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Financial Planners in Australia: An Examination of Loyalty

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Abstract: The purpose of this paper is to determine whether the demographic variables of age, gender and length of service, and the levels of the three independent variables of internal versus external locus of control personality dimension, individualist versus collectivist personality dimension, and perceived environmental uncertainty can be shown to be related to the organisational commitment (OC) and professional commitment (PC) of financial planners in Australia. The financial planners employed by one major Australian bank, during the period November to December, 2004 were surveyed using an instrument derived from established questionnaires. It was mailed nationally to 312 financial planners. A response rate of 36% was achieved, equating to 113 useable responses. The analyses revealed no statistically significant results at the 95% confidence level (p=0.05), that the level of OC and PC for respondents over the age of 35 differed from those under the age of 35. At the same level of confidence, females demonstrated a statistically significant higher level of OC than did their male counterparts, however there was no difference between their levels of PC. Financial planners employed for a period of over 3 years showed no difference in their levels of OC or PC than those employed for a period of less than 3 years (p=0.05). Respondents with an external locus of control displayed statistically significant lower levels of OC than those with an internal locus of control, however there was no difference between these groups in their levels of PC (p=0.05). Such findings contribute to our understanding of the organisational and professional commitment of financial planners, and have implications for employers in terms of hiring and retention of employees. The analyses are also important from a public policy perspective in an era of increasing attention to, and likely increased regulation of, the financial planning industry.

Keywords: Organisational Commitment, Professional Commitment, Financial Planning, Financial Planners

Introduction

As the financial planning industry continues to expand in Australia, financial planners and their role within the industry are under increasing scrutiny,¹ with stakeholders showing a growing concern for a possible conflict of interest for financial planners when advising clients on investment product choice. The situation is likely exacerbated when, for instance, financial planners are employed by a corporate entity that market investment products—the type of which may not be in the best interests of the client.² Such circumstances may result in a personal dilemma for the financial planner that subsequently affects their level of commitment to their organisation or to the mission of their profession generally, and in this way, creates a level of conflict between their organisational and professional commitment.

It is therefore of benefit to the employer and the financial planning profession that those factors that lead the financial planner to become committed to both their organisation and their profession be better understood, and with increasing public attention on financial planners, their qualifications, professional behaviour, attitude to clients and investment expertise, a similarly focused study on financial planners is warranted. Furthermore from a public policy perspective, in an era of longevity and escalating media, government and societal attention generally on, for instance, superannuation savings and investment advice, such a study is essential.

The paper proceeds as follows: The concepts of organisational and professional commitment are defined, and based on the theoretical constructs of organisational and professional commitment, hypotheses are determined. Section three provides details of the research methodology used in this study, while section four elaborates on the statistical methods used and results found based on the questionnaire responses. These results are discussed in section five, which also looks at possible future research and provides concluding remarks.

Literature Review

For the purpose of this study, organisational commitment (OC) is defined as the relative strength of identification with, and involvement in, an organisa-

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¹ For example refer to the contributions of Peter Mair (2005) in the Australian Financial Review on "Financial Planners".
² Ibid.
tion; acceptance of its goals and willingness to exert effort to remain in that organisation.

This definition is consistent with that of prior research (Aranya and Ferris, 1984; Mowday et al., 1982). The form of commitment discussed here is attitudinal commitment, as opposed to "calculated" commitment, which involves employees having "sunk costs" such as a stake in a pension plan such that they cannot afford to separate themselves from the organisation. (Mathieu and Zajac 1990), p. 172.

Additionally, strong belief in and acceptance of the organisation's goals and values, and a willingness to exert considerable effort on behalf of the organisation characterises high levels of commitment to the organisation (Nouri, 1994, Angle & Perry, 1981, Porter et al., 1974).

The relationship between employee attitudes and behaviour and their work environment has received much attention from behavioural scientists, with positive organisational commitment leading to important outcomes such as better performance (Jauch et al., 1978 and Mowday et al., 1974), decreased turnover and higher job satisfaction increased organisational effectiveness (Porter, et al., 1974), higher motivation (Farrell and Rushbul, 1981), higher organisation citizenship behaviour (Anderson and Balzer, 1991), and organisational support (Eisenberger et al., 1990).

Extensive research has been carried out on accountants' attitudinal commitment to their organisation. Their level of commitment has been found to be strongly associated with job turnover, job satisfaction, performance, personality and motivation (Gregson, 1992). Consequently, attitudinal and behavioural consequences of an individual's organisational commitment remains an important area of study (Kalleberg and Reeve, 1992). An individual's attitude to the organisation is inferred with regard to loyalty to the firm and identification with its values. Consequently, an individual's attitude may connect with the organisation based primarily on economic motivators. 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.

The results of prior studies imply that individuals with high commitment to the organisation view the pursuit of organisational goals as important, whereas those with low organisational commitment are primarily interested in pursuing self-interest (Nouri 1994). Hence, an individual's performance has been shown to be affected by OC (Porter et al., 1974), whereas OC, in turn, has been shown to be affected by many variables such as job role (Keller, 1997), financial pressure (Brett et al., 1995), and personality (Colarelli & Bishop, 1990).

There has been little research however, on how the variables of locus of control (LOC), individualism versus collectivism and Perceived Environmental Uncertainty (PEU) interact to affect an individual's OC (Clayton & Hutchinson, 2002). Likewise there has been little research on financial planners' commitment to the organisation for which they work or their commitment to its goals. Hence, an examination of financial planners' OC may well be of interest to employer organisations. Consider that in similar studies of accountants' OC, it was found that personnel retention represented a significant problem facing public accounting firms (Aranya & Ferris, 1984).

For the purpose of this study, professional commitment (PC) is defined as the relative strength of the identification and involvement of professionals with their profession (Aranya 1984). They maintain that professional commitment "may indicate (1) the belief in and acceptance of the goals and values of the profession, (2) the willingness to exert considerable effort on behalf of the profession and (3) a definite desire to maintain membership in the profession." (Aranya 1984).

The classical sociological theory of professions assumes that power and prestige are granted to professions because professionals are the possessors of bodies of knowledge linked to the central needs and values of society. (Goode 1969) Society in return expects strong commitment by professionals to the public, above and beyond material incentives.

Harrell et al., (1986) found that membership of the Institute of Internal Auditors (IIA) is positively related to professional commitment, and that professional commitment negatively affects personal turnover intentions. Makkai and Braitwaite (1993) found in their study of management in Australian nursing homes, that different aspects of professionalism are interrelated, for example, those directors of nursing who indicated a high level of commitment to the profession are significantly more likely to place a higher value on professional rather than on business values. They also found that professional commitment does not correlate with control of finances, but does correlate with control of staff, and they are more likely to give priority to both efficiency and caring values when hiring staff.

Evidence from a number of studies suggests that members of the professions do hold strong values about their professions, and are very committed and loyal to their professions (see e.g. Aranya and Ferris (1984 p. 3) in relation to internal auditors)
Hypothesis Development

Demographic Relationships

Age

A meta analysis of a large number of studies suggests a positive correlation between age and attitudinal OC, probably because older workers have greater job satisfaction, enjoy better positions and have "cognitively justified" remaining in an organisation. (Mathieu and Zajac, 1990, p. 7; (Meyer and Allen 1984)

However, not all studies have confirmed this correlation ((Kwon, I, and Banks, D. (2004). A study of academics by Winter et al (2000, p. 290) found a curvilinear relationship between age and OC, with academics in the 30-49 age group demonstrating significant levels of OC, while those in the 25-29 and 60-64 age groups demonstrated much lower levels of commitment. A study of Israeli social workers concluded that OC was significantly related to age for professionals, but not for non-professionals. (Mannheim and Papo 2000, 128)

There is some limited evidence of a relationship between PC and demographics. In a study of social service employees working in public, not-for-profit and proprietary organisations, Giffords (2003) found that age was related to employees' PC, the older the employee, the greater the level of PC. Giffords (2003, p. 20) concludes that the finding about age is a reason for encouraging lifetime employment.

This Leads us to the Following Hypotheses

H 1: Financial planners' commitment to the organisation is positively related to their age
H 2: Financial planners' commitment to the profession is positively related to their age

Gender

A meta analysis of studies suggests that women tend to be more committed to organisations than men, although the statistical relationship is not strong. (Mathieu and Zajac 1990, p. 7). An explanation offered for this finding is that women have to overcome more barriers than men to gain membership of organisations, though this problem is probably receding. A more recent study of internal auditors (Kwon and Banks, 2004,) confirmed the greater commitment by females compared with their male counterparts to their organisation. They hypothesise the reason as a difference in perceived alternative employment opportunities between genders.

There are a number of arguments both for and against the notion that women are more committed to their profession than are men, for example: women are married, and therefore their work roles are secondary to their family roles, resulting in less involvement to their work, hence less committed to professional norms toward work; on the other hand, kindness, nurturance and helping others (the Florence Nightingale model) are qualities expected more of women than of men. The professional service ideal is therefore valued more by women than by men.

In his study of school teachers, Colombosos (1963) found that women are significantly more professional than men.

In various studies of women in the legal profession, it has been argued that women are less attached to the employing organisation and the practice of law because of the conflicting demands of a legal career and familial obligations (Epstein, 1981; Adam and Baer, 1984). Kwon and Banks (2004) did not find any relationship between gender and professional commitment.

This leads us to the following hypotheses

H 3: Financial Planners' commitment to the organisation is positively related to their gender
H 4: Financial Planners' commitment to the profession is positively related to their gender

Tenure

In her study of social workers, Giffords (2003) found that the workers' position in the hierarchy is associated with PC. Giffords theorised that more senior workers may feel more professionally committed when they believe that they have more responsibility or more flexibility with decision making. Whilst tenure in a position does not necessarily translate into a more senior position in the organisation, it is reasonable to assume that length of tenure and seniority are positively correlated.

Thus, based on the above we propose the following hypotheses:

H 5: Financial Planners' commitment to the organisation is positively related to their length of tenure.
H 6: Financial Planners' commitment to the profession is positively related to their length of tenure

Locus of Control Personality Dimension

People who believe that their own actions determine the rewards that they obtain are said to have a low external (hence, an internal) locus of control, while those who believe that their own behaviour doesn't matter much and that rewards in life are generally outside of their control are said to have a high external locus of control.
Locus of control is a personality construct referring to an individual’s perception of the locus of events as determined internally by his/her own behaviour versus fate, luck, or other external circumstances. McCombs (1991) suggested that what underlies the low external, or internal, locus of control is the concept of "self as agent". This means that our thoughts control our actions. This is commonly referred to as an executive function of thinking, and when we realise and accept this, we can positively affect our beliefs, motivation, and academic performance. In other words, "[t]he self as agent can consciously or unconsciously direct, select, and regulate the use of all knowledge structures and intellectual processes in support of personal goals, intentions, and choices" (McCombs, 1991, p.6).

Furthermore "the degree to which one chooses to be self-determining is a function of one’s realization of the source of agency and personal control". That is to say, "I choose to direct my thoughts and energies toward accomplishment. I choose not to be daunted by my anxieties or feelings of inadequacy" (McCombs, 1991, p.7).

Recently, Selwart (2005) examined the influence of an individual’s locus of control on strategic issues relevant for consultative/participative decision-making. Selwart found that Swedish managers with low external (internal) locus of control used group consultative decision-making more frequently than those with high external locus of control. There was also a tendency showing that those with a high external locus of control more frequently used participative decision-making than those with a low external locus of control. This was in line with the general trend, indicating that managers, on the whole, predominantly used participative decision-making.

In the context of change management, it is well known that change holds potential for innovation and improvement, however, change also always contains uncertainty and an element of risk. Research has found that an individual’s ability to manage change is correlated with good reality orientation, ego strength and an internal locus of control. Rigidity is often the response of a mind that does not trust itself to cope with the new or master the unfamiliar, or that has simply become complacent or even slowly. This is akin to habitual thinking, habitual practice and an instinctive dislike for change. Wicksteed (1910, p.117) asserted that “[o]ur action is often guided neither by an estimate of the future nor by a direct impulse, but by mere habit formed on past estimates and impulses”. Habitual practice, inertia or apathy tend toward a low self esteem that lacks confidence and suggests a “closed mind”.

Self-esteem and internal locus of control can be seen as the foundation for the ability to respond to change without an inappropriate attachment to the past. Self-esteem speeds up reaction time while self-doubt retards it. Inability to let go and struggling to understand and accept the new, is therefore often merely the tip of the iceberg.

Given these findings, it is argued that those financial planners who have an external or low external locus of control will have higher OC and PC than those who experience a high external locus of control. This is due to the belief that it is through one’s own efforts that one earns rewards, and therefore the harder one works, the more committed one is, the higher and more certain will be the rewards.

This expectation leads to the following two hypotheses:

II 7: Financial Planners’ commitment to the organisation is positively related to an internal locus of control and negatively related to an external locus of control

II 8: Financial Planners’ commitment to the profession is positively related to an internal locus of control and negatively related to an external locus of control

Individualist versus Collectivist Personality Dimension

Individualism holds that a human being should think and judge independently, respecting nothing more than the sovereignty of his or her mind; thus, it is intimately connected with the concept of autonomy (Brandon, 1994).

Collectivism attempts to see a group of individuals as having a single identity similar to a person. As such, it is expected that an individual who subscribes to the collectivist personality dimension will act in such a way so as to put the group interest above his or her own interest.

The measure of collectivism versus individualism may be conveniently conceptualised on a scale with individualism at one end of the scale and collectivism at the other end.

Hofstede (1980, p.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 so-

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4 www.free-to-grow.co.za/Courses/Changing.asp
5 Refer: www.importanceofphilosophy.com/Evil_Collectivism.html
cieties in which the ties between individuals are very tight. People are born into collectivities or in-groups. Everybody is supposed to look after the interest of his or her own group.

It is within this context that we can conceive an individual as being an "individualist" or a "collectivist". Goal independence will be stressed by those individuals scoring high on this construct while those individuals scoring low on this construct favour more dependence on the organisation, so we can assume more "moral" involvement with the organisation where collectivist values prevail and more "calculative" involvement where individualist values prevail.

Collectivists emphasise sharing, cooperation and the prevalence of group goals over personal goals, while individualists are motivated by self-interest and achieving personal goals, pride in their own accomplishments and are unlikely to contribute to collective action (Hofstede, 1980).

Given these findings, it is argued that those financial planners who are of a collectivist disposition will have higher OC than those who are of an individualist disposition. This is due to their placing the interests of their employing organisation above their own interests, and their belief that sharing, cooperation and the prevalence of group goals over personal goals will be the best for their employing organisation and themselves.

Such expectations lead to the following two hypotheses:

- **H9: Financial Planners' commitment to the organisation is positively related to a collectivist value system**
- **H10: Financial Planners' commitment to the profession is positively related to a collectivist value system**

**Perceived Environmental Uncertainty (PEU)**

Importantly, many organisational theories examine the concept of Perceived environmental uncertainty PEU (Miles & Snow 1978; Lawrence & Lorsch 1967; Burns & Stalker 1961). This concept has been applied in a wide range of business-related fields, and has also emerged as a key variable in contingency theories in management accounting (Chenhall, 2003; Tymon et al., 1998; Fisher 1995; Otley and Wilkinson, 1988).

Duncan (1972) defines environmental uncertainty as:

- The lack of information regarding the environmental factors associated with a given decision-making situation;
- Not knowing the outcome of a specific decision in terms of how much the organisation would lose if the decision were incorrect; and
- Inability to assign problems with any degree of confidence with regards to how environmental factors are going to affect the success or failure of the decision unit in performing its function.

Rather than trying to measure uncertainty objectively, researchers have suggested the use of PEU (Gordon and Narayan, 1984). Seemingly, this is because members of an organisation tend to react to the environment as they perceive it to be. That is, the environment they construct for themselves, rather than the actual physical environment of the time (Ferris, 1977).

Clayton and Hutchinson (2002), in their study of accountants in Australia and South Africa, found a significant relationship between accountants' organisational commitment and PEU, with the greater the individual's perception of uncertainty in their environment, the greater their commitment to their employing organisation.

Hence, it is argued here that financial planners who experience higher PEU will likely have higher OC than those who experience lower PEU. Primarily this is due to additional efforts which have to be made to minimise the PEU in order to keep one's employment.

This expectation leads to the following two hypotheses:

- **H11: Financial Planners' commitment to the organisation is positively related to their PEU**
- **H12: Financial Planners' commitment to the profession is positively related to their PEU**

**Research Methodology**

For this enquiry, a survey of all the financial planners employed by one major Australian bank was carried out during the period November-December, 2004. The purpose of the survey was to examine the extent of the organizational commitment (OC) and professional commitment (PC) of the respondents, and to identify those independent variables which related to their organizational and professional commitment.

The names and addresses of potential respondents were provided by the bank. The survey instrument was developed from a number of established questionnaires to capture the necessary data to meet the aims of the study. Details of the questionnaire are provided and discussed below. The content of the questionnaire was approved by the Ethics Committee of Deakin University where three of the authors are employed. It was pilot tested on 10 financial planners in the region of Geelong, Victoria, Australia.

Subsequently, the questionnaire was mailed nationally to 312 financial planners, as identified above. A response of 113 useable questionnaires was re-
ceived, representing a 36% response rate, which is satisfactory for a mailed, anonymous questionnaire.

Research Instrument

Based on a thorough literature review, an appropriate research instrument was designed to test the effect of the variables identified from that review (the independent variables) on the organizational and professional commitment of the respondents (the dependent variables).

The questionnaire was divided into 6 sections: demographics, organizational commitment, professional commitment, locus of control (LOC), collectivist/individualist value system, and perceived environmental uncertainty (PEU).

Among other questions in the demographic section, the questionnaire asked for respondents’ age, gender and length of employment with current employer.

Sections two and three were questions related to organisational and professional commitment respectively, and were worded similarly.

The section on OC was derived from the Organisational Commitment Questionnaire, (OCQ) that has been used extensively in previous studies as the basis for measuring OC. It originated from the definition of OC developed by Porter et al., (1974).6

Financial planners’ professional commitment (PC) was assessed, using the same scale and the same commitment dimensions, based on the Aranya and Ferris (1984) methodology (designed to measure professional commitment in the same way as organisational commitment and to avoid common method variance).

Respondents could mark their response on a 7 point Likert scale with 1 representing definitely yes, 4 representing undecided and 7 representing definitely no.

LOC

Section four related to the personality trait of the respondent, seeking to characterise the respondent as one with an internal locus of control (low external locus of control), or as one with an external locus of control.

The method used in this study to measure an individual’s locus of control (LOC) was developed by Rotter (1966). The questions were designed to determine generalized expectancies for internal (low external) versus high external control of reinforcement.

Those who marked 12 or more questions with the internal LOC answers were coded “I” for internal, whereas those with 12 or more external answers were coded “E” for external LOC. In converting the results across to a code in Excel, the sum was taken over all 23 questions with an “I” equating to “1” and an “E” to 2. In this way those with a sum of 23 or less were coded as having an internal LOC, and those with a sum of 24 or more as having an external LOC.

Individualist/Collectivist

Section 5 related to the collectivist/individualist value system of the respondent, and comprised 14 questions asking participants about factors they may want in their work.

Hofstede (1980) developed the instrument used in this research to measure an individual’s degree of individualist/collectivist value system. The instrument consists of 14 questions, with each question measured on a 7 point scale. The responses to each of the 14 questions were aggregated, and the respondent was then categorised as having either a collectivist or an individualist value system.

Respondents could mark their response on a 7 point scale with 1 representing “of utmost importance” and 7 representing “of very little importance”.

PEU

Section 6 related to questions concerning the respondents’ perception of the environment within which they work.

An individual’s PEU was ascertained by drawing on the method developed by Gordon and Naranyan (1984), derived from Khandwalla (1972; 1977). This instrument combined scales measuring intensity of competition, dynamism and predictability across differering sectors of the external environment.

Respondents could mark their response on a 7 point scale with 1 representing a low perceived environmental uncertainty and 7 representing a high perceived environmental uncertainty.

Statistical Methods

The data was analysed using Minitab and SPSS. Significant tests were carried out using a 10% significance level. Minitab and SPSS used to generate output for determining conclusions for significance tests.

Data Analysis and Results

Hypotheses 1 to 12 were examined by t-tests, and the results of each paired hypothesis is set out and discussed individually below.

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Hyptheses 1 and 2
Table 2 sets out the statistical analysis.

The sample was divided into two age groups, those over 35 and those under 35. T-tests of the sample showed that, at a 5% significance level, even though the older group did show a slightly higher level of OC than the younger group, it was not statistically significant. This finding is at variance with that of Mathieu and Zajac (1990) discussed above.

In terms of professional commitment (PC), at the 5% significance level, even though the older age group did show a slightly higher level of PC than the younger group, it was not statistically significant.

As regards PC, the present study is at variance with that of Giffords (2003) discussed above. Her study of social workers showed a statistically significant relationship between both age and level of seniority in the organization and PC. The difference may be accounted for by the different types of workers and professions involved in the two studies.

<table>
<thead>
<tr>
<th>Variable, Group</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age &lt; 35 (n=54)</td>
<td>3.63</td>
<td>1.09</td>
<td>1.84*</td>
</tr>
<tr>
<td>Age &gt; 35 (n=59)</td>
<td>3.25</td>
<td>1.11</td>
<td></td>
</tr>
<tr>
<td>Professional Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age &lt; 35 (n=54)</td>
<td>2.50</td>
<td>.72</td>
<td>0.27**</td>
</tr>
<tr>
<td>Age &gt; 35 (n=59)</td>
<td>2.46</td>
<td>.90</td>
<td></td>
</tr>
</tbody>
</table>

* Not Significant at .05 level (p=0.07)
** Not significant at the .05 level (p=0.79)

Hypothesis 1 and Hypothesis 2 are rejected.

Hypotheses 3 and 4
Table 3 sets out the statistical analysis.

The sample was divided into males and females. T-tests of the sample showed that, at a 5% significance level, the females showed a statistically significant higher level of OC than did their male counterparts, however there was no statistical difference between their levels of PC. This finding agrees with some of the literature discussed above, but at variance with other research discussed above.

<table>
<thead>
<tr>
<th>Variable, Group</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
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</thead>
<tbody>
<tr>
<td>Organisational Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male (n=72)</td>
<td>3.61</td>
<td>1.13</td>
<td>2.42*</td>
</tr>
<tr>
<td>Female (n=41)</td>
<td>3.11</td>
<td>1.01</td>
<td></td>
</tr>
<tr>
<td>Professional Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male (n=72)</td>
<td>2.58</td>
<td>.87</td>
<td>1.83**</td>
</tr>
<tr>
<td>Female (n=41)</td>
<td>2.30</td>
<td>.69</td>
<td></td>
</tr>
</tbody>
</table>

* Significant at .05 level (p=0.02)
** Not Significant at .05 level (p=0.07)

Hypothesis 3 is therefore supported while Hypothesis 4 is not supported.

Hypotheses 5 and 6
Table 4 sets out the statistical analysis.

The sample was divided into those respondents with length of tenure with the employer of less than 3 years, and those with length of tenure with their employer of more that 3 years. T-tests of the sample showed that, at a 5% significance level, there was no statistically significant difference between both the OC and the PC of these two groups of respondents.

This finding runs counter to that of Giffords (2003), where we felt it reasonable to assume that length of tenure and seniority are positively correlated, and that therefore, length of tenure was positively related to both OC and PC.
Table 4: Results of a T-Test of Organisational and Professional Commitment and Length of Employment Tenure

<table>
<thead>
<tr>
<th>Variable, Group</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length of employment &lt; 3 years (n=52)</td>
<td>3.35</td>
<td>1.03</td>
<td>-0.71*</td>
</tr>
<tr>
<td>Length of employment &gt; 3 years (n=61)</td>
<td>3.50</td>
<td>1.18</td>
<td></td>
</tr>
<tr>
<td>Professional Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Length of employment &lt; 3 years (n=52)</td>
<td>2.54</td>
<td>.77</td>
<td>0.73**</td>
</tr>
<tr>
<td>Length of employment &gt; 3 years (n=61)</td>
<td>2.43</td>
<td>.85</td>
<td></td>
</tr>
</tbody>
</table>

* Not Significant at .05 level (p=0.48)
** Not significant at .05 level (p=0.47)

Hypotheses 5 and 6 were therefore not supported

Hypotheses 7 and 8

Table 5 sets out the statistical analysis.
The respondents were divided into two groups, those with an internal locus of control, and those with an external locus of control. T-tests of the sample showed that, at a 5% significance level, those with an internal LOC showed a statistically significantly higher level of OC than those with an external LOC, however there was no statistically significant difference in their levels of PC. This finding has some support in the literature reviewed above.

Table 5: Results of a T-Test of Organisational and Professional Commitment by Locus of Control (Loc)

<table>
<thead>
<tr>
<th>Variable, Group</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal LOC (n=94)</td>
<td>3.37</td>
<td>1.11</td>
<td>-2.86*</td>
</tr>
<tr>
<td>External LOC (n=11)</td>
<td>4.14</td>
<td>.81</td>
<td></td>
</tr>
<tr>
<td>Professional Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal LOC (n=94)</td>
<td>2.42</td>
<td>.76</td>
<td>-2.02**</td>
</tr>
<tr>
<td>External LOC (n=11)</td>
<td>3.11</td>
<td>1.10</td>
<td></td>
</tr>
</tbody>
</table>

* Significant at .05 level (p=0.01)
** Significant at the .05 level (p=0.07)

Hypothesis 7 is therefore supported while Hypothesis 8 is not supported

Hypotheses 9 and 10

Table 6 sets out the statistical analysis.
The sample was divided into those respondents who were classified as having an individualistic value system and those classified as having a collectivist value system.

T-tests of the sample showed that, at a 5% significance level, there was no statistically significant difference between both the OC and the PC of these two groups of respondents.

The reason may be a function of the nature of the environment in which the study was conducted.

Australia is a capitalist oriented country with a highly individualistic value system, and second only to the USA on Hofstede's country individualism index (Hofstede 1980), and whilst individuals may have slightly different levels of individualistic/collectivist value systems, all come from Australia, and therefore all are individualistically orientated. This may account for there being no difference between the commitment of those respondents with an individualistic value system and those with a collectivist value system.
Table 6: Results of a T-Test of Organisational and Professional Commitments by Value Systems

<table>
<thead>
<tr>
<th>Variable, Group</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individualistic (n=98)</td>
<td>3.40</td>
<td>1.07</td>
<td>-0.67*</td>
</tr>
<tr>
<td>Collectivist (n=14)</td>
<td>3.67</td>
<td>1.41</td>
<td></td>
</tr>
<tr>
<td>Professional Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individualistic (n=98)</td>
<td>2.51</td>
<td>.75</td>
<td>0.81**</td>
</tr>
<tr>
<td>Collectivist (n=14)</td>
<td>2.24</td>
<td>1.22</td>
<td></td>
</tr>
</tbody>
</table>

* Not Significant at .05 level (p=0.52)
** Not significant at the .05 level (p=0.43)

Hypotheses 9 and 10 were therefore not supported
difference between both the OC and the PC of these two groups of respondents.
One reason may be a function of the nature of the environment in which the study was conducted.

Australia is a prosperous democracy with a robust economy which has experienced continued growth for a number of years, and this may account for there being no difference between the commitment of those respondents with a high PEU and those with a low PEU.

Table 7: Results of a T-Test of Organisational and Professional Commitment by Perceived Environmental Uncertainty (Peu)

<table>
<thead>
<tr>
<th>Variable, Group</th>
<th>Mean</th>
<th>S.D.</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High PEU (n=92)</td>
<td>3.47</td>
<td>1.13</td>
<td>0.73*</td>
</tr>
<tr>
<td>Low PEU (n=20)</td>
<td>3.27</td>
<td>1.08</td>
<td></td>
</tr>
<tr>
<td>Professional Commitment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High PEU (n=92)</td>
<td>2.53</td>
<td>.81</td>
<td>1.59**</td>
</tr>
<tr>
<td>Low PEU (n=20)</td>
<td>2.22</td>
<td>.81</td>
<td></td>
</tr>
</tbody>
</table>

* Not significant at .05 level (p=0.47)
** Not significant at the .05 level (p=0.12)

Hypotheses 11 and 12 were therefore not supported

Discussion and Conclusion

Goode (1969), suggested that it was possible that the "technical-scientific" professions (e.g., accounting, engineering) are more compatible with organisations than are "person" professions (E.g., Law, medicine, the ministry and university teaching), and this proposition is consistent with the results obtained by Hastings and Hinings (1970), and Tuma and Grimes (1981).

Whilst Financial Planners have a good measure of both the "technical-scientific" and the "person" professions, it is suggested that they have more in common with the "person" professions, as the main function of a financial planner is to be the link between the client and either the product or other professionals, and not to be the technical expert per se.

Previous studies have explored the importance of both organisational and professional commitment, with most studies finding compatibility of OC and PC in the accounting profession. It was suggested that this compatibility was possibly a function of the nature of the accounting profession (Aranya and Ferris, 1984).

Other studies have shown mixed evidence about the impact of personal demographics on the organisational and professional commitment of individuals.

The findings of this study suggest that age, gender and internal locus of control are all positively related to organisational commitment, while only gender and internal LOC are positively related to professional commitment.

No evidence was found that an individual's length of employment tenure, individualistic/collectivist value system perceived environmental uncertainty are related to either their organisational or professional commitment.
Based on these findings, it may be useful if organisations return to the practice of encouraging "life-time employment". In particular, it may be useful if organisations created family friendly workplaces, and in this way, encourage their female workforce to remain in their employment for as many of the child bearing and child raising years as possible. Both these objectives could be achieved by providing incentives, such as paid and unpaid maternity leave, flex-time etc.

Whilst the current study cannot offer definite conclusions, it does suggest that age, gender and locus of control are related to organisational and professional commitment, and points to a more comprehensive study into these and other factors related to the commitment of individuals to their organisation and profession.

References
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