Job Satisfaction and Organizational Commitment among Employees

Ranita Manap
Kolej Universiti Islam Antarabangsa Selangor
ranita@kuis.edu.my

ABSTRACT

Organizations over the years are confronted with one of the toughest challenges of having a committed workforce. The maintenance of a highly-qualified workforce to work and at the same time having a long term commitment to the organization is more and more concerned by organizational managers. Job satisfaction and organizational commitment are widely studied factors in management literature which are the precursors of employees’ performance. The connections between job satisfaction and organizational commitment have been the subject of a great deal of attention in recent years. Most of the researchers find there is a positive relationship between job satisfaction and organizational commitment among employees. However there are also findings shows those who were committed not always satisfied with their job. They have to commit to their organization, even though they are not satisfied with their job. This is only due to their affective commitment, continuance commitment or normative commitment. Therefore, to enhance the level of satisfaction of employees, managers need to consider raising the satisfaction level of many working perspectives, including more understanding on employees’ needs and create their positive emotions toward current work and working environment. While to enhance the level of commitment to the organization, managers need to consider raising the acceptance level of firms’ goals and values, creating the appropriate attitudes of employees toward their work, raising loyal awareness, collaborating with others, developing knowledge, skills, experience and expertise. This is vital to keep the continued existence of the organization in the global era whereby nowadays it is very difficult to make employees to feel obliged and become more committed to the organization.

Keywords: job satisfaction, organizational commitment, affective commitment, continuance commitment, normative commitment

INTRODUCTION

Organizations over the years are confronted with one of the toughest challenges of having a committed workforce. The maintenance of a highly-qualified workforce to work and at the same time having a long term commitment to the organization is more and more concerned by organizational managers. Job satisfaction and organizational commitment are widely studied factors in management literature which are the precursors of employees’ performance. Both are important indicators to managers because of the desire to retain a stable and committed workforce. Employees are among the most important determinants and leading factors that determine the success of an organization in a competitive environment. Job satisfaction if managed properly can lead to employee commitment which the
consequences are such as increased effectiveness, performance, and productivity, and decreased turnover and absenteeism. Therefore, organizations cannot succeed without their employees’ efforts and commitment.

**JOB SATISFACTION**

Job satisfaction is a foremost crisis for all organization, no matter whether in public or private organizations or working in highly developed or underdeveloped countries (Rehman et al., 2013). According to Robbin et al. (2008), job satisfaction describes a positive feeling about a job, resulting from an evaluation of its characteristics. A person with a high level of job satisfaction holds positive feelings about their job, however a person with low level holds negative feelings.

Jobs requires interaction with peers and bosses, following organizational rules and policies, meeting performance standards, etc. Job satisfaction is an attitude that people have about their jobs and the organizations in which they perform these jobs. It is an employee’s affective reaction to a job, based on a comparison between actual outcomes and desired outcomes.

Generally, job satisfaction is recognized as a multifaceted construct that includes employees’ feelings about a variety of both intrinsic and extrinsic job elements. Intrinsic elements of job satisfaction, derived from internally mediated rewards, such as the job itself and opportunities for personal growth and accomplishment; and extrinsic elements of job satisfaction, resulting from externally mediated rewards such as satisfaction with pay and benefits, company policies and support, supervision, co-workers, job security and chances for promotion. Since job consists of various aspects, job satisfaction is often conceptualized as a multidimensional construct that consists of many elements, typically called job satisfaction facets (Singh & Pandey, 2004). Common job satisfaction facets include co-workers, appreciation, benefits, job conditions, pay, promotion, supervision, and organization’s policies or procedures.

**THEORIES OF JOB SATISFACTION**

Job satisfaction theories have a strong overlap with theories explaining human motivation. These are the common theories used for job satisfaction; Maslow Needs Hierarchy theory, Herzberg’s two-factor theory, and Vroom’s expectancy theory and Equity theory.

**Maslow Needs Hierarchy theory**

Maslow’s needs hierarchy was developed to explain human motivation in general. Maslow (1954) saw human needs in the form of a hierarchy, ascending from the lowest to the highest and he concluded that when one set of needs is satisfied, this kind of need ceases to be a motivator. It starts from a) level 1, physiological needs, b) level 2, security and safety needs, c) level 3, social needs, d) level 4, esteem needs and e) level 5, self-actualization needs. The important point about these need levels is that they usually have a definite sequence of domination. Second level needs do not dominate until first level needs are reasonably satisfied. Third level needs do not dominate until first and second level needs have been reasonably achieved and so on. As the more basic needs are satisfied, a person seeks to fulfil the higher level needs. If one’s basic needs are not met, they claim priority and efforts to satisfy the higher level needs will be postponed. In job satisfaction context, jobs which are able to satisfy more of the Maslow needs would be jobs which would result in greater satisfaction on the part of the employee.
HERZBERG’S TWO-FACTOR THEORY.
The Two Factor Theory or the Motivation-Hygiene theory developed by Frederick Herzberg and his associates in the late 1950s. Their study was concerned with an investigation into the causes of job satisfaction and dissatisfaction of engineers and accountants. They categorized variables affecting a worker’s job satisfaction into two factors: motivators or intrinsic factors and hygienes or extrinsic factors. Motivators emphasized higher level factors and focused on aspects of work, such as achievement, recognition for achievement, the work itself, responsibility and growth or advancement. Hygienes characterized as lower level motivators and included company policies and administration, supervision, interpersonal relationships, working conditions, salary, status and security. Herzberg et al. (1959) proposed that these motivators or intrinsic factors produce job satisfaction, while hygiene or extrinsic factors of the job may lead to job dissatisfaction.

VROOM’S EXPECTANCY THEORY.
Vroom (1964) stresses and focuses on outcomes and not on needs as Maslow and Herzberg theories. This theory consists of four concepts which are expectancy, instrumentality, valence and force. He built upon the work of Maslow by adding that individuals make decisions about their work based on their perceived abilities to successfully perform the tasks and receive the reward. The theory states that the intensity of a tendency to perform in a particular manner is dependent on the intensity of an expectation that the performance will be followed by a definite outcome and on the appeal of the outcome to the individual. Vroom further stated that when choosing between alternatives involving uncertain outcomes, the individual is affected by their personal preferences and the degree to which they believe in the probability of each outcome. When outcomes are favourable, the employee will be more satisfied and more likely to be motivated again.

EQUITY THEORY.
Equity theory is a theory that attempts to explain relational satisfaction in terms of perceptions of fair or unfair distribution of resources within interpersonal relationship. Equity theory was first developed by John Stacy Adam in year 1965. He defined inequity as an injustice perceived by a person when he compares the ratio of his outcomes (rewards) to his inputs (efforts), with the ratio of another comparable person’s outcomes to inputs. If individuals find ratio of input and outcome not equal with what other workers are receiving for the same job, then a state of equity exists (Robbins, 2005). Equity theory has been studied extensively over the years and it has been found that compensation and rewards increase employee satisfaction only when these rewards are perceived as both valuable and equitable (Perry et al., 2006; Yusof & Shamsuri, 2006).

Different theories of job satisfaction will results vary due to different viewpoints on the theme. However most authors agree on the main determinants or facets of job satisfaction. There will always be a degree of uncertainty regarding the measurement of job satisfaction, as the level of job satisfaction will differ between individuals depending on age, country of origin, gender and education level.
ORGANIZATIONAL COMMITMENT

Commitment still remains one of the most challenging and researched in the fields of Management, Organizational Behaviour and Human Resource Management (Cohen, 2007). Organizational commitment is the degree to which an employee identifies with a particular organization and its goals, a willingness to exert considerable effort on behalf of the organization and desire to maintain membership in the organization (Robbin et al. 2008). Every person working in any work-related organization is automatically part of some bigger group. A big part of commitment is how employees see the company and the differences what sets it apart from all the other possible employers. Having committed employees is crucial for a successful company. Company have uses a lot of resources to find the correct persons for the job therefore it is extremely important to be able to keep them in the long run. It is important to study commitment and know the factors affecting it because it has potential to influence organizational effectiveness and employees’ well-being (Meyer & Herscovitch 2001). There are various factors in today’s world that shape the organizational commitment:

a) It is not certain that employees will stay within one company once hired for the whole work life. Now companies should pay more attention to retain the talents. When employee feels committed to the organization, he or she will not change the company easily.

b) It is more challenging to get younger employees committed to the organization (Laurinolli, 2010). These employees are more and more committed to their job or career rather than the organization especially in more competitive employment market.

c) During economic crisis, when the work environment is very insecure, employees become less committed to organizations (Markovits et al. 2010).

MODEL ON ORGANIZATIONAL COMMITMENT

O’Reilly and Chatman’s model

In the year of 1986, O’Reilly and Chatman explained that commitment can be formed by three independent mechanisms: a) compliance, b) identification and c) internalization. Compliance is shallowest of them all and is connected to rewards. Person adopts certain attitudes and behaviours in order to gain specific awards. Identification is step further into deeper commitment. Employee feels proud to be part of that specific organization and thus accepts and respects its’ values and accomplishments. He or she wants to establish or maintain good relationship with that specific group. However, he or she does not adapt those values as his or her own and internalization occurs finally when there is value congruence between the person and the organization. Employee accepts organization’s values because those are very similar to his or her own. (O’Reilly & Chatman, 1986)

Three-component model of commitment

One of the most widely used theories in organizational commitment is by Allen and Meyer’s (1990) three-component model. It sees commitment as having three separable forms: a) affective commitment, b) continuance commitment and c) normative commitment. Affective commitment is employees’ emotional attachment to organization, identification with organization and involvement in organization. Employees, who have strong affective commitment, stay in the organization because they want to (Allen & Meyer, 1990) Therefore, this form of commitment is based on desire. Those employees with a higher degree of emotional commitment are more likely to continue working for the organization voluntarily and eagerly because they feel integrated within the organization and identify with the norms and values of the organization (Nagar, 2012). Next is continuance commitment. This type of commitment is commitment based on the costs that would occur if the person left the organization. Therefore, people having high continuance commitment stay in the organization.
because they need to when weighing the pros and cons, leaving the organization would be costly. If employee has used a lot of time and resources to learn something that can only be used in that particular company or at the time there are no similar or better employment opportunities available than the current position. (Allen & Meyer, 1990; Meyer & Herscovitch, 2001; Garcia-Gabrera & Garcia-Soto, 2012). Those employees with continuance commitment find it difficult to give up membership to their organization due to the fear of the unknown, such as having few or no appealing professional alternatives, and therefore remain with their organization because they feel they must stay (Meyer, Allen, & Smith, 1993). Finally, normative commitment reflects employees’ moral and ethical obligation to stay with the organization. Employees remain in the organization because they ought to do so. It is proposed that normative commitment is influenced by person’s experiences both before and after entering the organization. This means that not only organizational socialization but also socialization that occurs in the families and society at large also affects how employee’s normative commitment develops. Employees indebted to his organization for having invested its time and resources on him and feels responsible to repay for the benefits that he gets from the organization by putting effort on the job and staying on the job (Nagar, 2012).

**Job satisfaction and organizational commitment**

Job satisfaction is more of a response to a specific job or various facets of the job where else commitment is a more global response to an organization and therefore job satisfaction is a determinative of organizational commitment (Meyer et al., 2002). An employee who is satisfied with his job would perform his duties well and be committed to his job, and subsequently to his organization.

Ali Mohamad (2008) in his research in two teaching and one non-teaching hospitals, one semi-public hospital and two private hospitals among healthcare provider found that there is a positive correlation between job satisfaction and organizational commitment. Satisfaction had a stronger effect on commitment than the reverse. Nature of the work, co-workers, and management and supervision had the most effect on affective commitment. Management and supervision, nature of work and job security had the most effect on continuance commitment. Finally, nature of the job and co-workers had the most effect on normative commitment. On the other hand, affective commitment had more effect on employees’ job satisfaction. Findings revealed that employees who were more satisfied with their job had higher levels of organizational commitment. Mohamed et al. (2012) found out that job satisfaction is positively related to affective commitment, continuance commitment and normative commitment. Eslami & Gharakhani (2012) also found that job satisfaction have positive and significant effects on organizational commitments.

Nildes Raimunda Pitombo Leite (2014) did a research among professionals indicated that satisfaction with rewards does not predict organizational commitment, satisfaction with interpersonal relationships is an antecedent of commitment. Satisfaction with personal relationships indeed mediates the relationship between commitment and certain antecedents, but satisfaction with rewards does not play this role, since it does not establish a significant impact on commitment.

However, findings by Syed Mohammad Azeem (2010) found that an employee might have strong commitment to an organization although he or she is unsatisfied with certain aspects of his or her specific job. Ku Azizah et al.(2014) in their study found that level of organizational
commitment was assessed to be high, medium or low. High level of commitment was those who committed to the department in an unequivocal and whole hearted manner. Medium level included those who expressed commitment but with some degree of negativity or lack of satisfaction. Low were those who expressed a low level of commitment for both themselves and in others. However, those who were committed were not always satisfied in their job especially with promotion, rewards, supportive working environment and facilities, training and career development. Level of organizational commitment is high due to guaranteed regular salary received from the organization and the religious conviction of her accountability to God in the day of judgement. In this situation employee remained frustrated with her job.

A study was done among managers by Gangai (2015) found there is no significant correlation between job satisfaction and organizational commitment and among three dimensions (affective, continuance and normative). However continuance commitment and normative commitment is significant correlation with job satisfaction.

**RECOMMENDATION/SUGGESTION**

These findings can help the organization in planning and developing the strategies to enhance the organizational commitment of the employees which directly link to the organizational performance, effectiveness, productivity of the organization. Organizations should consider some factors that have been identified to have strong impact on organizational commitment and incorporate them in employees’ development programs to improve their attitude in the workplace.

High level of commitment with no job satisfaction later on will demotivate employees. Therefore, to enhance the level of satisfaction of employees, managers need to consider raising the satisfaction level of many working perspectives, including more understanding on employees’ needs and create their positive emotions toward current work and working environment. A supportive management style, demonstrated through open communication, respect and recognition can greatly improve the satisfaction of employees on the job.

Management might be able to increase the level of commitment in the organization by increasing satisfaction with policies, work conditions, equal compensation and equal promotion. Changes in organizational variables, such as benefit scales, employee input in policy development and work environment, could then be made in an effort to increase employees’ job satisfaction and organizational commitment.

Furthermore, managers need to consider raising the acceptance level of firms’ goals and values, creating the appropriate attitudes of employees toward their work, raising loyal awareness, collaborating with others, developing knowledge, skills, experience and expertise to enhance the level of commitment to the organization.

**CONCLUSION**

Employers should be aware of the variations in facets of job satisfaction and organizational commitment among the employees even though there will always be a dilemma of satisfying all the employees. Therefore it is important that the management must properly integrates all their employees into the company, for example through communication. Accomplishing the
best possible employee job satisfaction and organizational commitment, with the purpose to avoid inefficiency, turnover and absenteeism that can reduce the company’s bottom line is vital. Perhaps it will help the continued existence of the organization in the global era whereby nowadays it is very difficult to make employees to feel obliged and become more committed to the organization and satisfied at the workplace.

References


