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Organisational commitment of accountants in Australia and South Africa

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This paper examines the independent variables of perceived environmental uncertainty (PEU) and the cultural beliefs of collectivism/individualism between two countries, Australia and South Africa. These countries were chosen because Australia is a stable democracy and South Africa an emerging democracy which is undergoing significant political, social and economic transformation. The purpose of this paper is to determine whether accountants' commitment to an organization is associated with perceived environmental uncertainty, collectivism and nationality.

The results of this study suggest that individuals' organisational commitment is associated with nationality (South African and Australian) and that relationship is associated with their cultural beliefs (collectivism/individualism) and an environmental variable, perceived environmental uncertainty.

This research is regarded as important in that multi-national organizations operating in different political and social environments may choose to use different means to ensure the maximum organisational commitment from their employees, in particular, those who are professional accountants.

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INTRODUCTION

The purpose of this paper is to determine whether the levels of the two independent variables of environmental uncertainty (PEU) and collectivism differ between the professional accountants of South Africa and Australia, and whether those differences explain differing levels of organisational commitment between South Africa and Australia.

It is suggested that due to the fundamental and far reaching social and political changes which have occurred over the past five years and continue to occur, that the values of these variables of PEU and collectivism of professional accountants in South Africa will differ from their values of professional accountants in Australia. Further, it is suggested these differences, either individually or together, will explain some of the difference in the levels of organisational commitment between the two countries.

Accountants’ commitment to their organisation has been extensively researched and has been found to be strongly associated with job turnover, job satisfaction, performance, personality and motivation (see a summary in Gregson, 1992). An individual’s organisational commitment is an important area of study as it has both attitudinal and behavioural consequences (Kalleberg & Reeve, 1992). An individual’s attitude to the organisation is inferred by their loyalty to the firm and identification with its values. As a consequence, an individual’s attitude reflects whether or not their connection with the organisation is primarily based on economic motivations. The behavioural component of commitment reflects a person’s willingness to expend effort on the organisation, as well as his or her intention to remain in the organisation.

Nouri and Parker (1996) suggest that the results of prior studies imply that individuals with high commitment to the organisation view the pursuit of organizational goals as important, whereas those with low organisational commitment are primarily interested in pursuing self-interest. An examination of accountants’ organisational commitment may be of interest to employer organisations as personnel retention represents a significant problem facing public accounting firms (Aranya & Ferris, 1984). Employers endeavour to retain personnel they have trained and invested resources in. In addition, accountants represent a homogeneous professional group. The homogeneity of the subjects is exhibited in the similarity in their training and background, suggesting minimal differences. However, they work in a range of areas and subsequently have different organisational environments.

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1Organisational commitment of accountants has been found to be negatively related to job turnover and job satisfaction (see Gregson, 1992).
This research is regarded as important in that multi-national organisations operating in different political and social environments may choose to use different means to ensure the maximum organisational commitment from their employees, in particular, those who are professional accountants. For example, this study found that organisational commitment is associated with individuals’ collectivism. Therefore, firms should initiate group rewards and team related activities that encourage collectivistic values when organisational commitment is diminishing.

The paper proceeds as follows. In the subsequent section the background to the research is described and testable hypotheses from the above stated general research objective are derived. The research approach is then explained, followed by the results of the research. The paper concludes with a discussion of the implications of the study’s findings, its limitations and suggestions for future research.

BACKGROUND AND HYPOTHESES

Organisational commitment

For purposes of this study, organisational commitment (OC) is defined as the relative strength of identification with and involvement in an organisation, acceptance of organisational goals, and willingness to exert effort to remain in that organisation. This definition is consistent with that of prior research (Aranya & Ferris, 1984; Mowday, Porter & Steers, 1982).

Such value commitment is characterised by a strong belief in and acceptance of the organisation's goals and values, and a willingness to exert considerable effort on behalf of the organisation (Porter et al., 1974; Angle & Perry, 1981; Nouri, 1994).

The definition of OC by Porter, Steers, Mowday and Boulian (1974) has been developed into an instrument (the Organisational Commitment Questionnaire or OCQ) that has been used extensively as the basis for measuring OC in the majority of organisational behaviour studies (e.g., Gregersen & Black, 1992; Mathieu & Farr, 1991).

Prior research (Porter et al.) has identified OC as important in its effect on individual’s performance. The literature suggests that many variables influence OC, such as financial pressure (Brett, Cron & Slocum, 1995), job role (Keller, 1977) and personality (Colarelli & Bishop, 1990). However, there has been little research on how variables interact to affect individuals’ organizational commitment (Chen & Francesco, 2000). In this study, we consider whether professional accountants’ organisational commitment is associated with their nationality, cultural beliefs or environment. In particular, we consider whether individuals’ organisational
commitment is associated with nationality (South African and Australian) and if that relationship is associated with their cultural beliefs (collectivism/individualism) or an environmental variable, perceived environmental uncertainty.

Perceived environmental uncertainty (PEU)

Duncan (1972: 318; in Fisher, 1996: 362) defines environmental uncertainty as:

1. the lack of information regarding the environmental factors associated with a given decision-making situation;
2. not knowing the outcome of a specific decision in terms of how much the organisation would lose if the decision were incorrect; and
3. inability to assign probabilities with any degree of confidence with regard to how environmental factors are going to affect the success or failure of the decision unit in performing its function.

Empirical researchers suggest that perceived environmental uncertainty (PEU) should be used rather than objectively trying to measure uncertainty (Fisher, 1996: 362; see also Gordon & Narayanan, 1984; Chenall & Morris, 1986). Researchers have adopted this measure of environmental uncertainty because members of an organization react to the environment they have constructed for themselves, that is, the environment they perceive as being real, rather than the actual physical environment (Weick, 1969; Ferris, 1977 & Magnusson, 1981).

Given these findings, it is argued that the PEU experienced by professional accountants in South Africa will be higher than the PEU experienced by professional accountants in Australia. South Africa is undergoing significant social and economic change. The certainties of the past have been removed and change is taking place rapidly at all levels of society. Therefore, individuals in South Africa are more likely to perceive greater levels of uncertainties in their environment.

An example of this environmental uncertainty in the South African context is the policy of affirmative action, and the perception that white South African males have been the beneficiaries of affirmative action in the past, and should now make way for South Africans of other backgrounds. In contrast, Australia has had a relatively stable social and economic environment.

Further, it may be suggested that in an environment of higher PEU, an individual’s OC will increase due to additional efforts which have to be made to keep one’s employment. This expectation therefore leads to the following hypothesis (see Fig. 1).
$H_1(a)$: Professional Accountants' commitment to the organisation is positively related to their PEU.

$H_1(b)$: Professional Accountants in South Africa will experience higher levels of PEU than Professional Accountants in Australia.

<table>
<thead>
<tr>
<th>Country</th>
<th>PEU</th>
<th>Organisational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Australia</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

Figure 1: The hypothesized relationship between country, PEU, and organisational commitment

Collectivism

Collectivism may be conveniently conceptualised on a scale with individualism at one end of the scale and collectivism at the other. Hofstede (1980: 79) distinguishes societies on this scale as follows:

“At one end of the scale we find societies in which the ties between individuals are very loose. Everybody is supposed to look after his or her own self interest and maybe the interest of his or her immediate family … At the other end of the scale we find societies in which the ties between individuals are very tight. People are born into collectivities or ingroups. Everybody is supposed to look after the interest of his or her own group.”

It is within the context of individualism or collectivism in society that we can perceive culture at both societal and organisational levels (Morris et al., 1994). Individualism is a measure of the relative importance of independence for the organisation. Individuals scoring high on this construct stress goal independence. Individuals scoring low on this construct favour more dependence on the organisation (Frost et al., 1985).

We can assume more “moral” involvement with the organisation where collectivism values prevail, and more “calculative” involvement where individualist values prevail (Etzioni, 1975). The degree of individualism in organisations will depend on
many factors besides a societal norm, for example, the employee's educational level and the organisation's own history and subculture (Hofstede, 1980: 153).

Individualists are motivated by self-interest and achieving personal goals, pride in their own accomplishments and are unlikely to contribute to collective action while a collectivists emphasise sharing, cooperation and the prevalence of group goals over personal goals (Hofstede, 1980; Spence, 1985). It is suggested therefore that collectivists will demonstrate greater commitment to the organisation than individualists because they will perceive the group goals as more important than individual goals.

Hofstede (1980) developed an index for measuring these opposing goals. Known as the country individualism index (IDV), the highest IDV values were found for the United States (91) followed by Australia (90), South Africa's value was 65. Therefore Australia was found to be a more individualistic culture than South Africa.

Given these findings, it is argued that within a country such as South Africa, which has a lower IDV value than Australia (and is therefore more collectivist), respondents will demonstrate higher organisational commitment than Australian respondents. The preceding discussion therefore leads to the following hypothesis (see Fig. 2).

\[H_2(a):\] Professional Accountants' commitment to the organisation is positively related to their collectivism.

\[H_2(b):\] Professional Accountants in South Africa will experience more collectivist cultural beliefs than Professional Accountants in Australia.

<table>
<thead>
<tr>
<th>Country</th>
<th>Collectivism</th>
<th>Organisational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>High</td>
<td>High</td>
</tr>
<tr>
<td>Australia</td>
<td>Low</td>
<td>Low</td>
</tr>
</tbody>
</table>

**Figure 2: The hypothesized relationship between country, collectivism, and organisational commitment**

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6  
As discussed in the previous sections of this paper, it is expected that individuals’ organisational commitment will be positively related to the independent variables of PEU and collectivism. That is, the higher the PEU and the more collectivist, the greater the organisational commitment of that individual.

As we hypothesised, South African professional accountants are expected to have higher scores on each of these variables, and therefore we expect them to have a higher level of organisational commitment than Australian professional accountants (see Fig. 3). This therefore leads to the following hypothesis.

H2: South African Accountants will demonstrate greater levels of organisational commitment than Australian Accountants.

<table>
<thead>
<tr>
<th>Country</th>
<th>Organisational Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>South Africa</td>
<td>High</td>
</tr>
<tr>
<td>Australia</td>
<td>Low</td>
</tr>
</tbody>
</table>

Figure 3: The hypothesized relationship between country of respondent and organisational commitment

RESEARCH DESIGN

Data collection

Data were collected using a structured questionnaire, which was developed from existing instruments to enhance the validity and reliability of the measures. A single mailing of the questionnaire in 1998 was sent to 500 randomly selected members of the South African Institute of Chartered Accountants resident in South Africa, 500 randomly selected members of the Institute of Chartered Accountants in Australia and 500 randomly selected members of the Australian Society of Certified Practicing Accountants resident in Australia.

Of the 500 questionnaires sent to members of the South African Institute of Chartered Accountants, 116 useable responses were received, representing a 23% response rate. Of the 1000 questionnaires sent to members of the Australian
Accounting Profession, 345 usable responses were received, representing a 34.5% response rate.

**Dependent variable**

The dependent variable, accountant’s commitment to the organization, was measured using the 15-item instrument developed by Mowday et al. (1979), with high scores indicating high commitment.

**Independent variables**

The independent variable, the perceived environmental uncertainty (PEU) was measured using a 10-item instrument developed by Gordon and Narayan (1984). High scores denote a high PEU. The independent variable, cultural beliefs, was measured using a 7-item scale with some questions measuring collectivism and others individualism (Hofstede, 1980). High scores indicate collectivist cultural beliefs. Country of origin, a dichotomous variable, was Australia and South Africa.

**Control variables**

Age, tenure and seniority were included in the regression equation in order to control for their effects. In this way the model provides a more robust test of the experimental variables. Previous research has found age, seniority and tenure are positively related to commitment (Gregson, 1992; Kalleberg & Reeve, 1992; Sommer et al., 1996). Kalleberg and Reeve (1992) suggest that people who have worked in an organisation for a longer time are more likely to have acquired skills that are firm specific and are therefore more committed to that organisation. Sommer et al. (1996) suggest that the higher employees rise in the hierarchy of the organisation, the more committed to the organisation they become, as they are likely to internalize organisational goals.

**Descriptive statistics**

The mean age of the Australian and South African respondents were 40.12 years and 29.71 years respectively. For the Australian respondents, there were 72 females and 273 males, whilst for the South African respondents there were 38 females and 78 males. The average time employed with the current employer was 7.8 years for the Australian respondents and 2.9 years for the South African respondents. Prior to their current employment both groups had changed their job twice in the previous five years. In the questionnaire, respondents’ measured seniority by self-ranking their position in the organisation as lower, middle or senior level. Thirty seven percent of the Australian respondents ranked themselves as middle, 58.2% as senior.
and 5% as lower level. Forty eight percent of the South African respondents ranked themselves as middle, 51% as senior and 1% as lower level.

The results of the Pearson product-moment correlation matrix are reported in Table 1. The results suggest that the independent variables and control variables are correlated with the dependent variable, thus providing preliminary support for the stated hypotheses.

Table 1: Means, standard deviations and correlations (N = 424)

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Mean</th>
<th>Std.</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.Organisational commitment</td>
<td>5.10</td>
<td>1.15</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.FEU</td>
<td>4.45</td>
<td>0.93</td>
<td>0.148**</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.Collectivism</td>
<td>5.67</td>
<td>0.82</td>
<td>0.146**</td>
<td>0.036</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.Country</td>
<td>.</td>
<td>0.072</td>
<td>0.129**</td>
<td>-0.037</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Demeographic Variables

| | | | | | | | | | |
| Age | 37.20 | 9.68 | 0.219** | 0.038 | 0.005 | -0.479** | 1.00 | | |
| Tenure | 6.40 | 7.16 | 0.238** | 0.043 | 0.097** | -0.299** | 0.586** | 1.00 | |
| Seniorty | 0.349** | 0.033 | 0.011 | -0.043** | 0.311** | 0.222** | 1.00 | | |

Significant levels: ** p = 0.01 (2-tailed) * p = 0.05 (2-tailed)

Statistical tests

To test and evaluate the contribution and significance of the hypotheses, three sets of regression were run for the dependant variable of organisational commitment. The first to test and evaluate the contribution and significance of $H_{1(0)}$ & $H_{2(0)}$. An ordinary least squares regression was run to test the main effects of the independent variables on organisational commitment. The second and third regression was to test the interaction of the independent variables on organisational commitment. Age, tenure and seniority were included in the regression equations in order to control for their effects. Tests for multicollinearity using variance inflation statistics were run concurrently with each regression model.

The following multiple regression model was used to test the relationships posited as the main effects.

$$\gamma = \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \beta_5 x_5 + \beta_6 x_6 + e$$
where:

\[ \begin{align*}
    y &= \text{the dependent variable, high scores indicate high organisational commitment;} \\
    x_1 &= \text{perceived environmental uncertainty, high scores indicate high uncertainty;} \\
    x_2 &= \text{collectivism, high scores indicate collectivism;} \\
    x_3 &= \text{country: Australia and South Africa;} \\
    x_4 &= \text{age;} \\
    x_5 &= \text{tenure; and} \\
    x_6 &= \text{seniority: self-ranking, lower, middle and upper level.}
\end{align*} \]

RESULTS AND DISCUSSION

The results for testing the main effects, \( H_{1(a)} \) and \( H_{2(a)} \) are reported in Table 2. The regression model has an \( R^2 \) of 20.7%, thus explaining 21% of the variation in accountants’ commitment to the organisation.

The results in Table 2 show that there is a positive and significant relationship between accountants’ organisational commitment and PEU (\( p = 0.026 \)). That is, the greater individuals’ perception of uncertainty in the environment, the more committed they are to the organisation. Therefore hypothesis 1(a) is supported. The results in Table 2 also show that there is a positive and significant relationship between OC and collectivism (\( p = 0.003 \)), thus supporting hypothesis 2(a). The findings suggest accountants who are more collectivist are more committed to their employing organisation. The results also demonstrate that accountants’ organisational commitment is positively and significant related to their country of origin (providing preliminary support for hypothesis 3) and the control variables of age, tenure and seniority.

The results for testing \( H_{1(b)} \), \( H_{2(b)} \) and \( H_3 \) were obtained using an independent-sample, students’ t-test. Figure 4 presents a summary of the results.

The results in Table 3 show that the South African respondents display statistically significant higher levels of PEU than Australian respondents, thereby supporting hypothesis 1(b). This result provides support for the argument that the uncertain political and social environment present in South Africa is related to individual’s perception of uncertainty in the environment.
Table 2: Results of multiple regression analysis for organisational commitment (N = 424)

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Expected sign</th>
<th>coefficient</th>
<th>t-value</th>
<th>significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td></td>
<td></td>
<td>1.333</td>
<td>0.183</td>
</tr>
<tr>
<td>PEU $X_1$</td>
<td>+</td>
<td>0.099</td>
<td>2.240</td>
<td>0.026</td>
</tr>
<tr>
<td>Collectivism $X_2$</td>
<td>+</td>
<td>0.133</td>
<td>3.021</td>
<td>0.003</td>
</tr>
<tr>
<td>Country $X_3$</td>
<td>?</td>
<td>0.181</td>
<td>3.561</td>
<td>0.000</td>
</tr>
<tr>
<td>Age $X_4$</td>
<td>+</td>
<td>0.137</td>
<td>2.239</td>
<td>0.026</td>
</tr>
<tr>
<td>Tenure $X_5$</td>
<td>+</td>
<td>0.133</td>
<td>2.446</td>
<td>0.015</td>
</tr>
<tr>
<td>Seniority $X_6$</td>
<td>+</td>
<td>0.280</td>
<td>6.045</td>
<td>0.000</td>
</tr>
</tbody>
</table>

$R^2$ 0.027
$Adjusted R^2$ 0.195
$F$-value 18.099

However, the results in Table 3 fail to support hypothesis 2(b). The results show that the South African and Australian respondents displayed similar measures of collectivism, contrary to the Individualism Index Value (IDV) developed by Hofstede (1980). This result suggests that this result does not conform to that discovered by Hofstede. This may be due to the fact that at the time the data for the current study were collected, approximately 95% of the profession were from the population of European descent, whereas the Europeans form about 20% of the whole population. It is also likely that those South Africans of European decent would hold cultural values not dissimilar to those held by Australians. In addition, the difference between the Hofstede (1980) study and the current study could be because of the passage of time and changing norms and values of the two countries.

The final results in Table 3 also show that South African respondents display higher levels of OC than do Australian respondents, and that this is moderately statistically significant ($p = .08$). Therefore the results support hypothesis 3.

<table>
<thead>
<tr>
<th>PEU</th>
<th>Collectivism</th>
<th>OC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predicted</td>
<td>Findings</td>
<td>Predicted</td>
</tr>
<tr>
<td>South Africa &gt; Australia</td>
<td>Supported</td>
<td>South Africa &gt; Australia</td>
</tr>
</tbody>
</table>

Figure 4: The t-test results between South African and Australian Accountants
Table 3: Results of t-tests of country differences

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Country</th>
<th>n</th>
<th>Mean</th>
<th>t-value</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>PEU</td>
<td>Australia</td>
<td>323</td>
<td>4.369</td>
<td>-2.213</td>
<td>0.027</td>
</tr>
<tr>
<td></td>
<td>South Africa</td>
<td>116</td>
<td>4.591</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collectivism</td>
<td>Australia</td>
<td>323</td>
<td>5.686</td>
<td>1.056</td>
<td>0.291</td>
</tr>
<tr>
<td></td>
<td>South Africa</td>
<td>116</td>
<td>5.593</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organisational</td>
<td>Australia</td>
<td>323</td>
<td>5.067</td>
<td>-1.723</td>
<td>0.086</td>
</tr>
<tr>
<td>commitment</td>
<td>South Africa</td>
<td>113</td>
<td>5.254</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Significant levels for 2-tailed tests

Additional analysis

In order to further examine the above result, a number of analyses were carried out to explore how PEU, collectivism and country of origin may have interacted in their influences on organisational commitment. The subsequent analysis tests whether South African and Australian accountants’ organisational commitment is associated with their level of collectivism or perceived environmental uncertainty. These tests provide some evidence of the relative importance of collectivism and PEU on accountants’ OC given their nationality.

Ordinary least squares regression

Further regressions were run, splitting the sample into Australia and South Africa. These regressions test whether the relationship between accountants’ organisational commitment and their country of origin is related to their cultural beliefs or environment, that is, a two-way interaction. In addition, a further regression was run for each country to test whether the relationship between Australian or South African accountants’ organisational commitment and collectivism is associated with their perception of the environment, that is, a three-way interaction. The results of these tests are reported in Table 4.

The results suggest that Australian accountants’ commitment to the organisation is not related to their perception of environmental uncertainty ($p = 0.153$). Rather, their organisational commitment is related to the level of collectivism ($p = 0.015$). In contrast, South African accountants’ commitment to the organisation is related to
both their perception of environmental uncertainty \((p = 0.041)\) than their level of collectivism \((p = 0.055)\). This result provides further evidence of the importance of perceived environmental uncertainty in South Africa.

The results of the three-way interaction are provided in Table 4. Although the interaction term between PEU and collectivism for Australian accountants remains positively related to OC, the result demonstrates that the level of PEU weakens that positive relationship. The result is marginally significant \((p = 0.096)\). However, the findings failed to demonstrate a significant moderating association between collectivism and PEU on South African accountants' organisational commitment \((p = 0.720)^2\).

Table 4: Results of multiple regression analysis for organisational commitment
\((N = 424)\)

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Australia ((N = 313))</th>
<th>South Africa ((N = 111))</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2-way interaction</td>
<td>3-way interaction</td>
</tr>
<tr>
<td>PEU (X_1) coefficient</td>
<td>0.074</td>
<td>-0.456</td>
</tr>
<tr>
<td>t-value</td>
<td>1.433</td>
<td>-1.419</td>
</tr>
<tr>
<td>Collectivism (X_2) coefficient</td>
<td>0.125</td>
<td>-0.228</td>
</tr>
<tr>
<td>t-value</td>
<td>2.442**</td>
<td>-1.050</td>
</tr>
<tr>
<td>Age (X_3) coefficient</td>
<td>0.129</td>
<td>0.123</td>
</tr>
<tr>
<td>t-value</td>
<td>2.040*</td>
<td>1.941*</td>
</tr>
<tr>
<td>Tenure(X_4) coefficient</td>
<td>0.137</td>
<td>0.148</td>
</tr>
<tr>
<td>t-value</td>
<td>2.266*</td>
<td>2.443*</td>
</tr>
<tr>
<td>Seniority (X_5) coefficient</td>
<td>0.285</td>
<td>0.288</td>
</tr>
<tr>
<td>t-value</td>
<td>5.237**</td>
<td>5.299**</td>
</tr>
<tr>
<td>PEU*Coll (X_6) # coefficient</td>
<td>0.666</td>
<td>-0.281</td>
</tr>
<tr>
<td>t-value</td>
<td>1.669</td>
<td>-0.360</td>
</tr>
<tr>
<td>(R^2)</td>
<td>0.217</td>
<td>0.224</td>
</tr>
<tr>
<td>Adjusted (R^2)</td>
<td>0.204</td>
<td>0.209</td>
</tr>
<tr>
<td>F-value</td>
<td>17.012**</td>
<td>14.724**</td>
</tr>
</tbody>
</table>

Significant levels: ** \(p = 0.01\) * \(p = 0.05\)

\(^2\)However, tolerance tests revealed a problem with multicollinearity between the three-way interaction term and the main terms.
SUMMARY AND CONCLUSIONS

The results of this study demonstrate that accountants' organisational commitment is associated with perceived environmental uncertainty and collectivism, and that the organisational commitment of South African accountants is greater than that of Australian accountants. The findings of the study also show that Australian accountants' organisational commitment is associated with collectivism, while South African accountants' organisational commitment is associated with both environmental uncertainty and collectivism. The results of testing the hypotheses have some practical implications for accountants and their employing organisations by identifying factors associated with employees' organisational commitment.

The findings of this study demonstrate that increases in perceived environmental uncertainty is associated with increases in South African accountants' organisational commitment. One possible explanation for this result is that the uncertain social and political environment throughout South Africans' lives has equipped them with the skills necessary to cope with environmental uncertainty. As uncertainty levels increase, they expend more effort in achieving organisational goals. In contrast, Australian accountants' organisational commitment is not associated with the level of environmental uncertainty, possibly because they have lower levels of PEU than South African accountants.

The results of this study also demonstrate how cultural beliefs are a strong predictor of accountants' commitment to their organisation. The positive relationship between organisational commitment and collectivism is important for both Australian and South African accountants and even more significant for Australian accountants. The findings demonstrate how accountants' cultural beliefs are related to their organisational commitment, therefore organisations should identify the cultural characteristics of their employees and design employment policies accordingly, such as group rewards and team related activities.

For South African firms, accountants' organisational commitment is positively related to both collectivism and environmental uncertainty and neither variable mediate each other. The organisational commitment of Australian accountants is related to their collectivism. However, that relationship is weakened with increasing levels of environmental uncertainty. This result suggests that when Australian organisations are restructuring or rationalizing they need to adopt policies designed to maintain accountants' level of organisational commitment.

As with similar research, this study is subject to limitations including the usual limitations of questionnaire survey studies. In addition, accountants participating in this study were members of two accounting associations in Australia and one accounting association in South Africa and may not be generalizable to other...
accountants. Further research could include other independent variables, such as locus of control, to develop a more comprehensive and integrated model specifying the conditions under which organisational commitment could be improved.

**References**


