

An Analysis of Employee Commitment Towards CNG Machine Ltd

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Abstract:

Employee commitment is the bonding employee experience being in the organization. It represents employee's involvement, willingness and being loyal to the organizations. In today's competitive world, it is very challenging to create or hire committed employees. Now, the industries are moving towards gig economy with opportunity for gig workers, where these employees are typically not showing commitment to the organizations as gig workers work with multiple employers. This can have impact on company's culture due to poor commitment. Having and bringing committed employees would require a lot of effort for the team. Hence empirical study was conducted to understand the employees' commitment and its components with 59 respondents selected randomly using simple random sampling and to analyse the continuance commitment and its association with gender. The research also assesses the affective commitment and its relationship with intention to stay in the company. The data was analysed using descriptive analysis for affective, normative and continuance commitment that can describe the employee commitment. The results show that the affective commitment is slightly high compared to continuance and normative commitment. Hence employees at Auto CNC Machining limited are committed as they wish to do so.

Keywords: Employee Commitment, Affective Commitment, Normative Commitment and Continuance Commitment, gender, OCQ

Introduction

Employee commitment is the involvement, willingness and loyalty to be engaged with a particular organization. Any organization's success is dependent on the employees. It can be employees' skills, knowledge, and ability. But the level of contribution, performance depends on the commitment level. The employees' commitments are significantly and positively related to organization performance (Anthony Andrew, 2017). The employees having high level of commitment will continue to contribute with their full efforts, energy and time to achieve organizational goals (Hunjra, 2010). The literature found mixed result on commitment and gender. Gender has insignificant impact on the level of organizational commitment (Velde, Bossink, and Jansen, 2003). The result also reported that gender and level of commitment are significantly related (Mathieu and Zajac, 1990). The major apprehension for most of the firms is to retain such committed employees with the organization.

There are personal, job/work and environmental related factors that influence the commitment, where employees feel they want to be with, or obligation to be with or need to be with the organization. However, the study also evidences that not all components of commitment enhance the effectiveness (Iverson, R D., & Buttigieg., D M., 1999). The major types of commitment include affective, normative and continuance commitment. The affective commitment is the emotional bonding developed and experienced by the employees with the organization. Normative commitment is considered as the employees' obligation to continue with the organization. In normative commitment, employee develops and experiences commitment due to obligation towards organization. Whereas continuance commitment is the needed for employees to be in the company due to high cost of leaving or employee bound to lose when they leave the organization.

Literature Review

Biljana Dordevic (2004) in this research mentioned that the employee's behaviour, performance and absenteeism may be predicted through commitment level of employee therefore employee commitment is deliberated to be an important issue. The stressed changes in organisation generally leads to decline in the commitment of employees, which happens because of decreased morale, increased stress, increased job insecurity and trust. Finally, it is advised that through innovative HRM practices, the commitment employees have towards their Organisation can be managed. Schweizer et al. (2012) it's all about the decision of employee to stick with the organisation regardless of climate of the organisation or the changes that are been implemented. Maintaining and developing a good relationship with the employees have turned into an essential requirement for doing businesses in very aggressive manner in the present dynamic environment. The condition in workplace may have negative or positive result on output as also on the behaviour of the employees.

Cohen (2007) concluded through his research that the employees if highly committed can result in declining the absenteeism level and tardiness which further leads to worthy performance and high range of productivity. An employee who is highly committed to the work can decrease the level of absenteeism which leads to company growth. Meyer & Allen (1997) the researchers well-defined that employee commitment is a psychological state that distinguish the relationship of employee with the company and choose to be as an employee in the company. Rajendran. Et. al. (2005) the subset of employee commitment is organisational commitment, which consist of career commitment and work commitment. The word commitment means the mixture of both behavioural and attitudinal approach. Eventually employee commitment refers to dedication, involvement, and acceptance that employees have towards the accomplishment of organisation's goal.

Brymer et al (2011) commented through their study that the job performance and job satisfaction with employees is increased by the higher level of employee commitment towards organisation and it also helps to decrease the employees' turnover, absenteeism and intension to leave. Some employees are loyal to the organization because of their traits and attributes, while others are committed because of various benefits, and a few are willing to stay in organization because of emotional attached to the organization. Igella (2014) the individual factors to employee commitment enhanced by the organisational factors like social processes, organisational climate and dependability. According to the researcher, employees' basic social attitudes and associational networks influence their interactions with coworkers and managers at work, shaping work attitudes and behaviour.

Georgellis Y (2015) in his study mentioned that one of the chief background of an employee's commitment is due to the lack of employment opportunities. The superior level of employee commitment in areas of high unemployment could be explicated by a sense of gratitude that employee feel towards their organisation for having offered them an opportunity of having job. It is likely that the external threat of high unemployment, might actually affect employees to becoming more loyal towards their organisation. Nguyen (2014) opined that when it comes to employee stability and better customer services which increase performance of the business, the employees' organisational commitment plays a very important role. Commitment based organisations trust the employees' commitment towards organisation makes them provide better customer service and workforce stability which results in enhancing the performance of business.

Dixit and Bhati, M (2012) in their study identified that three major components namely; affective, continuance and normative that are used to measure the commitment status of employee which signifies an important association is employee commitment and productivity. In current competitive

environment in this world, no organization can optimize its performance unless employees are fully-committed to the work for organizational goals and working as efficient team members. However, how to deepen employee commitment as well as enhance their retention and productivity is one of the major challenges of most organisations across the globe in recent times.

Bhatti et al (2011) pointed out that there is an influence of job satisfaction on the productivity and high employee's commitment. One thing which is broadly trusted is that the employee partaking may influence employee commitment, employees job satisfaction, employees productivity and they all be able to form comparative advantage to the organization. Positive influence on job satisfaction of employees is from increase in employee participation, tis study discovered that employee participation is not the only major determinant of work satisfaction. Chinomona et al (2015) proved in the study that, high level of employee satisfaction and employee commitment are associated with each other. The whole portion of satisfaction of the employee who works for the organization is employee satisfaction. The main problem for both employee and management in the organization is defined and set, like how much satisfied the employees is with their employment position alongside with mixture of affective response for different opinion of comparing what they actually receive with what they want to receive.

The results exhibited that the level of employee commitment towards the company are influenced by the individual's factors such as job security, age and marital status (Bin et al., 2016). The employee commitment is affected by the position which is held in the organization, assured work environment with no stress, job security, unmarried people are less committed compare to married ones to their jobs. It is revealed that the marital status influence obligation on level of commitment. Chung-chieh Lee et al (2013). The researcher identified that, employee commitment is affected by the biographical features

of employees like; job level, job status, education level, gender, age etc., It is identified that employees' biographical characteristics have influence on job-commitment and job-attitude. The employees have to be encouraged/motivated in a significant method with the purpose of enhancing job satisfaction.

Baumeister and Leary (1995) argued that the emotional attachment with peers at workplace is the important aspect for commitment of employee towards job or organization and also towards organisation. Feeling of a less sense of being attached leads to assortment of poor effect on adjusting, well-being and on health. The actual necessity is for continuous communications with partial relationship bond. The researcher opined that between organisational commitment of employee and social dependency has a significant relationship. In the present succeeding organisations, empowerment of employees is being considered as an important problem in Human Resource Management cycle also it has turned into a fundamental subject of management practices and functions.

Zahedi et al (2015) opined that if a leader emphasis much on the progress of employee than the authorised evaluation process, then it enhances the employee's retention rate and also the employee's commitment level. It's generally considered that overall aspect of human resource tactics and strategy is retention. It starts with leadership activity through choosing correct people for correct place and continuing with applying different activity to keep on employees motivated, engaged and more committed in organisational activities. Mathieu and zajac (1990). The researcher found that the correlation exists between employees' commitment and job characteristics like; job enrichment, job scope, job rotation etc., Employee commitment towards organisation focuses on the individual employee's link to the company; binding the employees to the organisation is the foremost objective of making sure of employee commitment and obtain behavioural commitment for higher performance.

Baumeister and Leary (1995) in their research opined that if good synchronization between what employees get and what organisation provide is there, it becomes the only reason for employees being more committed. In general, who all emotional with their Organisation; feel they understand the goals and feel that they fit in are the employees and committed to their organisation. They like to be more proactive in offering their support to the organisation, illustrations comparatively high productivity and to be more determined in the performance of their work. Mc Farlin and Sweeney (1992). The researcher suggested that, it's all about the perception employees have' as to how fairly they have been treated by their organisation is going to form an employee commitment towards organisation. The purpose of researcher is to measure the effects of interactional justice, distributive and procedural justice on frontline employees' job satisfaction and organisational commitment.

Methodology

The success of organization progressively depends more on the skill, abilities, and knowledge of employees. Mainly to differentiate an organization from its competitors, employees will help-out to create group of core competencies. Major issue for most of the organizations is to retain the competent employee and stability of these employees depends upon the commitment level towards the organization. Hence, the study aims at assessing the employee commitment at Auto CNC Machining Limited. This is primarily a descriptive study in which the investigation method is applied. The research design is in descriptive.

Total 24 statements of Organization Commitment scale developed by Allen and Meyer's (1991) were chosen to measure employee commitment. The questionnaires were based on the three concepts of Employee Commitment, such as Affective, Continuance and Normative Commitment, with each question is rated from strongly agree to strongly disagree on a 5-point Likert scale apart from

that demographics such as age, gender, qualification and department, type of Employment, experience are captured to find the association. The data has been collected from 3-levels of management which includes top-level, middle-level and entry-level using structured questionnaire from the employees working in Auto CNC. A total 59 samples were selected randomly and the relevant appropriate information is collected from these samples.

Reliability_Statistics

Cronbach's_Alpha	N of Items
.779	24

In order confirm the scale and variables we have done Cronbach's Alpha test in SPSS and it was found to be 0.779 which is reliable.

Research Objectives and Hypothesis

To assess the factors of Employee Commitment towards organization.

To study the association between Continuance Commitment and Gender.

To analyze the correlation between Affective Commitment and Intention to stay in the organization.

Hypothesis of the Study:

Hypothesis1: The difference between Continuance Commitment amongst females and males is significant.

Hypothesis2: The relationship between Affective Commitment and Intention to stay in the organization is significant and positive.

Results and Discussion

Respondents Profile:

The study is mainly concentrated on employee commitment towards their job in the organisation.

Demographics of Students:

Characteristics		Frequency	(%)
Gender	Female	10	16.95
	Male	49	83.05
Age	20 – 30	20	33.90
	30 – 40	13	22.03
	40 – 50	17	28.81
	50 – 60	8	13.56
	More than 60	1	1.70
Qualification	Diploma	16	27.12
	Degree / BE	25	42.37
	PG	11	18.64
	ITI	6	10.17
	Others	1	1.70
Department	Purchase Department	6	10.17
	Process Engineering Dept.	18	30.51
	New Product Development	9	15.25
	Strategic Sourcing	5	8.47
	Marketing	5	8.47
	Quality Assurance and Quality System Department (QA & QS)	5	8.47
	Human Resource Department	3	5.08
	Accounts Department	8	13.56
Type of Employment	Permanent or Regular Employee	25	42.37
	Contract Labours	23	38.98
	Apprentices or Trainees	9	15.25
	Others	2	3.40
Experience in Years	0 – 5	24	40.69
	5 – 10	15	25.42
	10 – 20	8	13.56
	15 – 20	4	6.78
	20 – 25	5	8.47
> 25	3	5.08	

The demographics of the sample is shown in the above table, the study was conducted with 59 employees working in Auto CNC Machining Limited. Out of them, the majority of the employees are males (83.05%) and very less percentage of females (16.98%) are working in the manufacturing sector. The sample's age is in the age group ranges from 20 to 60 Years (Mean = 2.27 and SD = 1.12), having the qualification of degree, diploma, PG and ITI. The sample is drawn at random from a variety departments. The above table shows that the majority of the employees are regular employees (42%), and Contract employees (38.98%) and interestingly employees experience is ranging from 0 to 25 years (Mean = 2.32 and SD = 1.52). It shows that stay-ability is high at Auto CNC Machining Limited. The employees who accumulate greater number of years of experience in a particular organization, they are very likely to build a psychological attachment to that organization (Kumari, N., & Afroz, N. (2013).

Descriptive analysis:

	Mean	Standard Deviation	Skewness	Kurtosis
Affective Commitment(AC)	3.103	0.999	0.285	-0.305
Continuance Commitment(CC)	2.867	0.961	-0.187	-0.427
Normative Commitment(NC)	2.697	0.929	-0.147	-0.551

Note: Each Factor of Employee Commitment Scale has 8 items

OCQ scale proposed by Meyer and Allen, 1997 does not provide instruction regarding the acceptable, desired, average or ideal score of Mean for all three factors of Employee Commitment. The Mean value in the above table shows that affective commitment scores is slightly higher than the continuance and normative commitment. It means that employees are commitment because of their emotional attachment towards organization.

Objective 1: To assess the factors of Employee Commitment towards organization.

Analysis: Friedman Test- K Related Test

Descriptive_ Statistics					
	N	Min.	Max.	Mean	Std. deviation
Feels like a family member	59	1.00	5.00	3.2203	1.00117
Emotional attachment	59	1.00	5.00	3.2203	.89188
Sense of belongingness	59	1.00	5.00	3.3390	.80108
No fear about leaving the job here without having another one.	59	1.00	5.00	3.0169	.99119
Sense of obligations to remain.	59	1.00	5.00	3.2712	.86763

Ranks		
		Mean Rank
Feels like a family member	Affective commitment	15.64
Emotional attachment	Affective commitment	15.14
Sense of belongingness	Affective commitment	15.95
No fear about leaving the job here without having another one.	Continuance commitment	13.44
Sense of obligations to remain.	Normative commitment	15.59

Test statistics ^{a,b}	
N	59
Chi-Square	103.171
Degree of freedom (DF)	23
Asymptotic significance	.000
a. Friedman Test	

Interpretation: The Mean Rank table shows, the Employee Affective Commitment is very high compared to normative and continuance commitment. The Mean Rank showing that employee commitment is due to affective commitment developed towards organization. It shows that employees are attached emotionally to the company. The statistical tool used is Friedman K-related test to analyze the factors that leads to employee commitment towards organization. Chi-

Square table show that the types of commitment, such as affective, continuous, and normative commitment, differ statistically significantly.

Objective 2: To analyze the association between Continuance Commitment and Gender.

Hypothesis Statement: There difference between Continuance Commitment amongst females and males is significant.

Group_ Statistics					
	Gender.	N	Mean	Std. dev.	Std. Error mean
Continuance commitment	M	49	2.9388	.80125	.11446
	F	10	2.6000	1.07497	.33993

Independent_ Samples_ Test								
		Levene's test for equality of variances		T- test for equality of Means				
		F	Sig.	T	DF	Sig. (2-tailed)	Mean difference	Std. Error difference
Continuance commitment	Equal variances assumed	3.366	.042	1.148	57	.256	.33878	.29507
	Equal variances not assumed			.944	11.130	.365	.33878	.35869

Interpretation: The above table shows that the Continuance Commitment and Gender are positively associated. The Independent Sample Test shows the significance value as 0.042, because this value is < 0.05 , hence failed to accept null hypothesis by accepting alternative hypothesis. As per the test results, the Continuance Commitment is more for the Males compared to Females. Because there are fewer opportunities outside, male employees have developed the feelings that it is difficult to leave

the job. It means the fear of loss due to benefits of alternatives is less.

Objective 3: To analyze the correlation between Affective Commitment and Intention to stay in the organization.

Hypothesis: The relationship between Affective Commitment and Intention to stay in the organization is significant and positive.

Correlations			
		Affective commitment	Intention to stay
Affective commitment	Pearson_Correlation	1	.743**
	Sig. (2-tailed)		.000
	N	59	59
Intention to stay	Pearson_Correlation	.743**	1
	Sig. (2-tailed)	.000	
	N	59	59

** .correlation is sig. at leve0.01 (2-tailed)

Interpretation: According to the table above, correlation between Affective Commitment and Intention to stay is strong and positively related with the significant value 0.00 which is less than 0.01 and Pearson Correlation value is 0.743 (Close to 1). It means that the intention to stay is due to Affective Commitment towards the organization.

Conclusion and Scope for future Research

In this study researcher has identified that there is a high occurrence of affective commitment of employee towards their organization. On the other side, the normative commitment and continuance commitment are recognized as lower with employees. This aspect indicates the employee commitment in the organization is because of their love and like towards their company not for the reason of good pay benefits and non-accessibility of alternate benefits. Eventually it is concluding that employees at AUTO CNC MACHINING LIMITED, BANGALORE shows sign of having high commitment towards the organization.

Further to this research, surveys can be conducted to examine employee commitment levels in IT and Non-IT companies for comparison, studies can be undertaken to know the effect of Continuance Commitment on financial performance of public sector and private sector firms, etc.

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