

# The Impact of Organizational Commitment on Business Performance in Private Enterprises in Nghe An Province, Viet Nam

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## Abstract

The research aims to examine the impact relationship of factors pertaining to organizational commitment on the efficiency of business operations within enterprises belonging to the private economic sector in Nghe An province. Employing quantitative research methodology utilizing Exploratory Factor Analysis (EFA) and Structural Equation Modeling (SEM), with a sample size of 484 employees from various enterprises, the study results have demonstrated theoretically and practically valuable contributions by substantiating the significance of organizational commitment factors and the intermediary role of knowledge sharing in the impact relationship of all components pertaining to organizational commitment, encompassing affective commitment, continuance commitment, and normative commitment on business operational efficiency. Additionally, the research findings reveal that among the three components of organizational commitment, only normative commitment directly and positively impacts employees' creative capacity, which in turn positively influences the business performance of enterprises within the private economic sector in Nghe An province. Furthermore, knowledge sharing is evidenced to positively impact the creative capacity. Based on the research outcomes, the authors propose several solutions to enhance business performance for private enterprises in Nghe An province.

## Keywords

Organizational Commitment, Knowledge Sharing, Creative Capacity, Business Performance, Private Economics

## 1. Introduction

Within the framework of a company's core objectives, alongside brand devel-

opment and ensuring safety, enhancing business efficiency stands as the foremost significant and core objective, playing a decisive role in determining all other objectives within the enterprise. Buzzell and Gale (1987) discussed that business performance results measure the degree to which a company's business objectives are achieved, relating to revenue growth, sales volume, profit, growth, market share, as well as the extent of strategic goal achievement. In alignment with this perspective, Keegan et al. (1989) introduced a performance measurement matrix by categorizing performance metrics based on cost and non-cost factors. Katou and Budhwar (2010) have highlighted that operational outcomes correlate positively with reward orientation, efficiency-based remuneration, training and development initiatives for higher employee expertise, fair performance evaluation, and motivational incentives to drive employee engagement.

To date, numerous authors have addressed the factors influencing enterprise business efficiency in their studies. Among these factors, organizational commitment has been extensively discussed. According to Meyer and Allen (1991), organizational commitment is considered from two perspectives: the attitudinal approach and the behavioral approach. Mowday et al. (1982), Reichers (1985), Salancik (1977), Scholl (1981), and Staw (1977), in their comprehensive review of organizational commitment theory, have demonstrated distinctions between attitudinal commitment and behavioral commitment. In their research work, Khan et al. (2010) revealed a positive relationship between organizational commitment and employees' job performance. In the comparative analysis of three dimensions of organizational commitment, normative commitment has a positive and significant impact on employees' job performance. Stringer and Didham's (2011) study indicates that workers who are not adequately compensated for their efforts may experience a negative impact on their intrinsic motivation. Bakiev (2013) argues that high-performance work systems, mediated by relationships such as trust, employee engagement, and organizational performance perception, positively influence the business performance of the organization. Shahzad et al. (2008) examined the relationship between remuneration, performance evaluation, promotion practices, and organizational effectiveness, which then revealed a positive correlation among these factors.

The private economy refers to non-state economic sector, comprising both domestic and foreign enterprises, where private entities hold over 50% of the investment capital. It encompasses all non-state-owned production and business establishments regarding the production factors. For a closer look, the private economy is closely associated with forms of private ownership, including individual economic activities, small-scale ownership, and private capital-based economies relying on private ownership of production materials. The private economy manifests in various forms such as private enterprises, limited liability companies, joint-stock companies, and business households.

The geographically advantageous locations and the role of national trading hubs create many advantages for private enterprises in Nghe An province. It is

clear that, in recent years, many private enterprises in Nghe An have made significant strides, evident in their business scale growth, continually expanding scopes of operations, and robust expansion at regional, national and international levels. Many private entrepreneurs and business owners have demonstrated bold steps, effecting qualitative and quantitative changes within their managed enterprises, resulting in nationwide recognition and international reach. However, limitations in scale, primarily referring to small, medium, and micro enterprises, cumbersome organizational structures, unscientific management practices, and relatively loose employee-enterprise connections, are significant factors adversely impacting the business performance and operational efficiency of many private enterprises in Nghe An province.

This study aims to examine the impact relationship between components of organizational commitment and business performance within private enterprises in Nghe An province. The research poses the following questions: Is there an impact of employees' organizational commitment on knowledge sharing and creative capacity within these enterprises? How does employees' knowledge sharing and creative capacity impact the business performance of these enterprises? Is there an impact of knowledge sharing on employees' creative capacity? By employing quantitative research methodology through Exploratory Factor Analysis (EFA) and Structural Equation Modeling (SEM), the research results demonstrate significant theoretical and practical contributions by substantiating the importance of organizational commitment and the intermediary role of knowledge sharing in the impact relationship of all components pertaining to organizational commitment, including affective commitment, continuance commitment, and normative commitment, on business performance. Additionally, the research findings reveal that among the three components of organizational commitment, only normative commitment has a direct and positive impact on employees' creative capacity, which, in turn, positively influences the business performance.

Based on these findings, the authors propose several solutions aimed at enhancing business performance for enterprises within the private economic sector in Nghe An province.

## 2. Theoretical Basis and Hypotheses

### 2.1. Theoretical Basis

#### 2.1.1. Organizational Commitment Theory (Meyer & Allen, 1997)

The theory of organizational commitment, with its conceptual delineations, originates from Becker (1960), who posits commitment as a mechanism fostering appropriate human behavior. Subsequently, the theory of organizational commitment has gathered considerable attention from researchers, as Porter et al. (1974) who discussed organizational commitment as employees' attitudes towards their organizational, and additionally defined organizational commitment as the perceived strength of an individual's identification with a particular organization. Organizational commitment is also depicted as a psychological state

shaping employees' relationships with organizations and their decisions to stay or leave (Meyer & Allen, 1991). This concept is further elaborated in the research of Meyer and Allen (1997), wherein organizational commitment refers to employees' psychological engagement, their level of involvement in the organization, or their perception of the obligation to stay with the organization in considering their costs incurred compared to the benefits received from the organization. Meyer and Allen (1997) describe organizational commitment as a psychological attitude of employees representing the engagement between employees and the organization, comprising three components: 1) Affective commitment; 2) Continuance; and 3) Normative commitment.

Affective commitment refers to the emotional attachment and bond of employees with the organization, feeling like an integral part of the organization, and the emotional connection that each individual has with the organization. This commitment is characterized by the sense of identification and affiliation with the organization as well as the enthusiasm of becoming a member of the organization.

Continuance commitment pertains to the perception of costs and benefits associated with leaving the organization, the willingness to stay in an organization because employees believe they still have investments in the organization that have not yet been realized, including retirement benefits, relationships with other employees, or other important aspects of the business. This commitment also includes factors such as tenure or benefits that employees can uniquely receive from the organization.

Normative commitment refers to the sense of obligation to stay with the organization. Employees with high normative commitment perceive staying to serve the organization as a matter of duty and ethical standard, even if they may not like it or may not truly benefit from it compared to other options. Essentially, normative commitment is a commitment in which an individual believes they need to stay with the organization to fulfill obligations. Therefore, normative commitment serves as a general value of loyalty and responsibility.

### **2.1.2. Theory on Business Performance (Delaney & Huselid, 1996)**

The business performance of enterprises is a factor of concern not only for managers and leaders within organizations but also attracts significant attention from researchers, spanning various aspects such as terminology usage and analytical levels (Venkatraman & Ramanujam, 1986). Maisel (2001) evaluates the business performance of enterprises as a system that helps businesses develop plans, measure and control the outcomes of sales, marketing, information technology, and business decisions... and other business activities aimed at setting goals and creating value for stakeholders. According to Kaplan and Norton (1993), the performance of an enterprise is determined by four fundamental perspectives, including finance, customer, internal business process, and learning and growth. It establishes the foundation for translating business strategies into actionable practices. Measurement based on perception has positive impact

on performance of the organizations (Dollinger & Golden, 1992). The business performance of enterprises can be viewed from the perspective of financial results, non-financial outcomes, or a combination of these indicators (Nguyen et al., 2020).

In this study, the authors evaluate business performance based on the perspectives and criteria outlined by Delaney and Huselid (1996). In their research work, Delaney and Huselid (1996) measure business performance outcomes by not relying on financial indicators but rather on employees' perceptions of enterprise's performance in terms of criteria such as product quality, new product development, labor attraction ability, customer satisfaction, and the relationship between managers and employees, serving as indices of management effectiveness in this enterprise. Business performance is one of the critical dependent variables for researchers and managers across any field of activity. Market competition for customers, input resources, and capital makes performance outcomes essential for the survival and success of an enterprise. Activities within the enterprise such as marketing, human resource management, and strategic planning are ultimately evaluated based on business performance. This underscores the necessity of measuring business performance as a vital parameter demonstrating development throughout the business lifecycle of an enterprise.

### **2.1.3. Knowledge Sharing**

Kothuri emphasizes that knowledge within organizations is regarded as intellectual capital and exists in two main forms: explicit knowledge and tacit knowledge. Explicit knowledge is less dependent on individuals and can be systematized, measured, disseminated, and stored, encompassing information and communication skills to transmit data to others. Meanwhile, tacit knowledge depends heavily on individuals and can be created through information processing combined with knowledge and experience. Tsui et al. (2006) suggest that knowledge sharing is an activity that helps employees share understanding and experiences to expedite projects and plans and save costs. Furthermore, knowledge sharing involves individuals in their sharing of information, ideas, proposals, and expertise with others within the organization. Maponya's research (Maponya, 2004) also indicates that knowledge sharing is based on experience gained through work within and outside the organization. If knowledge is available among members, the organization can minimize duplicate decisions and resolve issues more quickly. Effective knowledge-sharing activities will help reuse individuals' knowledge and elevate knowledge to a higher level.

### **2.1.4. Creativity**

Individual creativity refers to the ability to generate and implement innovative ideas within an organization (Hu et al., 2009). Organizations rely on their employees for innovative ideas created in product and service domains (Patterson et al., 2009). Additionally, the capability to implement individual innovation is

also an important aspect of individual creativity (Carmeli et al., 2006; Xerri & Brunetto, 2011). When organizations face intense competition, the innovation capability within the organization becomes a key factor in helping it best meet customer demands and achieve customer satisfaction (Hu et al., 2009). Individual creativity also serves as a capability to drive innovation and creativity within the organization (Hu et al., 2009; Kheng & Mahmood, 2013).

## 2.2. Research Hypothesis

### 2.2.1. Organizational Commitment and Knowledge Sharing

Research by Marques et al. (2019) indicated a significant relationship between the organizational commitment to the knowledge transfer and, consequently, to the knowledge management maturity. According to Morgan and Hunt (1994), cooperative behavior and knowledge sharing are positive outcomes of commitment. Commitment is perceived to impact the level of knowledge sharing among employees. Highly-committed employees, regardless whether of their affective, continuance or normative commitments, all desire to make significant contributions to the organization's success; they are willing to share practical knowledge and learning experiences with colleagues, providing strong support in collective work processes within the organization, and positively influencing the refinement of workflow procedures. In the context of private sector enterprises in Nghe An province, to further examine this relationship, the authors posit the following hypotheses:

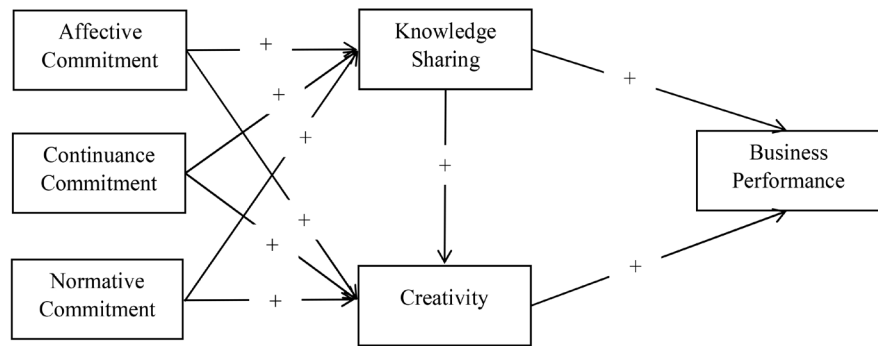
**H1:** Employee's affective commitment positively impacts knowledge sharing in private sector enterprises in Nghe An province (see Figure 1).

**H2:** Employee's continuance commitment positively impacts knowledge sharing in private sector enterprises in Nghe An province (see Figure 1).

**H3:** Employee's normative commitment positively impacts knowledge sharing in private sector enterprises in Nghe An province (see Figure 1).

### 2.2.2. Knowledge Sharing and Business Performance

Bakiev (2013) argues that a high-performance work system, mediated by the relationships between trust, organizational commitment, and perceived organizational performance, positively impacts the business performance of the organization. Research by Guinot et al. (2014) demonstrates that organizational trust positively impacts the culture of knowledge sharing, thereby affecting the business performance of organizations. The majority of research findings converge on the perspective that knowledge sharing positively impact the business performance of enterprises, as evidenced by studies by Klein and Rai (2009). However, not all studies have consistently found a positive correlation between knowledge sharing and business performance. Therefore, within the context of private sector enterprises in Nghe An province, how employee's knowledge sharing impacts the enterprise's business performance is hypothesized as follows:



**Figure 1.** Proposed research model.

**H4:** Knowledge sharing positively impacts the enterprises' business performance in the private sector in Nghe An province (see **Figure 1**).

### 2.2.3. Organizational Commitment and Creativity

According to [Hou et al. \(2011\)](#), connection was correlated positively to creativity, whereas change was correlated negatively. Furthermore, connection was found to have a moderating effect on the relationship between organizational commitment and creativity. Encouraging a culture of creativity and innovation is fundamental to enhancing organizational capacity. To establish a solid foundation for its development, enterprise needs to proactively cultivate their own strengths and differentiate their values, while adapting to global innovation. Encouraging and developing the creativity of each individual within the organization is considered an essential requirement for the sustainable development of the enterprise.

According to [Mathieu and Zajac \(1990\)](#), organizational commitment has a positive impact on work motivation, work performance, and creativity in the workplace. Organizational commitment plays a regulatory role in establishing relationships within the organization. Furthermore, it fosters greater support in employees' work processes through intermediary relationships between management levels and employees, thereby enhancing their motivation and work effectiveness. Therefore, to examine the relationship among the components of organizational commitment and employees' creativity within the context of private enterprises in Nghe An province, the research proposes the following hypotheses:

**H5:** Affective commitment positively impacts the creativity of employees in private enterprises in Nghe An province (see **Figure 1**).

**H6:** Continuance commitment positively impacts the creativity of employees in private enterprises in Nghe An province (see **Figure 1**).

**H7:** Normative commitment positively impacts the creativity of employees in private enterprises in Nghe An province (see **Figure 1**).

### 2.2.4. Creativity and Business Performance

Individual creativity refers to the ability to generate and implement innovative



ideas within an organization (Hu et al., 2009). Organizations rely on their employees for innovative ideas across product and service domains (Patterson et al., 2009). Recognizing and fostering employees' creativity is a vital managerial requirement, as it enhances job engagement and provides effective motivation, thereby influencing productivity and revenue generation for the business (Becker, 2004). Given the background of private enterprises in Nghe An province, to understand the impact relationship of employee's creativity on enterprise's business performance, hypothesis is proposed as follows:

**H8:** Creativity positively impacts the business performance of private enterprises in Nghe An province (see **Figure 1**).

### 2.2.5. Knowledge Sharing and Creativity

Research by Rudawska (2019) indicates that proactive and reactive knowledge sharing relates differently with creativity and that sharing knowledge with others is not always positive to the giver's creativity, while it is influential for organizational creativity. Podug and colleagues (2017) argued that the knowledge sharing process positively impacts the innovation outcomes of organizations. According to Darroch and MacNaughton (2002), enhancing knowledge sharing within organizations leads to creativity and innovation which results in the development of new working methods, new procedures, and the change of conventional working approaches, ultimately contributing to the organization's development and better performance. The relationship between knowledge sharing and occupational creativity has been found in various studies (Mousavi, 2008; Moghim & Mahram, 2008; Asgari & Vakili, 2012). Entrepreneurial leaders positively affect employees' creativity and knowledge sharing positively explains this association (Islam & Asad, 2024). A culture of knowledge sharing within organizations is encouraged to create a friendly working environment and favorable conditions for individuals to unleash their creativity and capabilities in various organizational activities. Given the current context of researching the relationship between knowledge sharing and employee creativity in private enterprises in Nghe An province, the hypothesis proposed in this study is:

**H9:** Knowledge sharing positively impacts the creativity of employees in private enterprises in Nghe An province (see **Figure 1**).

## 3. Methodology

### 3.1. The Research Scale

Based on the theoretical overview and relevant research literature, this article proposes a research model with the independent variables being organizational commitment, including: 1) Affective Commitment (AC); 2) Continuance Commitment (CC); 3) Normative Commitment (NC). The dependent variable in this study is Business Performance Effectiveness (BPE). The mediating variables include Knowledge Sharing (KS) and Creativity (CRE). A Likert scale with 5 levels (Strongly Disagree; Disagree; Neutral; Agree; Strongly Agree) is used for measurement in this study. The measurement indicators for each variable are ad-



justed appropriately to fit the characteristics of the research sample based on previous studies.

For the organizational commitment variables, the research scale developed by Meyer and Allen (1997) is employed, comprising 18 observations divided into 3 groups: Affective Commitment with 6 observations; Continuance Commitment with 6 observations; and Normative Commitment with 6 observations. Knowledge sharing is measured using the scale developed by Chennamaneni (2006), consisting of 6 observations. Creativity utilizes scales from Hu et al. (2009) and Kheng and Mahmood (2013), comprising 5 observations. Business Performance is measured using the scale developed by Delaney and Huselid (1996), comprising 6 observations.

### 3.2. Research Samples

The research sample was selected using the non-probability convenience sampling method. Data were collected through stratified sampling at private enterprises in Nghe An province. The sample size for data collection was 484, representing employees from 121 enterprises. Among these, 51 enterprises were classified as small and micro-scaled (42.15%), 68 were categorized as medium and small-sized (56.20%), and only 2 were classified as large-scaled (1.65%). Data collection was conducted through two methods: Direct handouts and online surveys using Google Form. The number of online responses received was 245, with 228 valid responses. For direct handouts, 400 handouts were distributed, resulting in 291 responses, of which 256 were valid. The total number of valid responses used for analysis was 484. Following the guidelines by Hair et al. (2010) regarding the expected sample size, which should be at least five times the total number of observed variables, the research sample size of 484 ensured the requirements for analysis, given the 34 observed variables. Data collection was completed from August 2022 to August 2023.

### 3.3. Data Process Measures

The collected data were processed using SPSS and AMOS software version 22.0. Firstly, the reliability of the measurement scale was evaluated, with the requirement that the total variable correlation coefficient should be  $>0.3$  and Cronbach's Alpha coefficient  $> 0.7$ . Additionally, if the Cronbach's Alpha If Item Deleted value was higher than the Cronbach's Alpha coefficient of a variable, consideration was given to the exclusion of that variable. Next, exploratory factor analysis (EFA) was conducted, with the criteria that factor loading should be  $>0.5$ ; Kaiser-Meyer-Olkin (KMO) coefficient should be  $\geq 0.5$  and  $\leq 1$ ; significance value (Sig.)  $< 0.05$ ; and the percentage of variance extracted should be  $>50\%$ . Moreover, it was ensured that the requirements for convergence (observed variables converge to the same factor) and discriminant validity (observed variables belonging to the same factor are distinct from variables belonging to other factors) were met. The Varimax rotation method was employed for factor extraction.

Subsequently, the model fit was assessed using the AMOS program through confirmatory factor analysis (CFA). Finally, hypothesis testing was conducted using structural equation modeling (SEM), with the requirements that the chi-square/df ratio should be  $<3$  (Hair et al., 2010);  $p$ -value  $< 0.05$ ; GFI (Goodness of Fit Index), TLI (Tucker-Lewis Index), CFI (Comparative Fit Index)  $> 0.8$  (Segars & Grover, 1993); and RMSEA (Root Mean Square Error of Approximation)  $< 0.05$  (Taylor et al., 1993).

## 4. Research Result and Discussion

### 4.1. Assessment on the Reliability of the Measurement Scale

To assess the reliability of the measurement scale, the study conducted Cronbach's Alpha analysis for each group of variables. The results indicated that the reliability of the measurement scale used in the analysis was ensured when all Cronbach's Alpha values of the variables included in the model met the criteria for total variable correlation coefficient  $> 0.3$  and Cronbach's Alpha coefficient  $> 0.7$ . Additionally, the Cronbach's Alpha If Item Deleted values for all indicators were lower than the Cronbach's Alpha coefficient of the total variable (see **Table 1**).

### 4.2. Exploratory Factor Analysis (EFA)

After assessing the appropriateness of the measurement scale, the study proceeded with Exploratory Factor Analysis (EFA) for both the independent, intermediary, and dependent variables. The results indicated that the data met the conditions for analysis with factor loadings  $> 0.5$ , Kaiser-Meyer-Olkin (KMO) measure  $\geq 0.5$  and  $\leq 1$ , significance value (Sig.)  $< 0.05$ , percentage of variance extracted  $> 50\%$ , and satisfied the conditions of "Convergence validity" (variables converge to the same factor) and "Discriminant validity" (variables belonging to this factor differ from other factors) (see **Table 2**).

### 4.3. Confirmatory Factor Analysis (CFA)

Confirmatory Factor Analysis (CFA) is the subsequent step after Exploratory

**Table 1.** Results of assessing the reliability of measurement scale through Cronbach's Alpha.

No.	Variable	Abbreviation	Cronbach's Alpha coefficient
1	Affective Commitment	AC	0.884
2	Continuance Commitment	CC	0.833
3	Normative Commitment	NC	0.900
4	Knowledge sharing	KS	0.925
5	Creativity	CRE	0.878
6	Business performance Effectiveness	BPE	0.942

**Table 2.** EFA result.

<i>EFA</i>	<i>KMO coefficient</i>	<i>p-value</i>	<i>Extracted variance (%)</i>	<i>Factor Loading</i>	<i>Conclusion</i>
Independent and intermediary variables	0.931	0.000	65.710	All > 0.5	Ensure analysis requirements
Dependent variable	0.904	0.000	79.710	All > 0.5	Ensure analysis requirements

Factor Analysis (EFA), designed to identify, test, and adjust measurement models independently. The purpose of CFA is to establish well-fitting measurement models used to test structural models.

The results of the CFA indicate the appropriateness of the measurement model with the following indices: Chi-square = 1086.776;  $df = 545$ ; Chi-square/ $df = 1.994$  ( $<3$ );  $p = 0.000$  ( $<0.05$ ); GFI = 0.883 ( $>0.8$ ); TLI = 0.950 ( $>0.8$ ); CFI = 0.954 ( $>0.8$ ); RMSEA = 0.045 ( $<0.05$ ) (see [Figure 2](#)).

#### 4.4. Structural Equation Modeling SEM

The results of the structural equation modeling (SEM) analysis to test the hypotheses show that all aggregate indices meet the required criteria. Specifically, Chi-square = 1149.597;  $df = 548$ ; Chi-square/ $df = 2.098$  ( $<3$ ),  $p = 0.000$  ( $<0.05$ ); GFI = 0.876 ( $>0.8$ ); TLI = 0.945 ( $>0.8$ ); CFI = 0.949 ( $>0.8$ ); RMSEA = 0.048 ( $<0.05$ ) (see [Figure 3](#)).

The estimated relationships within the model indicate that the research model is appropriate. Except for hypotheses H5 and H6, all other hypotheses are accepted.

Specifically, hypotheses H1, H2, and H3 are accepted with a significance level of  $p < 0.05$ , and the regression weights in the testing are positive. Therefore, the study has demonstrated that all components of organizational commitment, including affective commitment, continuance commitment, and normative commitment, positively impact knowledge sharing in private enterprises in Nghe An province. These findings align with previous researches by [Morgan and Hunt \(1994\)](#), [Hu et al. \(2009\)](#), [Patterson et al. \(2009\)](#), and [Kheng and Mahmood \(2013\)](#).

Hypothesis H4 is accepted due to its significance level of  $p < 0.05$  and the regression weight in the test being 0.415 ( $>0$ ). Therefore, it can be observed that knowledge sharing positively impacts the effectiveness of business performance in private enterprises in Nghe An province. This result is consistent with previous researches by [Klein and Rai \(2009\)](#), [Bakiev \(2013\)](#), and [Guinot et al. \(2014\)](#).

Regarding hypotheses H5, H6, and H7, the study examines the impact of organizational commitment on employee creativity in private enterprises in Nghe An province. The results of the analysis indicate that only hypothesis H7 is accepted, with a significance level below 0.05 and a positive regression coefficient.

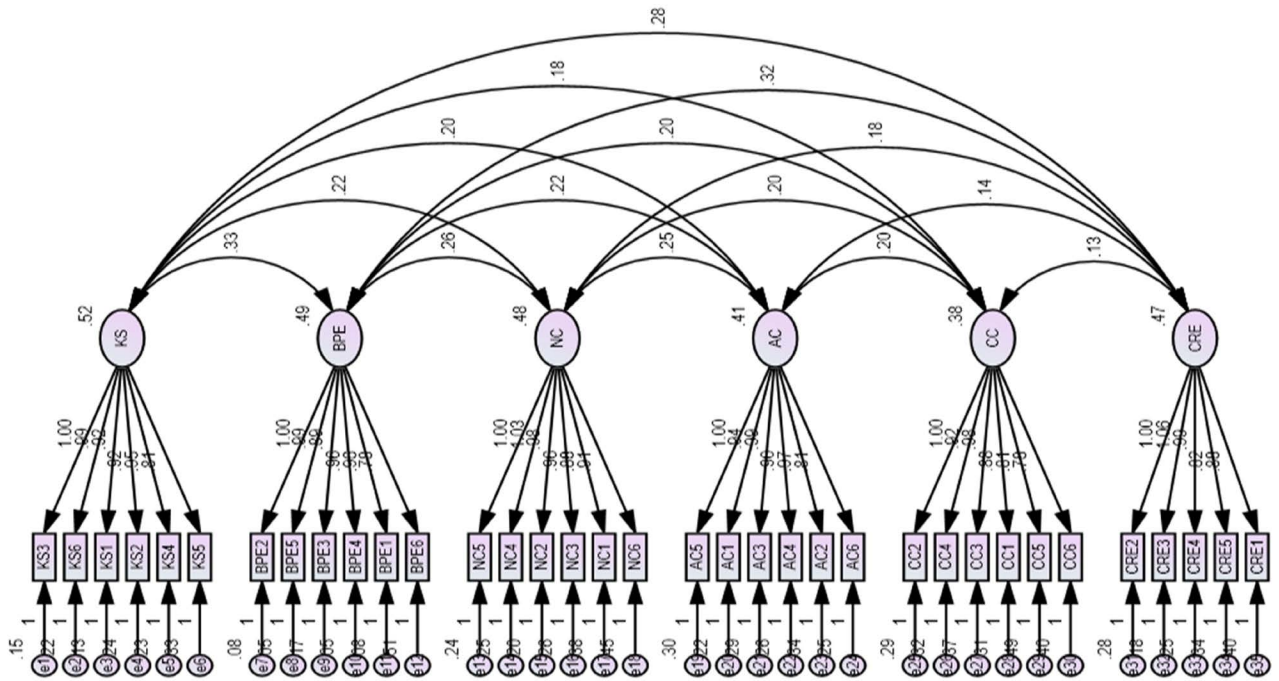


Figure 2. Confirmatory factor analysis.

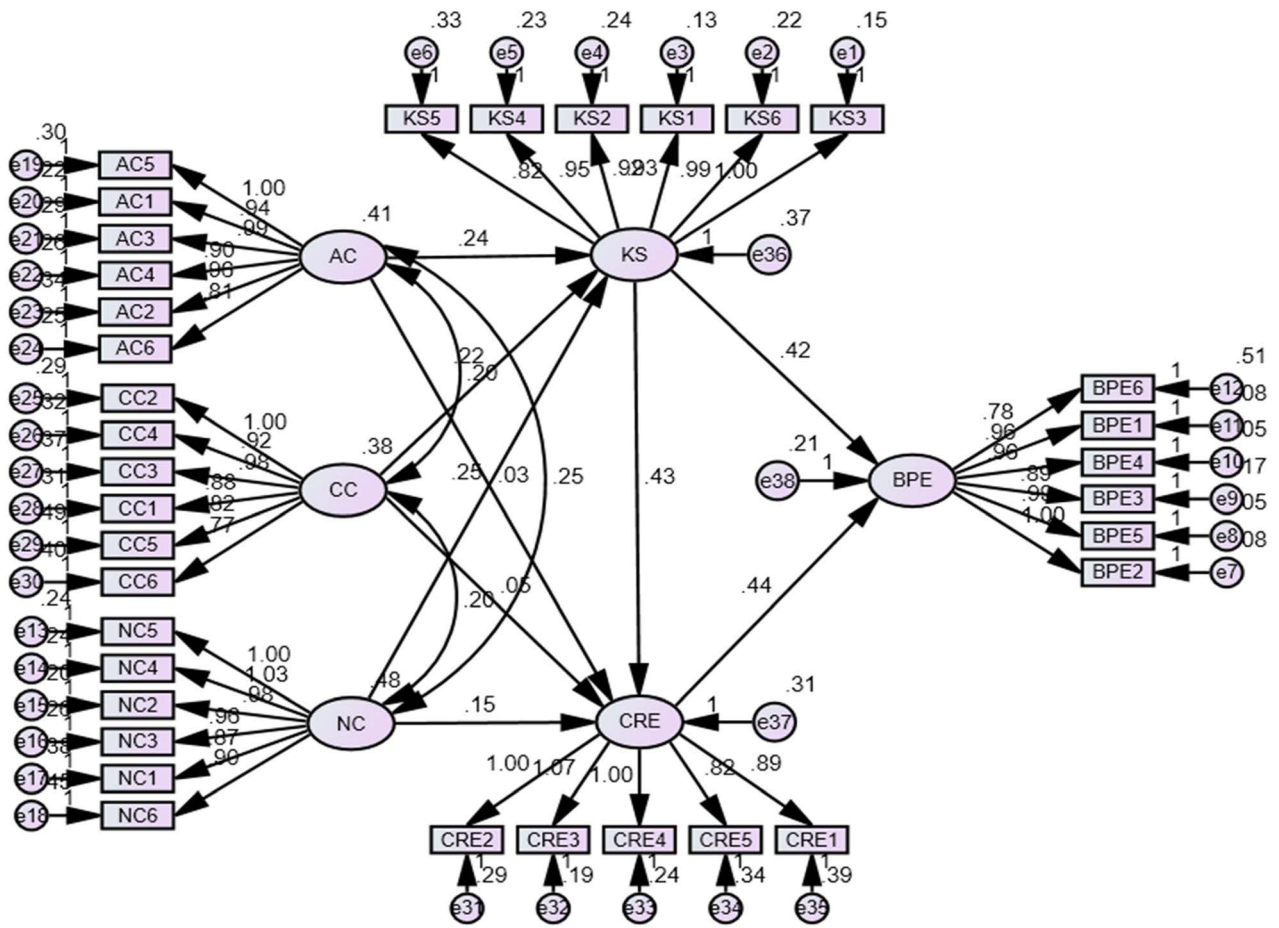


Figure 3. Structural equation modeling SEM.

Conversely, hypotheses H5 and H6 are rejected due to their non-significant  $p$ -values  $p > 0.05$  (0.635 and 0.412, respectively). Therefore, among the three components of organizational commitment, only normative commitment significantly impacts employee creativity. This finding underscores the distinctiveness in the effects of different components of organizational commitment and underscores the importance of normative commitment in fostering employee creativity.

Hypothesis H8 is accepted as the research findings reveal a significance level below 0.05 and a regression coefficient of 0.437, which is greater than zero. This indicates that creativity positively impacts the business performance of private enterprises in Nghe An province. This result aligns with previous studies conducted by Becker (2004) and Patterson et al. (2009).

Furthermore, the study also examined the relationship between knowledge sharing and employee creativity in private enterprises in Nghe An province. The results indicated that with a significance level below 0.05 and a positive regression coefficient, Hypothesis H9 was also accepted. Therefore, it can be concluded that knowledge sharing positively impacts employee creativity. This finding further corroborates the conclusions drawn in studies conducted by Darroch and MacNaughton (2002), Mousavi (2008), Moghim and Mahram (2008), Asgari and Vakili (2012), as well as Podug et al. (2017).

Thus, with the rejection of hypotheses H5 and H6, while accepting all other hypotheses, the research findings have demonstrated valuable contributions both theoretically and practically.

Theoretically, firstly, the study has shown that all three components of organizational commitment-affective commitment, continuance commitment, and normative commitment-positively impact knowledge sharing within the enterprise. Additionally, knowledge sharing also positively impacts business performance effectiveness. In other words, knowledge sharing acts as an intermediary in the relationship between all components of organizational commitment and the business performance effectiveness of private enterprises in Nghe An province.

**Table 3.** SEM results for relationships mentioned in the model.

<i>Hypothesis</i>	<i>Impact</i>	<i>Weight</i>	<i>S. E.</i>	<i>C. R.</i>	<i>P</i>	<i>Conclusion</i>
H1	KS $\leftarrow$ AC	0.235	0.068	3.477	0.000	Accepted
H2	KS $\leftarrow$ CC	0.219	0.066	3.326	0.000	Accepted
H3	KS $\leftarrow$ NC	0.252	0.059	4.285	0.000	Accepted
H4	BPE $\leftarrow$ KS	0.415	0.042	9.852	0.000	Accepted
H5	CRE $\leftarrow$ AC	0.030	0.064	0.475	0.635	Rejected
H6	CRE $\leftarrow$ CC	0.051	0.062	0.821	0.412	Rejected
H7	CRE $\leftarrow$ NC	0.155	0.057	2.736	0.006	Accepted
H8	BPE $\leftarrow$ CRE	0.437	0.047	9.367	0.000	Accepted
H9	CRE $\leftarrow$ KS	0.434	0.051	8.448	0.000	Accepted

Secondly, the study has demonstrated that among the three components of organizational commitment, only normative commitment directly and positively impacts employees' creativity. Consequently, employees' creativity also positively impacts the business performance effectiveness of private enterprises in Nghe An province (see **Table 3**).

Practically, the research findings serve as valuable resources for managers in formulating policies and solutions aimed at enhancing employees' creativity. This, in turn, contributes to improving work performance and business performance effectiveness of private enterprises in Nghe An province specifically, and the country as a whole.

## 5. Conclusion and Recommendation

The study aimed to investigate the relationship between the components of organizational commitment and business performance in private enterprises in Nghe An province. The research results bring in theoretical and practical contributions by demonstrating the importance of organizational commitment and the mediating role of knowledge sharing in the relationship between the components of organizational commitment and business performance. Additionally, among the three components of organizational commitment, only normative commitment was found to have a direct and positive impact on employee creativity, which in turn positively impacts business performance. Furthermore, knowledge sharing was also shown to have a positive impact on employee creativity. Based on the research findings, the authors propose several solutions to enhance the business performance of private enterprises in Nghe An province.

*Firstly*, regarding normative commitment, managers need to inspire employees in their work, encourage creativity in their work processes, and emphasize the role of democratic leadership in management.

*Secondly*, regarding affective commitment, enterprises need to employ transparent methods to communicate the company's development direction to employees, at appropriate times, so that employees understand the company's development direction clearly and can establish their own development orientation within the organization.

*Thirdly*, for continuance commitment, it is essential to create a working environment where enterprises assess employees fairly and transparently. When employees are recognized for their contributions and treated fairly, they will be motivated and unwilling to leave the organization because they find satisfaction in their work, and they believe that their efforts are valued appropriately.

*Fourthly*, concerning knowledge sharing, enterprises need to foster a collaborative and friendly working environment, encouraging knowledge sharing among employees in practical work situations, sharing work experiences, as well as knowledge acquired from classrooms and training courses.

Besides its contributions, the research also has certain limitations. First is the



sampling method used in the research. This research uses a non-probability sampling method of convenience, this can cause bias in sampling, this sampling method is often inaccurate. Identify errors when sampling, reduce the representativeness and overall nature of the sample used in research. Furthermore, the research context is limited to private enterprises in Nghe An province. With the results drawn, the research opens up directions for researching related issues in other businesses in Vietnam, in the region and around the world.

### Conflicts of Interest

The authors declare no conflicts of interest regarding the publication of this paper.

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