



An Empirical Investigation on factors that influences the employees towards organizational commitment in private star hotels at Coimbatore

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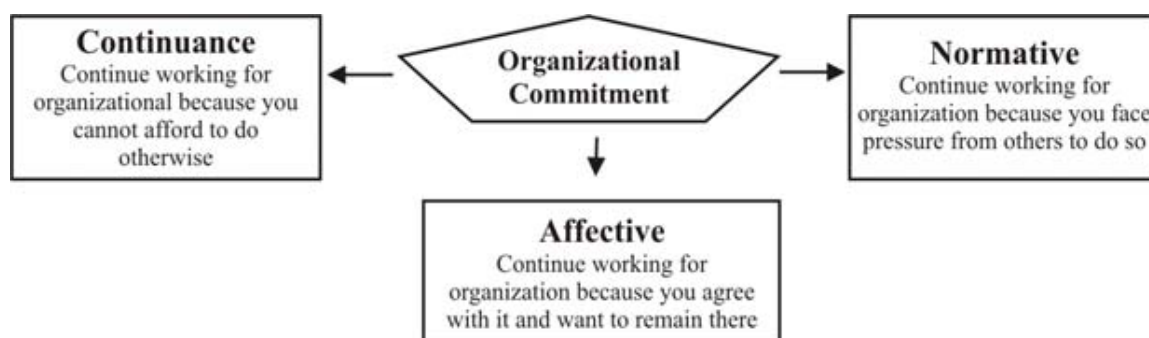
Abstract

The purpose of this research article is to introduce organizational commitment and key research on commitment related factors at private star hotels in India. In this study an attempt has been made to identify the various factors that influence the employee's towards organizational commitment. The study is a descriptive one. Primary data was collected by the researcher with the help of structured questionnaire administered to the middle and top level executives of two Private star hotels in Coimbatore - Tamilnadu. The method adopted to get the data was Interview Schedule. 103 employees from those organizations constitute the sample size. Fifteen questionnaires were distributed for the purpose of pre-testing the questionnaire's contents. A complete questionnaire was developed based on the comments collected during the pre-testing period. Type of sampling method used was simple random sampling. Due to various reasons the companies name is not being disclosed in this study. The various factors that are taken to measure the organizational commitment are 1) Job Satisfaction 2) Organizational Politics 3) Motivation 4) Role Clarity and 5) Intention to stay. Using various statistical tools like Factor analysis and multiple regression some of the relevant findings were derived that will be significant and relevant to the present Indian scenario.

Key words: Organizational Commitment, Motivation, Organizational Politics, Job satisfaction

Introduction

Organizational commitment has received significant attention in studies of the workplace. This is due to the general recognition that this variable can be the major determinant of organizational performance (Angle, 1981; Riketta, 2002) and effectiveness (Laschinger, 2001; Miller, 1978). When employees are dissatisfied at work, they are less committed and will look for other opportunities to quit. If opportunities are unavailable, they may emotionally or mentally withdraw from the organization. Thus, organizational commitment is an important attitude in assessing employees' intention to quit and the overall contribution of the employee to the organization. Many scholars have defined organizational commitment, e.g., Kanter (1968), views organizational commitment as the willingness of workers to devote energy and loyalty to an organization. According to Porter et al. (1974) organizational commitment is the relative strength of an individual's identification with and involvement in a particular organization.





As figure 1 shows, Meyer and Allen (1997) identified and represented three forms of commitment: *affective*, *continuance*, and *normative*. *Affective* commitment is an individual's emotional attachment with (i.e. identification with and involvement in), the organization. *Continuance* commitment refers to the individual's recognition of the benefits of continued organizational membership versus the perceived cost of leaving the organization. Finally, *normative* commitment refers to the employee's feeling of obligation to stay in the organization. All three forms of commitment affect not only employees' willingness to remain with an organization, but their work related behavior as well.

Review of Literature

Ebru Gunlu, Mehmet Aksarayli et.al(2010) identified the effects of job satisfaction on organizational commitment for managers in large-scale hotels in the Aegean region of Turkey and, in addition, to examine whether there is a significant relationship between the characteristics of the sample, organizational commitment, and job satisfaction. Two structured questionnaires were administered to large-scale hotel managers in the tourism industry. The survey instruments were adopted from the validated Minnesota Job Satisfaction and Organizational Commitment Questionnaire of Meyer-Allen. The data were analyzed using Statistical Package for Social Sciences version 13.0. The findings indicate that extrinsic, intrinsic, and general job satisfaction have a significant effect on normative commitment and affective commitment. In addition, the findings suggest that the dimensions of job satisfaction do not have a significant effect on continuance commitment among the managers of large-scale hotels. When the characteristics of the sample are regarded, age, income level, and education have a significant relationship with extrinsic job satisfaction whereas income level indirectly affects affective commitment.

Steve McKenna, (2005) in his research work examined using qualitative data from 20 managers in four small Singaporean businesses in the services sector this article explores the issue of organizational commitment. The findings generally support those in the positivistic literature on organizational commitment. It also argues, however, that continuance commitment, largely seen as negative for organizations and performance, can be both positive and negative in certain circumstances. The article further suggests that owner/manager style in the businesses may have an important impact on manager commitment and that the future growth and development of these businesses may be stunted as a consequence of negative aspects of the entrepreneurial management style.

Sheldene Simola, (2011), investigated the relationship between dimensions of commitment to the profession of business, and ascribed importance of various organisational characteristics to the first full-time job following graduation. Business administration students (n=446) completed surveys on dimensions of their commitment to the profession of business and the importance they ascribed to having certain organizational characteristics in their first full-time job (n=132). Confirmatory factor analysis of commitment scales, principal component analysis of organizational characteristics, and canonical correlations were used. Affective occupational commitment was differentially; positively associated with the importance ascribed to working in an organization that offers opportunities for professional development. Normative occupational commitment was differentially, positively associated with the importance ascribed to working in a reputable organization that is devoted to diversity and social responsibility.

Riccardo Peccei, Antonio Giangreco et.al (2011) this study aims to contribute to a better understanding of resistance to change (RTC) by examining the role played by organisational commitment (OC) as a potential predictor and moderator in the analysis of RTC. First, alternative models of OC were developed, first as a co-predictor of RTC, and then as a moderator of the relationship between key established antecedents of RTC and resistance itself. The main established antecedents of RTC examined included employees' perceptions of the benefits of change (PBC), their involvement in the change process (IIC), and their overall attitudes towards the change (ATC). The



alternative OC models were tested using data from a sample of over 300 middle managers from an Italian public sector service provider company undergoing a radical process of change. Results showed that OC, along with PBC and IIC, had a significant negative direct and indirect effect on RTC. The indirect effect was mediated by employee attitudes to the change. Contrary to expectations, however, commitment did not moderate any of the antecedents-RTC relationships.

OBJECTIVES OF THE STUDY

- To identify the major factors that influence the employee's towards organizational commitment in two star hotels at Coimbatore, Tamilnadu
- To know the relationship between organizational commitment and Values of the organization
- To study the relationship among Pay, promotion & regulation of the organization

Methodology

The study is a descriptive one. Primary data was collected by the researcher with the help of structured questionnaire administered to the middle and top level executives of two leading star hotels at Coimbatore - Tamilnadu. The method adopted to get the data was Interview Schedule. 103 employees from that organization constitute the sample size. Fifteen questionnaires were distributed for the purpose of pre-testing the questionnaire's contents. A complete questionnaire was developed based on the comments collected during the pre-testing period. Type of sampling method used was simple random sampling. Due to various reasons the company name is not being disclosed in this study.

The various factors that are taken to measure the organizational commitment are

- 1) Job Satisfaction
- 2) Organizational Politics
- 3) Motivation
- 4) Role Clarity and
- 5) Intention to stay

Hypotheses

1. There is relationship among the factors that influence employee's towards organizational commitment
2. There exist relationship between Promotions and values of the organization.
3. Pay, promotion & regulation of the organization can predict the Employee commitment towards the organization

Reliability Statistics

Insert Table-1 Here

An examination had been made from the reliability of the data to check whether random error causing inconsistency and in turn lower reliability is at a manageable level or not, by running reliability test. From table 1 it is clear that values of Coefficient alpha (Cronbach's Alpha) have been obtained, the minimum value of Coefficient alpha obtained was **.715**. This shows data has satisfactory internal consistency reliability.

Statistical Tools Used

Using Statistical Package for Social Sciences (SPSS) the following tools were administered in this study 1) Factor Analysis 2) Correlation 3) Multiple Regression and 4) Reliability Test.

Factor Analysis

The individual statements on Organizational Commitment was examined using factor analysis based on 20 individual statements and the reliability of the samples collected was tested for internal consistency of the grouping of the items.

Insert Table – 2 Here

KMO measure of sampling adequacy is an index to examine the appropriateness of factor analysis. High values between 0.5 and 1.0 indicate factor analysis is appropriate. Values below 0.5 imply that factor analysis may not be appropriate. From the above table it is seen that Kaiser – Meyer – Olkin measure of sampling adequacy index is 0.810 and hence the factor analysis is appropriate for the given



data set. Bartlett's Test of Sphericity is used to examine the hypothesis that the variables are uncorrelated. It is based on chi-Square transformation of the determinant of correlation matrix. A large value of the test statistic will favor the rejection of the null hypothesis. In turn this would indicate that factor analysis is appropriate. Bartlett's test of Sphericity Chi-square statistics is **2895.966**, that shows the 20 statements are correlated and hence as inferred in KMO, factor analysis is appropriate for the given data set.

Insert Table – 3 Here

Eigen Value represents the total variance explained by each factor. Percentage of the total variance attributed to each factor. One of the popular methods used in Exploratory Factor Analysis is Principal Component Analysis, Where the total variance in the data is considered to determine the minimum number of factors that will account for maximum variance of data.

Insert Table – 4 Here

Interpretation of factors is facilitated by identifying the statements that have large loadings in the same factor. The factor can be interpreted in terms of the statement that loads high on it.

The factors of a study on organisational commitment comprises of 20 individual statements. Out of 20 variables, 5 individual variables contribute more towards organizational commitment.

The variables are:

1. Job Assignment
2. Promotion Related to performance(Performance Appraisal)
3. Enhancement of Knowledge and Decision making (Growth)
4. My values and Organization values are similar(Values)
5. Formal communications channel helps me to perform my job(Communication)

Insert Table – 5 Here

The above model summary table shows R-Square for this model is .946. This means that 94.6 percent of the variation in overall organisational commitment (dependent variable) can be explained from the 26 independent variables. The table also shows the adjusted R-square for the model as .927.

Any time another independent variable is added to a multiple regression model, the R-square will increase (even if only slightly). Consequently, it becomes difficult to determine which models do the best job of explaining variation in the same dependent variable. The adjusted R-Square does just what its name implies. It adjusts the R-square by the number of predictor variables in the model. This adjustment allows the easy comparison of the explanatory power of models with different numbers of predictor's variable. It also helps us to decide how many variables to include in our regression model.

Insert Table – 6 Here

To determine if one or more of the independent variables are significant predictors of overall organisational commitment, we examine the information provided in the coefficient table. From the above twenty six independent statements only 19 independent statements are not statistically significant. The standardized coefficient beta column reveals that fairly satisfy with present job has a beta coefficient **.077**, which is significant (.005). Work seems like never end has a beta coefficient **.059**, which is not significant (.184). Job rather unpleasant has a beta coefficient **.057**, which is significant (.007). Little change to leave this organisation has a beta coefficient **.252**, which is significant (.050). Choose this organisation to work for others has a beta coefficient **.249**, which is not significant (.085). Not much to be gained from this organisation has a beta coefficient **.125**, which is significant (.050). Difficult to agree with this organization's policies on important matters relating to its employees has a beta coefficient **.037**, which is not significant (.939). Care about the fate of the organisation has a beta coefficient **.202**, which is significant (.030). Values have a beta coefficient **.223** which is significant (.019). Motivation has a beta coefficient **.552**, which is significant (.000). Promotion in this organisation is based on performance has a beta coefficient value **.223**, which is significant (.000). So it is clear that there exist relationship between Promotions and values of the organization.

Insert Table – 7 Here

The correlation between the variables promotions and regulations are highly correlated .926 and was highly significant, Correlation between performance and promotions are highly correlated .780 and



highly significant, correlation between performance and communications was .774 which was highly significant, correlation between rewards and merit was .738 which was significant. All the factors of Pay, promotion and regulation are positively correlated with Organisational Commitment. Thus Pay, promotion and regulation of the organization can predict the Employee commitment towards the organization

Conclusion

In the present scenario, identification of employee organizational commitment has become a crucial element. In this study it found that most of the employees in private manufacturing companies are influenced towards commitment due to the following factors such as job assignment, Promotion Related to performance, Enhancement of Knowledge and Decision making, Formal communications channel and my values and Organisation values are similar. If organization is going to practice these factors, organizational commitment is possible.

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Reliability Statistics

Table-1

Cronbach's Alpha	N of Items
.715	28

Table - 2

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.810
Bartlett's Test of Sphericity	Approx. Chi-Square	2895.966
	Df	190
	Sig.	.000



Table -3
Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.278	36.391	36.391	7.278	36.391	36.391	4.683	23.415	23.415
2	3.918	19.588	55.979	3.918	19.588	55.979	4.430	22.151	45.565
3	2.470	12.352	68.331	2.470	12.352	68.331	3.195	15.973	61.538
4	1.988	9.939	78.270	1.988	9.939	78.270	2.437	12.185	73.723
5	1.330	6.651	84.921	1.330	6.651	84.921	2.240	11.198	84.921
6	0.749	3.743	88.663						
7	0.550	2.751	91.414						
8	0.413	2.065	93.479						
9	0.318	1.588	95.067						
10	0.254	1.269	96.336						
11	0.213	1.065	97.401						
12	0.147	0.735	98.136						
13	0.110	0.549	98.686						
14	0.078	0.390	99.076						
15	0.068	0.341	99.417						
16	0.039	0.196	99.613						
17	0.034	0.171	99.784						
18	0.023	0.117	99.901						
19	0.011	0.055	99.957						
20	0.009	0.043	100.000						

Extraction Method: Principal Component Analysis.

Table - 4
Rotated Component Matrix (a)

	Component				
	1	2	3	4	5
Fairly satisfied with my present job	0.191	0.734	0.082	-0.033	0.509
Enthusiastic about my work	0.113	0.216	0.079	0.218	0.806
Work seems like will never end	0.035	-0.156	0.553	0.595	0.050
Real enjoyment in my work	0.341	0.777	-0.066	-0.135	0.283
Job rather unpleasant	0.349	-0.073	0.049	-0.180	0.253
Little change in my present circumstances to leave this Organisation	-0.006	0.481	-0.313	0.751	0.142
Am very glad to Choose this Organisation to work for others considering at the time I joined	-0.027	0.562	0.418	-0.051	0.049
Not much to be gained by sticking with this Organisation indefinitely	0.567	0.225	0.061	0.560	-0.312
Difficult to agree with this Organisation Policies on related to Employee	0.289	0.370	0.521	0.160	0.087
Care about the fate of the Organisation	-0.175	0.786	0.429	0.034	0.154
Any type of Job assigns keep work for this Organisation	0.171	0.192	0.831	0.840	0.019



My values and Organisation values are similar	0.191	-0.093	0.917	-0.051	0.423
Proud to tell others part of the Organisation	0.860	0.024	0.191	0.019	0.325
Working for a different Organisation as long as the work was similar	-0.330	0.497	0.295	0.243	0.528
Unclear who has the formal authority to make decision	0.742	0.228	0.547	0.152	-0.152
Put in great deal of effort to help this Organisation successful	0.788	-0.170	0.200	0.474	0.027
Promotions are related to emp. Performance	0.957	0.066	-0.120	0.070	0.104
Formal communications channel helps me to perform my job	0.539	0.789	0.125	-0.083	0.635
knowledge and achievement evaluation participated in decision role	-0.026	0.889	-0.046	0.255	-0.038
Aware of the system for handling disconnect and feel encouraged	0.817	0.261	0.331	0.108	-0.175
Extraction Method: Principal Component Analysis.					
Rotation Method: Varimax with Kaiser Normalization.					
a. Rotation converged in 9 iterations.					

Table – 5
Multiple Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.973(a)	.946	.927	.208

a Predictors: (Constant), Rules and policies around here concerning promotion and pay, favoritism rather than merit determines around here, Difficult to agree with this Organisation. Policies on related to Emp. Work seems like will never end, Left this Organisation., Just working hard was not enough to get ahead, Don't speak up for fear of retaliation by others, Enthusiastic about my work, Any type of Job assign. keep work for this Organisation., Proud to tell others part of the Organisation., Working for a different Organisation. as long as the work was similar, Job rather unpleasant, knowledge and achievement evaluation participated in decision role, Not much to be gained by sticking with this Organisation. Indefinitely, Real enjoyment in my work, Fairly satisfied with my present job, Little change in my present circumstances to leave this Organisation Care about the fate of the Organisation, Choose this Organisation. to work for others at the time I joined, Aware of the system for handling disconnect and feel encouraged , Put in great deal of effort to help this Organisation. Successful, Promotions in this department generally go to top performance, Unclear who has the formal authority to make decision, My values and Organisation. values are similar, Influential group in this department that no one ever crosses, Rewards come only to those who work hard, Formal communications channel helps me to perform my job

Table - 6
Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.040	0.140		0.288	0.774
	Fairly satisfied with my present job	0.059	0.059	0.077	0.999	0.005
	Enthusiastic about my work	-0.104	0.047	-0.110	-2.206	0.030



Work seems like will never end	0.044	0.033	0.059	1.340	0.184
Real enjoyment in my work	-0.061	0.071	-0.076	-0.860	0.393
Job rather unpleasant	0.152	0.088	0.168	1.717	0.007
Little change in my present circumstances to leave this Organisation	0.210	0.107	0.252	1.967	0.050
Choose this Organisation to work for others at the time I joined	0.170	0.098	0.249	1.746	0.050
Not much to be gained by sticking with this Organisation indefinitely	0.086	0.043	0.125	1.991	0.050
Difficult to agree with this Organisation Policies on related to Employee	0.022	0.286	0.037	0.077	0.939
Care about the fate of the Organization	0.139	0.063	0.202	2.214	0.030
Any type of Job assigns keep work for this Organisation	-0.054	0.076	-0.097	-0.710	0.480
My values and Organisation values are similar	0.139	0.026	0.223	5.349	0.019
Proud to tell others part of the Organisation	0.041	0.229	0.063	0.177	0.860
Working for a different Organisation as long as the work was similar	-0.024	0.077	-0.040	-0.308	0.759
Unclear who has the formal authority to make decision	-0.204	0.290	-0.292	-0.701	0.485
Put in great deal of effort to help this Organisation successful	0.014	0.273	0.021	0.052	0.939
	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
Formal communications channel helps me to perform my job	0.693	0.413	1.022	1.677	0.098
knowledge and achievement evaluation participated in decision role	0.356	0.149	0.552	2.393	0.000
Aware of the system for handling disconnect and feel encouraged	-0.533	0.447	-0.660	-1.192	0.237
favoritism rather than merit determines around here	0.335	0.263	0.417	1.275	0.206
Influential group in this	-0.655	0.410	-0.835	-	0.115



department that no one ever crosses					1.596	
Left this Organisation, Just working hard was not enough to get ahead	-0.062	0.048	-0.098		-1.280	0.205
Don't speak up for fear of retaliation by others	0.052	0.034	0.078		1.537	0.129
Rewards come only to those who work hard	0.228	0.414	0.286		0.552	0.583
Promotions in this department generally go to top performance	0.139	0.026	0.223		5.349	0.000
Rules and policies around here concerning promotion and pay	0.061	0.239	0.109		0.253	0.801

Table - 7
Correlations

		favoritism rather than merit determines around here	Influential group in this department that no one ever crosses	Left this Organisation, Just working hard was not enough to get ahead	Don't speak up for fear of retaliation by others	Rewards come only to those who work hard	Promotions in this department generally go to top performance	Rules and policies around here concerning promotion and pay are specific and well defined	Pay and promotion policies are generally communicated this Organisation
favoritism rather than merit determines around here	Pearson Correlation	1							
	Sig. (2-tailed)								
	N	103							
Influential group in this department that no one ever crosses	Pearson Correlation	.718(*)	1						
	Sig. (2-tailed)	.000							
	N	103	103						
Left this Organisation, Just working hard was	Pearson Correlation	.450(*)	.548(**)	1					
	Sig. (2-tailed)	.000	.000						



not enough to get ahead	tailed)								
	N	103	103	103					
Don't speak up for fear of retaliation by others	Pearson Correlation	.331(*)	.264(**)	.101	1				
	Sig. (2-tailed)	.001	.007	.311					
	N	103	103	103	103				
Rewards come only to those who work hard	Pearson Correlation	.738(*)	.508(**)	.156	.630(*)	1			
	Sig. (2-tailed)	.000	.000	.117	.000				
	N	103	103	103	103	103			
Promotions in this department generally go to top performance	Pearson Correlation	.089	.396(**)	.257(**)	.364(*)	.445(**)	1		
	Sig. (2-tailed)	.372	.000	.009	.000	.000			
	N	103	103	103	103	103	103		
Rules and policies around here concerning promotion and pay are specific and well defined	Pearson Correlation	.006	.532(**)	.086	.349(*)	.325(**)	.780(**)	1	
	Sig. (2-tailed)	.952	.000	.388	.000	.001	.000		
	N	103	103	103	103	103	103	103	
Pay and promotion policies are generally communicated in this Organisation	Pearson Correlation	-.169	.331(**)	.101	.250(*)	.211(*)	.774(**)	.926(**)	1
	Sig. (2-tailed)	.088	.001	.308	.011	.033	.000	.000	
	N	103	103	103	103	103	103	103	103

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed)