

**Research Paper** 

Management

# An Investigation of Job Satisfaction of organizational **Commitment of Software Employees**

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ABSTRACT

The purpose of this study is to determine whether feelings of job satisfaction would lead to organizational commitment by software employees. For assessing job satisfaction and organizational commitment of individuals in the context of IT industry, questionnaire has been applied to the employees of software firms in the IT industry. Using questionnaire responses ranged from strongly disagree to strongly agree, with higher scores indicating higher levels of each form of

commitment. The measurement scale for job satisfaction was based on the Job Satisfaction Index which considered all facets of the job when measuring job satisfaction. The statistical tools are used to measure the job satisfaction of organizational commitment in this study. Out of 236 surveys requested, 156 responded yielding a 66% respond rate. The results from the survey on job satisfaction were compared to the results reported for the level of organizational commitment. The research revealed a relatively strong correlation between job satisfaction and organizational commitment.

# **KEYWORDS : Organisational Commitment, job satisfaction and IT Industry**

# Introduction

The first issue we would like to investigate in this paper refers to the nature of the psychological contract, e.g. the beliefs held by individuals about the terms and conditions of a reciprocal exchange relationship between them and their organization : are they transactional contracts - short term agreements with limited involvement, oriented towards economic and performance based considerations - or relational contracts - agreements based on exchanges of both monetizable and socio-emotional elements (affection, loyalty, support) with an open ended duration, longer-term arrangements and a wide range of obligations on the part of both the organization and its employees?

Our second question, closely tied to the first one, refers to the nature of organizational commitment which prevails in innovative firms : affective commitment (attachment and involvement in the work organization), continuance commitment (commitment due to the costs associated with leaving) or morale commitment (feeling of obligation to remain in the organization)?

# Methodology

# Objectives

1. To identify the job satisfaction towards organisational commitment of software industryTo study the employee needs of organisational commitment of software industry

# **Research Design**

Descriptive research design is used as a research design in the present study.

# **Sampling Technique**

Random sampling technique is used for the selection of sample size.

# Sample size

Due to the time constraint researcher selected 120 as a sample size.

## **Tools used for the Study**

Statistical tools like ANOVA, t-test, rank correlation are used for making analysis and interpretation of the study.

# **Reviews of the study**

Commitment can be defined as the identification and the attachment to an organization and implies three elements : a strong belief/acceptation of the organization's objectives and values, the willingness to exert strong efforts for it and the firm intention to stay within the organization (Mowday and al, 1982). It is the process through which the organization's goals and the individual's goals get more and more integrated (Hall et al, 1970). Several researchers have studied the link existing between commitment and loyalty.

According to Kanter (1968), for example, commitment refers to the individuals' willingness to give their energy and loyalty to social systems. For Hirschman (1972), being loyal to an organization is necessary to express one's dissatisfaction in a positive way and to help the institution to progress instead of leaving it. As a consequence, loyalty has a major influence on the individual's choice between « voice » (expressing one's grievance) and (resigning).

Applying Hirschman's theory, Cannings (1989) states that only the attachment derived from voice leads to a superior performance; attachment derived from barriers to exit, like age or lack of qualifications, covers only the last dimension of Mowday et al's definition (intention to stay).

Organizational commitment has been at the centre of studies into individual and organizational performance for several decades. If Swailes (2002) criticizes the fact that researchers have ignored the new context of employee-organization linkages when they investigate the issue of commitment measurement, he argues for its continued importance to understand the new deals signed between employers and employees.

Social psychologists have situated organizational commitment downstream from motivation. According to them, it causes the mobilization of all the capacities of the employee to achieve the goals laid down by the company and prohibits any separation between employee and organization.

Organizational commitment must be differentiated from job satisfaction : whereas job satisfaction results from an individual relation to work, organizational commitment controls and guides the person in the organization (Estay, 2001).

Workers can be autonomous and can have integrational facilities, but they can use these faculties outside or against their company. For instance, autonomy can lead employees to guit their enterprises to find better remuneration. Organizational commitment can reduce this kind XIIème Conference de Association Internationale de Management Stratégique Les Côtes de Carthage - 3, 4, 5 et 6 juin 2003 of turnover. It can also lead people to think in the direction of company interest and make decisions to develop their organization.

We know that an employee's commitment increases when he takes responsibilities and when he is empowered because he has the feeling that his work belongs to him (Matejka and Liebowitz, 1989). More precisely, organizational commitment is influenced

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by three categories of factors : worker characteristics (Mottaz, 1988 ; Meyer et Allen, 1990 ; Michel, 1989), job task characteristics (Mowday and al, 1974 ; Meyer and Allen, 1990, Thevenet, 1992) and structural characteristics (Rhodes and Steers, 1981 ; Morris and Steers, 1980; Steers, 1977; Gaertner and Nollen, 1989). We will only develop the two last categories because we are looking for the structural characteristics – and not the individual ones – which might impact organizations commitment in an innovative context.

| Table 1. Independent samples t-test – gender |                         |                           |       |     |              |
|--|-------------------------|---------------------------|-------|-----|--------------|
|  | MALE<br>(AVR.)<br>N=112 | FEMALE<br>(AVR.)<br>N=107 | т     | DF  | P (2-TAILED) |
| Affective<br>commitment                      | 3,4                     | 3,3                       | 1,437 | 217 | ,152         |
| Continuance<br>commitment                    | 3,1                     | 3,0                       | ,763  | 217 | ,446         |
| Normative<br>commitment                      | 3,2                     | 3,0                       | 1,685 | 217 | ,093         |
| Satisfaction on the work                     | 1,9                     | 1,6                       | 2,364 | 217 | ,019*        |
| Satisfaction with the colleagues             | 2,0                     | 2,0                       | ,287  | 217 | ,774         |
| Satisfaction with the superiors              | 1,9                     | 1,8                       | ,828  | 217 | ,409         |
| Satisfaction with the salaries               | 1,5                     | 1,4                       | ,439  | 217 | ,661         |
| Satisfaction with the promotion              | 1,2                     | 0,9                       | 2,650 | 217 | ,009**       |
| opportunities                                |                         |                           |       |     |              |

Table 1. Independent samples t-test – gender

#### \*p<0,05, \*\*p<0,01

| Table 2. Independent sample t-test - employee / manag- |  |
|--|--|
| er.  |  |

|  | Employee<br>(Avr.)<br>N=143 | Manager<br>(Avr.)<br>N=176 | т     | df  | P<br>(2-tailed) |
|--|-----------------------------|----------------------------|-------|-----|-----------------|
| Affective<br>commitment                                | 3,2                         | 3,6                        | 3,431 | 217 | ,001**          |
| Continuance<br>commitment                              | 3,0                         | 3,2                        | 2,266 | 217 | ,024*           |
| Normative commitment                                   | 3,0                         | 3,2                        | 2,011 | 217 | ,046*           |
| Satisfaction on the work                               | 1,6                         | 2,0                        | 2,876 | 217 | ,004**          |
| Satisfaction<br>with the<br>colleagues                 | 2,0                         | 1,9                        | 1,001 | 217 | ,318            |
| Satisfaction<br>with the<br>superiors                  | 1,8                         | 1,9                        | ,421  | 217 | ,674            |
| Satisfaction<br>with the<br>salaries                   | 1,4                         | 1,5                        | ,728  | 217 | ,468            |
| Satisfaction<br>with the<br>promotion<br>opportunities | 1,0                         | 1,2                        | 1,399 | 217 | ,163            |

### \*p<0,05, \*\*p<0,01

Independent sample t-test findings

H0= The scales of organizational commitment and job satisfaction do not show a significant difference by gender

Independent sample t-test was applied to understand if the scales of organizational commitment and job satisfaction show a significant

difference by gender (Table 1). Accordingly, there are significant differences between male and female in the job satisfaction at p<0.05 level, satisfaction from promotion opportunities at p<0.01 level. Males who responded the questionnaire have higher satisfaction on the work itself and promotion opportunities than the females. H0 has been rejected.

### Table 3. Pearson Correlation Analysis.

|   | (1)    | (2)    | (3)    | (4)    | (5)    | (6)    | (7)    | (8) |
|---|--------|--------|--------|--------|--------|--------|--------|-----|
| Affective<br>commitment<br>(1)                                |        |        |        |        |        |        |        |     |
| Continuance<br>commitment<br>(2)                              | ,316** |        |        |        |        |        |        |     |
| Normative<br>commitment<br>(3)                                | ,649** | ,486** |        |        |        |        |        |     |
| Satisfaction<br>with the work<br>(4)                          | ,657** | ,197** | ,539** |        |        |        |        |     |
| Satisfaction<br>with the<br>colleagues (5)                    | ,213** | ,087   | ,300** | ,296** |        |        |        |     |
| Satisfaction<br>with the<br>superiors (6)                     | ,369** | ,116   | ,439** | ,352** | ,378** |        |        |     |
| Satisfaction<br>with the<br>salaries (7)                      | ,139*  | ,047   | ,249** | ,241** | ,393** | ,372** |        |     |
| Satisfaction<br>with the<br>promotion<br>opportunities<br>(8) | ,440** | ,122   | ,428** | ,540** | ,287** | ,464** | ,388** |     |

### \*p<0.05, \*\*p<0,01.

 $H_0$ = There is no correlation among organizational commitment types, job satisfaction level, satisfaction from colleague, satisfaction with the superiors, and satisfaction with the promotion opportunities.

 $H_0$ = There is no significant correlation between job satisfaction and organizational commitment types.

 $H_0$ = There is no significant correlation between organizational commitment types and financial gains.

The relationship between organizational commitment and job satisfaction scales was tested with Pearson correlation analysis. Pearson correlation was applied to the scales of job satisfaction and organizational. Accordingly, There is a correlation at p<0.01 level among the affective commitment, continuance commitment, normative commitment, job satisfaction, satisfaction From colleague, satisfaction with the superiors, and satisfaction with the promotion opportunities.

In addition, there is a correlation at the p<0.05 level between the affective commitment and financial gain satisfaction. Unlike other organizational commitment scales, continuance commitment is observed to have correlation with lesser number of scales. While this scale has correlation with affective commitment, normative commitment and job satisfaction, a significant relation was found with the other job satisfaction scales.

On the other hand, the affective commitment has been observed to be highly correlated with all organizational commitment and job satisfaction scales (p<0.01). As shown in the table 5, many of the scales, at p<0.01 level, are interrelated.

There is significant relationship between job satisfaction and affective commitment and normative commitment. In other words, people with job satisfaction feel affective and normative commitment towards their organizations. Unlike the other two types of commitment,

while the continuance commitment is in correlation only with job satisfaction, it was not related with the other scales.

Table 4: Factors influencing the organisational commitment

| Factor                          | % of sample |
|---------------------------------|-------------|
| Opportunities for development   | 78          |
| Challenging environment         | 72          |
| Opportunity to work             | 68          |
| Opportunity for future career   | 61          |
| Work Stress                     | 59          |
| Creating something from scratch | 54          |
| Atmosphere of business          | 52          |
| Managing own work               | 51          |
| Relationship of management team | 42          |

This is not just a view of young professionals but also future employees. A MORI survey of children aged 11 to 15 found that 44% would Volume-3, Issue-10, Oct-2014 • ISSN No 2277 - 8160

rather work for a small or medium-sized business than a big business and almost a guarter (23%) would rather work in the public sector than work for a business. The experience of working in a start-up is generally meeting and sometimes exceeding the expectations of young professionals. The Career Innovation Survey 2000 found that people working in start-ups felt that their expectations were exceeded for providing a challenge, for developing opportunities for rapid learning and for affording the opportunity for an employee to make a personal impact at work. The following table shows the main features that were disappointments for at least 30% of the respondents in either an established company or a start-up. Once again start-ups compare very favourably.

## Conclusion

Since a major challenge faced by all IT organizations is job satisfaction among its employees, it would be beneficial for organizations and managers to make conscious efforts to develop human resource policies that are in alignment to the needs of the employees to motivate the employees. The findings of this study have also pointed out that the key items in HR practices (performance appraisal and remuneration) have lesser impact on job satisfaction in the IT sector. It is imperative for IT companies and their managers to review their practices to strengthen the bond between employees and the organization, maintain good levels of motivation, increase job satisfaction that would result in increase in commitment and minimize employee turnover.



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