

JOB SATISFACTION AND DIMENSIONS OF COMMITMENT ENSUING IMPROVED PRODUCTIVITY IN PRIVATE ORGANIZATIONS

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ABSTRACT

In many private manufacturing organizations there is a growing commitment gap - a widening split between the expectations of employers and what employees are prepared to do. Job satisfaction is also one of the most vital elements in the organization. If employees are satisfied with organization's policies then they will stay for long time otherwise they quit. Hence, commitment and job satisfaction are strong contributors and success of the organization depends on these two elements. To succeed in the face of increasing competition, a business needs improved productivity at all levels. This requires the wholehearted commitment of all employees which can only be achieved through better management practices. The study seeks to find if any relationship existed among relationship between commitment and job satisfaction in private manufacturing organization. The focus was on the employees who make up a central organization's workforce; executives. For collecting relevant data and to analyze the results a questionnaire was prepared comprising demographic data and opinion on employee commitment impacting productivity. Literature review on the subject is also considered an important source of data for the study. The study tends to believe that employee commitment does influence the level of productivity significantly. The more an organization understands and strategize to fulfil employee requirements, more will be the employee commitment and motivation that impacts the work performance and business success.

Keywords: Employee commitment, Productivity, Job Satisfaction.

Introduction:

Committed employees are one of the greatest assets any organization can have. Each year organizations invest substantial amount of money in training and developing their work force to have talented and productive employees with them. Employee commitment plays a major role in overall business efficiency and profitability. Commitment also comes from the employee perception that their efforts will be rewarded. The company must share the fruits of its success with the employees.

Job satisfaction is a term used to describe how happy an individual is with their job. Job Satisfaction also refers to the employee's general attitude towards his job. It refers to the happiness experience by an employee when his wants are satisfied.

The term job satisfaction can be defined as a positive feeling about one's job (*Robbins, 2007*). Job satisfaction is a set of favorable or unfavorable feelings and emotions with which employees view their work (*Newstrom, 2007*). Consequently they advocated reform of management practices to reflect a humanistic concern for employees and to enhance employee work satisfaction. Job satisfaction was subsequently linked to increases in productivity, though the nature of causality has continued to be strongly debated (*Katzell et al.1975*).

In the words of *Allen and meyer (1990)*, "commitment is a psychological state that binds the individual to the organization". According to *Mowday et al (1979)* "commitment is the relative strength of an individual's identification with and involvement in a particular organization".

"Employee Commitment is psychological bond of an employee to an organization, the strength of which depends on the degree of employee involvement, employee loyalty, and belief in the values of the organization". The concept of employee commitment lies in the heart of any analysis of human resource management. *Porter (1974)* has defined employee commitment as "relative strength of the individual's identification with and involvement in a particular organization".

Employee commitment to the organization is at least of two types. One of them can be called *rational commitment*, i.e. a relationship based on employee's financial interests or interests related with possibilities to improve professional skills and make a career. Employees usually tend to such considerations as how much effort has been put while working in the company, whether they are adequately rewarded for the effort, and finally, are there any alternatives (better paid, more interesting and perspective jobs). If an employee thinks that the company is investing in them a lot, they will repay with attentiveness and loyalty.

Another type of commitment is called *emotional commitment*. Emotional commitment to the organization can be defined as a relationship where employees appreciate and enjoy their job and believe in what they are doing. They accept company goals as their own and honestly perform their tasks.

Without commitment no company can think of achieving excellence. Commitment is rather a key ingredient for improving quality and productivity, reducing defects, increasing profitability and decreasing costs. Productivity improvement process needs to be driven by top management in order to maximize its effectiveness.

Employee commitment, productivity and retention issues are emerging as the most critical workforce management challenges in present scenario, driven by employee loyalty concerns, corporate restructuring efforts and tight competition for key talent. For many firms, "surprise" employee departures can have a significant effect on the execution of business plans and may eventually cause a parallel decline in productivity. Productivity and retention rates generally fall further as employees become distracted, confused and preoccupied with potential outcomes

immediately following an *organizational transition* such as a major restructuring, corporate downsizing, merger, acquisition, or even rapid growth spurt (Cartwright and Cooper, 1999; Bridges, 1991).

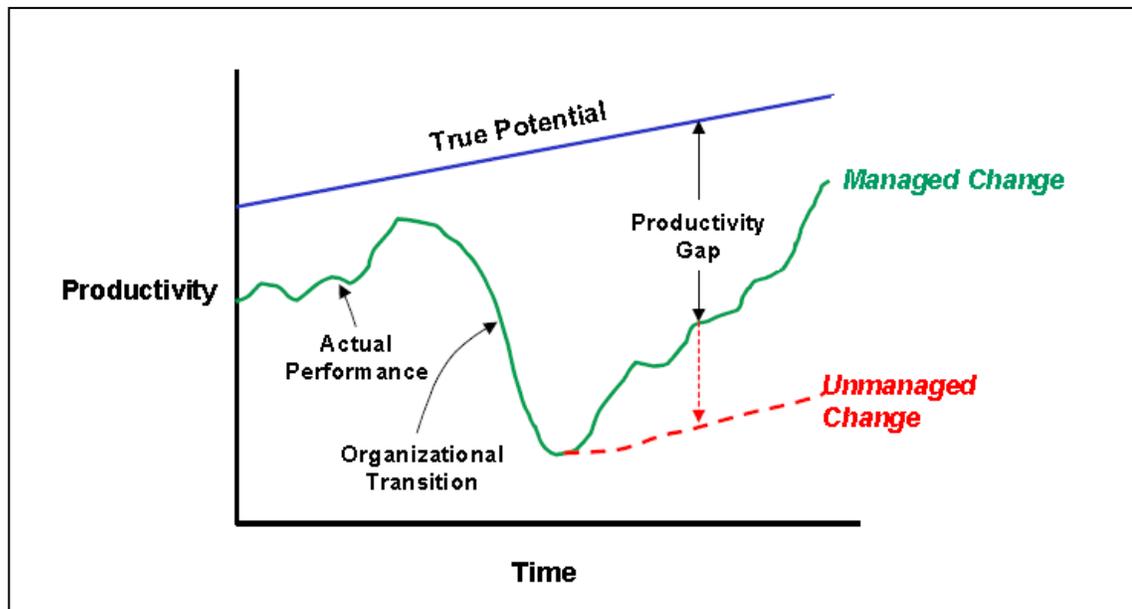


Figure 1: Organizational Productivity

Review of Literature:

According to *Morrow* (1983), over 25 commitment related concepts and measures exist. She reviewed and compared major forms of work commitment and explored the interrelationships between them. Morrow identified five major forms of work commitment in the literature: value focus, career focus, job focus, organization focus and union focus. Further research by Morrow (1993) produced a model of work commitment that included affective organizational commitment, continuance organizational commitment, career commitment, job involvement, and work ethic endorsement.

O'Reilly and Chatman (1986) also note the ambiguous nature of commitment. Commitment has been used to refer to antecedents and consequences, the process of becoming attached, and the state of attachment itself. He attributes the lack of consensus to a failure to differentiate among the antecedents and consequences of commitment and the basis for progress.

Hackett et al., 1994 viewed that affective commitment is appeared to be most desired form. Affective commitment is a key indicator of worker – firm relations and its use provides continuity with other studies examining work status effects on organizational attachment

Gallie and White (1993) measured employee commitment to paid work through a survey and found that it was relatively high in the workforce as a whole and appeared to have increased compared with earlier.

A recent consultancy Report by *AON* (2000) conducted a survey on 1570 workers and claimed that 39 % of UK workers were committed to continuing in their jobs, usually called *continuance commitment*.

Prime view is that job satisfaction is an antecedent to organizational commitment (*Lincoln & Kalleberg*, 1990; *Mowday; Porter, & Steers*, 1982; *Mueller, Boyer, Price, & Iverson*, 1994;

Williams & Hazer, 1986). There is also some support for the reverse causal ordering, organizational commitment as an antecedent to job satisfaction (Vandenberg & Lance, 1992). Altindis (2011) observed the relationship between organizational commitment and motivation in health professionals and has explained that health professionals with emotional commitment voluntarily participate in organizational activity.

Statement of the problem:

In today's rapidly changing corporate environment, organizations want to use utmost potential of their employees to stay ahead of the aggressive competition and continue to exist in the market. Profitable organizations are built on the inherent value of their employee as satisfied, motivated and committed employees almost always allow an organization to grow faster than similar competitive organizations. Job satisfaction and commitment is very important for an organization's success. Keeping the employee motivation, up is always rewarding to a business as motivated employees are always committed and consequently more productive and higher productivity usually results in higher profits. Assuming that management have been using the independent variables, the fundamental questions that need to be addressed - does job satisfaction have a negative or a positive impact on employee commitment?

Objectives of the study:

- To develop relationship between job satisfaction and commitment.
- To evaluate the impact of job satisfaction and commitment on productivity.

Research Methodology:

The focus in the study is on the discovery of ideas, perceptions and experiences of 140 employees working in private manufacturing organizations located near Bhopal city. Methods in the context of research design for this study are – (a) the survey of the concerning literature; (b) the experience survey.

In survey of the concerning literature the available material on work already done by other researchers is reviewed and built. During experience survey employees working in the selected organizations who have practical experience were studied. Respondents were given a certain number of statements on which they are asked to express their degree of agreement/disagreement, rated on a Likert scale. Through questionnaire affective, continuance and normative commitment of employees was assessed covering three dimensional commitment measures.

The questionnaire structured for collecting data is based on several factors/elements such as – Human resource practices/policies, profession/career, salary and workplace environment. Researcher attempted to find the relationship between these factors, employee commitment and productivity. The results revealed that the productivity is affected because the employees were satisfied/dissatisfied with Human resource practices/policies, profession/career, salary and workplace environment.

The mean (also known as average), is obtained by dividing the sum of observed values by the number of observations, n . Although data points fall above, below, or on the mean, it can be considered a good estimate for predicting subsequent data points. Mean =

$$\bar{X} = \frac{\sum_{i=1}^{i=n} X_i}{n}$$

The standard deviation gives an idea of how close the entire set of data is to the average value. Data sets with a small standard deviation have tightly grouped, precise data. Data sets with large standard deviations have data spread out over a wide range of values. The formula for standard deviation is

$$\sigma = \sqrt{\frac{1}{n-1} \sum_{i=1}^{i=n} (X_i - \bar{X})^2}$$

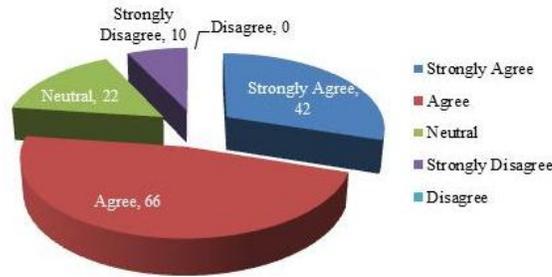
Data Analysis and Interpretation:

Table - Description for the dimensions of job satisfaction and employee commitment

S. No.	Study parameters	Opinion of respondents	No. of Respondents	Mean	Std. Deviation
1	Salary and other benefits	Strongly Agree	42	4	0.86
		Agree	66		
		Neutral	22		
		Strongly Disagree	10		
		Disagree	0		
2	Relationship with superiors	Strongly Agree	41	3.68	1.18
		Agree	49		
		Neutral	23		
		Strongly Disagree	19		
		Disagree	8		
3	Training and development opportunities	Strongly Agree	19	3.49	0.95
		Agree	58		
		Neutral	36		
		Strongly Disagree	27		
		Disagree	0		
4	Safety practices and health care facilities	Strongly Agree	22	3.56	1.00
		Agree	61		
		Neutral	36		
		Strongly Disagree	16		
		Disagree	5		
5	Rewards / recognition	Strongly Agree	34	3.77	0.96
		Agree	59		
		Neutral	28		
		Strongly Disagree	19		
		Disagree	0		

Q1. Salary and other benefits affect job satisfaction and employee loyalty.

Salary and other benefits

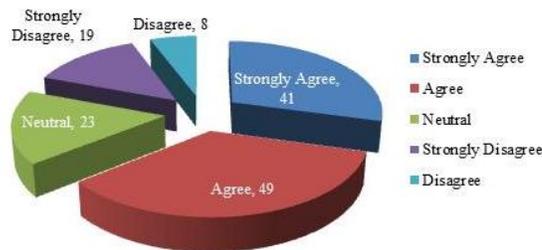


Interpretation:

Normative commitment of employees towards salary issues is found, which shows that like other HR practices, salary and other benefits influence employee commitment and consequently productivity. Statement also reflects individualistic opinion. It is clearly visible that none of employees’ show disagreement with statement.

Q2. The relationship with superiors facilitates job satisfaction and hence commitment and productivity at workplace.

Relationship with superiors

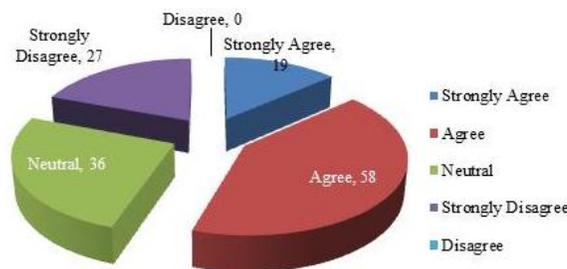


Interpretation:

Employees are supposed to be assets of an organization. They are spending on average 48 hours a week in the workplace; long work hours are resulting in the need to formulate harmonious, trustful relationship with the superior at workplace, lead to more cohesive work groups, highly satisfied and committed employees, greater productivity, greater goal attainment, increased positive feelings about the organization.

Q3. Do you think that training provided by the organization is effective for the performance?

Training is effective for the performance

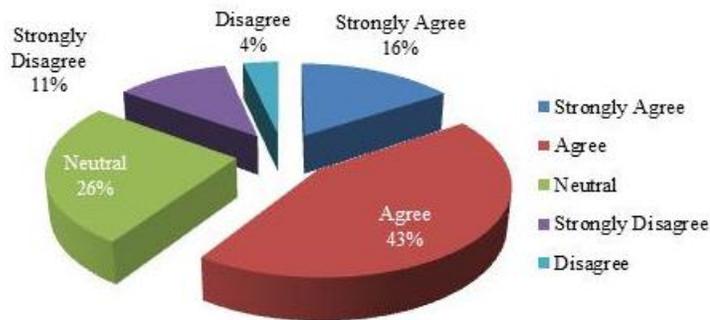


Interpretation:

The result shows that 58 % of the respondents are agree that the training given by the organization helps them to achieve the required skills for performing the job efficiently. In turns it increases satisfaction level in employees, develops commitment and as a consequence improved performance and productivity as a whole. Whereas none of the executives are disagree with the statement.

Q4. Safety practices and health care facilities followed at the organization increases security and thus productivity.

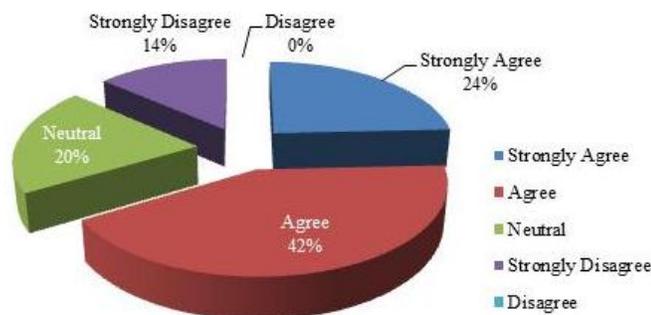
Safety practices and health care facilities



The analyses reveals that only 4% of the employees are disagree with the opinion which is quite obvious also, with 43% of them agree or strongly feel that safety practices and health care facilities followed at the organization increases security and thus productivity. The above analysis of data refers to normative commitment with directly reference to self as related to safety and health, as visible from the table and chart most of the persons agree with the statement with an overall mean value of 3.56, though persons who are not really sure that whether these practices affect or not the commitment is also a good number at 61.

Q5. Rewards / recognition given for good performance at work influences job satisfaction and commitment of an employee

Rewards / recognition



Interpretation:

Most of the employees are of the opinion that rewards/recognition influences job satisfaction and commitment. It reflects that young/new hires need some rewards and recognition for good

performances which develops commitment in them. The above analysis of data shows normative commitment and the opinion of the respondents in reference to the rewards and recognition for good performance at work it may also be noted that though normative in nature still while answering persons relate this with themselves. The maximum mean value of opinions is 3.77 which are visible also that no one disagrees with statement. The biggest contribution is 42% of the employees working in the organization with agree opinion for the statement because most of them believe that job satisfaction and commitment require an investment of time as well as mental and emotional energy, hence make reciprocation.

Conclusions:

Their study found that employee commitment play a significant role for employee satisfaction. Through employee retention, organizations can try to minimize the rising cost of manufacturing in current scenario of globalization. As recruitment, selection, placement and training process incurred cost so if employee stays for longer time period then organization may try to win in better way. Managers of private manufacturing organizations should consider factors of satisfaction in formulating HR policies and can utilize it as tool of competition. If the level of job satisfaction is high than employee commitment towards work and organization would be better and results in improved productivity. The findings of this study are important because in private manufacturing organizations, committed, motivated and satisfied employees are very important and act as a major contributor towards growth and survival of the organization. Although study focused private manufacturing organization but its finding may be generalized to other sectors and organization. Further there is a relationship between job satisfaction and employee commitment. At last the underlying factors of improved productivity emerged from this study are job satisfaction, employee commitment and motivation.

In a nut shell, if an organization needs a highly committed and capable manpower, they should not be forgotten the importance of job satisfaction. It is noticeable that high job satisfaction and employee commitment will avoid turnover intention and actual turnover. Every employee has different kinds of needs and expectations and it is impossible to satisfy every need and expectation of the employees. Both employee and organization should try to generate a working environment that they will work in a happy, motivated, committed and productive culture to accomplish organizational goals.

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