Relationship between Employee Job Satisfaction and Organizational Commitment: An Empirical Study among Employees of Automotive Industries in India

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Abstract—In a changing scenario, employee job satisfaction and organizational commitment to an automotive industry is of highly importance. Organizations have to perform at their best in this competitive environment. The aim of this paper is to explore the relationship between employee job satisfaction and organizational commitment. The research establishes a framework to deal with the employees to make satisfied in his job and to strengthen employee commitment to an organization that is undergoing change and to achieve the profitability of the organization. A questionnaire based survey of 215 employees of four different automotive industries in India was conducted. The results of this study showed that leader-member relations, personality traits, employee training have significant and positive relationship among different variables of employee job satisfaction and organizational commitment. Further implications are discussed in terms of discussion and further researches.

Keywords—Employee job satisfaction, Organizational commitment, Automotive industries, work attitudes.

I. INTRODUCTION

Organizational commitment has an important place in the study of organizational behavior. In an environment undergoing change, management innovation, technology advancement and workforce diversity, employee commitment to the organization is of highly important in achieving the profit and success of the organization. Meyer and Allen (1991) identified three types of commitments; affective commitment, continuance commitment and normative commitment. They defined affective commitment as the emotional attachment and involvement that an employee has with his organization and its goals. While normative commitment is a feeling of obligation towards the organization and continuance commitment is the willingness remain in an organization because of the investment that the employee has non transferable.

Employee job satisfaction has a strong impact on organizational commitment. It is assumed that employee job satisfaction leads to motivated and committed employees, more effective and efficient work and in turn to higher process and product quality. Finally, employee job satisfaction is expected to lead to higher customer satisfaction which directly impacts organization performance. The importance of identifying the determinants of employee job satisfaction is thus easy to discern, as it is based on the understanding that job satisfaction serves as a strong predictor for employee behaviors as commitment, motivation, absenteeism, quitting intentions and other affective responses to aspects of job or the employer. The amount of effort that an employee expends toward accomplishing the automotive industries goals depends on whether the employee believes that his effort will lead to the satisfaction of his own needs and desires and make him committed to the organization. So an attempt to achieve employee job satisfaction leads to employee commitment and improvement in the quality of products or services, customer satisfaction, increased market share and improved profit.

II. LITERATURE REVIEW

A. Organizational Commitment

Organizational commitment has received extensive research attention in western countries since this construct was proposed by Porter, Steers, Mowday and their associates (1979). Although there are several definitions of organizational commitment, a common theme in most is that committed individuals believe in and accept organizational goals and values, and are willing to remain within their organizations, and willing to provide considerable effort on their behalf. Empirical evidence suggests that job satisfaction is an antecedent to organizational commitment (Reichers 1985; Mathieu and Hamel 1989; Brown and Peterson 1994). In addition, a positive relationship between job satisfaction and organizational commitment has been reported in several studies (Bartle, Dansby, Landis, and McIntyre 2002; Hannan and Norman, Redfern 2002; Kim, Leong and Lee 2005). Redfern et al.(2002) reported a strong positive relationship between job satisfaction and organizational commitment in a study of the health care staff in a nursing home in the UK. Kim et al.(2005) also reported job satisfaction was positively related to organizational commitment in a casual dining restaurant chain. Overall, the literature tends to suggest a positive relationship between the two variables.

Meyer and Herscovitch (2001) describe commitment as “a force that binds an individual to a course of action of
relevance to one or more aims” (p.301). Organizational commitment has been defined by researchers as the psychological strength of an individual’s attachment to the organization (Mowday, Steers, and Porter, 1979). Organizational commitment may be viewed as the degree to which an individual adopts organizational values and goals and identifies with them in fulfilling their job responsibilities (Tanriverdi, 2008). Further, organizational commitment may be influenced by values and organizational behaviors observed in the workplace (Fornes, Rocco, Wollard, 2008). Organizations are thought to influence the values, attitudes, and behaviors of members through the processes of socialization (Fogarty & Dirschm 2001). However, the process by which that occurs and the relative outcomes are challenged often, or at least not fully understood (Bachman, Sigelman & Diamond 1987, Faris 1976). Organizational socialization is a process of mutual adjustment that reduces uncertainty in tasks and environments by creating common behaviors and shared orientations among members (Fogarty & Dirschm 2001, Jones 1983). Several scholars (e.g. Kramen 1997, Pfeffer 1998) have reported the importance of socialization that occurs in organizations, primarily that which prepares individuals for work and occupations, is one of the most significant influences on individuals who are in or approaching adulthood. One of the most predominant modes of formal socialization followed in organizations is “training”. It therefore, suggests that younger the age of induction and longer the duration of training better will be the internalization of organizational orientations and norms resulting in higher commitment and job satisfaction.

**Affective Commitment**

Affective commitment pertains to the extent to which an individual identifies with the organization and reflects employee affective orientation towards an organization (Shore and Tetrick, 1991; Meyer and Allen, 1997). The more positive an individual works experience, the greater will be employee affective commitment (Mowday et al, 1979). Some research suggests that management policies that result in positive work experiences impact affective commitment (King and Ehrhard, 1997). Further, the greater the degree of congruence of individual and organizational values, the greater the degree of employee affective commitment (Lahiry, 1994). Van Vianen (2000) explored the importance of a good fit between employee and organizational values.

**Continuance Commitment**

Hafer and Martin (2008) explored continuance commitment in terms of the costs that employees associate with leaving an organization. Research suggests that continuance commitment appears to be influenced by a number of variables including the culture of the organization (Decotiis and Summers, 1987). The more positive and supportive are the organizational cultures to employees, the greater will be the degree of employee continuance commitment (Shally, Gilson and Blum, 2000).

**Normative commitment**

Normative commitment pertains to employees staying in an organization as a sense of obligation. Normative commitment differs from affective commitment because it reflects a sense of moral duty rather than an emotional attachment (Meyer, Herscovitch and Topolnytsky 2002). Research conducted by Dunham, Grube and Castaneda (1994) proposed that perceived organizational commitment of coworkers influences a sense of obligation, that is, normative commitment. Frew and Bruning (1988) proposed that employees satisfied with jobs and coworkers perceive their organizations as having values committed to employee well being.

**B. Employee Job Satisfaction**

Job satisfaction has been a core topic for researchers for a long time. Scholars have examined antecedents of job satisfaction, dimensions of job satisfaction and the relationship between job satisfaction and work related outcomes such as commitment and turnover intentions (Fields, 2002). Locke & Lathan (1976) give a comprehensive definition of job satisfaction as pleasurable or positive emotional state resulting from the appraisal of one’s job experience. Job satisfaction represents several related attitudes such as work itself, pay, promotion opportunity, supervision and coworkers which are most important characteristics of a job about which people have effective response. Job satisfaction is so important that its absence often leads to lethargy and reduced organizational commitment (Moser, 1997).

**C. Personality traits**

Personality has been defined as the unique combination of psychological characteristics that affect how a person reacts and interacts with others. Personality traits are strongly related to job-related attitudes and behaviors. Considerable attention has been paid to environmental and managerial predictors of employee job satisfaction, in both theory and practice (Eskildsen & Dahlgaard, 2000; Martensen & Gronholdt, 2001; Matler et al., 2004). Employee job satisfaction surveys test satisfaction with and impact of different facets of satisfaction, such as relationship with superiors and peers, job content, remuneration, recognition, etc. Therefore, in this study we also illuminate the relationship between personality traits and employee job satisfaction.

**D. Training**

Training is defined as learning that is provided in order to improve performance on the present job. An employee’s performance is improved by showing how to master a new or established technology. Training
actually provides the opportunity to raise the profile development activities in the organization. To increase the commitment level of employees and growth in quality movement, senior management team is now increasing the role of training. Such concepts of HRM require careful planning as well as greater emphasis on employee development and long term education. Training is now the important tool of Human Resource Management to control the attrition rate because it helps in motivating employees, achieving their professional and personal goals, increasing the level of job satisfaction etc.

III. HYPOTHESIS
The question and hypothesis of the current study are:
Q1: what is the relationship between leader-member relationship and employee job Satisfaction?
H1: There is a significant relationship between leader member relationship and employee job satisfaction.
Q2: What is the relationship between personality traits and employee job satisfaction?
H2: There is a significant relationship between personality traits and employee job satisfaction.
Q3: What is the relationship between employee training and employee job satisfaction?
H3: There is a significant relationship between employee training and organizational commitment.
Q4: what is the relationship between employee job satisfaction and organizational commitment?
H4: There is a significant relationship between employee job satisfaction and organizational commitment.

IV. METHODOLOGY
A. Research framework
This study investigates the relationship between employee job satisfaction and organizational commitment among employees of four automotive industries in India. Based on our literature review, the research framework and hypothesis are presented on fig.1.

B. Sample
The present study was conducted on a sample of 215 employees of automotive industries. Data were gathered in the form of questionnaires and were distributed and collected in the given units by one of its employees, who were commended to support this study. This study uses a five point Likert type scale ranging from 1 (strongly disagree) to 5(strongly agree) to answer all questions.

C. Measurement
a) Leader-Member Relation
The scale for leader-member relation was based on a leader-member relations point identified in Fielder et.al (1997). The original version had eight items in the scale. But this study uses six item adoption of the leader-member relations measure. The cronbach alpha for this scale was 0.85. A sample item is ‘my supervisor is reliable’.

b) Personality traits
In this measurement we investigate the role of two personality traits in the formation of employee job satisfaction. Consciousness and agreeableness were measured using the subscales from the German version of NEO-FFI, originally developed by Costas and McCrae (1992) and translated into the German language and validated by Borkenau and Ostendorf (1993). The NEO-FFI trait items were all presented with a five point, Likert type response formats (from ‘strong approval’ to ‘strong disapproval’). The cronbach alpha for this scale was 0.77.

c) Employee training
Employee training was measured with a 15-item scale developed and validated by Lefkowitz and Somers. Employee training is defined as learning that is provided in order to improve performance on the present job. The cronbach alpha for this scale was 0.86. A sample item for this scale is: “The most important things that happen to me trained in my work”.

D) Employee job satisfaction
Employee job satisfaction was measured with Quinn and Staines five item, Facet-free measure. This measure has consistently been correlated with established measures of job satisfaction including the job descriptive index and the Minnesota Satisfaction Questionnaire. The cronbach alpha for this scale was 0.84. A sample item for this scale is: “In general how well would you say that this job measures up to the sort of job you wanted when you took it?”

e) Organizational commitment
Organizational commitment was measured with Mayer & Allen (1990) scales. This study uses four item scales to measure effective commitment.
Sample items from the measure are, ‘this organization has a great deal of personal meaning for me,’ and ‘I feel a strong sense of belonging to the organization.’ The three item scale was used to measure the continuance commitment. Cronbach alpha was .82 for affective commitment, .67 for continuance commitment and .91 for affective commitment.

D. Research results
From the Table 1, leader-member relations were positively related to job satisfaction and job satisfaction was positively related to organizational commitment.

<table>
<thead>
<tr>
<th>variables</th>
<th>M</th>
<th>SD</th>
<th>α</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leader-member Relations</td>
<td>3.32</td>
<td>.53</td>
<td>.85</td>
</tr>
<tr>
<td>Personality Traits</td>
<td>3.39</td>
<td>.67</td>
<td>.77</td>
</tr>
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<td>Employee Training</td>
<td>2.76</td>
<td>.82</td>
<td>.86</td>
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<td>Employee Job Satisfaction</td>
<td>2.32</td>
<td>.76</td>
<td>.84</td>
</tr>
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<td>Affective Commitment</td>
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<td>.82</td>
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<tr>
<td>Continuance Commitment</td>
<td>3.42</td>
<td>.77</td>
<td>.67</td>
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<tr>
<td>Normative Commitment</td>
<td>2.71</td>
<td>.64</td>
<td>.66</td>
</tr>
</tbody>
</table>

Table: 1 – Means, Standard Deviation and Correlations among variables

a) Measurement model
This study performs confirmatory analysis on the two variables: Job satisfaction and organizational commitment. The measurement model provided an acceptable fit to the data in considering fit statistics (see Table 2). All of the estimated parameters were statistically significant (P< .05) which indicates that the overall measurement model in our study has convergent validity. Based on Table 3, all of the \( \chi^2 \) differences in this study are greater than 3.76, which is good evidence for the dimensions discriminate validity.

<table>
<thead>
<tr>
<th>Fit Statistics</th>
<th>Job Satisfaction</th>
<th>Organizational Commitment</th>
</tr>
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<tbody>
<tr>
<td>GFI</td>
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<td>.93</td>
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<tr>
<td>SRMR</td>
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<td>.98</td>
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<tr>
<td>RMSEA</td>
<td>.032</td>
<td>.026</td>
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<tr>
<td>NNFI</td>
<td>.047</td>
<td>.085</td>
</tr>
<tr>
<td>CFI</td>
<td>.98</td>
<td>.97</td>
</tr>
<tr>
<td>( \chi^2 )</td>
<td>.99</td>
<td>.98</td>
</tr>
<tr>
<td>Degrees of Freedom</td>
<td>52</td>
<td>9</td>
</tr>
<tr>
<td>( \chi^2/df )</td>
<td>1.83</td>
<td>3.16</td>
</tr>
</tbody>
</table>

Table: 2 – Fit Statistics of the CFA Model

b) Hypothesis Testing
This study tests core hypothesis with the structural equation model. The model provide an adequate fit to the data \( \chi^2=140.43, p<.01 \), goodness of fit index (GFI) = .90; comparative fit index (CFI) = .92; Non-Normed Fit Index (NNFI) = 0.91; Root Mean Square Error of Approximation (RMSEA) = 0.13; Standard RMR = 0.07. This study finds that Leader-member relation has a positive effect on employee job satisfaction. Personality trait has a positive effect on employee job satisfaction (Hypothesis 2) and employee training as a positive effect on employee job satisfaction (Hypothesis 3) and that job satisfaction would be positively associated with organizational commitment (Hypothesis 4). Results indicate that Leader-member relation was positively associated with job satisfaction (\( \beta=.63, p<.01 \)) thereby supporting Hypothesis 2, Hypothesis 3 and Hypothesis 4. Job satisfaction has a positive impact on organizational commitment (\( \beta=.76, p<.01 \)) and this was supported Hypothesis 4.

<table>
<thead>
<tr>
<th>variable</th>
<th>model</th>
<th>( \chi^2 )</th>
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<th>Adf</th>
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<td>51</td>
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</tr>
<tr>
<td></td>
<td>work-promotion</td>
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<td>promotion-pay</td>
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<td>53</td>
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<td>309.34</td>
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<td></td>
<td>Affective-Normative</td>
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<td>1</td>
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<tr>
<td></td>
<td>Continuance-Normative</td>
<td>311.57</td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>

Table: 3 – Discriminate Validity

V. DISCUSSION AND IMPLICATION
The study investigates the relationship between employee job satisfaction and organizational commitment. The major findings and implications are as follows:

1. Research results indicate that Leader- relations have a positive effect on job satisfaction. This finding is consistent with the research by Erdogan and Enders (2007), which indicated leader-member relation and job satisfaction had a positive relation when the supervisor perceives positive organizational support, the relation between leader-member relation and job satisfaction will be enhanced.

2. The relationship between personality traits and employee job satisfaction has a positive effect. It is indicated that personality trait is related to job satisfaction because it leads to higher work involvement and obtaining a satisfactory work-reward.

3. Results also reveal that employee training plays a significant role in the relationship to job satisfaction. This finding is consistent with the research by Lowry, Simon and Kimberley (2002) concluded that training is a factor that enhances
employee commitment and maximizes employee potential.

4. The relationship between job satisfaction and organizational commitment has a positive effect. It is indicated that if the employee’s job satisfaction improves they would show greater organizational commitment. Some researchers consider that job satisfaction and organizational commitment are reciprocal (Farkas and Tetrck 1989; Mathieu 1991). In this study, the authors clarify this plausible relation and demonstrate that job satisfaction has direct effects on organizational commitment. This finding is consistent with the study by Kim et.al (2005). They found that job satisfaction was positively associated with organizational commitment, but negatively associated with employee’s intention of leaving.

VI. FUTURE RESEARCH

This study focused on employee job satisfaction and organizational commitment with the increasingly diverse nature of work places and job performance. Research continues to examine the relationship between workplace diversity and employee job satisfaction. Further research should include and expand salient variables and also examine other types of industries. For future research it is advised that larger and diverse samples of employees be included in the testing process to enhance the justification of this research framework.

VII. REFERENCES


