The effects of extrinsic job factors on employees’ organizational commitment
(in the case of University of Gondar employees)

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ABSTRACT

The study investigates the effects of employee’s job satisfaction on organizational commitment. The population of the study was university of Gondar employees. The data was collected with the help of structured questionnaire from 317 academic and administrative employees, the study were used proportional stratified sampling method as sample design. The independent variable job satisfaction was measured using six extrinsic variables adapted from Minnesota job satisfaction questionnaires. The dependant variable, organizational commitment was measured by the revised Organizational Commitment Scales (Meyer, Allen and Smith 1993) that is, Affective, Continuance and Normative Commitment. The Pearson’s correlation and Regression were used to analyze the data. The major findings of the study were, extrinsic job satisfaction has significant relationship with Affective, Continuance and Normative commitment and extrinsic job satisfaction factors significantly affect organizational commitments. An effective organization will always promote a sense of commitment and satisfaction among its employee. To make it real in the university the study were suggested that increasing the level of extrinsic factors of job satisfactions of the employee’s necessary, because extrinsic factors has significant correlation with job satisfaction and it has significant prediction on organizational commitment.

Key words: affective, continuance, extrinsic satisfaction, normative and organizational commitment.

Introduction

Public institutions are different from private business enterprises in respect of their organizational objective and mission, besides they display a feature of central planning and administration. Employees are the most important determinant and leading factors that determine the success of an organization in a competitive environment. Ethiopia’s economy is among the developing economies of the world. With the increasing levels of development the working environment has also becoming more competitive. Public sector employees’ managers have a tendency to be traditionalist and keep their current position in the organization. However in order to meet the changing needs and demands of public institution in the global world it is necessary to develop an organizational climate and culture to satisfy the employees. So as to develop a climate like this it is important increase job satisfaction of employees and put organizational commitment in to practice connected with job satisfaction. Organizational commitment and job satisfaction are job related attitudes that have received considerable attention from researchers around the globe. This is because committed and satisfied employees are normally high performers that contribute towards organizational productivity. Understanding of how employees become satisfied and committed to their organization, and to what degree various factors contribute to their level of commitment, is really important to boosting up their performance. University of Gondar have a mission of dedication to contribute to sustainable economic development of a nation through provision of societal needs tailored education, undertaking problem based researches and rendering relevant community services. To implement this mission effectively and efficiently there should be satisfied and committed employees’ in the university.

2. LITERATURE REVIEW
2.1 Introduction

Job satisfaction is one of the most researched areas of human resource management, organizational behavior and education. It is perceived as an attitudinal variable measuring the extent to which employees are interested with their jobs and the various aspects of their jobs (Spector, 1996).
This is an important research areas in human resource management because job satisfaction is correlated to enhanced job performance, positive work values, high levels of employee motivation, and lower rates of absenteeism, turnover and burnout (Begley & Czajka, 1993; and Tharenou, 1993). The definition of job satisfaction has clearly evolved through the decades, and most versions share the belief that job satisfaction is a work-related positive affective reaction. There seems to be less consistency when talking about the causes of job satisfaction. According to Wexley and Yukl (1994) job satisfaction is affected by different factors, including personal traits and characteristics of the job. Various theories are emerged and create vital framework regarding employee and job characteristics and their relationship to job satisfaction. Early traditional theories suggested that a single bipolar continuum, with satisfaction on one end and dissatisfaction on the other, could be used to conceptualize job satisfaction. Later revisions of the theory included a two-continuum model that placed job satisfaction on the first scale and job dissatisfaction on the second (Brown, 1998). The later theories emphasized more on the existence or absence of certain intrinsic and extrinsic job factors that could determine one’s satisfaction level. Intrinsic factors are based on personal perceptions and internal feelings, and include factors such as recognition, advancement, and responsibility. These factors have been strongly linked to job satisfaction according to O’Driscoll and Randall (1999). Extrinsic factors are external job related variables that would include salary, supervision, and working conditions. These extrinsic factors have also been found to have a significant influence on job satisfaction levels according to Martin and Schinke (1998). This research was focused on extrinsic factors of job satisfaction.

2.2 Extrinsic factors of job satisfactions

Extrinsic factors are external job related variables that would include pay/compensation, supervision, policy, work group and working conditions etc.
Pay/compensation: Pay refers to the amount of financial compensation that an individual receives as well as the extent to which such compensation is perceived to be equitable. Remuneration and earnings are a cognitively complex and multidimensional factor in job satisfaction. According to Luthans (1998), salaries not only assist people to attain their basic needs, but are also instrumental in satisfying the higher level needs of people. Previous research has shown that monetary compensation is one of the most significant variables in explaining job satisfaction. Taylor and West (1992) found that pay levels affect job satisfaction. According to their findings those public employees that compared their salaries with those of private sector employees experienced lower levels of job satisfaction. Supervision: many studies showed that the quality of the supervisor-subordinate relationship will have a significant, positive influence on the employee’s overall level of job satisfaction (Aamodt, 1999; Kinicki & Vecchio, 1994; Luthans, 1992; Moorhead & Griffen, 1992; Robbins, 1998). Work group: Mowday & Sutton (1993), suggests that job satisfaction is related to employees opportunities for interaction with others on the job. An individual’s level of job satisfaction might be a function of personal characteristics and the characteristics of the group to which he or she belongs. The social context of work is also likely to have a significant effect on a worker’s attitude and behavior (Marks, 1994). Working condition: working conditions are only likely to have a significant impact on job satisfaction when, the working conditions are either extremely good or extremely poor. Moreover, employee complaints regarding working conditions are frequently related to manifestations of underlying problems (Luthans, 1992).

2.3 Organizational commitment

Organizational commitment has emerged as an important construct in organizational research owing to its relationship with work-related constructs such as absenteeism, turnover, job satisfaction, job-involvement and leader-subordinate relations (Arnolds & Boshoff, 2004).
According to Levy (2003) Organizational commitment can be defined as the strength of an individual’s identification with, and involvement in the organization. Buchanan (cited in Reyes, 2001, p. 328) defines commitment as “a partisan, affective attachment to the goals and values of an organization, to one’s role in relation to goals and values of an organization, to one’s roles in relation to goals and values, and to the organization for its own sake, apart from its purely instrumental worth.”

2.3.1 Types of organizational commitment

Bussing (2002) identifies three sources of commitment: the instrumental, affective and normative source. Affective commitment emphasizes attachment to the organization; individuals put all their energy into their work, which is not expected of them. According to Bussing (2002), instrumental commitment focuses on the idea of exchange and continuance. Normative commitment focuses on an employee’s feelings of obligation to stay with an organization. Bagrain (2003), states that although various multidimensional models of organizational commitment exist, the three models, which are proposed by Allen and Meyer (1997), are widely accepted in organizational research. Such as

Affective Commitment: Affective Commitment is defined as the employee’s positive emotional attachment to the organization.

Continuance Commitment: The individual commits to the organization because he/she perceives high costs of losing organizational membership.

Normative Commitment: The individual commits to and remains with an organization because of feelings of obligation. The employee stays with the organization because he/she "ought to".

1.3 Significance of the study

From practical perspective this study will help to direct the attention of the top management of university of Gondar in particular, and higher educational institutions of Ethiopia In general, to adopt organizational behavior approach which can help their employee’s commitment to their organizations especially for government agencies. This in turn will assist to improve job satisfaction and performance. Consequently increasing and enhancing productivity and quality service to the customer. In addition the study may serve to show the importance of job satisfaction in public sector or government agencies and it is hoped that the findings of this study will yield useful information for public sector and government agencies.

1.4 Statement of the problem

In today’s competitive world, the biggest problem which the organizations are facing is to hold talented employees. Securing Commitment and retaining good employees are very important to achieve stability and reduce costly turn over (Sonia, 2010). Various outcomes are influenced by organizational commitments such as decreased turn over, higher motivation and organizational support. An employee who is affectively committed strongly identifies with the goals of the organization and desires to remain a part of the organization. Organizational commitment and job satisfaction are job related attitudes that have received considerable attention from researchers around the globe in general and the university in particular. This is because committed and satisfied employees are normally high performers that contribute towards organizational productivity. Understanding of how employees become satisfied and committed to their organization, and to what extents various factors contribute to their level of commitment, is really important to boosting up their performance. But in developing countries there is lack of studies in these areas specifically the influences of extrinsic factors of job satisfaction on organizational commitment. According to Getasew (2012) majority of employees of university of Gondar, especially academic staff’s employees have low perception with regard to organizational reward, supervisory support and career development and moderate perception on decision making involvement, Hence the turnover intention of employees is moderate. These shows the staff’s members are not satisfied on the university and they are not willing
to stay in the university in the future. Thus the study was focused on the impacts of extrinsic factors of job satisfaction on organizational commitment in University of Gondar employees.

1.5 Objectives of the study
1.5.1 General object
The general objective of the study was to investigate the effects of employee’s job satisfaction on organizational commitment.

1.5.2 Specific objectives
The specific objectives of the study were.

- To evaluate the relationship between extrinsic job satisfaction and organizational commitment dimensions.
- To examine the effect extrinsic factors of job satisfiers on organizational commitment in the case of University of Gondar.

1.6 Hypothesis
In order to assess the effects of job satisfaction on organizational commitment, the following hypotheses had been are formulated and tested.

- Hypothesis 1: there is a positive strong relationship between extrinsic job satisfaction and organizational commitment dimensions.
- Hypothesis 2: extrinsic job satisfaction factors have positive effect on organizational commitment.

1.7 Research methodology
The study was use the explanatory research methodology to assess the effects of employee’s job satisfaction on organizational commitment in university of Gondar employees. Thus the populations of the study were all academic and administrative employees of the university. There are 1080 academic staff members and 721 administrative totally there are 1801 employees in the university. Stratified sampling was used as sampling technique and the study was used functional based stratification (academic and administrative function). Each faculty was taken as stratum in academic function and process departments was taken as stratum in administrative function, and the study sample sizes were 317.

1.7.1 Sources and Types of Data
To conduct this research, the study used both primary and secondary sources of data. Primary data was collected through distributing structured and self administered questionnaires to employees. Because of more numbers of samples were used the research conducted only questionnaires as a source of primary data and the questionnaire was tested before the actual data collection was made. The secondary data was collected from different publications including the policy manual of the university specific to employees’ issues like turn over, compensation and others relevant to this study.

1.7.2 Data Collection Instruments
A questionnaire was designed to assess the effects of employees job satisfaction on organizational commitment, the independent variable job satisfaction was measured by using the widely accepted and used Minnesota Satisfaction Questionnaire. MSQ was developed by Weiss, Dawis, England, and Lofquist in 1967. According to Gunlu, Aksarayli and Percin, (2009) the MSQ measures intrinsic satisfaction, extrinsic satisfaction and general satisfaction. While this study were focused on extrinsic factors of job satisfactions such as supervision-human relations, supervision-technical, company policy, compensation, co worker, and working condition. The measure was developed based on the 5 point Linkert-type scale (1= very dissatisfied; 5= very satisfied). The dependant variable, organizational commitment, was measured using the revised Organizational Commitment Scales (Meyer, Allen and Smith 1993) that is, the Affective Commitment Scale, the Continuance...
Commitment Scale and the Normative Commitment Scale. The measure was developed based on the 7-point Likert-type scale (0 = strongly disagreed; 6 = strongly agreed).

1.7.3. Data analysis method plan

Inferential statistical tool was used to analyze the data, specifically Pearson correlation was used to examine the relationship between extrinsic job satisfaction and organizational commitment dimension, while Regression analysis was used to analyzed the significant effect extrinsic factors of job satisfaction on organizational commitment.

1.8 Research model / framework

Based upon the literature review the conceptual framework below was offered, the conceptual foundation to examine and explore the study in verifying, the impacts of job satisfaction on organizational commitment.

Table 1 conceptual framework

<table>
<thead>
<tr>
<th>Extrinsic factors of job satisfaction</th>
<th>Organization commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy</td>
<td></td>
</tr>
<tr>
<td>Compensation</td>
<td></td>
</tr>
<tr>
<td>Supervision relation</td>
<td></td>
</tr>
<tr>
<td>Supervision technical quality</td>
<td></td>
</tr>
<tr>
<td>Co worker</td>
<td></td>
</tr>
<tr>
<td>Working condition</td>
<td></td>
</tr>
</tbody>
</table>

Source: Adopted from review of the literatures

1.9 Result and discussion

The study examines the relation between extrinsic job satisfaction and organizational commitment dimensions, besides evaluating the impacts of extrinsic factors on organizational commitment. Thus the study tested hypothetically, and reviled the following results.

- Hypothesis 1: there is a positive strong relationship between extrinsic job satisfaction and organizational commitment dimensions.

The result in table 1 shows that extrinsic job satisfaction have positive relationship with organizational commitment dimension, specifically, affective commitment, continual commitment and normative commitment with ($r= 0.763$, $0.704$ and $720$; $P<0.01$) respectively. This implies that extrinsic job satisfaction has a positive relation with all commitment dimensions even if the extents of its relation have a slight difference. Hence the null hypothesis is accepted.

<table>
<thead>
<tr>
<th>Table 1 the correlations between extrinsic job satisfaction and organizational commitment dimension</th>
</tr>
</thead>
<tbody>
<tr>
<td>extrinsic satisfaction</td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
</tbody>
</table>
### Hypothesis 2: extrinsic job satisfaction factors have positive effect on organizational commitment.

The result in table 2 shows that extrinsic job satisfaction factors (working condition, co worker, technical quality of supervisor, policy, supervisor relation and compensation) were joint predictors of organizational commitment with ($R^2= 0.671; p<0.05$). The predictor jointly explained 61% of the variance of organizational commitment whiles the remaining 39% could be due to the effects of other variables. Working condition, co worker, technical quality of supervisor, policy and compensation were significantly independent predictors of organizational commitment with ($B =0.152, 0.279, 0.161, 0.220$ and $0.29; P<0.05$) respectively. This indicated that extrinsic factors of job satisfactions have a positive significant effect on employees commitment except supervisor relation, it have a positive but insignificant effect on employees commitment with ($B=0.018; 0.718 p>0.05$)  This implies except supervisor relation extrinsic job satisfaction factors are induce employees committed to university of Gondar.

**Table 2 Regression analysis of the effects of extrinsic factors of job satisfaction on organizational commitment**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.819a</td>
<td>.671</td>
<td>.663</td>
<td>.79170</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), compensation, working condition, employee supervision, coworker, policy, technical quality

#### ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>6</td>
<td>52.080</td>
<td>83.091</td>
<td>.000a</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>244</td>
<td>.627</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>250</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), compensation, working condition, employee supervision, coworker, policy, technical quality

b. Dependent Variable: total commitment
### Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-1.022</td>
<td>.230</td>
<td>-4.437</td>
</tr>
<tr>
<td></td>
<td>working condition</td>
<td>.215</td>
<td>.062</td>
<td>.152</td>
</tr>
<tr>
<td></td>
<td>Coworker</td>
<td>.365</td>
<td>.063</td>
<td>.279</td>
</tr>
<tr>
<td></td>
<td>Supervisor technical quality</td>
<td>.189</td>
<td>.066</td>
<td>.161</td>
</tr>
<tr>
<td></td>
<td>Supervisor relation</td>
<td>.024</td>
<td>.065</td>
<td>.018</td>
</tr>
<tr>
<td></td>
<td>Policy</td>
<td>.264</td>
<td>.059</td>
<td>.220</td>
</tr>
<tr>
<td></td>
<td>Compensation</td>
<td>.295</td>
<td>.059</td>
<td>.259</td>
</tr>
</tbody>
</table>

a. Dependent Variable: total commitment

Source: research survey 2012

### 1.10 Discussions

The results of this study are significant because they demonstrate a positive relationship between extrinsic job satisfaction factors and organizational commitment dimensions such as affective commitment, continual commitment and normative commitment. For organizations to develop a work force consisting of highly levels of employee’s positive emotional attachment to the organization and feelings of obligation employees should satisfied on extrinsic factors. Because this positive relationship implies that increasing extrinsic job satisfaction factors may increase employee organizational commitment. Different studies were supported this findings , Louie (1995) he was studied about the relationship between job satisfaction and organizational commitment among 109 workers and the findings showed that there are positive relationship between organizational commitment and job satisfaction. Another study by Rajendran and Raduan (2005) explained that job satisfaction was positively related to both affective and normative commitment.

In addition, the results of this study showed that organizational commitment significantly affected by extrinsic job satisfaction factors such as; working condition, co worker, and technical quality of supervisor, policy, supervisor relation and compensation. Collectively they predict commitment 61%, and when we saw independent prediction of each factors except supervisor relation all factors had a positive significant impact on organizational commitment, this showed when employees are satisfied working conditions of the organization, have good relation with their friends, technical support by the supervisors, appropriate and fair compensation and good organizations policy, employees my highly committed to the university. This implicated increasing employees’ satisfaction on those factors lead to increasing the commitment level in the university. Previous studies find similar results that support this finding. Gartner (1999) investigated the determinant (pay workload, distributive justice, promotional chances, supervisory support etc) of job satisfaction and organizational commitment. The finding showed that job satisfaction is a cause of organizational commitment. Also Fenstein & Vondrašek (2001) explained the effects of job satisfaction on organizational commitment among restaurant employees and the finding showed that satisfaction level would predict their commitment to the organization.

Surprisingly this study finding showed that supervisor relationship is insignificant to predict commitment, even if it has a positive direction (B=0.018; 0.718 p>0.05). This finding contrast with other studies, the research finding of Pepe (2010), identified that supervisor supports are important predictors of organization commitments and job satisfaction.
1.11 Recommendation

For any organization the most important challenge is to retain the talented work force. In order to retain the talented work force it is very important to identify what motivates them in other word in which satisfaction areas employees has dissatisfaction. The study revealed that extrinsic factors of job satisfaction have significant impacts on employees ‘commitments. So the management of the university should pay attention to these factors, as they have significant prediction on commitment. It can reduce the employee turnover and the cost associated with it. It is possible that when employees judge the organization to be providing good compensation, positive feelings of wellbeing will be created. Additionally employees should properly know the goal and values of the university and strive to achieve them. Moreover, they should engage themselves in activities which are important for the development and growth of the university.

1.12 Conclusions

Ethiopia needs trained and skilled man power to achieve its objective of alleviating poverty and creating a country with a middle income economy. The roles played by public universities are very important in this regard, the public universities are directly involved in producing the required human resource. As a result, they are required to maintain well satisfied and committed employees who contribute for the success of the organizations. With this in mind, it is important to study the level of employee’s satisfaction and commitment and provide attention for factors affecting employees’ commitment. In general, this study contributes to the limited body of knowledge on the creations of committed employees in the university through analyzing the impacts of job satisfaction on employees’ commitment. Besides, it justifies the importance of creating organizational commitment among employees in order to turn Gondar University into a competent and leading educational hub.

1.13 Limitation

There are a number of factors which influence employee’s job satisfaction. However, it was not the intention of this study to assess all those factors. Nonetheless, extrinsic factors of job satisfaction variables related to job satisfaction that affects employee’s commitment to their organization had been considered.

1.14 Scope for further research

Based on the experiences gained during conducting the present study, the following potential researchable which are not addressed by this researcher because of scope delineation are identified: There is a significance relationship between job satisfactions and organizational commitment found in this study and it is suggested that the future study should focused on other antecedents and consequence found to be important in previous organizational behavior research in order to look at a broader organizational commitment.

A study on the relationship between job satisfaction, organizational commitment and turnover intention among university of Gondar employees can be undertaken.

Bibliography

Books


**Journals**