

A STUDY IN EMPLOYEES' PERCEPTION ON ORGANISATIONAL COMMITMENT WITH SPECIAL REFERENCE TO NEYVELI LIGNITE CORPORATION LIMITED, NEYVELI

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Abstract- Each individual is directly or indirectly in the position of being a member of the organization. At this point, carrying on their activities successfully and reaching their determined goals will probably bring about some gains both for the organizations and the employees. It is stated that the employees' high level of organizational commitment relates to the employees who take people into consideration, have a supportive and participative leadership approach, agree with the decisions take and who is fair in the distribution of gains. The purpose of this study is to determine the employee perception on organizational commitment. Questionnaire method was used for data collection. The collected was analyzed with the statistical methods.

Index Terms- organizational commitment, job satisfaction, employee perception and job performance

I. INTRODUCTION

Drastically changing the global scenario has geared the corporate, industrial houses themselves to meet the challenges and organizational commitments in accordance with the changing situation. All these factors are interdependent and they together influence productivity. Keeping in view the workload of the production units, the responsibilities of the managerial personnel can hardly be overemphasized. They play a significant role in decision-making and resource allocates roles in an organization. They are responsible to implement the decisions of higher management and carry out effective coordination of interdepartmental activities.

It is increasingly realized that people working in organizations have their own needs, motivations and expectations and that their contribution to the organization is more than that of any other resource being used. No organization can be run successfully unless the human resource is managed well.

The proficiency of the human factor in accomplishing things can be improved and there by organizational effectiveness can be achieved. This study thus tries to identify the impact of organizational commitment and employee performance over the job. Satisfaction in connection with the employees behavioral factors in the organization. The commitment to the organization is an important behavioral dimension which can be utilized to evaluate employee strength of attachment.

The Organizational Commitment is on the extent to which employees identify with organizational goals, values, organizational membership and intend to work hard to attain the overall organizational mission. Organizations, in both the public and private sectors have been putting their efforts toward productivity, which is characterized by a search for strategies to improve the contribution of the individuals and organizations to enhance their performance. Despite deep and extensive changes that exist in the economic and social system of the world and the new definitions that have been presented in regard to the relations between the individual and the organization, the thought of commitment is still the subject of many management surveys and studies.

II. IMPORTANCE OF THE STUDY

The lack of Organizational Commitment and the inefficiency arising out of it is reflected everywhere. This may lead to low productivity, high turnover and to the decline of profitability and the overall performance of the co-operatives. It is the performance of the human resources, which decide the success of the organization. The Organizational Commitment of managing the people is important from the point of view of their having to cope with the problems arising out of their role, design and functioning effectively. Organization commitment to employee can be achieve through various motivation, incentives, however, they cannot easily be achieved due to some problems based on the fact. That in what way can employer and employee be committed, and how can organization continually meet the requirement and make use of employee performance. Organizations value commitments among their employees because it is typically assumed to reduce the withdrawal behaviour, such as appear to have potentially serious consequences for overall organizational performance.

III. SCOPE OF THE STUDY

The organizations in both the public and private sectors have been putting their efforts toward creating performance culture, which is characterized by a search for strategies to improve the contribution of both individuals and organizations to enhance the performance. The most important determinant of dedication and loyalty. Effectively committed employees considered to be having a sense

of belonging and identification exhibit their increased involvement in the organization's activities and their desire to perform well in the organization. The perception that the organization values their wellbeing evidently leads employees' to identify the organization's wellbeing with their owners. This study portrait the behavioral aspects of the employees of the firm, exhibiting their commitment to the organization.

IV. OBJECTIVES OF THE STUDY

1. To determine the factors influencing Organizational Commitment in Neyveli Lignite Corporation.
2. To find out the employees perception towards organizational commitment and job performance.
3. To analyze the effects of organizational commitment and its influence over job satisfaction and job performance.
4. To provide suitable suggestions to enhance organizational commitment and employees job performance.

V. LIMITATIONS OF THE STUDY

The following are the limitations of the study

1. The study is conducted in the selected units of the organization NLC Ltd. due to time constraints.
2. The study limits with only the executive employees of the organization for its analysis.
3. The findings of the study may vary due to the future environmental changes.
4. The survey questions were not clearly interpreted by the respondents and the answers were the personal opinion of the respondents. Hence it may not be generalized.

VI. REVIEW OF LITERATURE

Employee commitment has a strong linkage with employee autonomy. An employee with high job autonomy in most cases with high employee commitment. These committed employees with high job autonomy has a high possibility of performing their job as well as they are valued by the organization and they have a strong sense of belonging to the organization which makes they have a negative relationship with the intention to leave the organization. This explains the positive relationship between employee commitment and employee's job performance. Furthermore, employees with high commitment are less likely to have the intention to leave the organization for other employment (Mathieu & Zajac, 1990).

Batemen and Strasser (1984) state that the reasons for studying organizational commitment are related to "employee behaviors and performance effectiveness, attitudinal, affective, and cognitive constructs such as job satisfaction, characteristics of the employee's job and role, such as responsibility and finally personal characteristics of the employee, such as age, job tenure" According to **Meyer et al., 1993**, job satisfaction was found positively correlated with affective commitment. Employees are continually re-evaluating their commitment to an organization. They want and expect particular outcomes for the effort they give to the organization (**Brown, 1996**).

Employee's perception is so important in every organization that how people feel may affect the decision they make or their

behavior towards work which this may affect the performance of an organization as a whole. When employees perceived the organization is not committed to them, they may be inserting less effort in doing their daily work and this is commonly known as organizational behavior. Employees who have this kind of perception may not be necessary based on the reality, but it is merely a view of them in a situation. (**Robbins et al. 2004, p.132**).

Organizational commitments toward employee satisfactions have results for 0.322 with a path coefficient and T value 1,988. Results Q value is greater than the significance level of 5%, thus significantly influence the organizational commitment to employee satisfaction. These results support the research **Cable and DeRue (2002)** which states that organizational commitment significantly influence employee perceptions about the job. These results are consistent with the statement **Reinardy (2012)** that the results of a national survey of newspaper journalists to prove that organizational commitment, employee perceptions about job significantly influence employee attitudes and satisfaction of employees in the workplace.

Tarigan and Ariani (2014) states that organizational commitment significantly influence employee perceptions about the job. Organizational commitments toward work perceptions have the results of path coefficient of 0.850 with a T value 1,988. Results T value is greater than the significance level of 5%, so the organizational commitment significantly influences the perception of the work. These results support the research **Joo and Park (2010)** which states that organizational commitment significantly influence employee perceptions about the job.

Further research **Slack et al, (2010)** conducted a study of 900 companies in the United States found that organizational commitment established by organizational vision will shape the perception of employees regarding their work will then form behavior with respect to the employee work satisfaction.

VII. RESEARCH METHODOLOGY

The methodology section describes the research design, participants, procedures, survey instruments, and structural equation model used to test the hypotheses. It is separated into sampling measures, reliability test, data collection as well as data analysis.

Sampling

To achieve the objectives of this study, sampling data was collected from 300 respondents by simple random sampling technique.

Instruments

With the help of structured questionnaires which were organizational commitment perception and employee job satisfaction, data were collected from the employees.

Organizational commitment and Employee's job performance measure

This questionnaire was applied to know the employee perceptions on organizational commitment of the employees. It was validate and urbanized by William and Anderson]. Responses were recorded at 5 point - Likert scale, 1=strongly disagree and 5=strongly agree. It has four items and high score shows high job performance and low score shows low job performance

VIII. DATA ANALYSIS

Reliability Statistics

The Reliability Statistics Table which gives the incentive to Cranach alpha, which for this situation is .752 and reflects the high reliability of the estimating instrument. Besides, it shows the abnormal state of inner consistency regarding the specific sample.

Table –1
Reliability and validity of the data

Cranach alpha	Reliability
Perception of the employees on commitment	0.752

Source: Output generated from SPSS 20

TREE STRUCTURED ANALYSIS FOR EMPLOYEE PERCEPTION ON COMMITMENT

Graphical tree model displays are among the most useful, because they allow navigation through the entire tree as well as drill-down to individual nodes. Classification and regression trees are becoming increasingly popular for partitioning data and identifying local structure in small and large datasets. Classification trees include those models in which the dependent variable (the predicted variable) is categorical. Regression trees include those in which it is continuous. Trees can be used to model functions as though each end point will result in the same predicted value, a constant for that endpoint. Thus, regression trees are like classification trees except that the end pint will be a predicted function value rather than a predicted classification. Instead of using the Gini Index the impurity criterion is the sum of squares, so splits which cause the biggest reduction in the sum of squares will be selected. In pruning the tree the measure used is the mean square error on the predictions made by the tree. Tree analysis model summary, gain node summary and Risk of the model are presented in the below table. Tree Diagram for employee perception of commitment is shown in the below.

Figure –1

Tree Diagram for the employee perception on commitment

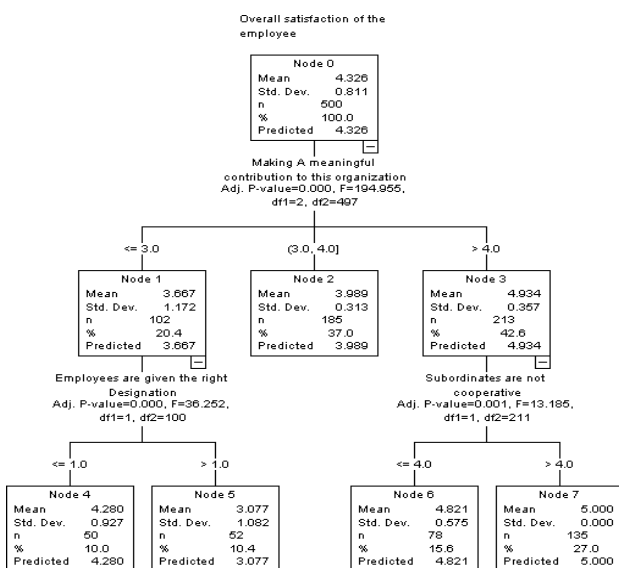


Table – 2
Model summary of employee perception on commitment

Specifications	Growing Method	CHAID
	Dependent Variable	Overall satisfaction of the employee
	Independent Variables	Mode of ascertaining Vacancies, Selection procedure, Selecting the right person for the right job, Training is important, Employees are adequately rewarded, Promotions are denied, Employees are given the right Designation, Making A meaningful contribution to this organization, Do not get importance, Subordinates are not cooperative
	Validation	None
	Maximum Tree Depth	3
	Minimum Cases in Parent Node	100
	Minimum Cases in Child Node	50
Results	Independent Variables Included	Making A meaningful contribution to this organization, Employees are given the right Designation, Subordinates are not cooperative
	Number of Nodes	8
	Number of Terminal Nodes	5
	Depth	2

Source: Output generated from SPSS 20

Table – 3

Risk of the model for employee perception on commitment

Estimate	Std. Error
.290	.053
Growing Method: CHAID	
Dependent Variable: Overall satisfaction of the employee	

Source: Output generated from SPSS 20

Table – 4

Gain summary for nodes for employee perception on commitment

Node	N	Percent	Mean
7	135	27.0%	5.00
6	78	15.6%	4.82
4	50	10.0%	4.28
2	185	37.0%	3.99
5	52	10.4%	3.08

Growing Method: CHAID
Dependent Variable: Overall satisfaction of the employee

Source: Output generated from SPSS 20

From tree analysis model summary “Making A meaningful contribution to this organization, Employees are given the right Designation, Subordinates are not cooperative” are important independent variables. These variables are contributing more towards employee perception on commitment. The result determines the fact that almost all the attributes under employee opinion towards the perception on commitment in the selected organization are important and the most influencing factor is identified as ‘Making A meaningful contribution to this organization,’ of the respondents. The employee opinion towards the perception on commitment is considered obligatory. This factor is interpreted more indicative to evaluate employee commitment to the organization among all other statements of opinion. Hence, among all other attributes under employee’s opinion towards the perception on commitment in the selected organization, the above said statements are statistically significant and thus identified as the most influencing variables.

IX. FINDINGS

The identified mean for all the attributes of the employees perceived opinion towards organizational commitment in the NLC Ltd considered for the study infers that the factors, ‘Mode of ascertaining Vacancies, Selection procedure, Selecting the right person for the right job, Training is important, Employees are adequately rewarded, Promotions are denied, Employees are given the right Designation, Making A meaningful contribution to this organization and Subordinates are not cooperative’ falls on the scale ‘Neither Agree nor Disagree’ as the mean is not equal to The attributes such as ‘Do not get importance’ falls on the scale ‘Agree’ as the mean is equal to the standard deviation of the respective attribute shows that all the attributes deviates from the scale ‘Neither Agree nor Disagree’ to ‘Agree’. However, the standard deviation alone is not particularly useful without a context within which one can determine a meaningful result.

The dimension “The employee perception on commitment” comprises 10 statements. Out of ten statements, three statements contribute more towards the employee perception on commitment. The statements are 1. Training is important, 2. Promotions are denied and 3. Do not get the importance. All the attributes under employees opinion towards the perception on commitment in the selected organization are important and the most influencing factors are identified as ‘Training is important’, ‘Promotions are denied’ and ‘Do not get the importance’ of the respondents. The employee’s opinion towards the perception on commitment is considered obligatory. This factor is interpreted more indicative to evaluate employee commitment to the organization among all other statements of opinion. Hence, among all other attributes under employee’s opinion towards perception on commitment in the selected organization, the above said statements are statistically significant and thus identified as the most influencing variables.

From tree analysis model summary “Making A meaningful contribution to this organization, Employees are given the right Designation, Subordinates are not cooperative” are important independent variables. These variables are contributing more towards employee perception on commitment.

The employee perception on commitment with respect to “Making A meaningful contribution to this organization” is contribute more towards the output of overall satisfaction of the employees. The result determines the fact that almost all the attributes under employees opinion towards perception on commitment in the selected organization are important and the most influencing factor is identified as ‘Making A meaningful contribution to this organization,’ of the respondents. The employee’s opinion towards perception on commitment is considered obligatory. This factor is interpreted more indicative to evaluate employee commitment to the organization among all other statements of opinion. Hence among all other attributes under employee’s opinion towards perception on commitment in the selected organization, the above said statement is statistically significant and thus identified as the most influencing variable.

X. SUGGESTIONS

The presence of organizational commitment to employees can be used to gain employees support for organization and in turn maximize the benefits it receives from their employee with greater productivity and individual performance seems to increase in the same proportions. Organizational commitment and employee productivity issue are emerging as the most critical workforce management challenges of the past, present and immediate future driven by, and employee satisfaction. A well-managed organization usually sees an average worker as the root source of quality and productivity gains, to capital investment. An organization is effective to the degree to which it achieves its goals. An effective organization will make sure that there is a spirit, of cooperation and sense of the sphere of its influence. Many successful organizations are strongly committed to looking after their employee needs because they believe that organization that foster employee satisfaction can secure a greater employee commitment. This study emerges with some useful suggestions to the industrial sectors regarding the organizational commitment that can be enforced to achieve employee performance, productivity and satisfaction.

The perception of the permanent employees shows that the workload, job rotation, accommodation, job stress, health problem, economic benefits and career development also have affected the job satisfaction. The organization has to consider the problems and necessary actions have to be taken for the welfare of permanent employees. The management of the NLC may conduct regular motivational programs to identify key factors of job satisfaction and involvement in various categories of employees. A review committee may be constituted to look after the employee's job satisfaction and commitment aspects. Employees should be invited periodically to contribute, by sharing their skill, knowledge and ability in improving organizational excellence. This would promote a good mental health among the employees.

XI. CONCLUSION

Organizational commitment is an attitude toward employee’s involvement and loyalty to the organization and a consistent process in which people's cooperation with organizational decisions encompass their attention to organization and its

success. As a whole, lack of commitment and low level commitment incur negative consequences for organization and individual. Turnover, too much absence, lack of job involvement, low quality job, lack of organizational loyalty, illegal activities against the organization, vilification and cavil about the organization, decreasing customer's reliability and income are instances of these consequences. Human relations create amicable atmosphere in any organisation. It is very much wanted in the times of Globalization, Liberalisation and Privatization of the economy which have accelerated the economic development of our vast country. Especially in public sector undertakings like NLC would certainly have to play a bigger role in the economic development of India. Otherwise, they will be overtaken by other competitors. So Industrial and human relations in public sector undertaking must be created in an effective manner by 100 per cent co-operation between every managerial level employees. NLC is not an exception to this changing economic environment. From this study it is evident that the corporation is having good employee commitment and better relation between its management and employees in spite of some lapses here and there that affects the overall job performance in the organization.

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