

#### Global Journal of Management and Business Research Interdisciplinary

Volume 13 Issue 7 Version 1.0 Year 2013

Type: Double Blind Peer Reviewed International Research Journal

Publisher: Global Journals Inc. (USA)

Online ISSN: 2249-4588 & Print ISSN: 0975-5853

## Affective Commitment : An Empirical Study of Executive and Non-executive Bank Employees

By Dr. Riyaz Ahmad Rainayee & Shabnam Zaffar

University of Kashmir, India

Abstract- Loyalty to a social unit", has been a concern of managers in many countries. The objective of this study is to gauge the level of affective commitment among executive and non-executive bank employees, and to study if, there is significant difference in their affective commitment to their banks. The focus resides on the loyalty, identity, membership and involvement of the employee with their bank. The results of the study unfold that the executives possess the high level affective commitment than non –executives and t –test reveals that there is statistically significant difference between these two groups.

Keywords: organisational commitment, affective commitment, normative commitment and continuance commitment.

GJMBR-G Classification : JEL Code: E29



Strictly as per the compliance and regulations of:



© 2013. Dr. Riyaz Ahmad Rainayee & Shabnam Zaffar. This is a research/review paper, distributed under the terms of the Creative Commons Attribution-Noncommercial 3.0 Unported License http://creativecommons.org/licenses/by-nc/3.0/), permitting all non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

# Affective Commitment: An Empirical Study of Executive and Non-executive Bank Employees

Dr. Riyaz Ahmad Rainayee<sup>a</sup> & Shabnam Zaffar<sup>a</sup>

Abstract- Loyalty to a social unit", has been a concern of managers in many countries. The objective of this study is to gauge the level of affective commitment among executive and non-executive bank employees, and to study if, there is significant difference in their affective commitment to their banks. The focus resides on the loyalty, identity, membership and involvement of the employee with their bank. The results of the study unfold that the executives possess the high level affective commitmentthan non –executives and t –test reveals thatthere is statistically significant difference between these two groups.

Keywords: organisational commitment, affective commitment, normative commitment and continuance commitment.

#### I. Introduction

mployees who are committed to their organisations are happy to be its members, believe in and feel good for the organisation. Employees with high organisational commitment level goes beyond the normal requirement of the job, such as helping co-workers with job related problems, tolerating impositions without complaint cooperating in times of crises. Research suggests that employees who exhibit organisational commitment are happier at their work, spend less time away from their jobs and are less likely to leave their organisation. Therefore, concern for the organisation is an important aspect for judging organisational commitment level of employees (George and Jones, 2002).

Organisational commitment is job related attitude which is of considerable significance to the organisation and varies across countries. One study of workers in Saudi Arabia found that Asians working there were more committed to the organisation than were westerners and Arab Workers(Al-Meer, 1989). Another study revealed that American workers displayed higher affective commitment than did Korean and Japanese workers (Nelson, 2003).

High committed employees show emotional attachment and loyalty to the organisation and get actively involved, are pivotal variables without which the inanimate assets are worthless, identify goals and values of the organisation and display greater organisational citizenship behaviours and reduced absenteeism and turnover (Jamieson et al.1996: Watson & Papamacros,2002). Rousseau (1997) argued that there is reason to believe that the concept of

commitment may be less important to employees and employees today than it once was. The unwritten loyalty contract that existed 30 years ago between employees and employers has been seriously damaged, and the notion of employees staying with a single organisation for most of their career has become increasingly irrelevant.

Allen Mayer (1990)differentiated organisation commitment into three components: affective commitment, normative commitment and continuance commitment. Affective commitment refers to employees' perception of their emotional attachments to their organisations and their goals. Employees with high affective commitment to organisations have strong motivation to contribute to the organisation goals because they see them as theirs. Continuance Commitment represents cognitive attachment between employees and their organisations because of the costs associated with leaving the organisation. It is based on the assumption that individuals do not leave an organisation if they would lose their benefits, take a pay cut, incur job search expenses and risk of being unemployed. Finally, normative commitment refers to typical feeling of obligation to remain with an organisation.

In general, affective commitment seems more strongly related to organisational outcomes than the other two commitment dimensions (Dunham, et al., 1994). A review of 27 studies suggested that the relation between commitment and performance is strongest for the new employees, and is considerably weaker for more experienced employees, (Wright and Bonett, 2002).

Affective commitment is defined as employee's positive emotional attachment to organisation. An employee who is affectively committed to the organisation desires to remain a part of the organisation. This employee commits organisation because he /she want to. This commitment can be influenced by many different demographic characteristics: age, tenure, sex, and education, but theses influences are neither strong nor consistent. The problem with these characteristics is that while they can be seen, they cannot be clearly defined. Positive relationships between tenure and commitment may be designation related differences in job status (Allen and Meyer, 2006). Therefore, this research study takes the steps to full fill the research gap by comparing the

affective commitment level of executives and non-executives in banking sector employees in Kashmir Valley.

#### II. OBJECTIVE

- 1. To measure affective commitment level of executive and non-executives in banks.
- 2. To compare the level of affective commitment between executive and non-executives in banks.
- To suggest, on the basis of the study results, measures aimed at improving affectivecommitment among bank employees.

#### III. Hypothesis

Affective commitments of executives and non-executives bank employees vary significantly.

#### IV. METHODOLOGY

The universe for this study has been the 417 bank employees of four banks (JKB, SBI, and PNB & HDFC) of Kashmir Valley. Data we collected through random sampling procedure. Affective commitment questionnaire developed by Allen and Meyer (1986)) with modifications was used for the purpose of collecting data from the respondents. The affective commitment was measured on a 5-point satisfaction-dissatisfaction scale. The tools of analysis include mean, standard deviation &t-test.

#### V. Results and Discussion

The present study is aimed at examining the level of affective commitment of executives and non-executives of banking sector in Kashmir Valley. The data obtained on the measures of affective commitment is presented in Table 1.1 and 1.2, based on six items of

affective commitment scale developed by Allen and Meyer (1896). An analysis of overall mean scores across all the items in Table 1.1 reveals that employees of banking sector express positive views. The ratings with respect to the most of the items are skewed positively of the scale. The perceptions have been scored on a 5-point scale.

Table 1: Affective Commitment

STATEMENTS	Z	М	SD	
d be very happy to spend the res reer with this organization	417	3.92	1.22	
, discussing my organization with e outside it	417	3.97	1.11	
, feel as if this organization's prob y own.	417	4.12	1.12	
ot feel 'emotionally attached' to thization(R).	417	1.72	0.81	
rganization has great deal of pers ng for me.	417	3.82	1.190	
t feel a strong sense of belonginganization.(R)	417	3.54	1.190	

Table 1.2 below offers a relative profile of affective commitment of employees on the basis of their designation i.e., executives and non-executives. An average composite mean score of 3.68 and 3.35 respectively for executives and non-executives clearly indicates that executives exhibit higher affective commitment than non- executives. The results of T-test reveals that the mean difference exist (p<.05).

Table 2: Designation wise comparison of affective commitment

	Executives		lon -executive			
Statements	SD		SD		р	
be very happy to spend the rest of my career with this organization	4.27	.97	3.58	1.34	6.001	< 0.05
discussing my organization with people outside it	4.14	1.06	3.81	1.13	3.020	< 0.05
feel as if this organization's problems are my own.	4.39	.96	3.86	1.19	4.971	< 0.05
ot feel 'emotionally attached' to this organization (R).	1.56	.65	1.88	.99	-4.02	< 0.05
rganization has great deal of personal meaning for me.	4.07	1.14	3.58	1.19	-4.02	< 0.05
ot feel a strong sense of belonging to my organization.(R)	3.69	1.47	3.38	1.33	4.33	< 0.05
osite affective commitment score	3.68	0.62	3.35	0.59	5.731	0.000

#### VI. CONCLUSION

The banking industry plays the role as a financial supplier to enterprises in the entire economy. And under the impacts of global capital flows as well as the rising demand of consumers for service quality, the banking industry has transformed itself from a "golden bowl" industry to service industry. Therefore, whether human capital can work to effectuate organisational performance in reaction to changes in the entire economic environment is potentially the greatest challenge for an organisation and its members (Ming et al., 2011). Therefore it is assumed that selecting employee who have high level of affective commitment may have a positive impact on the extent to which an organisation succeeds in retaining its most critical asset i.e., workforce. Based on the results of the study, it is possible to state that the employees who have high designation are having affective commitment for his bank as compare to non-executives.

Despite the merits of this study, there are limitations that must be addressed. Because of our limited sample size, it may be hard to generalise the results of the study. Although the employees sampled in our study were similar in many respects, there must be some important differences in terms of their motivational bases.

#### References Références Referencias

- 1. Al-Meer, A.R (1989), "Organisational Commitment: A Comparison of Westerner's, Asian's and Saudi's". International studies of Management and Organisation, vol. 19(2): pp. 74-84.
- Allen, N. J. and Meyer, J.P. (1990). "The Measurement and Antecedents of Affective Continuance and Normative Commitment to the Organisation." Journal of occupational and Organisational Psychology, 63.1, pp.18-38.
- Allen, N. J. and Meyer, J.P.(2006). "A three-component Conceptualization of Organisational Commitment: Some methodological considerations". Human Resource Review, 1, pp.61-98.
- 4. D.M. Rousseau (1997), "Organisational Behaviour in the New Organisational Era," Annual Review of Psychology, Vol. 48 (Palo Alto, CA: Annual Review, P.523.
- Dunham, R.B., Grube, J.A., Castaneda, M. B. (1994). "Organisational Commitment: The Utility of an integrative definition. Journal of Applied Psychology, 79(3): pp. 370-380
- 6. George and Jones, J.M., (2002). Understanding and Managing Organisational Behaviour. New Jersey: Prentice Hall
- 7. Jameison, D. & Richards T (1996). Commitment in the Workplace; Theory, Research & application. Newburg Park A: Sage

- 8. Nelson, L. and, Cooper, C. (2007). Positive Organisational Behaviour. Washington DC, Sage Publications.
- Ming –Ten, Hung Lin Tsai and Yi Chou Wang. (2011). "A Study on the relationship between leadership Style, emotional intelligence, self-efficacy and organisational commitment: A case study of the banking Industry in Taiwan". African Journal of Business Management Vol. 5 (13), pp.5319-5329.
- O' Reily, C.A., & Chatman, J. (1986).
  "Organisational Commitment and Psychological Attachment: The effects of Compliance, Identification, and Internalisation on Pro-social Behaviour". Journal of Applied Psychology, Vol.71, 492-499
- Watson, G. &, Papmacrcos, S (2002). Value Reframing & Enactment: Coping with Cognitive challenge. Presented at the International Conference of the Global Business & Technology Association, Rome.
- 12. Wright and Bonet (2002). "The Moderating Effects of Employees Tenure on the Relation between Organisational Commitment and Job Performance: A meta-analysis". Journal of Applied Psychology, pp. 1183-1190.

### This page is intentionally left blank