYWORDS: organizational commitment, organizational communication climate, retail industry

Received 10 July, 2022; Revised 23 July, 2022; Accepted 25 July, 2022 © The author(s) 2022.
Published with open access at www.questjournals.org

I. INTRODUCTION

Organizational success cannot be separated from the role of human resources owned by the organization. However, in some industries, retaining employees is not an easy thing. Thus, making some industries have high turnover rates and turnover intentions. One of the industries with a high turnover rate and turnover intention is the retail industry.

The high turnover rate and turnover intention in the retail industry shows that there are still many employees with low organizational commitment. Organizational commitment itself is defined as a condition in which individuals can identify themselves with the organization because of their belief in the values of the organization, showing active involvement by voluntarily trying their best for the benefit of the organization, and showing loyalty to the organization by showing a desire to remain. become a member of the organization (Mowday et al, 1982). This organizational commitment plays an important role in the company. If in an organization, each employee has a high commitment to the organization, it will greatly help the company achieve its maximum performance, and operate effectively (Majid, 2017). Conversely, if there is low organizational commitment, it can create its own problems for the organization, such as high absenteeism, low productivity, low performance, and the desire to leave the organization or even decide to leave the organization so that the company has to make employee changes (Khan et al., 2012). Employee turnover will of course have an impact on the organization, such as the costs that are not cheap in conducting recruitment, interviews, and training for new employees (Porter, 2011). In addition, employee turnover can affect the quality of work, because employee turnover requires certain adaptations and changes, the impact of which will be felt by both new employees and old employees, so that it can cause a decrease in quality, especially if this employee turnover often occurs in a company (Surji, 2014).

Based on this explanation, it can be seen how important organizational commitment is and how problems related to organizational commitment will have a bad impact on the organization. Thus, organizations must take issues related to organizational commitment seriously and understand the factors that can affect employee organizational commitment. One of the factors causing organizational commitment is the organizational communication climate (Wibowo, 2016). Based on this, a research was conducted to see the

effect of organizational communication climate on organizational commitment in the retail industry. As for knowing this, it will be able to help organizations engaged in retail to be able to increase employee organizational commitment, so that the level of turnover and turnover intention in the organization can also decrease.

II. LITERATURE REVIEW

Organizational Commitment

Organizational commitment is a condition in which individuals can identify themselves with the organization because of their belief in the values of the organization, showing active involvement by voluntarily trying their best for the benefit of the organization, and showing loyalty to the organization by showing a desire to remain as the member of the organization (Mowday et al, 1982). According to Kreitner and Kinicki (2014) individuals who are committed to their organizations are individuals who have an interest in and alignment with the values and goals of the organization. This becomes an impetus for individuals to like their position in the organization, and want to put in more effort in order to achieve organizational goals for the benefit of the organization as well as to maintain its membership. Furthermore, Mowday et al (1982), stated that organizational commitment consists of several aspects, namely identification with the organization, involvement, and loyalty.

Organizational Communication Climate

Organizational communication climate according to Pace and Faules (2013), is the perception held by employees regarding the events and quality of communication within the organization, behavior and responses related to communication, as well as interpersonal conflicts. A positive organizational communication climate is characterized by the existence of trust between individuals, joint decision making, honesty and candor between individuals, openness to downward communication or in other words the openness of leaders with their subordinates with regard to certain information, leaders who are willing to listen to subordinates and receive input from subordinates, pay attention to each other and focus on achieving organizational goals and vice versa for a negative organizational communication climate. The more the organizational communication climate is considered positive, the productivity, job satisfaction, performance, and work motivation will increase. The aspects of organizational communication climate are Trust, Opportunity to make joint decisions, Honesty, Openness in downward communication, Sensitivity in upward communication, and Attention to high-performance goals.

III. METHODOLOGY

The data analysis method used in this research is simple regression analysis method. Simple regression analysis aims to determine the effect of one variable on other variable. In regression analysis, a variable that affects is called the independent variable, while the variable that is affected is called the dependent variable. The independent variable in this research is organizational communication climate, and the dependent variable is organizational commitment.

Furthermore, the data in this research were collected using a data collection method in the form of scales. The scales used are Likert model scales, which consists of the Organizational Commitment Scale and the Organizational Communication Climate Scale. These scales then distributed to research subjects. The subject group which is part of the population in this study are employees in the retail industry. The number of subjects as samples used in this study amounted to 352 people. As for the sampling itself, incidental sampling technique is used, namely the sampling technique based on chance.

IV. RESULT

This study used quantitative method using simple linear regression analysis to see the effect of organizational communication climate on organizational commitment. The analysis was carried out using the Statistical Packages for Social Sciences 20 (SPSS 20) software. The results of data analysis can be seen in Table 1 and Table 2.

Table 1. The Effect of Organizational Communication Climate on Organizational Commitment

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	1953,685	1	1953,685	78,074	,000 ^b
Residual	8758,175	350	25,023		
Total	10711,861	351			

a. Dependent Variable: Organizational Commitment

b. Predictor: Organizational Communication Climate

Table 1 shows that F value is 78,074, and the significance value of p is 0.000. It means that p is less than 0.05. So it can be concluded that organizational communication climate has a positive and significant effect on employees organizational commitment. Therefore, this research hypothesis is accepted. Furthermore, the percentage of the influence of organizational communication climate on organizational commitment can be seen in table 2.

Table 2. R Square

Variable	R Square	Std. Error of the Estimate
Organizational Communication Climate → Organizational Commitment	.182	5,002

As shown in table 2, the value of r square is 0.182. This shows that the organizational communication climate contributes 18.2% in influencing employees organizational commitment. Meanwhile, the rest is influenced by other factors.

V. DISCUSSION

The hypothesis in this study states that there is an effect of organizational communication climate on the organizational commitment of employees. This shows that the more positive organizational communication climate is perceived by the employees, the higher employees commitment toward the organization. Furthermore, the result of the study shows the contribution of organizational communication climate to organizational commitment is 18.2%. Although, the contribution of organizational communication climate is not big, but the effect it has on organizational commitment is significant. It means that, organizational communication climate significantly effect the organizational commitment, and at small percentage is able to predict organizational commitment.

Moreover, the result of this study is similiar to the research result by Akarika et al (2021), which found that if the organizational communication climate is considered positive by the employees, then the employees organizational commitment will increase, and vice versa. According to Ammari et al (2017), this can happen because employees will feel a sense of belonging, and know more about internal procedures due to a positive organizational communication climate, and at the same time that sense of belonging as well as the knowledge they have about the organization can increase employee engagement with the organization because they will see themselves as core members who know in-depth information about the organization. Other than that, positive organizational communication climate will also make the employees have positive relationship with each other, and willingly contribute to the goals of the organization. In addition, it has been shown that a positive organizational communication climate can increase work motivation and the desire to stay in the organization. So, in the end, with all the positive outcomes of the positive organizational communication climate, organizational commitment will increase.

VI. CONCLUSION

Employees commitment toward the organization is needed by the organization to be able to reach organization's goals. Therefore, the success of organization depends on organizational commitment. Unfortunately, some organizations should face problem related to employee's low organizational commitment. One of those organization is the ones in the retail industry. For that reason, it is important to know the factors that can affect employees organizational commitment in retail industry.

The result of this study shows that organizational communication climate is a factor that is able to influence the employees organizational commitment in retail industry. Even though, the percentage of organizational communication climate effect on organizational commitment is not considered big, but the effect it has on organizational commitment is significant. Based on that result, it is important for organization related to retail industry to create positive organizational communication climate, to increase employees commitment toward the organization. Thus, with the increase of organizational commitment, the turnover and turnover intention rate in retail industry will decrease, and the organization can be more easily to reach success.

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