



ORGANIZATION COMMITMENT AMONG THE PUBLIC SECTOR BANK MANAGERS IN KERALA - AN EMPIRICAL ANALYSIS

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Abstract

Organisational commitment is key factor which can lead a manager to retain the organisation. Present paper aims to extract the factors determining organisational commitment of public sector bank managers in Kerala, to analyse the relationship between the factors of organisational commitment and to identify the gender wise difference in organisational commitment of bank managers. Paper extract five important factor which determines the organisational commitment of public sector bank managers in Kerala. They are working condition, career prospectus, pay & rewards, organisational policies and recognition. Study also found a significant difference in organisational commitment of male and female bank managers in public sector.

Keywords: *Organisational Commitment, Public Sector Bank Managers.*

1. PREAMBLE

Commitment is the sense of attachment, belonging, and adherence. This sense connects the employees and the organization, and gathers them around common values goals. Organizations are the key area of today's societies and they are experiencing a rapid change and the effect of the human forces. Hence improving the performance of the individuals and organizations is getting more relevance. Organizational commitment is one of these determining factors affecting the employees' sense of participation in the organization's activities and performance. This is very serious issue in the case of employees working in the banking sector. The present paper is an attempt to examine the organisational commitment of the bank managers functioning in the public sector.

2. REVIEW OF RELATED STUDIES

Organizational commitment is the psychological bond between employer and employees for the sake of the organization (O'Reilly 1989). According to Porter et al (1974) organisational commitment is a psychological attachment formed by an employee in relation to his identification and involvement with their respective organization. Porter et al (1974) added, the organizational commitment is a strong belief in and acceptance of the organization's goals and values, a willingness to exert considerable effort on behalf of the organization.

Organizational Commitment consists of three dimensions. They are: Affective Commitment, Continuance Commitment and Normative Commitment. Affective commitment is the employees' emotional attachment to, identification with, and involvement in the organization'. Continuance commitment is a form of psychological attachment to an employing organization that reflects the employees' perception of the loss he/she would suffer if they were to leave the organization (Allen and Meyer, 1990).

Commitment is the individual's adherence to the principles and philosophies in which they have faith (Motahari, 1992). In line with these findings Saruqi (1997) identified that organizational commitment is a kind of affective attachment to the organization. This strong belief is came from the identity and participation from the organisation.

According to Griffin (1998) employees organisational commitment can be boosted through giving opportunity to participate in decision making and giving acceptable level of job security. Morrow et al (1993) opined that, the organizational commitment is a strong belief it can retain the productive workforce. Besides, organizational commitment facilitates to use employees creativity and willingness towards the organisation long term goals (Walton, 1985).



Employees who are highly committed do not leave the organization because they are dissatisfied and tend to take challenging work activities (Meyer and Allen, 1997). Miller (2003) identified the organizational commitment is a state in which an employee identifies with a organization in order to get the mission done. According to Arnold (2005) Organizational Commitment can be fostered by giving individuals positive experiences”.

Meyer & Allen (1991) have identified different dimensions of organizational commitment. They are affective, continuance and normative commitment. Affective commitment is the employee’s emotional attachment to, identification with, and involvement in the organization. Continuance commitment is the mindset of needing to stay because of the investments that would have to be forfeited if the relationship is ended. Normative commitment proposes that a good fit between employee goals and values and organizational aims (Becker, Randall, & Reigel 1995.)

Britt (2003) reviewed the relationship between Organizational Commitment and women’s career advancement. The results revealed that normative and Continuance Commitment related positively to career advancement, and that women were encouraged to seek top positions. Manion (2004) viewed organizational commitment is a type of emotive commitment came from the personnel’s involvement in the organization that results a sense of commitment to the organization.

Organizational commitment is achieved through the interactive processes which start with the individuals’ acceptance of the values and goals of the organization (Liou,2008). Thus it is clear that there has been no systematic study on organisal commitment among the bank mangers in the public sector in Kerala. The present paper seeks to fulfill this.

3.OBJECTIVES OF THE PAPER

The present paper intends to fulfill the following objectives:

1. To extract the factors determining organisational commitment of public sector bank managers in Kerala
2. To analyse the relationship between the factors of organisational commitment among public sector bank mangers in Kerala
3. To analyse the gender wise difference between organisational commitment among public sector bank managers in Kerala.

4.METHODOLOGY AND DATABASE

The present study is in the nature of analytical one mainly based on Survey method. The primary data required for the study are collected from the public sector bank managers in Kerala with the help of specially designed scale.

4.1.Sampling Design

The present study employed convenience sampling method to select the sample. In order to examine the organisational commitment of public sector bank managers in Kerala, a total of eighty managers have been selected and surveyed from the public sector banks in Kerala.

4.2.Tools Used for Data CollectionAnalysis

The present paper is employed six scales to measure the variables like working condition, career and prospectus, pay and rewards, organisational policies, recognition and organisational commitment. All the scales are five point scale of agreement (Strongly Agree to Strongly Disagree). Validity and reliability of the scales are analysed.

4.3.Methods Used for Analysis

The study employed reliability analysis to check the reliability of scales which are used to analyse the organisational commitment of public sector bank managers in Kerala. Study further employed exploratory factor



analysis to found the important factors which determine the organisational commitment. In addition that study employed a correlation analysis to find the association between the variables. T-test is used to analyse the gender wise difference between organisational commitment of bank managers.

5. ANALYSIS AND DISCUSSION

The results of the analysis are explained below.

5.1. Reliability Analysis

Present paper has used five scales to collect data related to organisational commitment of public sector bank managers in Kerala. Each of the scales are analysed for reliability. The results of reliability analysis is explained below.

Table- 1, Reliability Analysis of Scales

Scales	Cronbach Alpha
Working Condition (WC)	.765
Career Prospectus (CRER)	.669
Pay and Rewards(RWRD)	.754
Organisational policies(PLCY)	.772
Recognition(RECG)	.702
Organisation Commitment (COMM)	.629

Table 1, shows the reliability analysis of the scales. The present paper is employed six scales to measure the variables like working condition, career and prospectus, pay and rewards, organisational policies, recognition and organisational commitment. Each scales are systematically analysed and the reliability values of each scales as Working Condition (.765), Career Prospectus(.669), Pay and Rewards(.754), Organisational policies(.772), Recognition(.702) and Organisational Commitment (.629) as they are highly reliable.

5.2. Analysis of Correlation among the variables of Organisational Commitment

To analyse the relationship between the dependent variable organisational commitment and all the independent variables paper employ a correlation analysis. Table 2 depict the results.

Table 2 Results of Correlation Analysis

	WC	CRER	RWRD	PLCY	RECG	COMM
WC	1.000	.152	.043	.213**	.145**	.418*
CRER		1.000	.094	.376**	.421*	.678*
RWRD			1.000	.013	.456*	.760*
PLCY				1.000	.016	.401*
RECG					1.000	.386**
COM						1.000

* Significant at 1% level

** Significant at 5% level

Table 2, shows the correlation analysis of variables of organisational commitment. According to the present analysis, relation between working condition ($r = .418, p < 0.01$), career prospectus ($r = .678, p < 0.01$), pay and rewards ($r = .760, p < 0.01$), organisation policies ($r = .401, p < 0.01$), recognition ($r = .386, p < 0.05$) and organisational commitment is significant. In addition, the career prospectus and recognition ($r = .421, p < 0.01$), reward and recognition ($r = .456, p < 0.01$), have significant relationship.

5.3. Factor Determines Organisational Commitment of Public Sector Bank Managers in Kerala

Present study runs a factor analysis to extract the important factors determining organisational commitment of public sector bank managers in Kerala. In order to run a factor analysis model the sufficient sample has to taken.



Hence KMO and Bartlett's Test is employed to analyse the sample adequacy. The result of KMO and Bartlett's Test is depicted in the Table 3.

Table -3,Results of KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.687
Bartlett's Test of Sphericity	Chi-Square value	10645.98
	Sig.	<0.001

Table 3 shows the results of KMO and Bartlett's Test. The Kaiser-Meyer-Olkin Measure (KMO) is 0.687. The high value of KMO indicates the sample adequacy and relevance of factor analysis. Bartlett's Test of Sphericity shows that a chi-square value of 10645.98 and it is significant at 99% level of confidence. It indicates that, the partial correlations among variables are small.

Table - 4, Total Variance Explained towards Organisational Commitment of Public Sector Bank Managers in Kerala

Component	Extraction Sums of Squared Loadings		
	Cumulative %	% of Variance	Eigen Value
1	22.3	22.3	3.11
2	42.6	20.3	2.01
3	60.16	17.56	1.21
4	67.61	7.45	1.11
5	74.34	6.73	1.02

Extraction Method: Principal Component Analysis.

Table 4 shows that the extraction of factor loadings. With the principal component analysis 5 components are extracted towards the organisational commitment. The result shows that 74.34% of the total variance is explained by five factors. Further, 22.3% of the total variance is explained by the first factor and 20.3% of the total variance is explained by the second factor, 17.56% of the total variance is explained by third factor, 7.45% of the total variance is explained by fourth factor and 6.73% of the total variance is explained by fifth factor. All the above factors are considered to be included as their Eigen value is more than one.

Table – 5, Factor loadings of Organisational Commitment Items

Factors	Variables	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Working Condition	Infrastructure	.612				
	Open Communication	.604				
	Leave and holidays	.565				
	Work pressure	.510				
	Superior subordinate relation	.414				
Career Prospectus	Stability of Employment		.531			
	Opportunity for career growth		.425			
	Opportunity to develop skills		.574			
Pay & Rewards	Challenging job		.681			
	Fair Remuneration			.341		
	Pension benefits			.411		
Organisational Policies	Insurance facility			.312		
	Participative management				.389	
	Autonomy to do work				.546	



	Promotion policies Incentive Policies				.648 .674	
Recognition	Recognition from top Awards and prizes Support from Coworkers					.763 .641 .478

Extraction Method: Principal Component Analysis

Table 5 shows that the 74.34% of the total variance are extracted from five factors with the factor loadings. First factor is loaded with five variables. This factor is related to managers work place's infrastructure and other facilities, chance to open communication, leave and holidays, work stress and superior subordinate relationship. Hence this factor is renamed working condition. The second important factor which explained 20.3% of total variance is combined with stability of employment, opportunity for career growth, opportunity to develop skills, and challenging job. It is renamed as career prospectus. Third significant portion of variance (17.56%) is made up of fair remuneration, pension benefits and insurance facility. Hence it is renamed as pay and rewards. Next major portion of variance (7.45%) is explained by, participative management, autonomy to do work, promotion policies and incentive policies. Hence it is renamed as organisational policies. Last major factor (6.73% of variance) is made up of recognition from top, awards and prizes and support from coworkers.

5.4. Gender wise Organisational Commitment of Public Sector Bank Managers in Kerala

Now a days female bank managers increasing and they are ready to take responsibilities. At this juncture it is important to analyse the gender wise organisational commitment of bank managers in Kerala. The Table 5 shows the results of the analysis.

Table – 6

Organisational Commitment among Male and Female Public Sector Bank Mangers in Kerala					
	Gender	N	Mean	t-value	p-value
	Male	50	75.44		
	Female	30	62.96	6.34	0.004*

* Significant at 1% level

Table 6 shows that the mean organisational commitment of male (75.44) and female (62.96) public sector bank managers in Kerala. And the mean difference is statically significant at 1% level with a t-value of 6.34. This mean difference indicates that female managers have less organisational commitment than male managers.

6. CONCLUSION

Organisational commitment of public sector bank managers in Kerala have significant relation between factors like working condition, career prospectus, pay and rewards, organisational policies and recognition. Study predict that the significant change in organisational commitment of public sector bank managers can explained these independent variables. Besides, the organisational commitment of public sector male managers and female managers are significantly different. Female public sector bank managers have less organisational commitment when we look on male managers. This difference is mainly due to the dual role of female managers and lack of opportunity in long term decision making. And still there exist partiality in recognition of female bank managers. These problem can overcome through adopting flexible working arrangement without affecting the workload and responsibility and by providing more recognition and consideration to female employees. More over, in order to make the banking profession more attractive, the public banks should frame and implement policies and Schemes in the areas of salary, incentive packages and rigid transfer norms.



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