

Relationship between job satisfaction, organizational commitment and demographic factors in private banking sector in Bangkok

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Abstract

This study investigates the relationship between job satisfaction and organizational commitment in Bangkok private banking sector where the employee turnover rate in Thailand was highest in 2012 (12.5%) and 2013 (12.8%) compared to the last four years (Towers Watson Survey; 2014 reports). Study aims to measure the job satisfaction and organizational commitment levels in private banking sector and analyses the various effects of demographics characteristics on these work related attitudes – job satisfaction and organizational commitment. The results from a survey of 401 banking employees revealed that the age, designation (profiles), experience (years of service) has a significant effect on Job satisfaction and Organizational commitment measures and ensures the existence of positive correlation between job satisfaction and organizational commitment in Private banking sector in Bangkok. Moreover, this study also helps foreground individual items that could help banking organizations to strengthened relationship with their work force and also can help in minimizing high employee turnover rate issues in banking industry.

Keywords: Job satisfaction, Organizational commitment, Employee turnover, Banking sector, Organizational behavior



Introduction

Employee retention is an increasingly important challenge for organizations as the age of the knowledge worker unfolds. Employees are a vital resource for nearly all organizations, especially since they represent significant investments in terms of locating, recruiting, training, salaries, healthcare plans, bonuses, etc. Attainment of a high level organizational performance through productivity and efficiency has always been an organizational goal of top priority. In order to achieve this, a highly satisfied work force is an absolutely necessity. Job satisfaction of the personnel and feeling of commitment are two of important factors for organizational productivity and profitability (Semih Eker, 2008: 55)

Job satisfaction and organizational commitment, both were considered as work related attitudes in organizational behavioral theory: one signifies employee feelings about their job; the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs and another shows the degree to which an employee experiences a 'sense of oneness' with their organization (Allen and Meyer; 1991). These attitudes are important to management because they determine the behavior as well of tenures of workers in the organizations and helped them great extent on holding a skilled and motivated workforce, which is essential for the continuing success of organization mission, objectives and goals. Job satisfaction involves employees' affect or emotions; it influences an organization's well-being with regard to job productivity, employee turnover, absenteeism and life

satisfaction (Sempene, Rieger & Roodt 2002; Spector 2008). While generally, in case of low levels of job satisfaction among employees have been shown to produce various undesirable behaviors, such as using organization's time to pursue personal tasks, psychological and practical withdrawal from the job, and behavioral changes that alter the work place environment (ZCamp, 1994). Additional some other negative consequences associated with low levels of job satisfaction include attendance problems, higher rates of turnover, early retirements, lack of active participation in job tasks, and psychological withdrawal from work (ZCamp, 1994). According to Teslla et.al (2007) absence of job satisfaction is the main reason for reduction in organizational commitment and that leads to shift-over to another job. Allen and Meyer (1990) identified a link between organizational commitment and employee turnover, and concluded that employees who were strongly committed to the organization were less likely to leave it.

There are numerous investigations that have studied the relationship between organizational commitment and job satisfaction (Curri van, 1999). Predominant view is that job satisfaction is an antecedent to organizational commitment (Mowday; Porter, & Steers, 1982; Williams & Hazer, 1986; Lincoln & Kalleberg, 1990; Mueller, Boyer, Price, & Iverson, 1994). There is also some support for the reverse causal ordering, organizational commitment as an antecedent to job satisfaction (Vandenberg & Lance, 1992). Findings provided have further evident that job satisfaction is a significant predictor of organizational commitment. Several researchers have made the case that job



satisfaction is a predictor of organizational commitment (Porter, Steers, Mowday, & Boulian, 1974; Price, 1977; Rose, 1991). Andrew Hale Feinstein did a study on the relationships between job satisfaction and organizational commitment of employees at two locations of a national restaurant chain in Southern Nevada. They also worked on revealing homogeneous demographic characteristics these employees exhibit that affect their satisfaction level. Results of their study indicated that satisfaction with compensation; work conditions, policies and advancement have a significant relationship to organizational commitment.

Testa (2001) found that an increase in job satisfaction motivates organizational commitment and thus increase service tenures in the work environment. Although, there was no study found that investigates this relationship particularly in the banking sector areas. However, most findings have proven that increasing job satisfaction and organization commitment helps in employee retentions and overcomes high employee turnover costs. In this paper we mainly focuses on Bangkok private banking sector where the employee turnover rate in Thailand was found highest in 2012 (12.5%) and 2013 (12.8%) compared to the last four years (Towers Watson Survey; 2014 reports). Study aims to measure the job satisfaction and organizational commitment level in private banking and to determine the relationship between them. Furthermore this study also analyses various effects of demographics characteristics on these work related attitudes – job satisfaction and organizational commitment. Study

results revealed that the age, designation (profiles), experience (years of service) has a significant effect on Job satisfaction and Organizational commitment measures and ensures the existence of positive correlation between job satisfaction and organizational commitment in Private banking sector in Bangkok. Moreover, this study also helps foreground individual items that could help banking organizations to strengthened relationship with their work force and also can help in minimizing high employee turnover rate issues in banking industry.

Literature review

Job satisfaction

A key work-related attitude in the workplace is job satisfaction (Greenburg & Baron, 1997, p. 178). Job satisfaction is considered as the most important and frequently studied attitude in the field of organization behavior. It's also looked at, as one of the area that is of high interest to managers and researchers (Nelson & Quick, 1997). It's "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences" (Locke, 1976), p. 304). As job satisfaction is a widely researched and complex phenomenon, it follows that there are numerous definitions in existence to explain the concept. Job Satisfaction can be defined as an individual's total feeling about their job and the attitudes they have towards various aspects or facets of their job (Ivancevich & Matteson 2002; Spector 1997). A person with high job satisfaction appears to hold generally positive attitudes, and one who is



dissatisfied to hold negative attitudes towards their job (Robbins 1993).

Spector (1997) explains that for researchers to understand these attitudes, they need to understand the complex and interrelated facets of job satisfaction. A facet of job satisfaction can be described as any part of a job that produces feelings of satisfaction or dissatisfaction, namely: *pay, promotion, supervision, benefits, contingent rewards, operating procedures, co-workers, nature of the work and communication* (Spector 1997). This perspective can be useful to organizations that wish to identify employee retention areas in which improvement is possible (Saari & Judge 2004; Westlund & Hannon 2008).

Job satisfaction is commonly related as a critical outcome variable in organizations (Judge and watana, 1994) and prior researches has also found that job satisfaction is related to several important outcomes (Eddy et al., 2008) For example; Job satisfaction has been shown related to job performance (Gole and shahu, 2008); to organizational citizenship behavior (gonzalez and garazo, 2006; Ackeldt and Coote,2005) , and to organizational commitment (Allen and Meyer; 1997 ; Lee et al.,2006)

Organizational Commitment

The concept of organizational commitment has attracted considerable interest in an attempt to understand and clarify the intensity and stability of an employee's dedication to the organization (Lumley 2010). Employees play an important role in achieving

organizational targets; therefore, analysis of their psychological characteristics and the impact of these on the organization are crucial. Organizational commitment is vital to preserve and attract well qualified talent pool in any organization. Many organizations are facing major challenges resulting in restructuring, reengineering and downsizing. The need for factors that predict organizational commitment has become more critical. Employees who are committed to their organization may be more willing to participate in 'extra-role' activities, such as being creative or innovative, which frequently guarantee an organization's competitiveness in the market (Katz & Kahn 1978). Organizational commitment is viewed as a psychological connection that individuals have with their organization, characterized by strong identification with the organization and a desire to contribute to the accomplishment of organizational goals (Meyer & Allen 1997).

Organizational commitment can be defined as the extent to which an individual identifies and is involved with his or her organization and/or is unwilling to leave the organization. Meyer and Allen (1991) conceive of organizational commitment as reflecting three core themes namely affective, continuance and normative commitment

Affective commitment: The sense of love and affection for their jobs, feeling of belongingness and attachment to the organization.

Continuance Commitment: The acknowledgement of the consequences of leaving the organization.



Normative Commitment: The ethical responsibility to stay with the organizations

(Meyer & Allen 1991).

Relationship between job satisfaction and organizational commitment

There are numerous investigations found in literature that studied the relationship between job satisfaction and organizational commitment. Predominant view is that job satisfaction is an antecedent to organizational commitment (Lincoln & Kalleberg, 1990; Mowday; Porter, & Steers, 1982; Mueller, Boyer, Price, & Iverson, 1994; Williams & Hazer, 1986). There is also some support for the reverse causal ordering, organizational commitment as an antecedent to job satisfaction (Vandenberg & Lance, 1992). LaLopa (1997) effectively used the Organizational Commitment Questionnaire to evaluate 300 non-supervisory resort employees' levels of commitment. Further, he developed a "Resort Job Satisfaction" scale by adopting items from previous studies. Findings provided have further evident that job satisfaction is a significant predictor of organizational commitment. Strong positive relationships have been observed between job satisfaction and desirable work outcomes such as performance, adaptability and organizational commitment (Currivan, 1999). Research results indicates that satisfied employees tends to be committed to an organization, and employees who are satisfied and committed are more likely to attend work, stay with an organizations, arrives

at work on time, perform well and continuously engage in behaviors that are helpful to the organizations (Aamodt 2007). Testa (2001) investigated the relationship between organizational commitment and job satisfaction in regards to work effort in the service environment. Mark Testa found that an increase in job satisfaction motivates organizational commitment and thus increase service in the work environment. Moreover, there was no previous study found in banking sector, and especially in Bangkok.

Demographic effects on job satisfaction and organizational commitment

On basis of gender

Typically job satisfaction is conceptualized as a general attitude toward an object, the job (Okpara, 2006). However, the results of the many studies concerning the relationship between job satisfaction and the sex of the employees have been contradictory (Oshagbemi, 2000). Some common explanation for the different level of work satisfaction sometimes reported for men and women is that women have different expectations with regard to work (Campbell et al., 1976). It was revealed that careers were of central importance to men but not as important to women (Kuhlen, 1963). Lefkowitz (1994) analyzed a number of studies and discovered that women's job satisfaction is in average lower than men's. One explanation for this phenomenon could be that women are less invested in their work, since women's incomes are, or at least used to be, merely the second

income in the household. Another, more likely, reason would be that women experience less job satisfaction because they tend to have less good jobs overall compared to men. While in case of organizational commitment Some studies specifying that the values, where genders regard as more important in working life, have important effects on commitment as well, it was determined that men attach importance to the values like wage, autonomy and responsibility at work, and possessing an effective position in the organization, while women attach importance more to colleagues, communication with people, suitable working hours and job security (Scandure ve Lankau, 1997: 377-391). In Contrary, Al-Ajmi (2006) found that there was no significant relationship between genders and organizational commitment in his study and concluded that men and women have the same level of organizational commitment.

On basis of age

According to (Mckenna 2000 p. 276) job satisfaction tends to increase throughout working life. There are several reasons

accounted, People in their old ages have better jobs than younger ones, since, due to a longer career, they had more chances to obtain a desirable job. 2) People in their old age usually adjusted their expectations downwards over the years and they are therefore more easily content. 3) People in their adulthood generally found more satisfied; 4) Dissatisfied older people are more likely to opt for early retirement, while the remaining older people are satisfied with their job. This actually creates a skewed image of the level of job satisfaction among older people by cancelling out the dissatisfying segment. In addition, Clarke (1996) fig 2.4 below discovered a *U-shaped* correlation between job satisfaction and lifespan. Job satisfaction starts out reasonably high in teenage years, then takes a nosedive in twenties and thirties – with the age of 36 as the lowest point (in average) -, then it rises back up again through the forties and further in the fifties and sixties (Arnold et al 1998 p. 208).

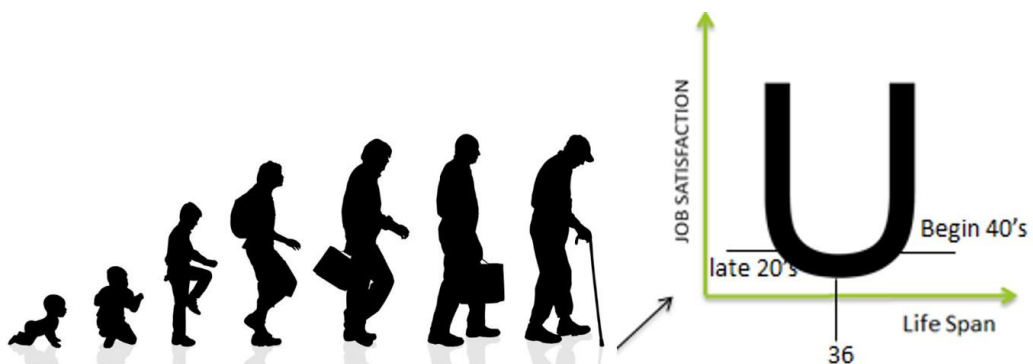


Figure 1



However, Solomon (2005) and Collins and Helen (2013) did not find any significant difference of job satisfaction based on gender and age differences. While in case of organizational commitment, past findings suggests as the person grows older, his/her sense of obligations also gains maturity. Along, the chances for the switchovers also dwindle. Resultantly the individuals in the high age group possess more organizational commitment as compared to fresh entries. Moreover, this phenomenon is also supported by the monetary benefits like pay, pension, funds, allowances (Nawaz & Kundi, 2010)

On basis of profiles, experience and education

Several researchers have focused on the role of relative income in determining satisfaction or happiness. Some labor-market examples are Capelli and Sheer (1988), Pfeiffer and Langton (1993), Clark and Oswald (1996), Law and Wong (1998), Bygren (2004), Ferreri Carbonell (2005), and Browne et al. (2008), using survey data, and Shafir et al.,(1997) in experimental work. In general, they concluded that relative wages are important in determining workers' job or pay satisfaction. On the other hand, interaction with others also affects people's own expectations. It has been found that Ahmed et al., (2003);

educational level has significant relationship to the job satisfaction KhMetle (2003): whereas tenure is positively related to job satisfaction by Oshagbemi (2003). Furthermore, these studies showed that workers with more education have a higher job satisfaction level, while other studies indicate that workers with more education have a lower job satisfaction level. Other studies showed there was no relationship between the two.

On the other hand, in case of organizational commitment, the individual's qualification gets better; their sense of belongingness is improved regarding the organizational commitment. The literature also shows that highly qualified employees are considered to be more committed due to their awareness about the organizational attitude with respect to those who are less qualified (Akintayo et al, 2010). As the person grows older, his/her sense of obligations also gains maturity. Along, the chances for the switchovers also dwindle. Resultantly the individuals in the high age group possess more organizational commitment as compared to fresh entries. Moreover, this phenomenon is also supported by the monetary benefits like pay, pension, funds, allowances (Nawaz & Kundi, 2010).

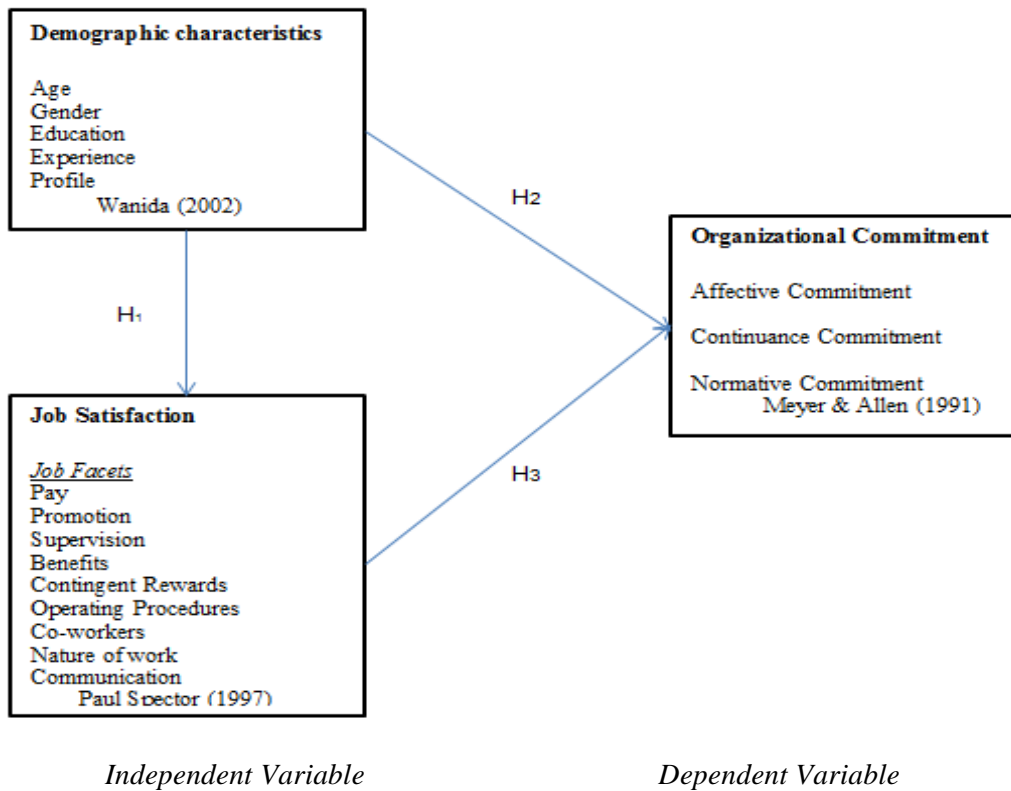


Figure 2 The framework of independent and dependent variable.

To explore the relationship between Job Satisfaction and Organizational commitment and to analyze the different demographics effects on them. We treat the demographics variables and Job satisfaction as independent variables, and organizational commitment as dependent variable. Based on above framework, the three main hypotheses were built as:-

Hypothesis 1: Demographic variables significantly affect bank employee’s job satisfaction levels.

Hypothesis 2: Demographic variables significantly affect bank employee’s

organizational commitment levels.

Hypothesis 3: Job satisfaction and Organizational commitment are significantly correlated with each other.

Methodology

Sampling Procedures

A field survey was conducted to collect the data. Field studies were considered to be more realistic as they study the phenomenon in their natural setting. Zikd (2003) stated that survey provide quick, inexpensive, efficient and actual



means of accessing information about the population. Primary data was collected by visiting almost 60 bank branches located near Huai Kwang, Petchuburi area, Thailand cultural central, Rama9, Central, Fortune, Sukhumvit and Bank-kapi area in Bangkok. Those areas were selected based on 'ease of transport', 'availability of all targeted banks' and resource availability. Research Surveys in the form of questionnaires were distributed among employees individually or in small group, and also via taking prior initial appointments with respective branch managers from all different local, commercial and retail Thai banks, by collecting data pertaining to employees attitudes related with job satisfaction such as pay, promotion, the work itself/nature of the work, co-workers relationship, rewards, supervision, operating procedures, fringe Benefits and communication, an employee affective, continuance and normative organizational commitment data towards their organizations, along with demographic data such as age, gender, education levels, profiles and Years of experience of employees. Questionnaires were assumed to take 15- 20 minutes time of each employee. Participation in the study was voluntary and the respondents were assured that their responses would remain confidential. This survey has collected data from October, 2014 – December, 2014.

Participants

There were total 401 participants voluntary took part in this survey. Some 232 of the 401 respondents were women (57.9 %). Most of the respondents were

under or 30 years of age. Maximum respondents were qualified as Bachelor's degree levels, and most of them were working as staff members. Respondent's employee profiles are classified into 3 main types: staff members, senior positions and manager position. Personal bankers, Sales executives, Tellers, Cashiers and other customer service executives etc. were all considered as *Staff members*. Senior employees managing teams working as supervisor, senior supervisors, and assistant managers were considered as *senior level category* and manager of any of the respective work flow in any of the department including the branch managers of all branches were fallen in *Manager position Category levels*. From the demographic information, the respondents cover a variety of ages, profile and experience levels.

Data Measurement

Job satisfaction is measured to identify problems, to understand how turnover occurs, to evaluate change, to improve communication and to assess organized labor issues. Satisfaction can be measured directly which relates to how the worker feels about their job or tasks, or indirectly which asks about the job or task. Ways for measuring job satisfaction can be done through question format. There are various tools most widely that used to measure job satisfaction utilize questionnaires and rating scales. For this study, Job satisfaction was assessed and measured using Paul E. Spector JSS Model, which assessed the overall job satisfaction by using nine facets of job satisfaction, The nine facets are *pay, promotion,*



supervision, fringe benefits, contingent rewards (performance based rewards), operating procedures (reqd. rules and procedures), coworkers, nature of work, and communication. E. Spector JSS model uses 9 facets with 4 item (subscales), with a total of 36 items in 6pt. likert scale. The responses to all 36 items for all respondents are taken on a 1-6 likert scale, where 1 has represented the strongest disagreement and 6 represented the strongest agreement. Scores on each of 9 facet subscales, based on 4 items each, can range from **4 to 24**, while scores for the total job satisfaction will be based on all 36 items and can range from **36 to 216**.

This questionnaire address all nine facets described in the definition above: Pay (E.g: I feel I am being paid a fair amount for the work I do in bank.),

Promotion (E.g: There is really too little chance for promotion in banking sector.), Supervision (E.g: My supervisor in bank is quite competent in doing his/her job), Fringe Benefits and contingent Rewards (E.g: I am not satisfied with the benefits I receive from my bank job.), Operating Procedures (E.g: Many of rules and procedures in banks actually make doing a good job more difficult), Co-workers (E.g ; I like the people in my bank, I work with), Nature of work (E.g: I sometimes feel my bank job is meaningless) and Communication (E.g: Communications seems good within this bank job). Almost any job related factor can influence a person’s level of job satisfaction or dissatisfaction. The subscales and the items independently cover 9 out of the 11 standard work factors. (See table1)

Table 1 Job satisfaction survey

Scale	Description
Pay	Pay and remuneration.
Promotion	Promotion opportunities.
Supervision	Immediate supervisor.
Fringe Benefits	Monetary and non-monetary fringe benefits.
Contingent Rewards	Appreciation, recognition and rewards for good work.
Operating Procedures	Operating policies and procedures.
Co-Workers	People you work with
Nature of Work	Job tasks themselves.
Communication	Communication with in the organization.

Note: Adapted from Spector (1997)



Organizational commitment: A number of measures of organizational commitment were found in the literature (Cook and wall, 1980; DeCotiis and Summer, 1987; Hrenniak & Alutto, 1972; Mowday, Porter, & Steers, 1982; Oliver, 1984; Ritzer & Trice, 1969). But the most widely used scales are those of Allen and Meyer (1991) and Porter, Steers, Mowday and Boulian, (1974). Both instruments ask about employee perceptions related to commitment variables. However, Ward and Davis (1995) and Cohen (1996) consider Allen and Meyer's measure of *Three Component model of commitment* is superior because of its ability to capture the multidimensional nature of the commitment construct as well as its high reliability and supportive factor analysis. For this study, the OCS (Organizational commitment survey) developed by Allen and Meyer (1991) was used to evaluate and measure the commitment levels. The Allen and Mayer Commitment Model used three component models classified into Affective commitment which consisted of 8 items, Continuance commitment consisted of 8 items, and Normative commitment which consisted of 7 items questions with a total of 23 items in overall Commitment scale. The responses to all 23 items for all respondents are taken on a 1-6 likert scale, where 1 has represented the strongest disagreement and 6 represented the strongest agreement.

This questionnaire address all three different components of commitment

noted in the definition above: Affective commitment (E.g: I would be very happy to spend the rest of my life with this bank.), Continuance Commitment (E.g: It would be very hard for me to leave my bank job right now even if I wanted to) and Normative Commitment (E.g: If I got another better job elsewhere, I would not feel it was right to leave this bank job.) This study was conducted at the sample data collected from various private bank branches in Bangkok. All necessary demographic information such as age, gender, education level, profiles and years of service had been asked in the beginning of the questionnaires to analyze employee's perception of both job satisfaction and organizational commitment attitudes. The complete details about the questionnaire's development can be found in thesis.

Reliability: Reliability testing ensures the quality of the questionnaire in order to ensure a scale that produces consistent results. In order to obtain more accurate and stable test results, Cronbach alpha coefficients of internal consistency coefficients were widely used. This helps to test the degree of correlation between each item and the establishment of an internal reliability of the questionnaire. This is a commonly accepted rule for describing internal consistency using Cronbach's alpha as followed:



Table 2

Job satisfaction	Cronbach alpha
Pay	.75
Promotion	.69
Supervision	.69
Fringe Benefits	.70
Contingent rewards	.74
Operating Procedures	.80
Coworkers	.78
Nature of Work	.77
Communication	.78
Total	0.79
Organizational commitment	
Affective Commitment	.81
Continuance Commitment	.73
Normative commitment	.81
Total	0.83

Data analyses

This study has utilized statistical techniques such as descriptive and inferential statistics, Pearson correlation to investigate the relationships between the independent and dependent variables. The frequency statistics were used with discrete variables, such as questions of demographic information with proportions or percentages. The regression analysis is a statistical method to deal with the formulation of a mathematical model depicting a relationship amongst variables which are used for the purpose of prediction of the values of dependent variables, gives the

values of the independent variable. so, ‘Analysis of variance’ statistical tests approaches were used in order to analyze hypotheses H1 and H2. A Pearson correlation was performed to test the relationship between our two main variables: Job satisfaction and Organizational Commitment.

Results

The focal sample of this study consisted of total number of 401 bank employees from all local and Thai commercial bank’s’ from almost 60 bank branches located near HuaiKwang, Petchuburi area, Thailand cultural central, Rama9, Central, Fortune, Sukhumvit and Bank-



kapi area. Some 232 of the 401 respondents were women (57.9 %). Most of the respondents were under or 30 years of age. Maximum respondents were qualified as Bachelor's degree levels, and most of them were working as staff members. Respondent's employee profiles were classified into 3 main types: staff members, senior positions and manager position. Personal bankers, Sales executives, Tellers, Cashiers and other customer service executives etc. were all considered as Staff members. Senior employees managing teams working as supervisor, senior supervisors, and assistant managers were considered in senior level category and manager of any of the respective work flow in any of the department including the branch managers of all branches were fallen in Manager position Category levels. These data were refined through descriptive statistics. The mean overall scores of bank employees' job satisfaction and organizational commitment level were measured as 3.36 and 3.31, respectively, out of possible 6.00. Complete evaluation of means for all 9 facets of Job satisfaction and three different components of commitment can be found in "Er.Suri and Petchsawang (2015)". Further, analysis of variance tests were executed to analyze the effects of various demographic factors on employees both job satisfaction and organization commitment levels.

Hypothesis 1 & 2: Demographic variables significantly affect bank employee's job satisfaction and organizational commitment levels.

On basis of age

Employee's ages 30 years and lower were scored the smallest job satisfaction

mean score 3.51 (SD = 0.29) , whereas employees ages 50 years and higher , scored the highest job satisfaction score 4.07 (SD =0.26). Similar, trend were seen in an employee commitment levels where the smallest and highest mean scored as 3.20 (SD = 0.51) and 3.62 (SD = 0.12) for employee ages "30 years and lower" and "50years and higher" respectively. Further, analysis of variances revealed the numerically statistically significant differences in different employee age groups with $F(3,397) = 54.425, p = 0.00 (p < 0.05)$, in case of job satisfaction and $F(3,397) = 7.538, p = 0.00 (p < 0.05)$ in case of an employee organizational commitment levels. Turkey post hoc tests shows that bank employees Job satisfaction and organizational commitment levels tended to increase as a function Age groups. Findings supports the research findings produced by McKenna (2000) that Job satisfaction tends to increase throughout working life and people in their adulthood generally found more satisfied.

On basis of gender

There was no significant difference seen between males and Females levels of job satisfaction, and organizational commitment in private banking sector in Bangkok.

On basis of education, experience and profiles

Education has no significant effect seen on both job satisfaction and organizational commitment levels. However, out of total 401 total respondent's 97.3% (390) bank employees were seen qualified as bachelor's levels. It was also found that the minimum qualification requirement



to hire in banking industry is bachelors, and most of the senior executives and managers were seen limited to bachelor's degree level which shows that employees once joined as staff members, further moved higher level in hierarchies with the same qualification level and received profiles based on their experience levels. On basis of data analysis, researcher did not have enough evidence to conclude results based on education, while on basis of profiles it's been observed that job satisfaction and organizational commitment level rises as the employees moved higher in hierarchy and gained experience. Managers and senior executives were seen more satisfied about their jobs as compared to staff members. Data results also revealed that experience and profiles has significant effect on employee's organizational commitment levels. Organizational Commitment level raises as the employee progressed in their roles from staff members to senior positions, gained more experience and spend more tenure in the organizations. However, it needs to be stated that job satisfaction is an employee's current evaluation of his/her job, and Organizational commitment for an individual is to accept the goals and values of an organization and it can be fluctuate widely depending on environmental factors and Job tasks experienced on a daily basis. Mostly our findings support the conclusions made by Oshagbemi (2003) where tenure and Years of experience was found positively related to job satisfaction and organization commitment levels.

An overall result provides insight about the feelings of banking sector employees about their jobs and helped evaluating the current job satisfaction and

organizational commitment levels. Study also highlighted the areas of improvement to further strengthen relationship between organizations with their work force by enhancing job satisfaction and organizational commitment levels of employees. Study further extended to show how different demographic factors affect the levels of job satisfaction and organizational commitment levels among employees.

Hypothesis 3: Job satisfaction and Organizational commitment are significantly correlated with each other.

The data obtained from the questionnaires' includes measures for both work related attitudes job satisfaction and organizational commitment levels. To analyze the relationship between job satisfaction and commitment levels among the banking sector employees in Bangkok. Pearson product moment correlation tests were performed. Correlation matrices for the entire sample (n=401) are presented in Table below by means Pearson product moment correlation method for all 9 measures of job satisfaction (*pay, promotion, supervision, benefits, contingent rewards, operating procedures, co-workers, nature of the work and communication* (Spector 1997), overall job satisfaction, three commitment types and overall organizational commitment as the whole measure. According to Cohen (1989), r ranging from 0.10 to 0.29 regarded as indicating a low degree of correlation, r 0.30 to 0.49 regarded as indicating a moderate degree of correlation and r ranging from 0.50 to 1.00 regarded as a high degree of correlation.

Results shows positive and numerically



statistically significant relationship between job satisfaction and organizational commitment ($r = .34, p < .01$), Results also shown a positive and statistical significant relationship between Job satisfaction and two dimensions of organizational commitment: Affective commitment ($r = 0.35, p < .01$) and Normative Commitment ($r = 0.30, p < .01$). Several of the job satisfaction measures underlying dimensions are also positively correlated with dimensions of organizational commitment. Pay was correlated with overall organizational commitment ($r = 0.19, p < .01$) and also with its two dimensions affective commitment and normative commitment with r values of ‘0.18’ and ‘0.15’ resp., with $p < .01$. Promotion was correlated with overall organizational commitment ($r = 0.29, p < .01$) and also with affective

commitment and normative commitment ($r = 0.29, p < .01$). Fringe benefit was correlated with overall organizational commitment ($r = 0.21, p < .01$) and also with its two dimensions affective commitment and normative commitment with r values of ‘0.23’ and ‘0.20’ resp., $p < .01$. Contingent Reward was correlated with overall organizational commitment ($r = 0.22, p < .01$) and also with all its three dimensions affective commitment ($r = 0.21, p < .01$), Continuance commitment ($r = 0.14, p < .05$) and normative commitment ($r = 0.25, p < .01$). Co-worker was correlated with overall organizational commitment ($r = 0.11, p < .05$) and also with its two dimensions affective commitment and normative commitment with r values of ‘0.09’ and ‘0.13’ respectively with $p < .05$.

Table 3 Means, standard deviations, and correlation matrix of sample group (n=401): Pearson coefficient correlation measures

Variables	M	SD	1	1.1	1.2	1.3	1.4	1.5	1.6	1.7	1.8	1.9	2	2.1	2.2	2.3
1 Job satisfaction	3.66	0.35	1	0.56**	0.56**	0.43**	0.57**	0.54**	0.22**	0.41**	0.43**	0.39**	0.34**	0.35**	-0.05	0.30**
1.1 Pay	2.96	0.74		1.00	0.31**	0.16**	0.51**	0.22**	0.02	0.07	0.09	0.06	0.19**	0.18**	0.01	0.15**
1.2 Promotion	3.17	0.75			1.00	0.33**	0.26**	0.22**	0.11*	0.16**	0.16*	0.12*	0.29**	0.29**	0.03	0.08
1.3 Supervision	4.47	0.73				1.00	0.07	0.10*	0.09	0.18**	0.03	0.08	0.02	0.08	0.07	0.01
1.4 Fringe Benefits	3.12	0.73					1.00	0.33**	0.02	0.09	0.11*	0.06	0.21**	0.23**	0.00	0.20**
1.5 Contingent Reward	3.44	0.82						1.00	-0.07	0.19**	0.16**	0.09	0.22**	0.21**	0.14*	0.25**
1.6 Operating Condition	3.51	0.88							1.00	0.03	0.02	0.06	0.01	0.00	0.09	0.03
1.7 Coworker	4.38	0.66								1.00	0.08	0.07	0.11*	0.09*	0.04	0.13**
1.8 Nature of Work	3.67	0.85									1.00	0.07	0.10	0.08	0.04	0.12*
1.9 Communication	4.23	0.80										1.00	0.01	0.02	0.09	-0.01
2. Organizational Commitment	3.31	0.67											1.00	0.89**	0.05	0.81**
2.1 Affective commitment	3.15	0.67												1.00	0.03	0.80**
2.2 Continuance Commitment	3.84	0.64													1.00	0.06
2.3 Normative Commitment	3.07	0.64														1.00

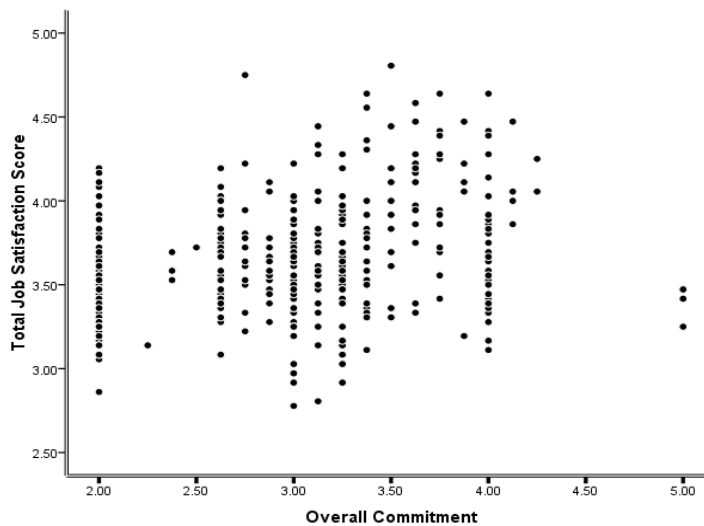


Figure 3 A scatter diagram plotted b/w bank employee's overall job satisfaction and organizational commitments levels

Discussion

The study has contributed to the understanding of banking employees work related attitudes by taking the opportunity of working with bank managers from various branches to expand the current knowledge on banking employee's job satisfaction and an organizational commitment measures. The results of the present research support the contention that job satisfaction helps link an individual to an organization through organizational commitment. The study has revealed that demographic characteristics play an important role in evaluating job satisfaction and organizational commitment. Employees of different ages, profiles and experiences bring different perspectives to the workplace, and are also likely to need different types of support so that they can make their best contributions at work. Also this work related attitudes hold a significant

positive relationship between them in Thai banking sector. Some of the results supported the previous research done on job satisfaction and organizational commitment in other service sectors, but some aspects did not seem to apply on Thai banking sector.

Finally, research findings has also examined the current levels of job satisfaction and organizational commitment in banking sector and also highlighted the weak areas that needs an immediate attention which could really help to overcome the problem of high employment turnover. Therefore, Thai bank organizations would need to focus on how to foster job satisfaction and commitment measures to reduce high employee turnover intentions in banking sector. The findings of this study provide insights into banking employees work attitudes, so this information can be useful to bank organizations, personnel researchers, organizational behavioral



scientists, and management practitioners. Although this study begins to inform the work related attitudes and their relationship for Thai bank workers in Bangkok, but they may not generalize to other locations, requiring additional research in other settings.

Implications for business

Building knowledge based on what causes an employee to feel satisfied, committed and loyal during their work tenures can result in wellbeing of both organizations and workforce. If organizations somehow managed to increase employee job satisfaction it is not only going to benefit them, but it will also benefit the business/organization as a whole. Many studies have shown how management strategies can help to increasing employee job satisfaction lead to a more productive workforce and a more success business overall. This study has helped determining the job satisfaction and organizational commitment level among banking sector employees in Bangkok. Study also highlighted the individual items that need an immediate attention such as pay, promotion, benefits and rewards systems in banking sector which has been found main reason to cause disappointments among employees.

The results could be evidence and one of the main reasons for high employee turnover rate in banking sector. Study revealed that employees were not found strongly committed towards their jobs, rather have shown continuance commitment which states that an employee may commit to the organization because he/she perceived a high cost of losing organizational

membership. This includes things like economic costs such as pension accruals, social costs such as friendship ties with coworkers would be costs of losing organization membership. But an individual does not see the positive costs as enough to stay with an organization. Allen and Meyer (1991) identified a strong link between organizational commitment and employee turnover, and concluded that employees who were strongly committed to the organization were less likely to leave it. So, one of the major implications from this research are that managers/seniors in an organizations could step ahead and foster job satisfaction and commitment within their organization to reduce employee turnover intentions. In addition, employees who are committed to their organization may be more willing to participate in 'extra-role' activities, such as being creative or innovative, which frequently guarantee an organization's competitiveness in the market (Katz & Kahn 1978).

Research recommendation

The present research findings shown that employees understood that the value of benefits they received in banking industry were not competitive enough with similar organizations. Employees did not feel fully participated in reward development and initiatives. Findings suggest that top management needs to intervene and look into the aspect of employee benefit and employee involvement in the reward system. To enhance the job satisfaction level of the employees, the organizations should concentrate mainly on the incentive and reward structure rather than only supervision, nature of work and



communication. The organization also should have essential communication strategy on progress report of rewards policies either by coming up with a new policies and handover employees a written handbooks of newly build reward policies focusing on both monetary and non-monetary satisfaction, both are considered as important in job satisfaction. Better rewarding system should be in place and the policies to be formulated and implemented.

Further, a feedback sessions or surveys inside an organization can helps to reveal the feelings of an employees about new policies and this would also help an organizations to see how its helping employees in terms of new implemented reward structure and on employee satisfactions and commitment scale. Management should pay their attention on providing satisfying salary for employee contribution. More emphasis should be given to opportunities for promotion and develop their skills and abilities of non-managerial level employees. Top management should formulate device and implement, compensation and reward strategy in order to enhance the attainment of overall organizational goals and its performance with a view of getting the best contributive and supportive effects from employees through higher employee job satisfaction.

Employees are the crucial part of the organizations and based on research findings that job satisfaction is greatly affected by the current pay and reward system. Management should ensure that new reward system is effective enough and competitive to influence employees to work harder. Researcher also recommends a higher educational

program (Masters and Above Masters) that needs to be implemented for deserving employees in banking sector. Education always helps people to think broad, helps in decision making and generally assumed to build a right perspective in an individual to perceive things. It can be seen that people on the senior and higher managerial level in banking sector were just limited to bachelors qualification. Management or Top hierarchy in banking sectors could implement a reward structure in terms of higher studies, and sponsorship programs for deserving candidates based on bonds. This way employee's would have an opportunity to continue higher studies along with the work , which finally will contribute to organizational goals and success in terms of highly qualified workforce and better decision making inside the organization . Also sponsored employees will be committed to provide long tenures and helps in overcome turnover rate and encourage employee retentions.

Limitation

Although this research attempted to examine the relationship between job satisfaction and organizational commitment, the study was conducted in only few crowded areas and private bank branches in Bangkok. So the samples were not enough to conclude satisfaction, commitment levels and other findings for whole banking sector. Moreover, the data has been collected only from banking sectors and focus strictly on private, local and commercial banks, so the results may not be generalize to other locations and industries.



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