ORGANIZATIONAL COMMITMENT AND JOB SATISFACTION
OF EMPLOYEES IN A RETAIL ESTABLISHMENT

Charlene Nisola-Blance and Carmen C. Menes*
*ccmenes@gmail.com
La Consolacion College Bacolod

ABSTRACT. The employees’ commitment to the organization and satisfaction to their job emerge to be among the major contributing factors to organizational efficiency and effectiveness. This descriptive study determined, compared and correlated the level of organizational commitment and job satisfaction of rank and file of a retail establishment. Comparisons were made based on the following groupings: age, sex, civil status, the length of service, and educational attainment. Respondents were randomly selected to answer the survey questionnaire on the organizational commitment that was adapted from Allen and Meyer and the job satisfaction questionnaire that was adapted from Salisbury University. Data were statistically analyzed using the mean, standard deviation, t-test, one-way analysis of variance and Person product moment coefficient of correlation. Results reveal that employees of the retail establishment are satisfied and have a slightly high organizational commitment. Their job satisfaction and organizational commitment significantly vary when they are grouped and compared according to civil status and educational attainment. Their job satisfaction is significantly related to their organizational commitment. The slightly high organizational commitment of employees signals that the management has to explore various ways to make the employees feel a strong attachment to the organization.

Keywords – Job Satisfaction, Organizational Commitment, descriptive-survey, Central Philippines

INTRODUCTION

Organizations thrive on people (Bakker and Schaufeli, 2008). The human resources in the organization are among the most important means of developing the competitive advantage of the organization (Lussier and Hendon, 2013; Bartlett and Ghoshal, 2002). One of the roots of competitive advantage is excellence at work (Evans, 2013) where the degree of organizational commitment is also a major factor (Bakker and Schaufeli, 2008). Moreover, organizational commitment is considered as an important issue in any organization. Thus, organizations require committed employees (Dobre, 2013). Organizational commitment is the employee’s psychological bond to the organization, his sense of job involvement, loyalty and belief in the values of the organization (O’Reilly, 1989). From this perspective, the employee accepts the goals of their organization (Manetje and Martins, 2009).

Moreover, organizational commitment involves the faith of employees to the organization, their willingness to make an effort for the organization (Manetje and Martins, 2009) and their desire to maintain cooperation between employees (Medina, 2011; Tsolaki, Tsironi, Tzavella, Lavdaniti and Zyga, 2013). Organizational commitment is an essential construct for examining the match between individuals and organizations (Marsden, Kalleberg, and Cook, 1993). One popular theory in organizational commitment is the three-component model (TCM) developed by Meyer and Allen (1991). The model describes that organizational commitment has three distinctive components, namely, affective, continuance and normative commitments. The concept introduced by the model is that the employee stays because he wants to, he needs to or he ought to stay.
On the other hand, organizations are not possible to succeed without the efforts and commitment of their employees (Tsolaki, Tsironi, Tzavella, Lavdaniti and Zyga, 2013). Organizational commitment gives a deep impact on job satisfaction (Anis, Khan, and Humayoun, 2011; Adekola, 2012). Various studies have attempted to measure its impact on organizational performance (Spector, 1997), and one of the results revealed that commitment to the organization can contribute substantially to the increment of job satisfaction (Lussier and Hendon, 2013). In any way, job satisfaction consists of the perception of a person toward his job and it shows one’s view toward a job and an organization (Naji, 2011; Naji, Taboli and Zolfaghari, 2012). Furthermore, job satisfaction refers to a set of favorable and unfavorable emotional feelings with which an employee views his work (Nudrat, Asdaque, Nawaz, and Haider, 2011) and organization, and this depends on the experience of an employee at work and the values or desires that the employee brings to the workplace.

The benefits that job satisfaction can offer to both employer and employee are an important concern. When people are satisfied with their jobs, certain advantages become possible, and this may include but not limited to high productivity, a stronger tendency to achieve customer loyalty, loyalty to the company, better life satisfaction (Medina, 2011). Kim, Price, Mueller and Watson (1996) aver that job satisfaction has a reasonable relationship with intention to stay and motivation.

Like job satisfaction, organizational commitment influences whether a person remains on the job (Isip, 2013). A highly committed person will probably see herself as a real member of the firm (Moorhead and Griffin, 2012). Understanding the major factors that contribute to promoting the value of satisfaction and commitment among employees is a fundamental part of the management process particularly managing the people at work. The factors that play a role in the development of emotional commitment of employees (Tsolaki, Tsironi, Tzavella, Lavdaniti, and Zyga, 2013) to the organization should be fully understood by managers.

According to Bateman and Snell (2007), job satisfaction is of particular importance for relationship-oriented service employees such as in a retail establishment. It is imperative to understand job satisfaction and organizational commitment of employees in a retail establishment. As a result, it may add new knowledge which can be used to improve organizational practices for the maintenance of committed and satisfied employees. The researcher took the opportunity to conduct the study in a rapidly growing retail establishment since the management has decided to minimize the services of outsourced workers by increasing the number of regular employees. Having a clear picture of the employees' job satisfaction and commitment towards the company and their jobs will help not only the company in the achievement of organizational goals but also the employees in the realization of the importance of their role in the establishment. Results of this study may also guide the management in formulating human resource policies and programs for a more satisfied and committed workforce.

Framework

Frederick Herzberg’s Two Factor Theory (Bateman and Snell, 2007) implied that organizations should create interesting jobs to motivate people. The theory recognized two broad categories of factors that affect people working on their jobs. The first category, Hygiene Factor, is the characteristics of the job (Bateman and Snell, 2007). According to Robbins and Coulter (2012), extrinsic (dissatisfier, hygiene) factors include pay, job security, working
conditions status among other. These factors can make people unhappy if they are poorly managed.

The theory also explained that the key to real job satisfaction and motivation to perform the task lies in the second category: the motivators that described the job itself that is, what people do at work. According to Bateman and Snell (2007), motivators are the nature of work itself, the actual job responsibilities, the opportunity for personal growth and recognition and the feelings of achievement the job provides.

On the other hand, Locke’s Value-percept theory argued that job satisfaction depends on the perception of a person whether the job supplies the things that he value (Colquitt, Lepine, and Wesson, 2011). The theory suggests that people evaluate job satisfaction according to specific “facets of the job” which includes pay satisfaction, promotion satisfaction, supervision satisfaction, co-worker satisfaction, and satisfaction with work itself.

As explained by (Colquitt, Lepine, and Wesson, 2011), pay satisfaction refers to employees’ feelings about their pay, including whether it is as much as they deserve, secure, and adequate for both regular expenses and luxury. On the other hand, promotion satisfaction refers to employees’ feelings about the company’s promotion policies and their execution, including whether promotions are frequent, fair, and based on ability (Aslaniyan and Moghaddam, 2013). Moreover, supervision satisfaction reflects employees’ feeling about their boss, including whether the boss is competent, polite, and a good communicator (Moorhead and Griffin, 2012). Also, co-worker satisfaction refers to employees’ feelings about their fellow employees, including whether coworkers are smart, responsible, helpful, fun, and interesting as opposed to lazy, gossipy, unpleasant, and boring. Lastly, satisfaction with the work itself reflects employees’ feeling about their actual work tasks, including whether those tasks are challenging, interesting, respected, and make use of critical skills rather than being dull, repetitive, and uncomfortable (Aslaniyan and Moghaddam, 2013).

John Meyer and Natalie Allen, commitment experts, explicitly gave the components as affective commitment, continuance commitment, and normative commitment (Medina, 2011).

Affective commitment is a positive emotional state in which employees want to exert effort and choose to remain with the organization (Newstrom, 2011). Usually, affective commitment is what we think of when we talk about organizational commitment because it means someone has a strong positive attitude toward the organization (Colella, Hitt, and Miller, 2011).

Continuance commitment refers to the employees’ tendency to remain in an organization because he cannot afford to leave (Medina, 2011). Continuance commitment encourages employees to stay because of their high “investments” in the organization (time and effort) in the economic and social losses they would incur if they left (Newstrom, 2011). Continuance commitment means that they are committed to the organization because they do not have any better opportunities (Colella, Hitt, and Miller, 2011).

Normative commitment is the choice to stay attached because of a strong cultural or familial ethics that drive them to do so (Newstrom, 2011). Normative commitment means that someone is committed to the organization because he feels he should be (Colella, Hitt, and
Miller, 2011). A normatively committed person stays with their organization because he does not want to let his co-workers down.

Employee’s attitude at work is a challenge to the management. Job satisfaction and organizational commitment are two important attitudes employees should have (Moorhead and Griffin, 2012). This study aimed to understand the relationship between these two important attitudes.

Important aspects of job satisfaction such as general working conditions, pay, and promotional potential, work relationship, use of skills and abilities, work activities, and supervision and leadership were also accounted for in this study. On the other hand, aspects of organizational commitment such as affective commitment, continuance commitment, and normative commitment were also given equal importance.

In a study on the relationship between job satisfaction, organizational commitment and turnover intention of employees in a retail company in Malaysia by Salleh, Nair and Harun (2012) variables such as age, gender, educational level and employment years were considered. Also, Suki, Suki, and Gumbang (2010) examined gender in their study on the differences in job satisfaction and organizational commitment among male and female employees where they found out that both sexes have the same level of job satisfaction but a different level of organizational commitment. Moreover, Isip (2013) found a high positive correlation between job satisfaction and organizational commitment, a significant difference in their job satisfaction and organizational commitment as per the gender, educational attainment, assignment, and salary category.

Similarly, this study looked into the level of and relationship between job satisfaction and organizational commitment of employees taking into account the age, sex, educational attainment, civil status and length of service of the employees (refer to Fig. 1).

---

**Figure 1. Schematic Diagram**
Objective of the Study

The study determined, compared and correlated the level of organizational commitment and job satisfaction of rank and file of a retail establishment. Comparison was made based on the following groupings: age, sex, civil status, length of service, and educational attainment.

METHODOLOGY

The study used the descriptive design since it described the characteristics or behaviors in a systematic and accurate fashion (O’Leary, 2013) of the rank and file employees of a retail establishment and studied the relationship of variables (Amante, Atienza, and Mendoza, 2008) which are organizational commitment and job satisfaction.

The company employs 48 contractual/casual and 131 regular/permanent employees. A sample of 99 employees was computed using Lynch’s formula. The respondents were chosen from the regular/permanent employees only using simple random sampling. The contractual/casual employees were not included. The sampled employees were dominantly male, young, single, short length of service and had either reached or finished a collegiate degree.

The questionnaire is divided into two parts. The first part was adapted from Allen and Meyer’s (1990) 24-item Likert Scale Organizational Commitment Questions. The items were distributed into three areas namely, Affective, Continuance and Normative Commitments. The second part was adapted from Salisbury University (2011) 18-item Job Satisfaction Questionnaire. The items were distributed into six aspects, namely, General Working Conditions, Pay and Promotional Potential, Work Relationship, Use of skills and abilities, Work Activities, Supervision and Leadership.

Data were analyzed using descriptive and inferential statistics. Statistical tools used include the mean, standard deviation, t-test, one-way analysis of variance, Scheffe’s test for post hoc analysis and Pearson product moment coefficient of correlation with alpha set at 0.05.

RESULTS AND DISCUSSION

Job Satisfaction. The employees of the retail establishment were satisfied in each of the six aspects of their job, namely, general working conditions (3.78±0.58), pay and promotional potential (3.51±0.81), work relationship (3.75±0.67), use of skills and abilities (3.84±0.67), work activities (3.78±0.60), and supervision and leadership (3.65±0.80), thus, resulting in a satisfied overall job satisfaction (3.72±0.56). Since the rank and file employees are satisfied with their jobs, this would imply that they also find pleasure and are motivated in their work. Looking the details, the employees’ responses on pay and promotional potential is the most widely dispersed (sd = 0.81) while the use of skills is the highest. This could be attributed to the fact that there are more employees receiving the minimum wage. The use of their skills and abilities are contributory to the attainment of the establishment’s growth.

The employees’ job satisfaction in this establishment is opposite to the moderate job satisfaction of teachers of a university in the Philippines (Chavez, 2012). Bakker and Schaufeli (2008) aver that job satisfaction breathes out pleasure and is the source of motivation for all the participants and members of the organizational hierarchy. With the ever-changing demands of the customers and nature of work in a retail establishment, it cannot just end with
satisfied employees but initiate human resource programs or activities that would raise their employees’ satisfaction to a higher level; that is making their employees highly satisfied. The company may explore the factors that contributed to the heterogeneity of the employees’ satisfaction in the area of supervision and leadership. Since this study did not look into the relationship of employees demographic characteristics, further studies can also be done in this area.

Moreover, looking into the different groups, younger employees (3.74 ±0.52) have slightly higher job satisfaction than their older counterpart (3.68 ±0.63), yet the difference is not significant (p-value=0.57); male employees (3.70 ±0.57) have slightly lower job satisfaction than the female group (3.79 ±0.57), indicating an insignificant difference (p-value=0.50). As to civil status, the married group has lower job satisfaction (3.54 ±0.61) compared to their single counterpart (3.78 ±0.53), although the difference is not significant (p-value=0.14). In addition, the job satisfaction of employees with shorter service (3.70 ±0.55) do not significantly differ (p-value=0.52) with those having longer service (3.78 ±0.60). Lastly, educational attainment (p-value = 0.88) also revealed no significant differences in the employees’ job satisfaction.

Age, sex, civil status, length of service and educational attainment do not influence the employees' job satisfaction. The level of education of the employees has no bearing on job satisfaction. This may be attributed to the ‘equal pay for equal work’ being practiced by the company.

In other parts of the world, a similar situation exist where demographics such as sex (Fako, Moeng, and Forcheh, 2009), and educational attainment (Petrović, Deri, Marković, Galamboš, Galamboš, and Jovičić, 2013) do not have a bearing on employees’ job satisfaction. Although in other instances, age (Al Juhani and Kishk, 2006; Saner and Eyupoglu, 2012; Usop, Kadtong and Usop, 2013), sex (Kim, 2005), educational attainment (Gurbuz, 2007; Usop, Kadtong and Usop, 2013) and length of service (Usop, Kadtong and Usop, 2013) are predictors of job satisfaction.

The company may look into other factors contributing to this phenomenon. A program that may lead to raising the level of job satisfaction of the employees may also be developed and implemented by the company.

**Organizational Commitment.** The organizational commitment of the rank and file employees is high (3.99 ±0.45) in all aspects (affective: 4.06 ±0.61; continuance: 3.88 ±0.67; normative: 4.03 ±0.45) and do not significantly vary regardless of their age (below 25yrs: 3.94 ±0.46; 25 yrs and above: 4.05 ±0.43), sex (male: 3.96 ±0.44; female: 4.07 ±0.48), length of service (below 2 years: 3.94 ±0.44; 2 years and longer: 4.11 ±0.49), civil status (single: 3.97 ±0.44; married: 4.02 ±0.44) and educational attainment (high school: 4.04 ±0.57; college level: 4.00 ±0.40; tech-voc: 3.95 ±0.35; college grad: 3.97 ±0.48). When their organizational commitment was compared considering their sex, age, length of service, civil status and educational attainment, no significant differences were seen since all p-values were less than 0.05.

The management style in the establishment may have contributed to the high commitment of the employees. From the employees’ perspective, their commitment may have been influenced by their need for a source of income for them to meet their family needs. However, there is still room for improvement and that the management can design various strategies to raise their commitment to a very high level. Among the three aspects of commitment, affective (4.06 ±0.61) or their positive emotional state of wanting to exert effort and decision to continue working in the organization (Newstrom, 2011) is their main driver of staying. Continuance commitment is the least (3.88 ±0.67) which indicates that their investment in terms of time and effort as well as possible economic and social losses if they
leave the company (Newstrom, 2011) is not very high. This could be attributed to the pay they are receiving which may be considered not highly competitive. If opportunities for better-paying jobs were available, it would not be difficult for them to decide to leave the company. Although, the longer they stay in the establishment, the more special benefits (in the form of purchase discounts) they can enjoy.

Organizational commitment is an important work attitude because committed employees are expected to display the willingness to work harder to achieve organizational goals and greater desire to stay in the organization (Kreitner and Kinicki, 2008).

The result is opposite to the findings of Marsden, Kalleberg, and Cook (1993) where men score significantly higher on the commitment scale than do women. Moreover, Cohen (1993) concluded that the relation between organizational commitment and age was strongest from the youngest group. Furthermore, Adegue (2012) have similar result in his study revealing that the level of organizational commitment to the academic institution is high with affective commitment as the greatest contributory factor.

**Relationship between Job Satisfaction and Organizational Commitment.** A significant relationship was found between job satisfaction and organizational commitment (p=0.0470). This may be attributed to the good relations of the employees with their peers and the management. Their behavior toward their fellow employees may have influenced their commitment to the organization. This is another area which the management may explore for future research. The employees’ job satisfaction and organizational commitment, which are both high, may enhance the competitive advantage of the establishment, offer benefits not only to the employees but also the employer as well.

Several studies were conducted in other parts of the world and revealed similar findings. A study (Tsolaki, Tsironi, Tzavella, Lavdaniti, and Zyga, 2013) in Greece concluded that commitment to the organization could contribute substantially to the increment of job satisfaction. Job satisfaction is highly correlated with organization commitment (Anis, Khan and Humayoun, 2011; Chavez, 2012) and organizational commitment is best predicted by job satisfaction (Peace, 1998; Chavez, 2012) while Avery, McKay and Wilson (2007) found in their study a clear positive correlation between workplace commitment and pleasure at work.

**CONCLUSIONS**

The employees in the retail establishment covered by this investigation are satisfied with their jobs. Although some employees may be satisfied in identified areas of their work and moderately satisfied in other aspects, as in the case of pay and promotional potential for female and married groups. In this world where almost all of our needs entail cost, pay and promotion matter especially to employees who have families to feed, have great responsibilities attached to their job in the company, have longer service to the company or have better educational qualification. It is, therefore, important for the management to identify factors that they can address so that they can design programs or develop strategies that would improve levels of job satisfaction among their workers.

The level of commitment of the employees is high. Organizational commitment is among the major factors in determining whether an employee will stay with the establishment and enthusiastically contribute to the attainment of organizational goals. The high organizational commitment of employees may be considered by the management in exploring various ways to make the employees feel or develop a strong feeling of attachment to the organization, that the organization is important, and they cannot just easily leave or that they have to stay because it is the right thing to do. The management can explore training,
engagement, incentives and better the human climate to strengthen their organizational commitment.

While there are many studies conducted on the relationship between organizational commitment and job satisfaction, and contradicting findings were revealed, the researchers have aimed in this investigation to verify whether previously established facts in universities, hospitals and other service businesses in other parts of world also hold true in a retail establishment in Central Philippines. As the adage says, what may be true to one may not be true to all. This paper has succeeded in validating that the reciprocal relationship between job satisfaction and organizational commitment in universities and service businesses, as presented in several studies, also holds true to a retail establishment in a small municipality in Central Philippines. Since job satisfaction is positively correlated with organizational commitment and vice versa, efforts of the management should be directed toward strengthening both satisfaction and commitment. This could be done through continual training, making them more involved or engaged, and, if the establishment can afford, improve salary and incentive package.

Employees may be considered the pieces of machinery of a company. Like pieces of machinery, employees need to be adequately maintained, given proper care, handled well, and provided with a compatible system to keep them in action for better performance and to achieve the desired result.

**LITERATURE CITED**


