The Influence Organizational Culture Has On Commitment in the Restaurant Industry

Dean A. Koutroumanis  
University of Tampa  

George Alexakis  
Florida Gulf Coast University  

Barbara R. Dastoor  
Nova Southeastern University  

The study tested an organizational culture and commitment model developed specifically for the full service, casual dining restaurant industry. The model is rooted in the disciplines of organizational behavior and hospitality, as they relate to employees’ commitment to the organization and their intentions to stay with that organization. The study identified the attitudes, beliefs, and behaviors that ultimately promote productivity and service quality. Specific antecedents of service quality examined included clan culture type, affective organizational commitment, and intention for employees to remain in their present employment positions. Data were collected from five independently owned, full service, casual dining restaurants. The data results showed high levels of correlation between the variables studied. The results of this study could be used as a foundation on which restaurateurs could build effective training programs and create a paradigm shift in the organizational cultures.

Retraining an existing customer in the United States costs five times less money than attracting a new customer (Groch, 2013). There is an emphasis on service sector employees in the academic and professional literature for two apparent reasons. The first is the shift in the U.S. economy away from secondary industries (i.e., manufacturing sector) toward tertiary industry (service sector). The second is the widespread interactions between customers and employees that typify the industry. Employee attitude, behavior, and work effort has a significant effect on service quality, satisfaction, and customer retention in the service industry (Stamper & Van Dyne, 2003). Developing specific human resource practices can improve various aspects of job satisfaction across time (Rayton & Yalabik, 2014; Caetano, Santos & Spagnoli, 2012). Employee satisfaction positively relates to customer satisfaction and customer loyalty (Payne & Webber, 2006). An employee’s job satisfaction influences an organization’s performance, as customer service is greatly affected by employee satisfaction (Groch, 2013). Employers can enhance employee job satisfaction to increase service. The employee attitude impacts heavily on customer’s perception of service quality (Hartline & Ferrell, 1996).

The service management literature has emphasized the importance of the human element in the delivery of superior service, and customers’ perception of exceptional service is often associated with the personal interaction with the employees (Qu & Sit, 2007). The connection is especially relatable in the highly competitive full service restaurant industry. Several variables affect customer satisfaction and retention in the foodservice industry. Research in the area indicates that there is a positive correlation between service quality and customer intentions to return to a full service restaurant (Koutroumanis, 2005). Service quality is an integral part of a restaurant’s success. Successful operators constantly focus on improving all areas related to satisfying customers. Although concerns about the foodservice patron should be incorporated into every part of managers’ activities, they are clearly not solely responsible for service. Employees, particularly the guest-contact staff, are an integral component of the service delivery process. Restaurateurs are thus prudent to develop processes that build on employee loyalty and commitment to provide and exceed the level of customer service that their patrons expect (Stevens, Knutson & Patton, 1995).

The impetus for the following research study stems, in part, from a quality service model developed by Koutroumanis and Alexakis (2006). The model identifies antecedents of service quality embedded in the way that restaurateurs and their employees view their organizations. According to Maxwell and Steele (2003), human resource management practices must foster organizational commitment in the restaurant industry. Koutroumanis (2005) reported a positive relationship between clan type culture
and service quality. The theoretical model discussed below posits that a clan type (family-oriented) culture will enhance employee commitment and that the two collectively foster significant organizational benefits: reduced employee turnover and increased levels of service quality. Organizational culture, organizational commitment, and employee intention to stay (or leave) in their job support the three variable model presented in this study.

LITERATURE REVIEW

Corporate culture refers to the internal work environment that reflects a company's values, beliefs, business principles, traditions, and ways of operating (Edelstein, Chiu & Molinski, 2012). The customs practiced in a particular organization usually mirror that of its industry. The restaurant industry is known for fostering a highly bureaucratic, classical management style and philosophy (Koutroumanis, Watson & Dastoor, 2012; Tracey & Hinkin, 1994). Traditional management styles focus on highly defined routine practices with strict adherence to specific rules and regulations (Smucker, 2001). The management philosophy customarily practiced in the restaurant industry does not take into effect the person or individual doing the job, but focused more on the job itself. Identifying what the specific tasks and requirements of the job entail and then training the employees to perform these duties remains the norm in the restaurant industry (Tracey & Hinkin, 1994). The restaurant industry has been considered one that in many ways runs along paramilitaristic lines. The prevailing organizational culture makes it difficult and demanding for those employed within. The classical management style (Theory X-type) can work well when there is little competition and high local unemployment figures. However, the lack of a large labor qualified pool has plagued the industry for a long time.

According to Ulrich (1998), human resource practices must be radically changed for organizations to optimize their human capital. Human capital is defined as “the belief that the development of workers will add value to an organization” (Tesone, 2005, p. 2). It is relevant to note that tenure and the development of human capital does not necessarily reward the employee’s loyalty. Kambourov and Manovskii (2009) found that tenure in an industry has a very small affect on wages once the effect of occupational experience is accounted for. The work setting of an employee is often affected by the prevailing industry culture. It can impact the job one performs. Nonetheless, it seems unlikely that the human capital of these workers is specific to the industry that they work in rather than to the type of work that they do (their occupation). It is expected that when a truck driver switches industries or employers, s/he loses less of his human capital generated by the truck-driving experience than when s/he switches his occupation and becomes a cook (Kambourov & Manovskii, 2009). However, developmental transformation requires organizations to first understand and manage the complexities of their respective cultures (Goodman, Zammuto & Gifford, 2001), thereby building stronger levels of organizational commitment.

ORGANIZATIONAL CULTURE

Schein (1990) defined organizational culture as “what a group learns over a period of time as that group solves its problems of survival in an external environment and its problems of internal integration. Such learning is simultaneously a behavioral, cognitive and an emotional process” (p. 111). Davidson (2003) described organizational culture as “the shared beliefs and values that are passed on to all within the organization” (p. 206). The shared assumptions, values, and norms can lead to organizational effectiveness and sustained competitive advantage (Zheng, Yang & McLean, 2010). Typologies of organizational culture have emerged from previous research in the literature. For example, the Competing Values Framework (Cameron & Quinn 1999) depicted four distinct culture types. They include: (a) clan culture, (b) adhocracy culture, (c) market culture, and (d) hierarchy culture. They are defined as follows.
Clan culture type. Clan type culture can be defined simply as a “family-type organization” (Cameron & Quinn, 1999, p. 36). It embodies a sense of “we” in the organization instead of an “I” mindset among individual employees. A clan culture fosters a high level of autonomy that is indicative of a more organic organization type. Developing a humane work environment characterized by loyalty, commitment, and participation is a defining feature of this organizational culture. Examples abound in the restaurant industry where so-called mom and pop operations still flourish, although their numbers have steadily decreased during the last few decades.

Adhocracy culture type. This culture breeds a sense of entrepreneurship. The workplace has a feel of urgency in a highly dynamic environment, where creativity is at the forefront (Cameron & Quinn, 1999; Creque, 2003). This culture type exists in many advertising firms, high-tech software companies, and certain fields within academia.

Market culture type. The word market concerns itself with the external market environment. This type of culture orientation is goal-focused, geared towards market superiority, and highly competitive in nature (Cameron & Quinn, 1999; Creque, 2003). Microsoft Corporation is an extreme example of a market culture type.

Hierarchy culture type. The characteristics of the hierarchal organization include a very pronounced authoritarian structure. Rules and regulations, distinct lines of communication, and personal accountability are highly valued by management in such a culture. Maintaining tight control and smooth operations are important in this type of culture. The rules and policies are believed to hold the organization together and increase levels of efficiency and effectiveness (Cameron & Quinn, 1999; Creque, 2003).

Employees’ attitudes toward an organization and its customers have demonstrably positive effects on customer service and organizational success. Much research has focused on attempts by organizations to attain front-line employees with the appropriate attitude (Nickson, Warhurst & Dutton, 2005). Specific employee attitudes enhance the probability of success in any industry (Davidson, 2003). Firms with a strong sense of customer orientation have also shown greater levels of customer satisfaction (Schneider & Bowen, 1993). Due to its labor-intensive nature and the high level of interaction between customers and employees, the hospitality industry has a greater likelihood of being affected by its employees’ attitudes and actions compared to other industries (Davidson, 2003; Koutroumanis, 2005).

ORGANIZATIONAL COMMITMENT AND SERVICE QUALITY

The previously cited literature asserted that organizational culture affects employee attitude. The premise prompts several corollaries pertaining to organizational commitment. Organizational commitment can be defined as a psychological state that links employees to the organization (Meyer & Allen, 1997). The impact that organizational commitment has on employee turnover is a common linkage among commitment studies (Allen & Meyer, 1990). The more committed to the organization an employee is, the less likely that employee is to leave the organization. The foodservice industry is characterized by high levels of employee turnover; full service restaurants have turnover rates upwards of 100% (Berta, 2005). Higher levels of commitment also mean an employee is less likely to miss work (Blau & Boal, 1987). Meyer and Allen (1987) developed a three-component model of organizational commitment. The model includes the following terms.

Affective commitment. Affective commitment is the employee’s emotional attachment to and identification with the organization. Their continued employment exists because they want to be a part of the organization (Meyer & Allen, 1997).
Continuance commitment. Employee awareness of the costs, both positive and negative, associated with leaving the organization defines continuance commitment. The cost-benefit analysis could include the gain/loss of bonus, promotion, or status/title. Employees stay with the organization because they think that they need to (Allen & Meyer, 1990).

Normative commitment. Normative commitment reflects the employees having a feeling of obligation to the organization. They stay with the organization because they feel they ought to (Allen & Meyer, 1990).

Consequences of commitment exist at each level of the three-component model. When affective commitment is prevalent, there are greater levels of motivation, desire to contribute, productivity, and reduced absenteeism. When continuance commitment exists, there is not a comparatively strong desire to contribute to the organization. The result could cause poor work performance. When normative commitment exists, employees tend to do the right thing for the organization. However, these individuals may not have a high level of enthusiasm for their work, possibly due to the sense of obligation that they feel (Allen & Meyer, 1990).

Affective commitment can be observed in organizations such as Harley-Davidson, Inc. Its employees' emotional attachment and identification with the organization is so strong that many get tattoos of the name of the corporation. The extreme level of employee connectedness to the organization arguably began occurring when Richard Teerlink became president and set out to create a learning organization. He began by emphasizing organizational and individual learning at all levels through a Leadership Institute. The institute was designed to introduce new workers to Harley's goals and culture while providing current workers with a better understanding of the organization's design and effects of competition on Harley's performance. Substantial changes in employee job descriptions, responsibilities, and production processes were undertaken in an effort to increase job enrichment and worker empowerment. These efforts were implemented through cross training and expansion of job responsibility. Teerlink eliminated the positions of vice president in marketing and operations because these jobs didn't add value to the product. Teams of employees, such as a "create-demand team" that is in charge of producing products and a "product-support team," now make these decisions. (Hellriegel & Slocum, 2005, p. 522-523)

Like Harley-Davidson, those foodservice operations that address the issue of organizational commitment reap the benefits. Four Seasons Hotels and Resorts has created an affective commitment among employees by treating people (i.e., employees, management, suppliers, etcetera) better than do most companies (Kent, 2005), in large part through their approach to the "Golden Rule" (Sharp, 2013). The result is one of the lowest employee turnover rates in the hospitality industry. The company stock has a valuation multiple that is nearly double that of its closest peer, according to their Senior Director of Human Resources for the Americas (J. Luna, personal communication, January 9, 2013). For 10 straight years, Fortune magazine named the Four Seasons to its list of 100 Best Companies to Work For (Fortune, 2013). Starbucks Corporation is at the forefront among foodservice operators by attaining affective commitment status with its workers (Kent, 2005). For instance, employees who complete a minimum of 20 hours of work or more a week could become eligible for health benefits and may receive a stock option grant. Starbucks's employee turnover is toward the bottom of the industry range and its service levels are high. It has also realized more than 20 years of growth (Kent, 2005).
The extent to which organizational commitment affects the interaction between employee and patron is an important concern for restaurant operators. Service quality is a type of cultural concept that influences the firm’s organizational climate and therefore must be examined, measured, and assessed (González Mármol, 2010). Improving service through organizational culture change is crucial to the survival and growth of many companies (Jorritsma & Wilderom, 2012). Koutroumanis, Watson, and Dastoor (2012) conducted research that examined the extent to which the main elements of organizational culture relate to service quality and customer intentions to return. Their findings supported the proposition that customers’ perceptions of organizational culture affect both service quality and behavioral intentions in restaurants. The results of a study by Pantouvakis and Bouranta (2013) confirmed the mediating role of employee job satisfaction on the relationship between organizational learning culture and customer satisfaction. In addition, their work supported the premise that the indirect affect of organizational learning culture on customer satisfaction, via employee job satisfaction, will be stronger when employee education is at a high level compared to a lower level (Pantouvakis & Bouranta, 2013).

Organizational culture does not influence the success of the training programs unless human resource management practices that support the training process are implemented (Ballesteros-Rodríguez, De Saá-Pérez & Domínguez-Falcón, 2012). Through improving employee commitment, managerial support has a positive influence on customer satisfaction (He, Li & Kin, 2011). The results of a study completed by Øgaard, Larsen, and Marnburg, (2005) suggest that there are relationships between culture and a manager’s efficacy and organizational commitment, and that some cultural aspects are related to performance variables such as personnel cost and additional sales. There is a strong association between culture and human resources management practices; some management practices are more strongly associated with culture than others (Ueno, 2012). Human resources management activities have effects on customer perceptions of service behavior and service quality (Tsaur & Lin, 2004). Effective training is especially important for restaurants that aim to gain competitive advantage by means of good quality service and performance of their employees (Ballesteros-Rodriguez, De Saá-Pérez & Domínguez-Falcón, 2012). In turn, employee behavior is widely acknowledged to have an immense affect on the customer’s evaluation of the encounter (Lloyd & Luk, 2011).

Supervisory support and quality were among the most prominent characteristics affected by organizational climate in a study conducted by Bellou & Andreas (2009). Edelstein, Chiu, and Molinski (2012) concluded that a great deal of corporate culture revolves around the interactions between manager and employee and that positive corporate culture is equated with good managerial practices. Experienced change-management skills are necessary for change in which both organizational culture and climate are positively affected (Jorritsma & Wilderom, 2012). Conversely, organizational alignment measures in another study proved superior to employee satisfaction, employee service commitment, and organizational support measures in explaining the organizations’ turnover rates (Crotts, Ford, Heung & Ngai, 2009). The findings of a major study expressed that higher levels of commitment to learning, shared vision, and open-mindedness lead to more innovation (Tajeddini, 2009). When an employee or managers learns about their work they are typically reading recent literature (e.g., trade articles, books, videos) that presumably include new ways of doing things. Aside from the innovation piece, Kohn’s (1999) research suggested that the learning increases intrinsic satisfaction thereby decreasing turnover. Analogously, shared vision can lead to the intrinsic feeling that one’s thoughts and feelings count thereby fostering an orientation of improvement and inventiveness (Drucker, 2014). Crotts, Ford, Heung, and Ngai (2009) indicated strong inter-correlations among employee satisfaction, employee commitment, employee turnover rates, and employee assessments of managerial support. Finally, the influence of the family-oriented type of culture or clan culture type relates positively to customer service quality and to behavioral intention to return in the independent, casual dining restaurant industry (Koutroumanis, Watson, & Dastoor, 2012).
CULTURE/COMMITMENT MODEL

The paradigm tested and presented in this study is predicated on the above literature review. There evidently exists need for a change in the dynamics of the traditional restaurant organization. The first phase of the transformation process can be changing the organizational culture of a particular restaurant. Hence, developing the appropriate organizational culture is the first phase of the model.

Most restaurants tend to convey the characteristics of a hierarchy culture type (Tracey & Hinkin, 1994). The culture/commitment model would suggest a change of organizational culture to the clan culture type as defined by Cameron and Quinn (1999). The culture type boasts a family type of environment where the employees are an integral part of the organization. It is more of a free flowing type of organization, which has limited structure and informal lines of communication. Viewing employees as part of an interconnected, extended family and addressing the needs and wants of the individuals would create a higher sense of loyalty. Rather than reinforcing managerial authority and confining the subordinate’s role to that of highly motivated obedience (Kohn, 1999), the shared power structure and autonomy associated with the culture/commitment model can result in greater productivity. Restaurant operators benefit by creating an environment that will allow the employees to maximize their input in all areas of operations. These include areas traditionally conducted by management (e.g., scheduling, service training, and menu development). Results of a study completed by Jorritsma and Wilderom (2012) recommended the honing of the change-management skill “coaching” for experienced managers, even though they themselves may not feel such a need. Ultimately, effective leadership fosters employee commitment and brand supporting behaviors (Wallace, de Chernatony & Buil, 2013). A fundamental implication of a study conducted by Clark, Hartline, and Jones (2008) is that managers who are committed to service quality and employ an empowering leadership style can create a transformational climate that conveys their commitment to quality service to their front-line employees. This can lead to employees who are more likely to share the organization’s values (i.e., values alignment), who understand their role in the organization, who are more satisfied with their jobs, and who perform at a higher level of quality in serving hotel guests (Clark, Hartline & Jones 2008).

Restaurant employees are on the front lines serving customers and hear feedback immediately, thereby representing a potentially useful source of information. Allowing the employees to impact operations at this level will likely enrich their job functions and create a sense of ownership within their restaurants. It will additionally minimize the routine of tedious tasks to which they have become accustomed. If employees see that their contributions and inputs become implemented company strategies, they will begin to build a stronger bond with the restaurant. Developing a clan culture type takes time and perseverance on the part of the restaurateur and the employees. The structural context of the employees understanding their new role as collaborators and partners in the organization requires patience for this level of unification to come to its fruition.

After successfully creating clan type culture, the second phase of the model will flow easier. Employee commitment is still largely assumed to help improve organizational performance, and some studies have demonstrated its relationship to service quality (Maxwell & Steele, 2003). Streams of research dating back to the 1970s linked lack of commitment to organizational turnover (Blau & Boal, 1987; Allen & Meyer, 1990). Hinkin and Tracey (2000) stated that employee turnover not only reduces the levels of service quality, but also has a negative economic impact on the organization. The rule of thumb in the human resources development discipline is that the cost of employee replacement is at minimum equal to the individual’s yearly salary (Mowday, Porter & Steers, 2013). The impact is not only the cost of employee replacement but the lack of revenue that the new employee can generate. As with every job and position, there is a learning curve associated with bringing an employee up to speed. Even if the employee has previous restaurant experience, it takes time to become familiar with the new restaurant’s culture, products, and physical surroundings. With a high level of industry turnover (Berta,
it is important to decrease levels of employee turnover. The model emphasizes that developing an affective level of commitment in employees is an effective way for restaurants maintain their employees. According to Meyer and Allen (1997) organizations are becoming leaner, giving more responsibility to the employees, replacing the term “jobs” with the word “roles.”

Figure 1 below provides an illustration of operational environments that encourage a culture/commitment model. This model offers an alternative approach to the classical or hierarchal culture type model that still dominates the restaurant industry.

**Figure 1. Alternative Culture/Commitment Model**

The goal is to develop a climate where employees are motivated to work effectively within the organization. The commitment gap existing between full time employees and part time employees (Stamper & Van Dyne, 2003) stems from multiple factors. Monetary and non-monetary factors are examples of reasons that explain why full-timers tend to have higher commitment levels. Part time employees work part time typically because of other full time obligations (e.g., job, family, school, etc.) or because a full time position did not exist at the time of hire (Stamper & Van Dyne, 2003), much like professionals that make a living as adjunct instructors by teaching for multiple colleges. To build affective commitment at all organizational levels, restaurateurs need to address existing commitment divides. Understanding and speaking to the needs of full time versus part time employees is the starting point for building affective commitment. The next step in the process would be to focus on individual employees and addressing their individual needs and wants. Crook, Ketchen, and Snow (2003) believed that employees should be viewed as strategic resources. Research has also shown that less bureaucratic organizational cultures in restaurants, like those found in independently owned restaurants, create positive relationships between the employees and the organization (Stamper & Van Dyne, 2003).

The culture/commitment model is an effort to bring attention to a growing issue and to serve as a scaffold to build the overall success of individual restaurant operations. Although building customer loyalty is one of the biggest challenges for most industries, its potential affect on a firm’s profitability is tremendous (Boakye, Kwon, Blankson & Prybutok, 2012). High levels of service quality have been shown to have favorable effects on customers’ intentions to return in restaurants. Restaurateurs continually strive to increase sales and profitability. An economical way to accomplish such objectives is increasing the frequency that customers re-patronize their establishments (Koutroumanis, 2005).

The above discussion leads to the following hypotheses (outlined below in Figure 2):

- **Hypothesis 1:** There is a positive relationship between clan culture type and organizational commitment.
- **Hypothesis 2:** There is a positive relationship between organizational commitment and intention to stay.
- **Hypothesis 3:** There is a positive relationship between clan culture and intention to stay.
Hypothesis 4: Commitment mediates the effect of clan culture on intent to stay.

Figure 2. The Theoretical Culture/Commitment Model Examined

**METHODOLOGY**

The data for the research came from five independently owned, full service, casual dining restaurants in South Florida. Independent restaurants were used in the study because they tend to exhibit the characteristics of a clan type culture, due to their highly organic structure and family orientation (Koutroumanis, 2005). Surveys were hand distributed to employees of the restaurants including front-of-the-house employees and back-of-the-house employees. The researchers attended pre-shift meetings for both lunch and dinner service at each of the participating restaurants. The staff was informed of the purpose of the study (without management or owner presence). Those who chose to participate in the study completed the survey questionnaire during the pre-shift meeting. The survey took approximately 10 to 15 minutes to complete, which did not interfere with restaurant operations. A total of 166 surveys were distributed. Of the 166 surveys distributed, 52 were returned incomplete and were not included in the final survey sample. The final sample included 114 respondents. The 68.7% response rate of this study can be directly attributed to the survey design process. Specifically, the researchers attending the pre-shift meetings caused the staff to be very willing to participate in the study.

**SURVEY INSTRUMENT**

The constructs in the study are clan type organizational culture, employee commitment, and intention to stay in the present position. They were assessed with Cameron and Quinn’s (1999) clan culture scale; Meyer and Allen’s affective organizational commitment scale; and Wayne, Shore, and Liden’s (1997) intention to stay scale. The scales have demonstrated sufficient reliability and adequate validity in previous research.

*Cameron and Quinn’s measure of clan culture type.* Cohesiveness, participation, teamwork, and sense of family are the dominant characteristics for the clan culture type. Independently owned restaurants tend to embrace these features. They help train and develop their staff in this manner. The study examined if this culture type is indeed prevalent in the full-service, casual dining restaurant industry. The measure that was used is one adapted from Yeung, Brockbank, and Ulrich (1991), Obenchain (2002), and Koutroumanis (2005). The original questionnaire had 12 questions, 3 per culture type classification. The responses were measured on a 5 point Likert type scale with 1=low to 5=high (Yeung et al., 1991). On the original survey instrument items 1, 5, 9 measure clan culture (Obenchain, 2002; Yeung et al., 1991). The three questions were adapted from previous research to operationalize the clan culture type, and appear as questions 6-8 in the survey instrument that was distributed.
Table 1. Reliabilities (Coefficient Alpha) for Clan Culture Type Scales

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Clan</td>
<td>.73</td>
<td>.79</td>
<td>.75</td>
</tr>
</tbody>
</table>

Meyer and Allen’s affective commitment scale. Meyer and Allen’s (1997) developed 6-item scales for each of the three commitment components. The affective commitment scale was the most appropriate for this study because it assesses employee attachment to the organization. Questions 9 to 13 reflect the items related to affective commitment. The median reliability for the affective commitment scale is .85 (Allen & Meyer, 1996).

Table 2. Reliabilities (Coefficient Alpha) for Commitment Scales

<table>
<thead>
<tr>
<th>Commitment</th>
<th>Meyer &amp; Allen (1996)</th>
<th>Current study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective</td>
<td>.85</td>
<td>.75</td>
</tr>
</tbody>
</table>

Intenotions to stay scale. Intentions to stay were measured with the 5 item scale developed by Wayne et al. (1997). Since their original scale measured intention to leave, items were reverse-coded to denote intention to stay, except for item 5 that already describes intention to stay. Some items were slightly altered to refer to working in the “restaurant” or “at this job.” For example, the item “I am actively looking for a job outside this company” was changed to “I am actively looking for a job to replace this one.” “I often think about quitting my job at this company,” was reworded to say, “I often think about quitting my job at this restaurant.” Reliability for this scale was established by a coefficient alpha of .89 (Wayne et al., 1997).

Table 3. Reliabilities (Coefficient Alpha) for Clan Culture Type Scales

<table>
<thead>
<tr>
<th>Intension to Stay</th>
<th>Wayne et al. (1997)</th>
<th>Current study</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.89</td>
<td>.70</td>
</tr>
</tbody>
</table>

DEMOGRAPHICS OF RESPONDENTS

Gender, ethnicity, and education of the respondents represent the main sample demographic data of the study. Respondents were 50.9% men and 49.1% women. The largest ethnic group was white (77.2%), followed by Hispanic (15.8%). The largest single education category showed that 36.8% of the sample had graduated high school, followed by 29.8% stating they were still in college. Remaining categories showed 15.8% of respondents graduated from college, 7.9% had received technical training, 1.8% had graduate degrees, and 0.9% had not completed high school.

Additional questions asked of the respondents included their position within the restaurant. They were asked whether they were full time or part time. They were asked the number of years that they have been employed at the restaurant. Results show that 44.7% of the respondents were servers, 17.5% were hosts/hostesses/greeters, 14.0% were bartenders, 14.0% were kitchen employees, 8.8% were dining room supervisors or held administrative roles, and 0.9% were buspersons. The survey sample showed that 65.8% of the respondents were full-time employees and 34.2% were part time employees. The sample showed that 44.7% of the respondents were employed for a period of greater than 2 years and 55.3% were employed for 1 or less years.
RESULTS

Table 4 shows the means, standard deviations, correlations, and reliabilities for the study’s variables. The reliabilities of the study were (Cronbach’s alpha) all above 0.70. The correlation matrix for the three continuous variables shows that they are positively intercorrelated with one another. Thus, the first three hypotheses are supported. Organizational commitment relates positively to clan culture type (Hypothesis 1; r=0.66; p<.001) and to intent to stay (Hypothesis 2; r=0.46; p<.001). Finally, clan culture relates positively to intention to stay (Hypothesis 3; r=0.33; p<.001).

Table 4. Means, Standard Deviations, Correlations, and Reliabilities

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Intent to Stay</th>
<th>Clan Culture</th>
<th>Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intent to Stay</td>
<td>4.42</td>
<td>.91</td>
<td>(.70)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Clan Culture</td>
<td>4.15</td>
<td>.92</td>
<td>.33***</td>
<td>(.75)</td>
<td></td>
</tr>
<tr>
<td>Commitment</td>
<td>4.24</td>
<td>.88</td>
<td>.46***</td>
<td>.66*** (.75)</td>
<td></td>
</tr>
</tbody>
</table>

N=114. *** correlation is significant at the 0.001 level (2 tailed)

Note. Figures in parentheses indicate Cronbach’s alpha reliability for the variables.

Table 5 presents the results of a hierarchical regression equation with intention to stay as the outcome variable. In the first step, we entered clan culture as the dependent variable with output indicating significance for this relationship ($b=.33$, $p<.001$, $R^2=.111$, sig. F change, .000). In step two, we added organization commitment to determine incremental validity, finding significant support ($b=.43$, $p<.001$, $R^2$ change=.103, sig. F change .000). Results further provide support for full mediation using the Baron and Kenny (1986), four step model of data analytics. Step 1 of the model illustrated the significant positive effects that the causal variable, clan culture, has on intentions to stay. Step 2 assesses correlations between clan culture and organization commitment. Results from the Pearson Correlation Matrix indicate significance ($R=.66$, $p<.001$). Step 3 of the model assesses the effects of the mediating variable, organization commitment, on the outcome variable, intentions to stay. Hierarchical regression results indicate significance ($b=.43$, $p<.001$). Step 4 assesses the impact of the addition of the mediating variable to the regression model. Results indicate that the addition reduced the relationship between clan culture and intentions to stay to non-significant status, demonstrating full mediation.

Table 5. Regression Results, Intention to Stay Dependent

<table>
<thead>
<tr>
<th>Variables</th>
<th>Equation 1</th>
<th>Equation 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$b$</td>
<td>$b$</td>
</tr>
<tr>
<td>Clan Culture</td>
<td>.33***</td>
<td></td>
</tr>
<tr>
<td>Commitment</td>
<td></td>
<td>.05</td>
</tr>
<tr>
<td>$R^2$</td>
<td>.111</td>
<td>.213</td>
</tr>
<tr>
<td>$F$</td>
<td>13.927</td>
<td>15.049</td>
</tr>
<tr>
<td>$DF$</td>
<td>1,112</td>
<td>1,113</td>
</tr>
<tr>
<td>Change in $R^2$</td>
<td>.111</td>
<td>.103</td>
</tr>
<tr>
<td>Sig. F change</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

*** $p<.001$

The data analysis results confirm the model tested in the study. Clan culture and commitment are positively related to intent to stay as demonstrated by the Table 4 correlations. As depicted in the model, clan culture affects intent to stay through commitment as demonstrated in Table 5. The table shows that, in a series of regression equations, clan culture is not related to intent to stay without commitment in the regression equation.
DISCUSSION

The full service, casual dining restaurant industry was the focus of the above study. The major implication arising from the research is that clan culture is not related to intent to stay when commitment is not present. The implication supports the importance of commitment being present to mediate the effect of clan culture on intention to stay. The study shows the necessity for commitment to be in place for clan culture to work effectively. The academic literature contains little in the way of the effectiveness of clan culture, and even less correlating clan culture and commitment. Although many independent restaurant and non-restaurant entities have a clan culture, the findings of this study are of importance because it adds to the literature that clan culture and commitment are positively related to intent to stay through commitment. The results further highlight the importance of the industry-wide concern regarding high employee turnover, particularly for those operations whose organization employs a clan culture.

After developing the appropriate clan culture, practitioners can improve their restaurant operations by considering changes that lead to building an affective level of commitment. The goal is to create an environment where employees want to work well for the organization. When examining the dynamic that makes up the restaurant workforce, two distinct workgroups can be found: full-time and part-time employees. There is a commitment gap between full time employees and part time employees (Stamper & Van Dyne, 2003). Employees that have full time status tend to have higher levels of commitment because of multiple factors that include monetary and non-monetary aspects. Part time employees are usually part time for one of two reasons. The first is other obligations that they have such as a full time job, family, school, etc. The second is that a full time position did not exist at the time of hire (Stamper & Van Dyne, 2003). To build affective commitment through all levels of the workforce, restaurant operators are advised to recognize and address the gaps that exist. Understanding and speaking to the needs of the different segments within the workforce is the starting point for building affective commitment. The next step in the process is to focus on the employees as individuals and addressing their needs and wants at that level as well.

PRACTICAL IMPLICATIONS

Foodservice operation failure rates show that the challenges involved in successfully maintaining a small business. The industry is unique in various aspects and the many variables related to restaurant operations cause managers to strive for precise execution to create the perfect dining experience. The task is compounded in difficulty because it is one of the only industries that must be concerned with producing or manufacturing raw, highly perishable foods into finished products and then selling those items, all under one roof (Sasser, Olsen & Wyckoff, 1978; Koutroumanis, 2005). In a sense, it is at once both a secondary (i.e., manufacturing) and tertiary (i.e., service) industry. Practitioners often contend that executing these tasks becomes easier if operators have the right people in place; a commonly used industry expression is “having your aces in the right places.” The goal of the culture/commitment paradigm is to create as many so-called aces or high performers in the restaurant as possible. Employees should be viewed as strategic resources (Crook, Ketchen & Snow, 2003), with the main goal of using employees in the same manner that one would use a strategic, core competency. Owners/operators cognizant of the full economic ramifications of employee turnover can go a long way to viewing people as strategic resources.

Additionally, research has shown that hospitality organizations that have self-managed teams and empowerment strategies in place have lower employee turnover and higher levels of success and profitability (Crook, Ketchen & Snow, 2003). These strategies are harder to sustain with turnover. Aside from the professional intimacy that develops between management and workers over time in an
operation with low employee turnover, the group dynamics are influenced because team cohesion occurs over time as well. Foodservice industry turnover is characteristically high (Berta, 2005). The academic literature has also shown that less bureaucratic organizational cultures in restaurants, like those found in independently owned restaurants, create positive relationships between the employees and the organization (Stamper & Van Dyne, 2003). There are specific ways to address turnover, create positive employee/organization relationships, and foster an atmosphere of high performance. Aside from paying employees fair and well, successful practitioners use various intrinsic drivers to encourage a culture of commitment. The specific methods can include social gatherings to build team unity, constant, open two-way communication to gauge thoughts and feelings, shared governance to inspire a sense of buy-in and ownership, professional training and development opportunities to sustain job interest.

The culture/commitment model was described in an effort to bring attention to a growing issue of employee organizational commitment and intentions to stay. The model serves as a scaffold for building the overall success of individual restaurant operations. The results will assist in reducing employee turnover and simultaneously improving service quality. The application of the culture/commitment model presents broad implications for restaurant operators, as well as hospitality professionals generally. Its intent is to play a role in building repeat patronage, which will likely have positive effects on the profitability and sustained longevity of restaurants.

REFERENCES


