The moderating effect of generation on the relationship between commitment and performance: Evidence from human resource management model

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ABSTRACT

This research aimed to investigate the effect of leader-member exchange and employee motivation on organizational commitment, and the effect of organizational commitment on job performance. The research also examines the moderating effect of generation on the relationship between organizational commitment and job performance. The population of this research is the employees working in private organizations in Thailand. Data collection was performed using a convenient random method. 400 usable questionnaires were used for statistical analysis. The author analyzed descriptive statistics by SPSS program version 25 while the SmartPLS 3.3.0 program was used to test the research hypotheses in Partial Least Square-Structural Equations Model (PLS-SEM). The finding revealed that leader-member exchange positively affected organizational commitment but employee motivation had no significant effect on organizational commitment. It also found that leader-member exchange had a positive effect on employee motivation. Another key point was organizational commitment significantly influenced on job performance. In addition, the study found the moderating effect of Generation on the relationship between commitment and job performance.

Keywords: Generation, Leader-Member Exchange, Employee Motivation, Organizational Commitment, Job Performance, Human Resource Management

1. Introduction

Changes occur both inside and outside the organization (Makina & Keng’ara, 2018). Success or failure of an organization is related to human resource management and the leadership characteristics of leaders (Irge, 2016). The leadership style of the organization will have a clear effect on the behavior of the employees of the organization, whether it be a positive result or a negative result (Mekpor & Dartey-Baah, 2017). Leaders in the organization are currently facing significant social and economic changes today. Therefore, it is necessary to increase abilities and skills in order to motivate the employees of the organization and lead the organization to its goals or success (Irge, 2016). For an organization to be successful, leaders must be able to control and operate through their employees. Creating employees to engage with the organization and lead to the success of the organization must have a good relationship between leaders and followers (Ruzgar, 2018). Executives at all levels in the organization need to pay attention to employee performance, which is an important element to the success of the organization, including consideration of factors that affect the work of employees such as organizational commitment (Rafiet, Amini, & Foroozandeh, 2014). Leaders who lack understanding in human resource management will reduce employee motivation, lack of employee engagement in the organization, lack of trust in employees, and ultimately affect the organization's performance (Anuradha, 2016). Therefore, leaders must have a strategy in order to manage the organization to achieve good results as targeted (Makina & Keng’ara, 2018). Not only the managerial level of the organization, but also all levels of employees must also be ready for the change of the organization (Makina & Keng’ara, 2018). The success of the organization's goals depends on the performance of the employees in the organization. Corporate executives need to maintain various factors that affect the work performance of employees in order to ensure that the organization can actually achieve their goals at all
times (Mangkunegara & Miftahuddin, 2016). Work attitudes of employees are the vital factors for organizational performance and success such as work motivation, employee commitment (Shahab & Nisa, 2014). Executives of the organization also need to focus on the motivation of the employees so that the organization can achieve its mission (Marzuki & Sularso, 2018). The organization’s employees are an important human capital and must remain with the organization for a long time. In addition, organizations need to develop human resources in many areas to support changes in the global society, especially technological changes. Employees need to improve their knowledge and skills, including learning in order to work successfully. Leaders in the organization are responsible for creating a learning atmosphere within the organization and motivating employees to change. And in the end, the organization needs to have a new generation of employees or management to be able to work with new technology efficiently. That means the organization must have generations (Tyagi & Aukhoon, 2019).

2. Research Objectives

This research aimed to investigate the effect of leader-member exchange and employee motivation on organizational commitment, and the effect of organizational commitment on job performance. Also, the research expected to test the moderating effect of Generation on the relationship between organizational commitment and job performance. This study focused on private organizations or companies in Thailand. Therefore, the research finding will help the policymakers or organization’s leaders plan the human resource policies and management for organizational success.

3. Literature review

3.1 Leader-member exchange

The Leader-member exchange (LMX) variable is the relationship between leaders and followers in an organization (Griffith, Connelly, & Thiel, 2011). Ruzar (2018) defined the LMX model that it is an important model to explain the interpersonal relationship between supervisors and subordinates. Some studies emphasize the meaning of this variable as the quality of the relationship between supervisors and subordinates (Alshamasi & Aljojo, 2016; Sahin, 2012). Leadership styles of supervisors have a profound effect on exchanges between supervisors and subordinates (Ruzgar, 2018). Employees with good support from supervisors, which means good relations between followers and leaders, will affect the readiness of future changes in that organization (Kapoor, Singh, & Syed, 2017). The quality of the relationship between supervisors and subordinates tends to increase as the longer work between supervisors and subordinates (Alshamasi & Aljojo, 2016). In addition, the ability of leaders affects the acceptance of followers and increases the good relationship between leaders and followers (Ibrahim, Ghani, & Salleh, 2013). Being accepted by employees will affect the quality of relationships between supervisors and employees (Ahmadi, et al., 2014). This relationship is studied in the leadership and the follower's perspective. The study found that both views are positively related to one another (Munshi & Haque, 2017). From various literature reviews, it is found that there are many studies on the relationship between leaders and followers. In addition, it was found that the researchers studied the relationship of this variable with other variables in many perspectives such as management styles, leadership, organizational commitment, employee motivation, employee’s positive behavior, perceived organizational support, and readiness to change (Ahmadi, et al., 2014; Alhashmi, Jabeen, & Papastathopoulos, 2019; Alshamasi & Aljojo, 2016; Griffith, Connelly, & Thiel, 2011; Islam, et al., 2013; Kapoor, Singh, & Syed, 2017; Ruzgar, 2018; Sahin, 2012).

3.2 Employee motivation

Motivation is the nature of the desire of a person to perform certain behaviors (Al-Bataineh, Ibrahim, & Fadzil, 2019). The motivation of a person means the process of satisfying his own needs. When one's needs increase at one point, people become motivated to show certain behaviors (Amin & Claudia, 2016). An organization that creates a good learning atmosphere or has a culture of learning for employees will greatly affect the motivation of employees in the organization. Especially in the world that has changed dramatically nowadays, Leaders need to motivate employees to learn new technologies and skills for the future (Isik, et al., 2016; Pangaribuan, et al., 2020). Leaders in the organization need to increase their ability and skills in order to motivate their employees (Irge, 2016; Marzuki & Sularso, 2018). Good interpersonal relationships between leaders and followers follow the motivation of employees. Leaders with good communication have a profound effect on creating employee motivation in the organization (Irge, 2016). According to Ahmadi et al. (2014) research, it showed that LMX variable has a positive effect on the motivation of perceiving the support from the organization or the management level in the organization. This point is consistent with Irge (2016) who indicated that when good relationships occur between leaders and followers, employees have a positive motivation and are ready to fully utilize their skills and abilities. The study of Ibrahim, Ghani, and Salleh (2013) and Alhashmi, Jabeen, and Papastathopoulos (2019) revealed that LMX had s positive influence on employee motivation in the job satisfaction aspect.

Hypothesis 1 (H1): Leader-member exchange positively influences Employee motivation.

3.3 Organizational commitment

Commitment to an organization is a link between an employee and an organization's goal and is related to the behavior and attitude of employees in the organization (Al-Bataineh, Ibrahim, & Fadzil, 2019). Commitment to an organization is an important work attitude that will have a positive effect on the behavior of employees in the organization (Prasetsio, Yuniarsih, & Ahman, 2017). In general, organizational commitment consists of three parts which are affective commitment, continuance commitment, and normative commitment (Hafiz, 2017; Qureshi, Qureshi, & Thebo, 2019; Rafiet, Amini, & Foroozandeh,
Organizational commitment is a very important factor for the organization to achieve its goals. Many studies have found that commitment to the organization has a positive effect on the efficiency and effectiveness of work and also helps to reduce employee turnover issues (Irefin & Mechanic, 2014; Rafiet, Amini, & Foroozandeh, 2014). The key characteristics of the employees who are committed to the organization are to focus on working hard, not compromising difficulties, looking after the assets of the organization and using it efficiently, wanting to be part of the organization and participating in the mission of the organization to create an organization to be successful (Al-Bataineh, Ibrahim, & Fadzil, 2019). Effective leaders with the ability to make changes for the organization to be successful are an important part of building an employee’s organizational commitment (Eliyana, Ma’arif & Muzakki, 2019; Kaur, et al. 2020; Mangkunegara & Miftahuddin, 2016). Some studies focused on affective commitment because it related to some outcomes what the researchers need to investigate in their studies such as turnover rate, citizenship behaviour (Sahin, 2012). According to Al-Bataineh, Ibrahim, and Fadzil (2019) research, it concluded a significant effect of employee motivation on organizational commitment. The finding was consistent with Isik, et al. (2016) who found the strong effect of motivation on organizational commitment. In 2018 research was carried out by Hidayah and Tobing that investigated the relationship between employee motivation and organizational commitment. This research provided a different perspective, it pointed out that the motivation to create the organizational commitment must also have employee satisfaction influence. The previous studies conducted by Islam, et al. (2013) and Griffith, Connelly, and Thiel (2011) found that Leader-member exchange had a significant relationship with organizational commitment. The finding is consistent with Alhashmi, Jabeen, and Papastathopoulos (2019) and Hsia and Tseng (2015) who outlined that LMX significantly influenced organizational commitment. Also, KeskES, et al. (2018) found the effect of LMX on organizational commitment. The studies of Sahin (2012) and Casimir, et al. (2014) focused on affective commitment and found a significant relationship between LMX and affective commitment. 

**Hypothesis 2 (H2):** Employee motivation positively influences Organizational commitment.

**Hypothesis 3 (H3):** Leader-member exchange positively influences Organizational commitment.

### 3.4 Job performance

Job performance is the desired result that the organization generates from the combined effects of both the behavior and work results of the employees in the organization (Mangkunegara & Miftahuddin, 2016; Rafiet, Amini, & Foroozandeh, 2014). The job performance involves both what employees do and how they work to get the job done (Eliyana, Ma’arif & Muzakki, 2019). The job performance of employees in the organization is important to the achievement of the goals set by the organization each year (Mangkunegara & Miftahuddin, 2016). Employees’ work attitudes have a positive and significant influence on job performance (Shahab & Nisa, 2014). The study conducted by Irefin and Mechanic (2014) found the relationship between organizational commitment and organizational performance. According to Akhtar, Durrani, & Hassan (2015) research, it showed that organizational commitment positively influenced employees’ job performance. The studies conducted by Rafiet, Amini, and Foroozandeh (2014) and Dharmmanegara, Sitiari, and Adelina (2016) pointed out that organizational commitment significantly affected job performance. The finding found the positive effect of three aspects of commitment on job performance, including affective commitment, continuance commitment, and normative commitment. Eliyana, Ma’arif, and Muzakki (2019) found the opposite result, it showed that organizational commitment did not affect job performance. The authors explained the respondents’ opinions that their commitment to the organization does not affect work performance. According to Tolentino (2013), it found that the affective aspect of organizational commitment correlated significantly with job performance in academic personnel, but organizational commitment did not relate to job performance in administrative personnel. Another research conducted by Hafiz (2017) indicated that commitment in all aspects had a positive relationship with the job performance of employees. While Qureshi, Qureshi, & Thebo (2019) research showed that organizational commitment did not directly affect the work performance of employees. But it had an indirect effect that went through the satisfaction of the employees in the organization. According to Hidayah and Tobing (2018), it found the commitment partially influence job performance. The finding showed that continuance commitment had a negative effect on performance. It was explained that this result caused by employee feelings and needs in working with the organization.

**Hypothesis 4 (H4):** Organizational commitment positively influences Job performance.

### 3.5 Generation differences

Generation is defined as a group of people born during the same time period that have similar views, attitudes, personality, values, experiences, and behaviors. These things are the result of various environments during the lives of generations, such as politics, society, economy, and technology. (Yigit & Aksay, 2015). Therefore, each generation has a different perspective on work as well as expectations in different areas. (Kraus, 2017; Saileela, Thiruchanuru, & Yadav, 2018). People in Generation X (Gen X) are people born around 1961-1981, considered the first era of information and personal computers. This generation loves freedom, likes to work and is dedicated to working, has high self-confidence and creativity, likes to learn new things, can work in many ways at the same time, and is loyal to the organization (Yigit & Aksay, 2015). While Generation Y (Gen Y) is a generation born in the age of technology May be called a digital generation (Kraus, 2017). People in Gen Y are people born around 1981-2000. This group is considered a large group working in various organizations in each country. This generation has a good quality of life, convenience and ambitious, easy to change jobs, likes to work with organizations that are innovative or use creativity, love nature and protect the environment, love family, and create a balance between work and personal life (Venter, 2017; Yigit & Aksay, 2015). Yigit and Aksay (2015) studied the behavioral differences between Gen X and Gen Y. It found that there was a difference between the two groups. Kraus (2017) and Saileela, Thiruchanuru, and Yadav
stated that Gen X’s working is often linked to the attitude towards work such as working attitudes will turn out well when the working conditions are flexible and not being controlled too much by the supervisor. Moreover, they have the attitude of working hard for the organization. These attitudes are different from Gen Y. Because Gen Y people like to work collaboratively, always expect the opinions of supervisors, and not just attached to the job because they want to spend time on personal matters as well.

**Hypothesis 5**: Organizational commitment will significantly affect Job performance is moderate by Generation

4. Conceptual framework

From the literature review and previous research, the conceptual framework of the research was shown in Fig. 1, which consisted of five important variables which are leader-member exchange, employee motivation, organizational commitment, job performance, and Generation.

5. Research methodology

5.1 Population, sample, and data collection

The population of this research is the employees working in private organizations or companies in Thailand. The researcher aimed to collect samples in the central region that has a lot of business operations in Thailand, namely Bangkok and its surrounding provinces. Since the total population was not clear, the researcher used the formula to calculate the sample size of Cochran’s formula (Cochran, 1977). At the confidence level and error term of 95% and 5 %, respectively, the calculated sample size was 385. However, the researcher expects the use of high sample sizes for advanced statistical analysis. The researcher collected data directly from employees working in private organizations or private companies in the area specified in the plan. Data collection was performed using a convenient random method. Finally, the researcher obtained a complete questionnaire for statistical analysis, a total of 400 usable questionnaires.

5.2 Measures

The questionnaire consisted of two important parts: the first part was general information of the respondents and the second part was the important variable according to the research framework. The four important variables in the query were leader-member exchange, employee motivation, organizational commitment, and job performance. The details of the key variables shown in Table 1.

**Table 1**
Research questionnaire and measures

| Variables           | Items                                         | Sources                                           |
|---------------------|-----------------------------------------------|--------------------------------------------------|
| Leader-member exchange (LMX) | Shared Idea and ability of Employees (LMX1) | Alshamasi and Aljojo (2016); Scandura and Schriesheim (1994) |
|                     | Employees support their supervisor (LMX2)     |                                                  |
|                     | Employees know the supervisor’s potential (LMX3) |                                                  |
|                     | Employees trust supervisor (LMX4)              |                                                  |
|                     | Relationship with supervisor (LMX5)            |                                                  |
| Employee Motivation (MOTIVA) | Management support (Mot1)                  | Islam, Mahajan and Datta (2012)                  |
|                     | Work-life balance (Mot2)                      |                                                  |
|                     | Job confidence (Mot3)                         |                                                  |
|                     | Good evaluation system (Mot4)                 |                                                  |
|                     | Space for opinion sharing (Mot5)              |                                                  |
| Organizational commitment (COMMIT) | Link with Organization (Com1) | Jaros (2007) and Yucel (2012) |
|                     | Opportunity in Job rotation (Com2)            |                                                  |
|                     | Family-based organization (Com3)              |                                                  |
|                     | Personal life in an organization (Com4)       |                                                  |
|                     | Resignation decision (Com5)                   |                                                  |
|                     | Personal life issue when leaving (Com6)       |                                                  |
| Job performance (PERFORM) | Achievement above the average (Jper1)         | Valaei and Jiroudi (2016)                        |
|                     | Work quality higher than the standard (Jper2) |                                                  |
|                     | Complete the expectation (Jper3)              |                                                  |
The study used the 5-Likert type scale ranging from 1-5 (from 1 = strongly disagree to 5 = strongly agree) for all items of key variables. The researcher tested the reliability of the questionnaires with 30 respondents before collecting data. The Cronbach’s alpha statistic for the questionnaire reliability was proved with the result of .91. This indicated that there was acceptable reliability (Hair, Black, Babin, & Anderson, 2014).

5.3 Statistical analysis

The research uses two parts of statistical analysis which are descriptive analysis and analysis to test the research hypothesis. Descriptive analysis by SPSS program version 25 consisted of frequency, percentage, mean, standard deviation, skewness, and kurtosis. While the author utilized the SmartPLS 3.3.0 program to analyze inferential statistics in Partial Least Square-Structural Equations Modeling (PLS-SEM). This PLS-SEM analysis was divided into two phases. The first phase was the assessment of the measurement model. This phase, the author analyzed the Average Variance Estimates (AVE), Composite Reliability (CR), Cronbach’s Alpha, discriminant validity, and Heterotrait-Monotrait (HTMT) test (Ringle, et al., 2015). The second phase was the assessment of the structural model for testing the research hypothesis. The researcher evaluated the structural model by beta coefficients, the significance of t-statistics, and coefficient of determination ($R^2$) (Ringle, et al., 2015). 5000 subsamples of the bootstrapping procedure were performed as recommended by Hair et al. (2017).

6. Research result

The results of the data collection were four hundred participants. Results of descriptive analysis as shown in Table 2. Research showed that the majority of respondents were female, 75.5 percent, and only 24.5 percent were male. The researcher collected an equal amount of data from Gen X and Gen Y. That was two hundred people in each Generation. Most respondents had a bachelor’s degree and had a monthly income between 451-600 USD followed by less than 450 USD. And it found that a large group of respondents held positions at the organizational management level.

Table 2
Results of descriptive analysis

| Variables     | Frequencies | Percent |
|---------------|-------------|---------|
| Gender        |             |         |
| Male          | 98          | 24.5    |
| Female        | 302         | 75.5    |
| Generation    |             |         |
| Generation Y  | 200         | 50.0    |
| Generation X  | 200         | 50.0    |
| Education     |             |         |
| Below Bachelor Degree | 64 | 16.0 |
| Bachelor Degree       | 265         | 66.3    |
| Above Bachelor Degree | 71          | 17.8    |
| Monthly Income |             |         |
| <450 USD      | 111         | 27.8    |
| 451-600 USD   | 162         | 40.5    |
| 601-750 USD   | 108         | 27.0    |
| >750 USD      | 19          | 4.9     |
| Position      |             |         |
| Management Level | 129        | 32.2    |
| Supervisor Level       | 81          | 20.2    |
| Operation staff      | 93          | 23.3    |
| Administration staff  | 97          | 24.3    |

Source: Author’s own research results.

The results of the analysis of important variables according to the conceptual framework of the research are shown in Table 3. The average of the four important variables is between 3.48 and 3.82. This result indicated that respondents had a high level of opinions on all four variables. In addition, considering skewness and kurtosis values, it was found that the distribution of the data had a normal curve (Hair, et al., 2014).

Table 3
Statistical analysis of key variables

| Variables                        | Means | Standard Deviation | Skewness | Kurtosis |
|----------------------------------|-------|--------------------|----------|----------|
| Employee motivation (MOTIVA)     | 3.84  | 0.75               | -0.46    | 0.16     |
| Leader-member exchange (LMX)     | 3.48  | 0.85               | -0.13    | -0.51    |
| Organizational commitment (COMMIT) | 3.52  | 0.88               | -0.38    | -0.31    |
| Job performance (PERFORM)        | 3.66  | 0.85               | -0.16    | -0.33    |

Source: Author’s own research results.

When considering the difference between generation and performance, the researcher tested the differences with t-statistic. As a result, shown in Table 4, it was found that different generations resulted in different performances. The average values in Gen X’s job performance equal to 4.00 while the mean value of Gen Y was 3.32.

Table 4
Statistical analysis of the relationship between Generation and Job performance

| Dependent variable | Independent variable | number | means | Levene's Test for Equality of Means | t-test for Equality of Means |
|--------------------|----------------------|--------|-------|-----------------------------------|-----------------------------|
|                    |                      |        |       | F   | p    | F   | p    |
| Job performance    | Generation Y         | 200    | 3.32  | 15.696 | 0.000***   | -8.682 | 0.000*** |
|                    | Generation X         | 200    | 4.00  | 4.00   | 4.00   | 0.000***   |

Note: F = F statistics; t = t statistics; p = p values; *** = the statistical significance at 0.001 level

Source: Author’s own research results.
Assessment of measurement model

The assessment results of the measurement model shown in Table 5. The loading weight of each item by assigning acceptable values greater than 0.7 (Hair et al., 2017). The result shows that two items were slightly lower than the acceptable value, LMX5 and Mot3, while all other values exceeded 0.7. Therefore, it was considered as a whole to pass the criteria. The next evaluation was the composite reliability test and Cronbach’s Alpha. Both tests had the acceptable standard criteria was 0.7 (Hair et al., 2017). The statistical analysis showed that all variables passed the criteria. The final analysis was the Average Variance Extracted (AVE) test. The results found that all variables passed the criteria which exceeded the acceptable value at 0.5 (Hair et al., 2017).

Table 5
Validity and reliability of measurement model

| Construct | Item            | Loading  | Cronbach’s Alpha | Composite Reliability | Average Variance Extracted |
|-----------|----------------|----------|------------------|-----------------------|----------------------------|
| LMX       | LMX1, LMX2, LMX3, LMX4, LMX5 | 0.770, 0.775, 0.765, 0.684 | 0.822 | 0.876 | 0.586 |
| MOTIVA    | Mot1, Mot2, Mot3, Mot4, Mot5 | 0.771, 0.789, 0.683, 0.726, 0.699 | 0.787 | 0.854 | 0.540 |
| COMMIT    | Com1, Com2, Com3, Com4, Com5, Com6 | 0.776, 0.853, 0.770, 0.746, 0.782, 0.730 | 0.852 | 0.890 | 0.575 |
| GenXY*COMMIT | GenXY*Com1, GenXY*Com2, GenXY*Com3, GenXY*Com4, GenXY*Com5, GenXY*Com6 | 2.497, 2.461, 2.490, 2.306, 2.425, 2.447 | 0.948 | 0.959 | 0.794 |
| PERFORM   | Jper1, Jper2, Jper3 | 0.733, 0.856, 0.855 | 0.753 | 0.857 | 0.667 |

Source: Author’s own research results.

The results of the discriminant validity test by the Fornell-Larcker criteria shown in Table 6. It found that all values were satisfied by the comparison between all bolded loadings in the diagonal dimension and the vertical loadings. All pairs of vertical loadings were lower than bolded loadings (Henseler, et al., 2015).

Table 6
Discriminant validity (Fornell-Larcker criterion)

| Variables | COMMIT | GenXY | GenXY*COMMIT | LMX | MOTIVA | PERFORM |
|-----------|--------|-------|--------------|-----|--------|---------|
| COMMIT    | 0.758  |       |              |     |        |         |
| GenXY     | 0.253  | 1.000 |              |     |        |         |
| GenXY*COMMIT | 0.683 | 0.861 | 0.891        |     |        |         |
| LMX       | 0.556  | -0.157| 0.184        | 0.766|        |         |
| MOTIVA    | 0.380  | -0.268| 0.038        | 0.572| 0.735  |         |
| PERFORM   | 0.312  | 0.421 | 0.504        | 0.120| 0.148  | 0.817   |

Source: Author’s own research results.

The next assessment was the discriminant validity test by the Heterotrait-Monotrait (HTMT) method. The test result was shown in Table 7. It found that all pairs had a value of less than 0.9. This means all values were acceptable (Henseler, et al., 2015).

Table 7
Heterotrait-Monotrait Ratio (HTMT)

| Variables | COMMIT | GenXY | GenXY*COMMIT | LMX | MOTIVA | PERFORM |
|-----------|--------|-------|--------------|-----|--------|---------|
| COMMIT    |        |       |              |     |        |         |
| GenXY     | 0.276  |       |              |     |        |         |
| GenXY*COMMIT | 0.763 | 0.882 |              |     |        |         |
| LMX       | 0.661  | 0.173 | 0.211        |     |        |         |
| MOTIVA    | 0.460  | 0.296 | 0.124        | 0.701|        |         |
| PERFORM   | 0.395  | 0.469 | 0.584        | 0.173| 0.202  |         |

Source: Author’s own research results.
The last assessment of the measurement model was the collinearity test for common method bias (CMB) evaluation. The test results shown in Table 8. All values in the table were lower than 3.3. Therefore, it concluded that the model did not take the CMB issue seriously (Hair et al., 2017).

### Table 8
Collinearity Statistics (VIF)

| Variables | MOTIVA | COMMIT | PERFORM |
|-----------|--------|--------|---------|
| MOTIVA    | 1.487  |        |         |
| LMX       | 1.000  | 1.487  |         |
| COMMIT    |        | 1.067  |         |
| Age       |        |        | 1.067   |

Source: Author’s own research results.

### Assessment of structural model

The assessment results of the PLS-SEM test showed in Table 9 and were graphically showed in Fig. 2 and Fig. 3. It found that H1, H3, H4, and H5 were supported, but H2 was not supported. The finding found that leader-member exchange had positively influenced both employee motivation and organizational commitment. But employee motivation did not affect organizational commitment. While organizational commitment had significantly influence job performance. For the moderating effect of Generation on the relationship between organizational commitment and job performance, the finding revealed that the Generation variable was the significant moderator for that relationship. In addition, the author calculated the effect size ($f^2$) that use for the strength evaluation of the relationship between the latent variables. It showed that the relationship between leader-member exchange and employee motivation had a high effect ($f^2 > 0.35$) while the relationship between leader-member exchange and organizational commitment, the relationship between organizational commitment and job performance, and the relationship between Generation×organizational commitment and job performance had a medium level ($f^2$ between 0.03 – 0.34) (Wong, 2013).

### Table 9
Result of Structural analysis

| Relationship     | Standard Beta | Standard Deviation | t     | p      | $f^2$   | Evaluation   |
|------------------|---------------|--------------------|-------|--------|---------|--------------|
| LMX → MOTIVA     | 0.572         | 0.039              | 14.631| 0.000***| 0.487   | Supported (H1) |
| MOTIVA → COMMIT  | 0.092         | 0.057              | 1.61  | 0.107  | 0.008   | Not supported (H2) |
| LMX → COMMIT     | 0.503         | 0.049              | 10.276| 0.000***| 0.249   | Supported (H3) |
| COMMIT → PERFORM | -0.494        | 0.139              | 3.542 | 0.000***| 0.035   | Supported (H4) |
| GenXY×COMMIT → PERFORM | 0.524 | 0.109 | 4.829 | 0.000*** | 0.081 | Supported (H5) |

Note: $t =$ t statistics; $p =$ p values; *** = the statistical significance at 0.001, and 0.01 level respectively  
Source: Author’s own research results.

Fig. 2. Final PLS-SEM model of this research

Note: Thicker arrow line means that the effect of independent variable on dependent variable is higher.

Fig. 3. Final PLS-SEM model after 5,000 subsamples of Bootstrap method

Considering the overall model performance, the author analyzed it by R square values as shown in Table 10. It indicated that overall performance for variance in employee motivation variable was 32.7%. This means the employee motivation variable was predicted by the leader-member exchange at a variance of 32.7%. Overall performance for variance in organizational commitment variable was 31.5%, it means that the organizational commitment variable was predicted by 2 variables included leader-member exchange and employee motivation at a variance of 31.5%. And the finding found that overall performance for variance in job performance variable was 28%. This indicated that job performance was predicted by organizational commitment, Generation×organizational commitment, and Generation at a variance of 28%.

### Table 10
Coefficient of Determination

| Variables | R Square | R Square Adjusted |
|-----------|----------|------------------|
| MOTIVA    | 0.327    | 0.326            |
| COMMIT    | 0.315    | 0.311            |
| PERFORM   | 0.280    | 0.275            |

Source: Authors’ own research results.
Finally, the author assessed the moderating effect of Generation on the relationship between organizational commitment and job performance as shown in Fig. 4. It clearly shows the difference between Generations in that relationship. When employees are Gen X, the higher organizational commitment will result in increased work performance. There is a difference in Gen Y that when the organizational commitment increases, it is found that the performance does not increase much.

![Fig. 4. The different interaction effect between Generation X and Generation Y](image)

7. Discussion

Firstly, the author discussed the average of the four important variables in this research included leader-member exchange, employee motivation, organizational commitment, and job performance. The result of the statistical analysis indicated that participants had a high level of opinions on all four variables. This means employees in private companies accept a good relationship between them and their leaders. And also, they show a high level of attitudes in motivation and their commitment to the organizations. In addition, they have a high performance in their organizations. These findings indicate that private companies in Thailand should have good performance and lead to their success. Secondly, the author discussed the effect of leader-member exchange and employee motivation on organizational commitment. The finding revealed that leader-member exchange positively affected organizational commitment. These findings were consistent with many previous studies. For example, it consistent with the previous studies conducted by Islam, et al. (2013) and Griffith, Connelly, and Thiel (2011) indicated that Leader-member exchange had a significant relationship with organizational commitment, the studies of Alhashmi et al. (2019), Keskes, et al. (2018), and Hsia and Tseng (2015) found that leader-member exchange significantly influenced organizational commitment. Also, Keskes, et al. (2018) found the effect of leader-member exchange on organizational commitment. While the study found that employee motivation had no effect on organizational commitment. This finding did not consistent with previous studies (Al-Bataineh, Ibrahim, & Fadzil, 2019; Isik, et al., 2016). This may have another moderator to influence the relationship between employee motivation and organizational commitment like the advice from the study conducted by Hidayah and Tobing (2018) who pointed out that the motivation to create the organizational commitment must also have an influence of employee satisfaction. In addition, the study found that leader-member exchange had a positive effect on employee motivation. This finding aligns with previous studies such as the study conducted by Ahmadi, et al. (2014) showed that leader-member exchange has a positive effect on the employee motivation, the study of Irge (2016) indicated that good relationships between leaders and followers have a positive influence on motivation, and the study of Ibrahim, Ghani, and Salleh (2013) and Alhashmi, Jabeen, and Papastathopoulos (2019) showed that leader-member exchange had positively influenced employee motivation. Thirdly, the author discussed the effect of organizational commitment on job performance. The study found that organizational commitment significantly influenced on job performance. This finding consistent with the study conducted by Irein and Mechanic (2014) found the relationship between organizational commitment and organizational performance, the study of Akhtar, Durrani, and Hassan (2015) indicated that organizational commitment significantly influenced employees’ job performance, the studies conducted by Rafiet, Amini, and Foroozandeh (2014) and Dharmannegara, Sitiari, and Adelina (2016) found that organizational commitment significantly affected job performance, and the study conducted by Hafiz (2017) concluded that commitment in all aspects had a relationship with employees’ job performance. Finally, the author discussed the moderating effect of Generation on the relationship between organizational commitment and job performance. The research found Generation as moderator of the relationship between organizational commitment and job performance. This finding is consistent with the studies of Yigit and Aksay (2015), Kraus (2017) and Saileela, Thiruchanuru, and Yadav (2018). The researchers pointed out that the difference between Generations will have a difference in attitudes and behaviors. This finding is the new point of human resource management in private organizations in Thailand. And it will fulfill the new knowledge of academic fields relating to the Generation research and database.

8. Conclusion

This study focused on private organizations or business companies in Thailand. A business organization can achieve its goals, with excellent work performance from its employees. Employees can work with good results when they have a commitment
to the organization. Creating employees with a high commitment to the organization is an important duty of the executives or leaders of the organization. Important factors from this research that have a clear effect on organizational commitment are the relationships between leaders and followers or leader-member exchange, and the creation of employee motivation in the organization. However, the results of this study give the most weight to the relationship between supervisors and subordinates. In addition, the study found the moderating effect of Generation on the relationship between commitment and job performance. This means the management level should manage the commitment between Gen X and Gen Y differently for the better results of organizational performance. Therefore, the research finding will help the policymakers or organization’s leaders plan the human resource policies and management for organizational success.

9. Limitation and future research

The limitation of this research is the population that focuses on employees in private organizations or business- focused area. That means when we use the research findings to explain the employees in public organizations or government, it might have the result differently. For future study, the author suggests finding the reason why employee motivation does not influence organizational commitment. It may have other variables to moderate the relationship such as job satisfaction.

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