

# Psychological Contract Fulfillment and Attitude towards Organizational Change: A Mediation and Moderation Analysis of Affective Commitment and Empowering Leadership

## Henry Samuel Edosomwan<sup>[]</sup><sup>1\*</sup>, Chiyem Lucky Nwanzu<sup>2</sup>

<sup>1</sup>Department of Psychology, Nnamdi Azikiwe University, Awka, Nigeria <sup>2</sup>Department of Psychology, Delta State University, Abraka, Nigeria \* Corresponding author: <u>edosomwanofficial@gmail.com</u>

#### Article History

Received 2021-07-27 Revised 2021-09-14 Accepted 2021-09-16 Published 2021-09-22

#### Keywords

Psychological contract fulfillment Attitude towards organizational change Affective commitment Empowering leadership

#### How To Cite?

Edosomwan, H. S., & Nwanzu, C. L. (2021). Psychological Contract Fulfillment and Attitude towards Organizational Change: A Mediation and Moderation Analysis of Affective Commitment and Empowering Leadership. SEISENSE Journal of Management, 4(4), 62-76. doi: 10.33215/ sjom.v4i4.683

Copyright © 2021 The Author(s)

Purpose: The underlying factors connecting psychological contract fulfillment (PCF) to attitude towards organizational change (ATOC) have not received much attention in organizational behavior literature. Hence, this study examined the mediating role of affective commitment (AC) and the moderating role of empowering leadership (EL) in the relationship between PCF and ATOC among employees in private organizations.

Design/Methodology: This is a quantitative cross-sectional survey. Systematic sampling was utilized for collecting data from employees in private organizations in Delta State, Nigeria, via standardized selfreport measures. The sample consisted of 224 employees with a mean age of 28.56 and a standard deviation of 6.41. Regression analysis (Model 1 and 4 of Hayes PROCESS Macro) was used for testing the hypotheses through IBM SPSS version 26.

Findings: The results showed that PCF and AC were positive and significant predictors of ATOC. The results also revealed a significant mediating effect of AC and a moderating effect of EL in the relationship between PCF and ATOC.

Practical Implications: Human resources management (HRM) in private organizations should promote practices that enhance employees' attachment to the organization. Also, top managerial staff should be encouraged to practice empowering leadership because it promotes positive workplace behaviors.

Originality/Value: The present study enhances and brings new critical knowledge regarding the mediating role of AC and the moderating role of EL in the relationship between PCF and ATOC.



# Introduction

To promote employees' attitude towards organizational change (ATOC), some salient factors such as psychological contract fulfillment (PCF), affective commitment (AC), and empowering leadership (EL) need to be considered. Organizations worldwide are constantly faced with internal and external pressure through technological change, changing nature of employment, socio-demographic trends, and globalization. Hence, organizations must initiate change to stay competitive and strive for long-term sustainability (Beycioglu & Kondakci, 2020). Organizations must continually implement changes in their structure, strategies, and business process to stay competitive and keep up with global demands (Fuch & Prouska, 2014). Change in an organization focuses on developing, reforming, improving, or restructuring (Louis et al., 1999). Organizational changes usually occur due to some forces in the environment which include: changes in consumers' needs and preferences, new technologies, economic force, increase in global competition, and the introduction of new business guidelines by governments (Murthy, 2007). The introduction and implementation of change is the responsibility of the organization because change is necessary for organizational sustainability. The human factor in the organizations is an important part of this process because these changes usually have impact on the work process. It becomes a major challenge for organizations when employees respond negatively to organizational change. Hence, the employees become vital to change implementation in the organization. Employees need to accept changes introduced by the organization for successful implementation to occur. Therefore, it becomes pertinent to understand employees' attitude towards change in the organization and the possible individual and organizational antecedents of employees' attitude towards change.

Researchers have continually explored the determinants of ATOC, and this process is ongoing. In the current study, PCF is used as an antecedent of attitude towards organizational change while also investigating the mediating role of AC and the moderating role of EL on the proposed relationship. Empirical efforts have been made in understanding how PCF influences various workplace behavior related to organizational change and attitude towards change in the organization (e.g., van den Heuvel et al., 2017; van den Heuvel & Schalk, 2009; Liu et al., 2020). These empirical efforts are largely appreciable, but some gaps in the literature gave necessity to the current study. First, the literature linking PCF and ATOC is in dearth and have been mainly based on the work of van den Heuvel & Schalk (2009) and van den Heuvel et al. (2017), making it necessary to conduct more research to validate the research proposition and add to the literature especially as it relates to the current research location (Nigeria). The choice of PCF as an antecedent of ATOC is informed by social exchange theory which supports the notion that through the fulfillment of the psychological contract in the organization, employees are likely to carry out positive workplace behavior such as the acceptance of change and the display of positive attitude towards change (Blau, 1964). Second, a mediation and moderation analysis was conducted to understand better and further investigate PCF and ATOC. AC is utilized as a mediating variable, and EL is adopted as a moderating variable. Thus, to fill these research gaps, the objectives of the study are as follows: (1) to examine the direct relationship between PCF and ATOC, (2) investigate the relationship between AC and ATOC, (3) to explore the mediating role of AC in the relationship between PCF and ATOC, and (4) to explore the moderating role of EL in the relationship between PCF and ATOC. Investigating these objectives will be of great value in expanding the literature on the fulfillment of the psychological contract, attitude towards change in the organization, affective commitment, and empowering leadership.

# Literature Review and Development of Hypotheses

# Psychological Contract Fulfillment (PCF)

Psychological contract fulfillment (PCF) is an important organizational factor that management practitioners and researchers should consider. PCF is defined as the employees' beliefs regarding how the organization responds to the obligations owed to the employees and the measures taken to fulfill these obligations (Rousseau,



1995). It also refers to the unwritten reciprocal expectation between the organization and the employees where both parties expect to benefit from the relationship (Kotter, 1973; Rousseau, 1995). Social exchange theory (Blau, 1964; Gouldner, 1960), built on reciprocal norms, has been used to explain the organization's fulfillment of the psychological contract. Hence, PCF has implications for various workplace behaviors. The fulfillment of a psychological contract can promote positive workplace behavior.

On the other hand, when the organization fails to fulfill its obligations to the workers, it can lead to negative workplace behavior (Gardner et al., 2019). PCF, according to Rousseau (1995), is the perceived explicit (relating to verbal promises made to employees) and implicit (based on the employee's observations in the workplace) messages from the organization, which are primarily subjected to the employee perception and interpretation. Trust is enhanced by fulfilling the psychological contract, promoting positive workplace behaviors (Liu et al., 2020).

# Attitude towards Organizational Change (ATOC)

A critical element of change in every organization is the employees' attitude towards it (Lenberg et al., 2017). Therefore, it becomes necessary to understand the concept of attitude. Attitude is the evaluative belief held by an individual about a specific behavior, events, people, or ideas and their possible consequences (Robbin & Judge, 2019). The literature supports the notion that the attitude of individuals influences their behavior, and this notion has theoretical and empirical support. Theoretically, the theory of reasoned action offers support for this notion. The theory proposed that the best predictor of individual actions are their intentions, which to a large extent is determined by their attitude (Ajzen & Fishbein, 1977). Empirically, workplace attitudes such as organizational identification and organizational-based self-esteem have been found to influence employees' turnover intention (Oguegbe & Edosomwan, 2021). Organizational change is when some salient aspects of the organization, such as structures, strategies, methods of operation, technologies, and culture, go through changes that influence activities within and outside the organization (Juma, 2014). Hence, ATOC refers to an employee's evaluative beliefs concerning the occurrence of change within the organization which could be positive (when an employee accepts the change) or negative (when employee resists the change), both of which have some implications to the outcome of the change that is being implemented (Nwanzu & Babalola, 2019).

# Affective Commitment (AC)

Employees' commitment to the organization is a highly researched area in organizational behavior literature. The importance of employees' commitment to the organization cannot be undermined. Although organizational commitment has three unique dimensions (affective, continuance, and normative commitment), this study is focused on affective commitment. Generally, organizational commitment refers to how employees identify with the organization, are emotionally involved, participate in the work process, accept the organization's values and goal, and continually choose to be a member of the organization (Meyer & Allen, 1991). It is an intense desire by the employees to be a member of the organization, use increased expertise on its behalf, and accept its norms, values, and goals (Luthans, 2015). This study focuses on the aspect of commitment linked to psychological and emotional attachment to the organization. AC refers to the emotional involvement and identification with the organization, i.e., having a feeling of belonging and being emotionally attached to the organization (Allen & Mayer, 1990; Tjahjono, 2014).

# Empowering Leadership (EL)

This is another vital organizational variable that is being considered in this study. EL has been observed to influence employees' workplace behavior. According to Srivastava et al. (2006), EL is a unique leadership type focused and built on a commitment to performance implementation and participatory decision-making where subordinates can contribute constructively to the decisions that affect the work process to achieve increased performance. EL is heterogeneous, consisting of various characteristics such as collective, facilitative, and



participatory leadership (Criveanu & Iordache, 2015). Although EL is heterogeneous, a distinct feature of this leadership style is that power is shared among subordinate or team members, positively influencing their performance and level of motivation in the workplace (Srivastava et al., 2006). Ahearne et al. (2005) noted that EL captures four key features making it a strong predictor of employee behavior. These features are: (a) there is an emphasis on the significance of the work process, (b) subordinates and team members can freely participate in the decision making, (c) building employees confidence in their capacity for achieving increased performance, and (d) making sure that the employees do not experience any form of bureaucratic constraints during the work process. These were described based on the conceptualization of empowerment by Conger and Kanungo (1988). They noted that the significant factor in empowerment is the motivation process, not basically the simple delegation of power to subordinates or team members. This points to the fact that for empowering leaders to be in existence, the leaders need to have the capacity to motivate employees, make sure that each employee understands their role in the workplace, ensure employees are involved in decision making, ensure that employees have the trust that they can carry out their tasks effectively, and do their best to make the work process simple for the employees (Ahearne et al., 2005). Empowering leaders utilize high involvement management approaches by ensuring that authority and responsibilities are shared among subordinates (Leach et al., 2003). By creating a positive work environment and satisfying subordinates' needs for well-being, empowering leaders promotes positive workplace behavior (Inceoglu et al., 2018).

#### Psychological Contract Fulfillment and Attitude towards Organizational Change

PCF is linked to the reciprocal norm in every social relationship (Blau, 1964; Gouldner, 1960), which indicates that PCF could lead to positive workplace behavior such as acceptance of change and positive attitude towards organizational change. Based on the proposition of social exchange theory, when employees perceive that the organization fulfills its obligations towards them, there is a strong likelihood that they will respond positively to change in the organization. Empirical findings further support this. PCF has been linked to less resistance to organizational change (van den Heuvel & Schalk, 2009). PCF promotes a positive attitude towards organizational change and reduces employee turnover intention (Van den Heuvel et al., 2017). The fulfillment of a psychological contract can promote trust in the organization (Liu et al., 2020), making employees believe in the change process and readily accept the change implemented in the organization. Based on the available theoretical and empirical literature, it is hypothesized that:

Hypothesis One (H<sub>1</sub>): PCF will positively and significantly predict ATOC.

#### Affective Commitment and Attitude towards Organizational Change

Some empirical findings give support to the relationship between AC and ATOC. AC, which refers to the emotional bond employees have for the organization, has been found to positively influence the change-related outcome in the organization, such as readiness for change, personal and organizational valence (Visagie & Steyn, 2011), and the acceptance of the organizational change (Kamudin, 2006). AC leads to a positive perception of change (Visagie, 2010) which implies that when employees are emotionally attached and feel belonging to the organization, they are more likely to perceive change positively when it is introduced. Similarly, Chih et al. (2012), while investigating employees' satisfaction with their job and organizational commitment on ATOC, found that organizational commitment has a larger impact on attitude towards organizational change than job satisfaction. These studies are further supported by Edosomwan et al. (2020). The researchers found that AC was positively related to ATOC while investigating the role of perceived employability on attitude towards organizational change and affective organizational commitment. This supported the notion that AC is positively associated with ATOC. On the ground of the above review, it is hypothesized that:

Hypothesis Two (H<sub>2</sub>): AC will positively and significantly predict ATOC.



## Affective Commitment as a Mediator

The literature supports the view that AC leads to positive workplace behaviors in the organization, indicating that it has a role as a mediator between PCF and ATOC. For example, AC has positively influenced ATOC and reduced turnover intention (Edosomwan et al., 2020; Shafqat & Mushtaq, 2020; Yukongdi & Shrestha, 2020). AC has also been linked to increased well-being, job satisfaction, and reduced emotional exhaustion (Huyghebaert et al., 2017). Although, literature is absent regarding the mediating role of AC in the relationship between PCF and ATOC. AC has been found to mediate various workplace outcomes in management research. AC has also been found to mediate the relationship between procedural justices and job performance, perceived organizational support and job performance (Tjahjono et al., 2020), ethical leadership and school effectiveness in a population of teachers (Negis Isik, 2020), authentic leadership, and employee creativity (Ribeiro et al., 2020), transformational leadership and turnover intention; where it impact in the relationship reduced employee turnover intention significantly (Gyensare et al., 2020), transformational leadership and organizational citizenship behavior (Lee et al., 2018), and workplace friendship and turnover intention, such that the relationship decreased when the affective commitment was high (Shafqat & Mushtaq, 2020). Based on the empirical literature reviewed, it is hypothesized that:

Hypothesis Three (H<sub>3</sub>): AC will mediate the relationship between PCF and ATOC.

## Empowering Leadership as a Moderator

There is a scarcity of studies that examine EL as a possible moderating variable in the proposed relationship of PCF and ATOC. Hence, the literature reviewed is based on empirical work that explains the moderating role of EL in the proposed relationship. Based on the literature, EL has been utilized as a moderating variable across various studies. Literature indicates that EL moderates the relationship between informal hierarchy and team creativity (Oedzes et al., 2018), intrinsic motivation and creativity (Long & Khoi, 2020), deviant workplace behaviors, firm performance, and job satisfaction (Shehawy, 2021). EL has been utilized as a possible mediating variable as well. The literature indicates that EL mediates the relationship between psychological empowerment and organizational commitment (Bixby, 2016). An argument in favor of the moderating role of EL is based on the logic that the existence of EL in an organization promotes positive workplace behavior and reduces negative behavior and malfunctioning at work. The proposed moderating role of EL is supported by affective event theory (AET), which posits that events occurring in the organization influence employee behavior, i.e., employee experiences in the workplace influence various workplace outcomes (Weiss & Cropanzano, 1996). Therefore, based on the proposition that EL can instill positive behavior among employees in the organization; employees who are exposed to a high degree of EL will be more predisposed to a positive attitude towards organizational change, i.e., they are likely to have a positive response to changes in the organization compared

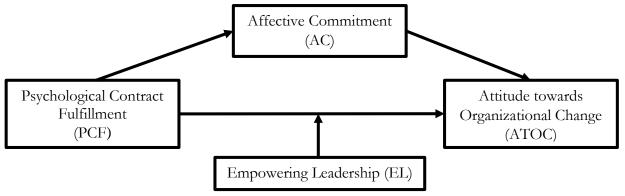


Figure 1 - Conceptual framework depicting the relationships among the variables



to employees who experience a low degree of EL in the organization. Based on the empirical and theoretical literature reviewed, it is hypothesized that:

Hypothesis Four (H<sub>4</sub>): EL will moderate the relationship between PCF and ATOC. The association is more robust when EL is high rather than low.

The relationships among the variables of interest are presented in the conceptual framework figure 1.

# Methodology

#### Sample and Procedure

Two hundred and twenty-four (224) employees were sampled from twenty-three private organizations in Delta State, Nigeria. Change is necessary for the sustainability of private organizations in Delta State. Therefore, private organizations need to understand better organizational and individual factors that influence employees' attitudes towards change. Participants were selected from educational institutions, banking institutions, and hospitality organizations characterized by private ownership. The rationale behind adopting many organizations was to test the hypotheses with a diverse sample of private organizations. The sample consisted of 148(66.07%) males and 76(33.93%) females; 103(45.98%) single and 121(54.02%) married; 158(70.54%) were junior staff while 66(29.46%) were the senior staff. The mean age of the respondents was 28.56 years, with a standard deviation of 6.41. All the participants had a formal education with a minimum of ordinary level certification, accounting for 41(18.30%). The majority of the respondents, 173(77.23%), had a first-degree certification that supported and gave validity to the use of self-report measure, accounted for the efficiency in the participants' response to, and the return rate of the questionnaires. The demographic analysis further indicated that the participants had spent between 2-13 years in the organization they work for with a mean of 5.24 (SD, 3.22) Range, 11). The researchers sought the permission of employees in the participating organizations before the administration of the questionnaires. Two hundred and fifty-four (254) questionnaires were distributed within six weeks through systematic sampling utilizing one (1) as the *nth* case. Two hundred and thirty-three (233) questionnaires were retrieved. This accounted for a questionnaire return rate of 91.73%, which was largely satisfactory. However, after data cleaning, which involved the removal of the questionnaires that were not properly filled or completed, two hundred and twenty-four (224) were used to analyze data. The return rate of the questionnaires was satisfactory because it was above the requirement for survey responses and trends in management research (Baruch & Holton, 2008). As reported by Baruch & Holton (2008), it was suggested that an average return rate of 52.70% is largely satisfactory for studies where data is collected from individuals. Also, the return rate was largely above the return rate requirement (where 50% was agreed to be adequate, 60% being good, and 70% indicating a very good response return rate) put forward by Babbies (1998). The sample size in this study has a 90% power of detecting if an association is present between each pair of variables utilized in this study (at  $p \le .05$ ), that is, if an association exists between the pairs of variables (Dewberry, 2004).

#### Measures

Four standardized instruments were adopted for the collection of data. They are psychological contract fulfillment, attitude towards organizational change, empowering leadership, and affective commitment scales. A 5-point Likert format (1 = strongly disagree to 5 = strongly agree) was adopted for all the scales. The scales are discussed below:

#### Psychological Contract Fulfillment

The scale developed by Henderson et al. (2008) was adopted for this study. It is a 4-item scale developed to measure the perceived obligation of the organization towards the employees (as perceived by the employees). Sample items from the scale include: "considering the promise made to me, my organization has not lived up



to the expectations" and "my organization has always fulfilled the promises made to me." Negative items were reverse coded, and the total scores indicate employees perceived psychological contract fulfillment. The factor loading for the scale as reported by the developers ranged from .59 to .89 with a Cronbach's alpha of .80.

#### Attitude towards Organizational Change

This was measured by the scale developed by Dunham et al. (1989). It is an 18-item scale consisting of three dimensions, namely; cognitive (measured with six items, e.g., I look forward to changes at work), affective (measured with six items, e.g., changes tend to stimulate me), and behavioral (measured with six items, e.g., I usually hesitate to try new ideas). The literature indicates that the scale has satisfactory psychometric properties (Edosomwan et al., 2020; Nwanzu & Babalola, 2019).

#### Affective Commitment

The 8-item subscale from the organizational commitment scale developed by Allen and Mayer (1990) was used in measuring AC. The AC scale measures employees' emotional connection or attachment to their organization. Going by adequate factor loading (> .60) and the absence of content overlap, Philippaers et al. (2019) selected four items from the original Allen and Mayer (1990) 8-item scale. These four items were utilized for this study. Sample items from the scale include: "I feel a strong sense of belonging to the organization I work for" and "I am emotionally attached to the organization I work for." A Cronbach's alpha of .85 was reported for the 8 item scale (Allen & Mayer, 1990), while Philippaers et al. (2019) analysis of the 4-item scale meets satisfactory psychometric requirements. Edosomwan et al. (2020) reported .83 Cronbach's alpha for the 4-item scale.

#### Empowering Leadership

A 12-item scale developed by Ahearne et al. (2005) was adopted for measuring the construct of EL. The scale comprises four dimensions; meaningfulness of work, participation in decision making, confidence in performance, and autonomy. Sample items from the scale are: "my manager believes in my ability to improve even when I make mistakes" and "my manager helps me understand how my objectives and goals relate to the organization." A Cronbach's alpha of .89 was reported for the scale.

#### **Design and Statistical Tool**

This is a cross-sectional study. It is cross-sectional because data were collected from all the participating private organizations at one point in time. The empirical data were managed and analyzed with the IBM SPSS version 26. The demographic characteristics of the participants were analyzed; this was followed by correlation analysis and the reliability coefficient of all the measures in the study. The direct, indirect, and conditional effects were tested with regression analysis via the IBM SPSS add-on (PROCESS Macro 3.4.1) utilizing simple mediation (model 4) and simple moderation (Model 1) analysis, respectively.

#### **Common Method Variance**

Method variance or bias has always been a challenge in the survey-based study. Therefore, controlling for these factors is very necessary to improve the quality of the data collected. Some critical methods suggested in the literature were adopted to control and minimize common method variance. To control for common method variance, the letter attached to the questionnaire guaranteed the anonymity, and made the respondents understand that there are no right or wrong responses to guide and prevent them from giving responses that are socially desirable. Also the questionnaire was built in a way that respondents can easily understand by using clear and brief items (Tehseen et al., 2017; Podsakoff et al., 2012).



# Reliability, Validity, and test of Normality

Reliability, validity, and test of normality are discussed in this section. The measures utilized for collecting data in this study were checked for content and convergent validity. Content validity was achieved by adopting an existing scale and qualitative assessment of the scale items by experts. In contrast, convergent validity was attained through inter-item correlation values. The observed values were within the range of 0.2 - 0.5, which was mainly deemed satisfactory (Garson, 2013; Netemeyer et al., 2003). The reliabilities of the measures and test of normality for the data are provided in Table 1. The reported reliability shows a strong internal consistency across all the measures used for the present study. The reliability values were above .70, which met the standard statistical requirement as the reliability values >.70 are considered broadly satisfactory (Feldt & Kim, 2008; Howitt & Cramer, 2011). Regarding the normal distribution of the data collected, which is one of the requirements for this kind of study, the normality test was conducted using skewness and kurtosis. The skewness and kurtosis values were within the range of -1.36 to +2.62, which was acceptable. This indicates that the data were normally distributed and primarily suitable for this study (Gbasemi & Zahediasl, 2012; Hair et al., 2013).

Variables	No. of items	Cronbach's a	Skewness	$SE_{\mathrm{skewness}}$	Kurtosis	$SE_{kurtosis}$
PCF	4	.85	-1.36	.16	2.62	.32
ATOC	18	.74	-1.17	.16	1.30	.32
AC	4	.86	56	.16	28	.32
EL	12	.91	40	.16	.11	.32

Table 1: Reliability and normality test

Note: PCF = psychological contract fulfillment; ATOC = attitude towards organizational change; AC = affective commitment; EL = empowering leadership;  $SE_{skewness}$  = Standard error of skewness ;  $SE_{kurtosi}$  = Standard error of kurtosis.

The mean, standard deviation, and correlation coefficients of all the variables considered in the study are shown in table 2. The table showed the mean values and they are as follows: PCF = 3.94, ATOC = 3.88, AC = 3.68, and EL = 3.44. Furthermore, the standard deviation values for the variables were within the normal range, i.e., they were not too high or too low. There was also a bivariate correlation among all the pairs of variables utilized in the present study, some consistent with the proposed theory and previous empirical findings. For example, PCF was significantly related to ATOC (r = .57, p < 0.01), and AC (r = .34, p < 0.01). Thus, the data were considered appropriate for further analysis. PCF and ATOC with a correlation value of .57 was the highest correlation indicated in the table. Correlational values below .80 indicate the absence of multicollinearity (Kumari, 2008). From the observed correlations, multicollinearity was not an issue among the study variables.

1 able 2: Mean, standard	i aevialion, ana cor	relation toeffi	cieni oj ine varia	ibles			
Variables	Mean	SD	PCF	ATOC	AC	$\mathbf{EL}$	
PCF	3.94	.84	1				
ATOC	3.88	.91	.57**	1			
AC	3.68	.94	.34**	.54**	1		
EL	3.44	.83	.17*	.25**	.35**	1	

Table 2: Mean, standard deviation, and correlation coefficient of the variables

Note: \*\*p < 0.01; \*p < 0.05; PCF= psychological contract fulfillment; ATOC = attitude towards organizational change; AC = affective commitment; EL = empowering leadership.



## Hypothesis Testing

Simple mediation and moderation analysis using PROCESS Macro (model 4 and 1 respectively) with 5000 bootstrapping (Hayes, 2013) were conducted to test the direct, indirect, and conditional effects as stated in the research hypotheses. Through the simple mediation analysis using PROCESS Macro (Model 4), the results for the first three hypotheses were ascertained (H<sub>1</sub>, H<sub>2</sub> and H<sub>3</sub>) while the results of the fourth hypothesis (H<sub>4</sub>) were achieved through the simple moderation analysis utilizing PROCESS Macro (Model 1). Table 3 depicts the results of the simple mediation model. In line with hypothesis 1, the results showed that PCF positively and significantly predicted ATOC ( $\beta$  = .48, t = 8.46, p < 0.01). Hence, hypothesis 1 was accepted. In favor of the second hypothesis (H<sub>2</sub>), the results indicated that AC was a positive and significant predictor of ATOC ( $\beta$  = .37, t = 7.47, p < 0.01). Hypothesis 2 was accepted. These results support the mediational paths and are consistent with hypothesis 3, which checked for AC as a mediator of the first direct effect model. The results indicated that AC mediates the relationship between PCF and ATOC ( $\beta$  = .14, LLCI = .07, ULCI = .23). The indirect effect was significantly different from zero, i.e., zero was not found between lower limit confidence interval (LLCI) and upper limit confidence interval (ULCI). Hence, mediation was established, and hypothesis 3 was accepted.

 Table 3: Simple mediation analysis of AC on PCF and ATOC

	Direct Effect Model					
	outcome = Attitude towards Organizational Change (Y)					
Predictors	В	SE	T	P	LLCI	ULCI
Psychological Contract Fulfillment (X)	.48	.06	8.46	.00	.37	.59
Affective Commitment (M)	.37	.05	7.47	.00	.27	.47
	Indirect Effect of PCF (X) on ATOC					
Affective Commitment (M)	Effect	t Boot standard error			LLCI	ULCI
	.14		.04		.07	.23

Note: PCF= psychological contract fulfillment; ATOC = attitude towards organizational change; LLCI = lower limit confidence interval; ULCI = upper limit confidence interval.

Furthermore, table 4 below depicted the simple moderation analysis. First, the results showed that EL positively and significantly predicted ATOC ( $\beta$  = .17, t = 2.90, p < 0.01). In congruence with the fourth hypothesis (H<sub>4</sub>), the results showed that EL moderated the relationship between PCF and ATOC ( $\beta$  = .20, p < 0.01, LLCI = .07, ULCI = .34).

Table 4: Simple moderation analysis of EL on PCF and ATOC

	Outcome = Attitude towards Organizational Change (Y)					
Predictors	В	SE	Т	Р	LLCI	ULCI
Empowering Leadership (W)	.17	.06	2.90	.00	.05	.29
Int_1 PCF (X) x EL(W)	.20	.07	2.94	.00	.07	.34
	Conditional Effects of X on Y at values of the Modera					
	Moderator	Effect	SE	Ξ	LLCI	ULCI
Low Empowering Leadership	83	.42	.09	9	.25	.58
High Empowering Leadership	.83	.75	.08	8	.60	.91

Note: PCF= psychological contract fulfillment; EL = empowering leadership; LLCI = lower limit confidence interval; ULCI = upper limit confidence interval.



The results of table 4 further demonstrated the conditional effect of PCF on ATOC at values of the moderator variable. The results showed that the positive relationship between PCF and ATOC was stronger when EL was high and weak when EL was low. Two specific values of EL were utilized to show the conditional effect of PCF on ATOC: -1 standard deviation (-.83, > mean value) and +1 standard deviation (.83 < mean value). The effect was significant and stronger for participants with high EL ( $\beta$  = .75, P < 0.01, LLCI = .60, ULCI = .91) and significant but weak for participants with low EL ( $\beta$  = .42, P < 0.01, LLCI = .25, ULCI = .58). The effects are shown in the graph below:



Figure 2. Moderating effects of EL on the relationship between PCF and ATOC

# Discussion

This study examined the relationship between PCF and ATOC among employees in private organizations in Delta State, Nigeria. The study also examined the mediating role of AC and the moderating role of EL on the relationship between PCF and ATOC. Four hypotheses were tested. The analysis of data and research findings confirmed the four hypotheses drawn for this study. The first hypothesis  $(H_1)$ , which stated that PCF would positively and significantly predict ATOC, was supported. PCF was a significant and positive predictor of ATOC. This result is congruent with the few studies linking PCF to organizational change, such as PCF leading to less resistance to change (van den Heuvel & Schalk, 2009) and promoting a positive attitude towards change in the organization (Van den Heuvel et al., 2017). This is further supported by social exchange theory through the reciprocal norm, which usually exists between two parties (Blau, 1964; Gouldner, 1960). This relationship is generally based on the action of one party to another (e.g., the organization and the employees). By fulfilling the psychological contract in the organization, the level of trust employees has for the organization increases, which could positively impact attitude towards organizational change. Thus, the result aligns with the theory that fulfilling psychological contracts or obligations instill a positive attitude towards organizational change. This is seen when employees reciprocate the organization's activities through positive workplace behavior. The hypothesis (H<sub>2</sub>), which stated that AC would positively and significantly predict ATOC, was also supported. This gives support for the role of AC in predicting employee's ATOC. This finding is in line with the extant literature. For example, the finding is consistent with Kamudin (2006), who found that AC positively influences the acceptance of organizational change, while studies carried out by Visagie (2010) and Visagie and Steyn (2011) indicated that AC positively influences readiness and acceptance of the organizational change. More specifically, the direct link between both variables found in this study was also supported by the extant literature (Chih et al., 2012; Edosomwan et al., 2020). Therefore, the emotional attachment the employee has towards the organization positively influences attitude towards change in the organization.

The third hypothesis (H<sub>3</sub>), which stated that AC mediates the relationship between PCF and ATOC, was supported as the indirect effect of PCF on ATOC was positive and significant. The result is consistent with



some related work that has utilized AC as a mediator on other work-related variables. For instance, the result is in line with the study by Tjahjono et al. (2020) that utilized AC as a mediator to examine the roles of perceived organizational support and procedural Justice on job satisfaction. The result also agrees with the study conducted by Shafqat and Mushtaq (2020), which examined AC as a mediating variable on PCF with turnover intention and employee voice behavior. Further analysis showed EL as a positive and significant predictor of ATOC. It indicates that EL promotes a positive attitude towards change in the organization. Lastly, the hypothesis (H<sub>4</sub>), which stated that EL moderates the relationship between PCF and ATOC, was supported. EL moderated the relationship between PCF and ATOC such that the relationship was more pronounced and more vital when EL was high and less when EL was low. The result is congruent with previous empirical studies, such as the study conducted by Long and Khoi (2020). The finding was also in line with the affective event theory earlier discussed. Due to the positive energy that comes from EL, employees who are exposed to a high degree of EL tend to respond to changes more favorably compared to those who experience a low degree of EL in the organization.

#### Managerial Implications

As the extant literature and the findings of this study have shown, PCF is a crucial factor in private organizations. It was also observed that AC and EL have a significant role in determining employees' ATOC. Human resources practitioners in private organizations should promote practices that enhance employees' attachment to their organization as this also mediates the PCF and ATOC relationship. EL needs to be promoted and encouraged among top managerial staff as this promotes positive workplace behaviors.

## Limitations and Suggestions for Further Studies

Like every other survey-centered study, there exist some limitations. It is important to highlight and discuss these limitations to help proffer suggestions for further research in this area. First, the study was cross-sectional. Although the tested relationships in the study suggest that a causal relationship may exist, a cross-sectional study makes it difficult to determine and make causal inferences. The researchers recommend that future studies should utilize a design that will enable causal inference. Secondly, the self-report measures used are another weakness of the research as data reported for the study may contain common method bias from research participants. Although some steps were taken to help reduce common method variance, it was not possible to eliminate it from the study. It is recommended that to understand the severity of common method bias properly, future studies should utilize the Herman single factor analysis and measured latent variable approaches (Chang et al., 2010; Tehseen et al., 2017).

# Conclusion

A few conclusions can be made based on the research findings. First, PCF and AC to the organization have a positive influence on employees' ATOC. Therefore, the organization needs to ensure that the psychological contract or obligations owed to the employees are fulfilled, and AC enhancing measures are used to promote a better attitude towards change in the organization. Secondly, in line with the earlier proposition, AC played a mediating role in the relationship between PCF and ATOC, highlighting its importance in promoting positive organizational behaviors. Lastly, EL should be highly encouraged among staff who manage other employees (e.g., managers, supervisors, and team leaders) because it has a significant and positive role in enhancing attitude towards change implementation in the organization.

Funding: This research received no external funding.

Conflicts of Interest: The authors declare no conflict of interest.



# References

- Ahearne, M., Mathieu, J., & Rapp, A. (2005). To empower or not to empower your sales force? An empirical examination of the influence of leadership empowerment behavior on customer satisfaction and performance. *Journal of Applied Psychology*, 90(5), 945-955. <u>https://doi.org/10.1037/0021-9010.90.5.945</u>
- Ajzen, I., & Fishbein, M. (1977). Attitude-behaviour relations: A theoretical analysis and review of empirical literature. *Psychology Bulletin, 84,* 888-918.
- Allen, N. J., & Meyer, J. P. (1990). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of Occupational Psychology*, 63(1), 1-18. https://doi.org/10.1111/j.2044-8325.1990.tb00506.x
- Babbies, E. (1998). The practice of social research. Belmoth: Wadsworth.
- Baruch, Y., & Holton, C. B. (2008). Survey response rate levels and trends in organizational research. *Human Relations, 61*(8), 1139–1160. <u>https://doi.org/10.1177/0018726708094863</u>
- Beycioglu, K., & Kondakci, Y. (2020). Organizational change in schools. ECNU Review of Education, 1-20. https://doi.org/10.1177/2096531120932177
- Bixby, K. M. (2016). The mediation of empowering leadership on psychological empowerment with organizational commitment and job satisfaction (publication No. 10172548) [Doctoral Dissertation, Anderson University]. ProQuest Dissertation and Theses Global.
- Blau, P. (1964). Exchange and Power in Social Life. John Wiley & Sons.
- Chang, S. J., van Witteloostuijn, A., & Eden, L. (2010). From the editors: Common method variance in international business research. *Journal of International Business Studies, 41,* 178–184. https://doi.org/10.1057/jibs.2009.88
- Chih, W.-H. W., Yang, F.-H., & Chang, C.-K. (2012). The study of the antecedents and outcomes of attitude toward organizational change. *Public Personnel Management*, 41, 597–617. https://doi.org/10.1177/009102601204100402
- Conger, J.A., & Kanungo, R.N. (1988). The empowerment process: Integrating theory and practice. Academy of Management Review, 13(3), 471-482. <u>https://doi.org/10.5465/amr.1988.4306983</u>
- Criveanu, I., & Iordache, L. (2015). Establishing human resources strategies and policies correlating with company's objectives. *International Journal of Economics & Business Administration, 3*(4), 3-10.
- Dewberry, C. (2004). Statistical methods for organizational research: theory and practice. Routledge.
- Dunham, R.B., Grube, J. A., Gardner D.G., Cummings, L.L., & Pierce J.L. (1989). The development of an attitude towards change instrument. In: Academy of Management Annual Meeting, 49th Annual Meeting of the Academy of Management, Washington, DC, 1989.
- Edosomwan, H. S., Nwanzu, C. L., & Oguegbe, T. M. (2020). Exploring the predictive role of perceived employability on attitude towards organizational change and affective organizational commitment: A social exchange perspective. *Academic Journal of Current Research*, 7(8), 56-72.
- Feldt, L. S., & Kim, S. (2008). A comparison of tests for equality of two or more independent alpha coefficients. *Journal of educational Measurement*, 45(2), 179-193. <u>https://doi.org/10.1111/j.1745-3984.2008.00059.x</u>
- Fuch, S., & Prouska, R. (2014). Creating positive employee change evaluation: the role of different levels of organizational support and change participation. *Journal of Change Management*, 14(3), 361-383. <u>https://doi.org/10.1080/14697017.2014.885460</u>
- Gardner, D. G., Pierce, J. L., & Peng, H. (2019). Social exchange and psychological ownership as complementary pathways from psychological contract fulfillment to organizational citizenship behaviors. *Personnel Review (ahead of print)*. <u>https://doi.org/10.1108/PR-12-2019-0688</u>

Garson, D.G. (2013). Validity and reliability. Statistical Association Blue Books Series.

Ghasemi, A., & Zahediasl, S. (2012). Normality test for statistical analysis: A guide for non-statisticians. International Journal of Endocrinology and Metabolism, 10(2), 486-489. <u>https://doi.org/10.5812/ijem.3505</u>



- Gouldner, A. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review, 25,* 161-178. https://doi.org/10.2307/2092623
- Gyensare, M. A., Anku-Tsede, O., Sanda, M.-A., & Okpoti, C. A. (2016). Transformational leadership and employee turnover intention: The mediating role of affective commitment. *World Journal of Entrepreneurship, Management and Sustainable Development, 12*(3), 243–266. <u>https://doi.org/10.1108/WJEMSD-02-2016-0008</u>
- Hair, J.F., Black, W.C., Babin, B.J., & Anderson, R.E. (2013). *Multivariate data analysis*. 7th international ed.; Pearson.
- Hayes, A. (2013). Introduction to mediation, moderation, and conditional process analysis. Guilford Press.
- Henderson, D. J., Wayne, S. J., Shore, L. M., Bommer, W. H., & Tetrick, L. E. (2008). Leader-member exchange, differentiation, and psychological contract fulfillment: A multilevel examination. *Journal of Applied Psychology*, 93, 1208-1219. <u>https://doi.org/btzq4j</u>
- Howitt, D., & Cramer, D. (2011). Introduction to SPSS Statistics in psychology for version 19 and earlier. (5th ed.). Pearson.
- Hsu, Y.-P., Peng, C.-Y., Chou, M.-T., Yeh, C.-T., & Zhang, Q. (2020). Workplace friendship, helping behavior, and turnover intention: The mediating effect of affective commitment. *Advances in Management and Applied Economics*, 55–75. https://doi.org/10.47260/amae/1054
- Huyghebaert, T., Gillet, N., Becker, C., Kerhardy, S., & Fouquereau, E. (2017). Examining the effect of affective commitment to the supervisor on nurses' psychological health as a function of internal locus of control. *Journal of Nursing Management*, 25(4), 297–306. <u>https://doi.org/10.1111/jonm.12466</u>
- Inceoglu, I., Thomas, G., Chu, C., Plans, D., & Gerbasi, A. (2018). Leadership behavior and employee wellbeing: An integrated review and a future research agenda. *Leadership Quarterly, 29*(1), 179–202. <u>https://doi.org/10.1016/j.leaqua.2017.12.006</u>
- Juma, E. C. (2014). Organizational change as a strategy for competitive advantage at practical action eastern Africa [Doctoral Dissertation, University of Nairobi, Kenya]. University of Nairobi Library.
- Kamudin, N. (2006). The influence of organizational commitment and organizational culture on attitude towards organizational change (Master's Thesis). Open University of Malaysia.
- Kotter, J. P. (1973). The psychological contract: Managing the joining up process. *California Management Review*, 15, 91-99. <u>https://doi.org/10.2307/41164442</u>
- Kumari, S. S. (2008). Multicollinearity: Estimation and elimination. *Journal of Contemporary Research in Management,* 3(1), 87-95.
- Leach, D. J., Wall, T. D., & Jackson, P. R. (2003). The effect of empowerment on job knowledge: An empirical test involving operators of complex technology. *Journal of Occupational and Organizational Psychology*, 76, 27–52. <u>https://doi.org/10.1348/096317903321208871</u>
- Lee, Y. H., Woo, B., & Kim, Y. (2018). Transformational leadership and organizational citizenship behavior: Mediating role of affective commitment. *International Journal of Sports Science and Coaching*, 13(3), 373–382. <u>https://doi.org/10.1177/1747954117725286</u>
- Lenberg, P., Wallgren Tengberg, L. G., & Feldt, R. (2017). An initial analysis of software engineers' attitudes towards organizational change. *Empirical Software Engineering*, 22(4), 2179–2205. <u>https://doi.org/10.1007/s10664-016-9482-0</u>
- Liu, W., He, C., Jiang, Y., Ji, R., & Zhai, X. (2020). Effect of gig worker's psychological fulfillment on their way task performance in a sharing economy - A perspective from the mediation of organization identification and the moderation of length of service. *International Journal of Environmental Research and Public Health, 17,* Article 2208. <u>https://doi.org/10.3390/ijerph17072208</u>
- Long, N. N., & Khoi, B. H. (2020). The moderating role of empowering leadership in the relationship between intrinsic motivation and creativity. *International Journal of Advanced Science and Technology*, 29(6s), 326-334.



- Louis, K. S., Toole, J., & Hargreaves, A. (1999). Rethinking school improvement. In J. Murphy & S. K. Louis (Eds.), Handbook of research on educational administration (pp. 251–257). Jossey-Bass.
- Luthans, F., Brett, C.L, & Kyle, W., (2015). Organizational behaviour: An evidence-based approach. 13th Edition. Information Age Publishing.
- Meyer, J.P. & Allen, N.J. (1991). A three component conceptualization of organizational commitment. *Human Resource Management Review, 1,* 61-89.
- Murthy, C. (2007). Change management. Mumbai, IND: Global Media.
- Negis Isik, A. (2020). Ethical leadership and school effectiveness: The mediating roles of affective commitment and job satisfaction. *International Journal of Educational Leadership and Management, 8*(1), 60. <u>https://doi.org/10.17583/ijelm.2020.4114</u>
- Netemeyer, R. G., Berden, W. O., & Sharma, S. (2003). Scaling procedures: Issues and applications. SAGE Publishing.
- Nwanzu, C. L., & Babalola, S. S. (2019). Examining psychological capital of optimism, self-efficacy and selfmonitoring as predictors of attitude towards organizational change. *International Journal of Engineering Business Management*, 11, 1-12. <u>https://doi.org/10.1177/1847979019827149</u>
- Oedzes, J. J., Rink, F. A., Walter, F., & Van See Vegt, G. S. (2018). Informal hierarchy and team creativity: The moderating role of empowering leadership. *Applied Psychology: An International Review, 68*(1), 3-25. <u>https://doi.org/10.1111/apps.12155</u>
- Oguegbe, T. M., & Edosomwan, H. S. (2021). Organizational-based self-esteem and organizational identification as predictors of turnover intention: Mediating role of organizational trust. *SEISENSE Journal of Management*, 4(2), 56-71. <u>https://doi.org/10.33215/sjom.v4i2.620</u>
- Philppaers, K., De Cuyper, N., & Forrier, A. (2019). Employability and performance: The role of perceived control and affective organizational commitment. *Personnel Review*, 48(5), 1299-1317. <u>https://doi.org/10.1108/PR-04-2017-0098</u>
- Podsakoff, P. M., Mackenzie, S. B., & Podsakoff, N. P. (2012). Sources of method bias in social science research and recommendations on how to control it. *Annual Review of Psychology*, 63, 539-569. <u>https://doi.org/10.1146/annurev-psych-120710-100452</u>
- Ribeiro, N., Duarte, A. P., Filipe, R., & Torres de Oliveira, R. (2020). How authentic leadership promotes individual creativity: The mediating role of affective commitment. *Journal of Leadership and Organizational Studies*, 27(2), 189–202. <u>https://doi.org/10.1177/1548051819842796</u>
- Robbins, S. P., & Judge, T. (2019). Organizational behaviour. (18th ed). Boston: Pearson
- Rousseau, D. M. (1995). Psychological contracts in organizations: Understanding written and unwritten agreements. Sage publishing.
- Shafqat, T., & Mushtaq, R. (2020). Impact of psychological contract fulfillment on employee outcomes: Mediating role of affective commitment. *Pakistan Journal of Psychological Research*, 35(4), 753–767. <u>https://doi.org/10.33824/PJPR.2020.35.4.41</u>
- Shehawy, Y. M. (2021). Current workplace issues and behaviours in tourism and hospitality: moderating role of<br/>empowering leadership.CurrentIssuesinTourism,1-22.https://doi.org/10.1080/13683500.2021.1928612
- Srivastava, A., Bartol, K.M., & Locke, E.A. (2006). Empowering leadership in management teams: Effects on knowledge sharing, efficacy, and performance. *Academy of Management Journal*, 49(6), 1239-1251. <u>https://doi.org/10.5465/amj.2006.23478718</u>
- Tehseen, S., Ramayah, T., & Sajilan, S. (2017). Testing and controlling for common method variance: A review of available methods. *Journal of Management Sciences*, 4(2), 142-168. https://doi.org/10.20547/jms.2014.1704202
- Tjahjono, H. K. (2014). The fairness of organization's performance appraisal, social capital and the impact toward affective commitment. *International Journal of Administrative Science and Organization, 21*(3), 173-179.



- Tjahjono, H. K., Puji Rahayu, M. K., & Putra, A. D. (2020). The mediating role of affective commitment on the effect of perceived organizational support and procedural justice on job performance of civil servant. *Journal of Leadership in Organizations, 2*(2). <u>https://doi.org/10.22146/jlo.55371</u>
- Van den Heuvel, S., & Schalk, R. (2009). The relationship between fulfilment of the psychological contract and resistance to change during organizational transformations. *Social Science Information*, 48(2), 283–313. https://doi.org/10.1177/0539018409102415
- Van den Heuvel, S., Freese, C., Schalk, R., & van Assen, M. (2017). How change information influences attitudes toward change and turnover intention: The role of engagement, psychological contract fulfillment, and trust. *Leadership and Organization Development Journal*, 38(3), 398–418. <u>https://doi.org/10.1108/LODJ-03-2015-0052</u>
- Visagie, C. M. (2010). The relationship between employee attitudes towards planned organizational change and organizational commitment : An investigation of a selected case within the South African telecommunications industry [Master's Thesis, Cape Peninsula University of Technology]. Electronic Theses and Dissertations. <u>https://hdl.handle.net/20.500.11838/952</u>
- Visagie, C. M., & Steyn, C. (2011). Organizational commitment and responses to planned organizational change: An exploratory study. *Southern African Business Review*, 15(3), 98–121.
- Weiss, H. M., & Cropanzano, R. (1996). Affective event theory: A theoretical discussion of the structure, causes, and consequences of affect experience at work. In B. M. Staw & L. L. Cumming (Eds.), Research in organizational behaviour: An annual series of analytical essays and critical reviews, (Vol. 18, pp. 1-74). Elsevier science/JAI Press.
- Yukongdi, V., & Shrestha, P. (2020). The influence of affective commitment, job satisfaction and job stress on turnover intention: A study of Nepalese bank employees. *Review of Integrative Business and Economic Research*, 9(1), 88–98.