



## **A STUDY CARRIED OUT TO FIND THE PERFORMANCE OF THE ORGANIZATION INFLUENCED BY THE COMMITMENT OF THE EMPLOYEES OF PRIVATE BANKS**

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### **Abstract**

*For the accomplishment of organizational success, the commitment of employees is a very important aspect. The employees who have low levels of commitment towards the organization, they seem to work less and hence lower productivity. They do not possess the feeling of getting into the organization's mission. Those types of employees concentrate more on personal achievement than the achievement of organizational goals. Further, employees with lower commitment levels have the feeling that they are just outsiders to the business and does not anything to perform for the success of the organization. They tend to lose their job in the current entity if they have an attractive of more payment in some other concern. On the other hand, the employees who have higher levels of commitment have the feeling that they are an important part of the organization and their actions would definitely affect the organizational development. They also feel that any danger for the organization is a danger for them too. Those types of employees always have the intention to perform creatively and work for the betterment of the organization. The study presented here is a contribution to the literature of this kind. The study was carried on among the staffs of private banks. The sample size was 100 and the respondents were selected through simple random sampling. Data was analyzed using regression analysis and the findings reveal that the organizational performance of the private bank staff is highly influenced by the organizational commitment.*

**Keywords:** *Employee Commitment, Organizational Performance.*

### **Introduction**

The commitment of the employees is given more importance by the organization as employee's commitment tends to decrease the level of withdrawal like absenteeism, lateness and turnover. These factors subsequently affect the overall performance of the organization. According to A. Lo (2009), an understanding of the commitment of employees is very significant because it has an effect on the withdrawal behavior of employees. In other words it can be said that the committed employees are the heart of the organization. The employees who exhibit lower levels of commitment towards the organization, often have the thought of directing their commitment towards other areas. Hence it is essential for an organization to motivate the employees in right direction to make them committed in the organization. The higher levels of commitment make the employees to be satisfied in their job. Therefore, it can be rightly said that the organizations of the current scenario needs committed employees to achieve the desired results.

Zheng(2010); Ajila and Awonusi(2004) had stated that the influence of employee performance on the success of the organization have been rightly and clearly understood by nearly many organizations. Hence, it becomes necessary for the managers and the employers to be aware of the way in which best out of employee's potential can be extracted. According to Ali, (2010); Ajila and Awonusi, (2004), the commitment of employees is one of the significant antecedent of the performance of the employees.



### **Statement of problem**

It is a state of confusion for the management of the organization when they notice that the better performing employees work less than what is expected, while some leave the organization by resigning the job. Though the organization's management actively implements the policies for fair compensation and better practices of HR for motivating and retaining the employees, it is still a matter to be concerned and understood by the management why the employees do not exhibit commitment towards the organization.

### **Need for the study**

In the world of dynamic competition, all the organizations are faced with challenges of having committed employees and competitive organizational performance. Unless and until the employees in the organization perform with utmost commitment, the organizations cannot attain the level of maximum output and productivity. Therefore, it becomes essential to understand the influence of commitment on the possible organizational outcomes. This study is an attempt to explain the context of commitment, to some extent.

### **Objectives**

The general objective of this study is to investigate how the performance of the organization is influenced by the commitments of the employees.

### **Review of Literature**

Peace Irefin, Mohammed Ali Mechanic (2014) had studied the effect of employee commitment on organizational performance in coca cola Nigeria limited Maiduguri, Borno state. The purpose of this paper was to examine the impact of employee commitment on their turnover and also on the performance of the organization. The methodology of the study was descriptive as well as explanatory. The respondents of the study were the employees of the Coco Cola Nigeria Limited. Questionnaires with 5- point Likert scale were used to collect the data for the study. The hypotheses of the study were examined using coefficient of Pearson correlation. Findings of the study proved three facts; the staffs working in the above mentioned company had a high level of commitment; organizational performance was influenced by employee commitment and; turnover of employees was also affected by the commitment of the employees.

Khyzer.et. al.(2011) had examined the impact of employee commitment on organizational performance. The performance of the organization is elevated to a large extent by the commitment of the employees. Employee turnover, return on equity, financial performance of the company etc., are some ways in which the performance of the organization can be measured. The commitment of the employees can be developed by making them participate in the assessment procedure and by making them get actively engaged in the assessment process of the organization as a whole. Data for the study was collected from three cities (Lahore, Rawalpindi, Islamabad), off Pakistan. The findings showed that the performance of the organization can be improved by making the employees participate in the process of decision making which subsequently will improve the commitment of the employees towards the organization

Anthony Andrew (2017) had studied the employees' commitment and its impact on the organizational performance. The study was carried on in Eravurpatru Divisional Secretariat in the district of Batticaloa in Sri Lanka. The three commitments (Affective, Normative, and Continuous) have been considered as independent variables and Organizational Performance was taken to be the dependent variable. The study adopted descriptive as well as explanatory research methodologies. Data was collected using



questionnaires with 5- point Likert scale. The findings of the study showed that all the three types of commitment were significantly related to Organizational Performance in the Eravurpatru Divisional Secretariat. Further, these outcomes would guide the top management to work towards escalating employees' commitment level.

### Methodology

The respondents for the purpose of the study were 100 staffs of private banks who were selected using simple random sampling. Both descriptive and cross sectional studies were adopted here. The respondents were asked to fill up questionnaires for obtaining data for the study. In order to examine the relationship among the study variables, linear regression was done.

### Analysis and Interpretation

#### Influence of organizational commitment on aspects of organizational performance

#### Model Summary

R	R Square	Adjusted R Square	F	Sig.
.805(a)	.648	.625	28.485	.000(a)

a Predictor: (Constant), organizational commitment

#### Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.250	.200		6.239	.000
I believe that I am an integral part of the organization.	.173	.047	.327	3.686	.000
I feel proud to praise my company to the people.	.258	.046	.464	5.653	.000
Higher payments of other companies do not make me to change my present job.	-.122	.054	-.207	-2.252	.027
I suggest my friends to work in the concern I am working at present	.114	.049	.210	2.302	.024
I feel proud to know that my activities make a contribution to the goals of the company.	.219	.051	.375	4.283	.000
I feel that hard work will lead to enhanced productivity.	-.020	.039	-.038	-.509	.612

a Dependent Variable: organizational performance

Findings show that every statement of organizational commitment was significant. The table also revealed a positive coefficient, which means that among all the statements, two statements were not influence on the organizational performance of staffs of private banks in Chennai. There was a relation found between the dependent variable and the organizational commitment. The analysis done through regression exhibits that among six factors one factor were not influence over the organizational performance. This finding shows that there was a significant relation between the dependent and the independent variable. It was also reported that organizational commitment was seen to predict



organizational performance. Findings show that the organizational performance of the private bank staff is highly influenced by the organizational commitment.

### Conclusion

In cross-sectional studies and in individual level of analysis, assessment of the relation between performance and employee commitment have a long history in organizational studies. But still the debates regarding the employees who are productive are still going on. In any form of organization, commitment of the employees plays a significant role in promoting its development. The motivation and the efforts put in by the employees are the deciding factors of the success of the organization. The employees get motivated if they are committed towards their job. The organizations should clearly make a review of the commitment of their employees if they wish to be successfully survive amidst the competition.

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