A STUDY ON “ORGANIZATIONAL COMMITMENT” OF CHENNAI BASED IT EMPLOYEES

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Abstract

Introduction: - In era of globalization, most of the organizations face the problem of efficiency, productivity or performance due to employees’ commitment. Over the past decades, there has been a tremendous increase in the research efforts to explore and understand the nature, antecedents and outcome of organizational commitment. A large number of researches concluded that organizational commitment plays a crucial role in predicting work behavior. Organization realized that survival largely depend upon their ability, motivation and retain the skilled /talented employees. In other words organizational commitment is foundation for profitability of the organization.

Organizational commitment is most often defined as a strong desire to remain a member of a particular organization; a willingness to exert high levels of effort on behalf of the organization; and a definite belief in and acceptance of the values and goals of the organization. In other words, this is an attitude reflecting employees’ loyalty to their organization and is an ongoing process through which organizational participants express their concern for the organization and its continued success and well-being.

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In organizational commitment, an employee identifies with a particular organization and its goals and wishes to remain a member. Most research has focused on emotional attachment to an organization and belief in its values as
the “gold standard” for employee commitment. A positive relationship appears to exist between organizational commitment and job productivity, but it is a modest one.

Organizational commitment has been broadly studied for several authors and has been related to different variables in the field of human resources management (Allen & Meyer, 1990; Brooke, 1988; Chang, 1999; Colarelli, 1990; Cohen, 1999; Goulet and Singh, 2002; Vandenberg and Scarpello, 1994; Lee et al., 2000). One of the most famous studies about organizational commitment is Modway, Steers and Porter (1979), who developed a measure that has been broadly utilized since then.

Moreover, Allen and Meyer in 1990 developed another well known measurement of organizational commitment. They based his theory on the different views for defining and studying organizational commitment. They concluded that this variable should be analyzed from three different points of view: the affective attachment, the perceived costs and the obligation with the organization. Therefore, the instrument reflects a model of three organizational commitment components: (1) affective, (2) continuance and (3) normative.

“The affective component of organizational commitment, proposed by the model, refers to employees' emotional attachment to, identification with, and involvement in, the organization. The continuance component refers to commitment based on the costs that employees associate with leaving the organization. Finally, the normative component refers to employees' feelings of obligation to remain with the organization” (p. 1)

Allen and Meyer (1990) proved that these three types of OC are distinguishable and depend on the person psychological state and may be presented in different degrees. They stated that these components present some antecedents. The affective commitment antecedents are “those experiences that fulfill employees’ psychological needs to feel comfortable within the organization and competent in the work-role” (p.4). The continuance commitment involves “two factors: the magnitude and/or number of investments (or side-bets) individuals make and a perceived lack of alternatives” (p.4). And the normative component “will be influenced by the individual's experiences both prior to (familial/cultural socialization) and following organizational socialization) entry into the organization” (p.4). After the study Allen and Meyer proposed an instrument of 24 items. Their main contribution made by Meyer and Allen was “The development of reliable measures of affective, continuance, and normative commitment to occupations” (p. 546).

Definitions:
The term “commitment” can be referred to as the willingness of social actors to give their energy and loyalty to a social system or an effective attachment to an organization apart from the purely instrumental worth of the relationship (Buchanan, 1974). It is also believed that commitment was developed through the process of identification in which a person experiences something of some ideas as an extension of the self (Iverson, 1996).

According to Meyer and Allen (1997), a committed employee is the one who stays with the organization through thick and thin, attends work regularly, puts in a full day (and maybe more), protects company’s assets, shares company goals and others. Thus, having a committed workforce would be an added advantage to an organization.

Principles of Organizational Commitment:
The sense of organizational commitment will prevail an employee if the following principles are already present in the employee’s nature and behavior or if the organization successfully generates these principle qualities in them. It is on the presence and absence of these principle feelings; a certain level of organizational commitment is developed and maintained.

- Job Security: The ability to keep a job for as long as one wants, providing one’s job performance is satisfactory.
- Loyalty: The feelings of affection and attachment to one’s organizations.
- Trust in Management: The extent to which employees ascribe good intentions to, and have trust in, the works and actions of management and their organization.
- Identification: The extent to which employees adopt, as they are own, the goals and values of the organization.
- Alienation: The extent to which the employees feel disappointed with their career and professional development.
- Helplessness: The extent to which employees feel that they possess few opportunities and alternatives available to them outside their organization.
Profile of Information Technology Industry:-
In India information technology industry consisting of two major components: IT services and business process outsourcing (BPO). The sector has increased its contribution to India's GDP from 1.2% in 1998 to 7.5% in 2012. According to NASSCOM, the sector aggregated revenues of US$147 billion in 2015, where export revenue stood at US$99 billion and domestic at US$48 billion, growing by over 13%. The IT sector in India is generating 2.5 million direct employments. India is now one of the biggest IT capitals of the modern world and all the major players in the world IT sector are present in the country.

Chennai is the third largest exporter of Information Technology and Information Technology Enabled Services (ITES) of India. Some of the major companies having an operation centers at Chennai are Accenture, Cognizant, TCS, Syntel, Wipro, Infosys, Verizon, HCL, Amazon.com, eBay, Patni, Capgemini and many major global providers. The city has a world class IT infrastructures with dedicated expressway nicknamed as IT expressways, and many other IT parks promoted by both government and private entities. The city's strong industrial base also favors the setting up of many major R&D centers in its vicinity.

Review of Literature:-
M Khyzer Bin Dost et.al (2011) perceived that employee commitment always plays a very key role in improving the organizational performance. Employee commitment can be boosted through their involvement in assessment construction and providing them chance for better attentive the whole procedure of the organization performance measurement e.g. employee commitment. On the bases of data (N=525) which was collected from the three major cities of Pakistan (Lahore, Rawalpindi, Islamabad), it was acknowledged that organizational performance can be enhanced by involving employees in decision making that will ultimately increase their commitment in the organization.

Mahnaz Kargar (2012) predicted that general attitude about organizational commitment is an important factor in realizing organizational behavior. Assessing variables are gender, age, education level, job background, indices as effective factors on staff organizational commitment. The sample population of 127 (out of 192), used random sampling that indicated that statistical population. The obtained results indicated that age increase or decrease did not lead to increase or decrease in organizational commitment. There was no significant relationship between job background and organizational commitment. Females and males behaved in terms of organizational commitment are equal. There was no significant relationship between faculties and employees in terms of organizational commitment.

Thomas E. Becker, Mary C. Kernan et.al (2015) tested that Commitments to organizations and professions have important implications for behavior in the workplace, but little is known about how these dual commitments combine to affect organizational outcomes. Model proposing that commitment to professions influences productivity through a positive effect on intrinsic motivation and a negative effect on extrinsic motivation. Commitment to organizations, conversely, is hypothesized to have a negative effect on intrinsic motivation and a positive effect on extrinsic motivation. A sample of 237 tenured management professors and, overall, the model fit the data well and better than less parsimonious models or ones positing reverse causality. Commitment to the profession was positively related to intrinsic motivation to engaged in research and, through this effect, resulted in more challenging research goals, increased commitment to those goals, more hours spent on research, and greater research productivity. Commitment to the organization (university) was positively related to extrinsic motivation and negatively related to intrinsic motivation and was unrelated to goal level, goal commitment, hours spent on research, and research productivity. Their model makes a unique theoretical contribution by revealing the differing paths by which commitments to organizations and professions affect work outcomes, and results support and extend commitment theory and offer unique insights into post tenure productivity.

Research Model:-

![Research Model Diagram]

- **Organizational Commitment**
  - Components
    - Affective Commitment
    - Continuance Commitment
    - Normative Commitment
  - High Committed
  - Moderate Committed
  - Low Committed

- **Performance/Productivity**
- **Intent to stay**

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Significance of the Study:-
Organizational Commitments plays a significant role in organization because it leads to productivity and performance. Once the employees’ have committed to organization than automatically, effective performance and stay in the organization for a long tenure. The study has both theoretical and practical importance. It is theoretically important that the results of this research will provide valuable information for human resource development (HRD/HRM) and management professionals to understand the level of organizational commitment among IT employees. It’s practically important because it can be helpful for IT professionals, to maintain the organizational commitment. Finally, this study will contribute to the society through better understanding the levels of organizational commitment among IT employees in Chennai. It will provide new insight to the problem and help in providing effective change management policies to overcome employees' commitment and increase their levels of commitment.

Objective:-
The prime objective of this research is, to investigate the levels of organizational commitment among IT employees in Chennai.

Hypothesis:-
1. There is no significant difference in the level of organizational commitment for male and female employees in Chennai based IT employees.
2. There is no significant relationship between sub-scales of organizational commitment of Chennai based IT employees.

Methodology:-
Questionnaire divided into two categories namely personal profiles and organizational commitment questions. Structured questionnaire for organizational commitment is based on Allen and Meyer Model (1990) there were 24 statement, and the respondents were asked to rate on a five-point interval scales ranging from strongly agree (1) to strongly disagree (5).The survey was carried out in the fourth quarter of the year 2015. As per the convenience of the researcher the convenient sampling was adopted. A total of 35 questionnaires were administered Chennai based IT employees and they were requested to complete the questionnaires in their weekend holidays. Out of 35 respondents, 30 respondents have promptly responded and which is taken for analysis.

Analysis and Interpretation:-
For the purpose of analysis researcher used the frequency distribution, cumulative percentage, independent sample t-test, ANOVA and factor analysis.

Frequency and Descriptive Data:-
Out of 30 respondents, 19 (63.3%) were male respondents and 11 (36.7) were female and the majority of the respondents age have below 25 years (n=16, 53.3%). The Educational qualifications of participants were varied: UG (n=19, 63.3%), PG (n=8, 26.7%), Professionals (n=1, 3.3%) and other (n=2, 6.7%).The distribution percentages of the respondents according to 66.7% (n=20) per month incomes of the respondents were below Rs. 25000 and Rs. 25000 to Rs. 50000 were 33.3% (n=10) and the majority of the respondents have less than 5 years working experience (n=25, 83.3%).

| Table 1: Gender | Frequency | Percent | Valid Percent | Cumulative Percent |
|-----------------|-----------|---------|---------------|--------------------|
| Male            | 19        | 63.3    | 63.3          | 63.3               |
| Female          | 11        | 36.7    | 36.7          | 100.0              |
| Total           | 30        | 100.0   | 100.0         |                    |

| Table 2: Age     | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------------|-----------|---------|---------------|--------------------|
| Below 25         | 16        | 53.3    | 53.3          | 53.3               |
| 25-40            | 14        | 46.7    | 46.7          | 100.0              |
| Total            | 30        | 100.0   | 100.0         |                    |
Table 3: Education

|       | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------|---------|---------------|--------------------|
| Valid |           |         |               |                    |
| UG    | 19        | 63.3    | 63.3          | 63.3               |
| PG    | 8         | 26.7    | 26.7          | 90.0               |
| Professional | 1       | 3.3     | 3.3           | 93.3               |
| Any Other Specify | 2   | 6.7     | 6.7           | 100.0              |
| Total | 30        | 100.0   | 100.0         |                    |

Table 4: Income

|       | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------|---------|---------------|--------------------|
| Valid |           |         |               |                    |
| Below Rs. 25000 | 20 | 66.7    | 66.7          | 66.7               |
| Rs. 25000 - Rs. 50000 | 10 | 33.3    | 33.3          | 100.0              |
| Total | 30        | 100.0   | 100.0         |                    |

Table 5: Marital

|       | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------|---------|---------------|--------------------|
| Valid |           |         |               |                    |
| Married | 11 | 36.7    | 36.7          | 36.7               |
| Unmarried | 19 | 63.3    | 63.3          | 100.0              |
| Total | 30        | 100.0   | 100.0         |                    |

Table 6: Experience

|       | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-----------|---------|---------------|--------------------|
| Valid |           |         |               |                    |
| Below 5 Yrs | 25 | 83.3    | 83.3          | 83.3               |
| 5 Yrs - 15 Yrs | 5  | 16.7    | 16.7          | 100.0              |
| Total | 30        | 100.0   | 100.0         |                    |

Independent Sample T-Test (Gender):
To verify organizational commitment between male and female of IT employee, the researcher used the independent sample t-test.

Table 7: Independent Samples T-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 | 95% Confidence Interval of the Difference | 95% Confidence Interval of the Difference |
| Affective | EVA     | .006 | .939 | .625 | 28      | .537 | .73206 | 1.17089 | -1.66641 | 3.13053 |
|           | EVNA    | .622 | 20.737 | .540 | .73206 | 1.17607 | -1.71561 | 3.17972 |
| Continuous| EVA     | .233 | .633 | .061 | 28      | .952 | .05323 | .87342 | -1.73588 | 1.84234 |
|           | EVNA    | .061 | 20.662 | .952 | .05323 | .87832 | -1.77517 | 1.88163 |
| Normative | EVA     | 2.864 | .102 | -.120 | 28      | .906 | -.11543 | .96557 | -2.09331 | 1.86245 |
|           | EVNA    | .106 | 14.771 | .917 | -.11543 | 1.08692 | -2.43526 | 2.20440 |

EVA=Equal variances assumed  EVNA= Equal variances not assumed

From the above table it is found that Levene’s test in not significant. It can be concluded that there is no significant difference between the affective, continuous and normative commitment Male and Female employees, getting P-value more than 0.05. Therefore the null hypothesis is accepted, that there is no significant difference in affective, continuous and normative commitment of male and female employee of IT industry.
One-way ANOVA Table:-
To check heterogeneous in the components of organizational commitment, the research used the One Way ANOVA.

| Table 8: ANOVA | Sum of Squares | df | Mean Square | F    | Sig. |
|----------------|----------------|----|-------------|------|------|
| Affective      |                |    |             |      |      |
| Between Groups | 119.733        | 1  | 119.733     | 22.138 | .000 |
| Within Groups  | 151.435        | 28 | 5.408       |      |      |
| Total          | 271.169        | 29 |            |      |      |
| Continuous     |                |    |             |      |      |
| Between Groups | 1.219          | 1  | 1.219       | .231 | .634 |
| Within Groups  | 147.609        | 28 | 5.272       |      |      |
| Total          | 148.828        | 29 |            |      |      |
| Normative      |                |    |             |      |      |
| Between Groups | 55.781         | 1  | 55.781      | 12.378 | .002 |
| Within Groups  | 126.178        | 28 | 4.506       |      |      |
| Total          | 181.959        | 29 |            |      |      |

The output table revealed that clusters are significant. This shows that the clusters are heterogeneous.

Karl Pearson’s Correlation:-
(Correlation between sub scales of commitment)

| Table 9: Correlations. | Affective | Continuous | Normative |
|-------------------------|-----------|------------|-----------|
| Affective               | Pearson Correlation | 1   | .027 | .098 |
|                         | Sig. (2-tailed)     | .888 | .607 |
|                         | N                   | 30  | 30   | 30   |
| Continuous              | Pearson Correlation | .027 | 1   | .028 |
|                         | Sig. (2-tailed)     | .888 | .882 |
|                         | N                   | 30  | 30   | 30   |
| Normative               | Pearson Correlation | .098 | .028 | 1    |
|                         | Sig. (2-tailed)     | .607 | .882 |
|                         | N                   | 30  | 30   | 30   |

The result of Karl Pearson’s Correlation revealed all the values shown positively. Therefore, that there is a positive significant (p<0.01) correlation between affective, continuous and normative commitment significant at 5% level of significance.

Factor Analysis:-
In order to analyze the data further, factor analysis was carried out to know the inter correlations between various factors and to find out which of the factor contribute much for organizational commitment of IT employees.

| Total Variance Explained |
|--------------------------|
| Component                | Initial Eigen values | Extraction Sums of Squared Loadings | Rotation Sums of Squared Loadings |
|                          | Tot al               | % of Varian ce | Cumulati ve % | Tot al | % of Varian ce | Cumulati ve % | Tot al | % of Varian ce | Cumulati ve % |
| 1                        | 5.00                 | 20.859         | 20.859        | 5.00   | 20.859         | 20.859        | 3.12   | 13.034          | 13.034         |
| 2                        | 3.28                 | 13.667         | 34.526        | 3.28   | 13.667         | 34.526        | 2.48   | 10.348          | 23.382         |
| 3                        | 2.55                 | 10.624         | 45.150        | 2.55   | 10.624         | 45.150        | 2.22   | 9.265           | 32.647         |
| 4                        | 2.14                 | 8.934          | 54.084        | 2.14   | 8.934          | 54.084        | 2.19   | 9.132           | 41.779         |
| 5                        | 1.82                 | 7.618          | 61.702        | 1.82   | 7.618          | 61.702        | 2.12   | 8.857           | 50.636         |
| 6                        | 1.26                 | 5.250          | 66.952        | 1.26   | 5.250          | 66.952        | 2.00   | 8.343           | 58.979         |
| 7                        | 1.16                 | 4.836          | 71.788        | 1.16   | 4.836          | 71.788        | 1.86   | 7.775           | 66.754         |
The above table shows the extraction of initial Eigen value adopting principal axis factoring method. It is clear from the above table that among the 24 variables, only nine factors whose Eigen values are more than one, is selected. The factors are Job Security, Feeling Proud, Identification, Attachment, Part of the Family, Emotionally Attached, Personal Meaning, Strong Sense and Prospect. The factor matrix called rotated component matrix was used to know that the among the nine variables, which variable correlated very much and thus considered as contributing factors for the organizational commitment of IT employees on hierarchy basis.

**Conclusion:**
Commitment has both attitudinal and behavioral implications, it is paramount to come out with a proposition which tries to investigate deeper into the psyche of the individual and their interactions with their organization. Organizational commitment was found to be a very important organizational variable defined the success of an organization in many ways viz. adaptability, turnover and tardiness rate etc. It is suggested that, the outcome should be a strong sense of identification with the employer or strong desire to remain in the organization. Based on the finding of the study, the researcher concludes that, the employees who perceive their employers failed to keep them feel less committed, and this reduced commitment, in turn, leads to lower levels of creative performance. Further the researcher concludes that, once the employees’ with high commitment lead to high productivity and effective performance and if they have moderate & low commitment, then employees’ intent to stay or leave from the organization.

**Limitations:**
This study exposed some limitations which call for further investigation by future studies. One of limitations is the study’s sample. The field research was conducted using a sample consisting solely of professional employees of IT organizations. Therefore, the findings may not be generalized to other sectors or organizations. The employee respondents of the study to have medium tenures (M = approximately 15 years) than is typical for IT employees’. This suggests that the effect of organizational commitment might be differently manifested for IT employees whose tenures are shorter. Therefore, a replication study seems to be highly desirable to examine whether the findings of this study would be applicable to different contexts. This study is restricted to Chennai city only due to time constrain and other resources. This study can be replicated to other metro cities also.
Suggestions:

1. Committed employees have lower rates of turnover, absenteeism, and withdrawal behaviors. They also perform better on the job. Given that HR managers want to keep resignations and absences down especially among their most productive employees, they want to do things that generate positive job attitudes.

2. More concentration on continuous commitment, it based on the costs that employees associate with leaving the organization. So paying employees poorly will likely, not attract high-quality employees to the organization or keep high performers, managers should realize that high pay alone is unlikely to create a satisfying work environment.

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