# THE RELATIONSHIP BETWEEN JOB CHARACTERISTICS AND JOB SATISFACTION TOWARD AFFECTIVE COMMITMENT: THE CASE OF ENGINEERS IN SEPAKAT SETIA PERUNDING SDN BHD.

by

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#### **ABSTRAK**

Komitmen Organisasi telah dikaji dengan meluas sebagai satu factor penting dalam pengekalan dan motivasi pekerja. Menurut Meyer and Allen (1991), komitmen afektif adalah satu semangat kekitaan dan identiti yang meningkatkan penglibatan mereka dalam matlamat organisasi dan keinginan mereka untuk terus kekal bersama organisasi. Maka, ia telah dianggap sebagai satu penentu penting dalam dedikasi dan kesetiaan. Sebagai firma perunding kejuruteraan dalam industri perkhidmatan yang amat kompetitif ini, pekerjapekerja adalah aset yang paling penting yang perlu dikekalkan di dalam organisasi. Tujuan penyelidikan adalah untuk mendedahkan faktor-faktor yang mempengaruhi komitmen afektif antara jurutera-jurutera di Sepakat Setia Perunding Sdn Bhd (SSP). Hipotesishipotesis yang dibangunkan dalam kajian ini ialah "Sifat-sifat pekerjaan nyata sekali berkaitan dengan komitmen afektif" (H1) dan "Kepuasan kerja nyata sekali berkaitan dengan komitmen afektif" (H2). Metodologi penyelidikan yang dipilih untuk kajian ini ialah kajian kuantitatif, bukan-eksperimental, analisis tinjauan, yang digunakan untuk menilai hubungan antara satu pembolehubah bebas (kepuasan kerja dan sifat-sifat pekerjaan) dengan satu lagi pembolehubah bergantung (komitmen afektif antara jurutera-jurutera di SSP). Instrumen-instrumen ukuran yang terlibat di dalam kajian ini terdiri daripada Job Diagnostic Survey, Minnesota Satisfaction Questionnaire dan Meyer and Allen (1997) Affective Commitment Scale masing-masing untuk menilai sifat-sifat pekerjaan, kepuasan kerja dan komitmen afektif. Terdapat 93 jurutera di SSP telah mengambil bahagian dalam tinjauan ini. Hasil analisis menunjukkan sifat-sifat pekerjaan dan kepuasan kerja secara statistiknya adalah berkait penting dengan komitmen afektif. Maka, kajian ini menyarankan bahawa jurutera-jurutera yang mempunyai nilai sifat-sifat pekerjaan dan kepuasan kerja yang lebih tinggi lebih cenderung terikat secara emosi dengan organisasi.

#### **ABSTRACT**

Organizational commitment has been extensively researched as an important factor in employee retention and motivation. According to Meyer and Allen (1991), affective commitment is a sense of belonging and identification that increases their involvement in the organization's goal and their desire to remain with the organization as thus, it was considered as an important determinant of dedication and loyalty. As an engineering consulting firm in this highly competitive service industry, employees are the most important asset which needs to be retained in the organization. The purpose of the research is to reveal the factors influencing the affective commitment among the engineers in Sepakat Setia Perunding Sdn. Bhd. (SSP). The hypotheses developed in this study are "Job characteristics are significantly related with affective commitment" (H1) and "Job satisfaction is significantly related with affective commitment" (H2). The research methodology chosen for this study was a quantitative, non-experimental, survey analysis, which was used to evaluate the relationship between an independent variable (job satisfaction and job characteristic) and another dependent (affective commitment among SSP's engineers). The measurement instruments involved in this study consists of Job Diagnostic Survey, Minnesota Satisfaction Questionnaire and Meyer and Allen (1997) Affective Commitment Scale to assess the job characteristic, job satisfaction and affective commitment respectively. There are 93 engineers in SSP has taken part to this survey. Result of analysis shows that both job characteristic and job satisfaction are statistically significant related to affective commitment. Thus, this study suggested that engineers with higher value of job characteristic and perceived higher job satisfaction tends to feel more emotionally attached with the organization.

#### **CHAPTER 1**

#### INTRODUCTION

# 1.1 Background of Study

Engineering is the discipline of acquiring and applying scientific and technical knowledge to the design, analysis, and/or construction of works for practical purposes. In the recent years, construction engineering industry is growing rapidly in Malaysia, especially when it was stimulated by the 9<sup>th</sup> Malaysia Plan which emphasis on the infrastructure development. A lot of mega projects such as RM10 billion for Iskandar Region Development Authority, RM3.5 billion for building and upgrading rural roads, RM1 billion for upgrading and extension of KKIA and construction of double track were implemented under this plan (Jeffereys, A., 2009).

The nature engineering is bound up with society and human behavior. The engineering consulting industry is a demanding work environment with many accompanying job related stressors that are part of the daily lives of managers and professionals engaged in this industry. Engineering consulting firms operate in a highly competitive market with relatively low profit margins, completing projects within tight deadlines and budget constraints. Work hours are often long and irregular in order to avoid significant penalties for time and budget overruns (John A. D., 2007).

This condition is worsen by the changes of project delivery system from traditional contract to design and built contract. In traditional contract, consulting firm is appointed directly by project owner, and contractors are selected by tendering process. In this situation, consultants have the total power to represent project owner to make decision and

giving instruction to contractor. However, the recent trend has move to design and built contract, where project owner will award a project directly to contractor. This system is used to minimize the project risk for an owner and to reduce the delivery schedule by overlapping the design phase and construction phase of a project. The design-builder is the contractor, the consultants (design professionals) are typically retained directly by the contractor.

As one of the most important industrial sectors in an economically developing country such as Malaysia, construction sector has been facing challenges brought about by globalization, restructuring of the economy, the rapid changes in project procurement and implementation process, and the pervasive utilization of information and communication technologies (ICT). The evolving market has also brought external pressures on these firms to become more competitive and operate in more technically challenging domains (Jeffereys, A., 2009).

Rising competition as a result of globalization has created the need for organizations to be efficient and effective. Through employees, organizations can garner competitive advantage. Committed workers take pride in organizational membership, believe in the goals and values of the organization, and therefore, exhibit higher levels of performance and productivity (Steinhaus & Perry, 1996). Thus, as an engineering consulting firm in service industry, employees are the most important asset which needs to be retained in the organization.

Organizational commitment has been extensively researched as an important factor in employee retention and motivation. Building commitment among employee is essential as it was always relate to degree of turnover. This relationship of organizational commitment and turnover (actual and intended) is true as reveal by Cohen (1992) in his

research. On top of Cohen (1992) study, there are numerous of other studies which have found a correlation between turnover and commitment (Porter, L.W., Steers, R.M., Mowday, R.T. and Boulian, P.V., 1974; Meyer & Allen, 1997). Porter et al (1974) found that employees with lower levels of commitment were more likely to leave then their counterparts. Excessive turnover wastes recruiting and training in terms of dollars. Knowledge retention within the organizational is also difficult to be achieved and this can affect the service quality of the consulting firm. Thus, job commitment is link to the sustainable organizations.

Organizational commitment also has an important place in the study of organizational behavior. This is in part due to the vast number of works that have found relationships between organizational commitment and attitudes and behaviors in the workplace (Porter et al., 1974; Koch and Steers, 1978). Furthermore, Bateman 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
- Personal characteristics of the employee such as age, job tenure.

Thus, improvements in commitment levels may have not only positive behavioral consequences, but according Bateman & Strasser (1984) the indirect outcome of increased employee satisfaction as well. However, out of all the forms of organizational commitment, affective commitment has shown the strongest correlation with desirable organizational outcomes; hence, organizations typically strive to foster this type of commitment among their employees (Meyer & Allen, 1997).

Job satisfaction as a significant determinant of organizational commitment has been widely studied by researchers (Porter et al., 1974; Mottaz, 1987; Williams and Anderson, 1991; Testa, 2001). According to Lew T.Y. (2008), managers in today's organizations have placed great importance on the issue of job satisfaction of their employees. This is employees are more likely to take pride in organizational membership, believe in the goals and values of the organization and, therefore, exhibit higher levels of performance and productivity (Steinhaus and Perry, 1996).

Job characteristics have been tested in many studies related to organizational commitment. Researchers believe that to raise job satisfaction among their employees, managers need to reduce the gap between the importance and likelihood values for job characteristics that involve the acquisition of skills (Linz, 2003).

#### 1.2 Problem Statement

Sepakat Setia Perunding Sdn. Bhd. (SSP) is facing a high employee's turnover in the recent years due to the increasing working opportunities in countries such as Ireland, Australia, Dubai, Singapore and others. This situation has caused the lost of knowledge in this company, which is very costly. According to Fitz-enz (1997), the average company loses approximately \$1 million with every 10 managerial and professional employees who leave the organization. Fitz-enz (1997) also suggested that there is significant economic impact with an organization losing any of its critical employees, especially given the knowledge that is lost with the employee's departure.

Igharia and Greenhaus (1992) suggested that excessive turnover can be fatal to organizations due to shortage of skilled technology professionals in the job market and the

high cost of training new employees. Employee turnover has an adverse influence on an organization's effectiveness as turnover depletes the organization's memory, which in turn lowers the level of organizational learning (Carley, 1992). Employee turnover also impacts knowledge transfer and affects complex organizational links between tacit and explicit knowledge (Castells, 2000). High employee turnover is a critical problem, especially for knowledge intensive industries where work is primarily of an intellectual nature, performed by well-educated and qualified personnel (Alvesson, 2000). This knowledge is used to meet the needs and expectations of the customers. Knowledge management is the process of creating, capturing, and using knowledge to enhance organizational performance (Bassi, 1997).

The topic of organizational commitment has been a major theme in the organizational literature, especially with reference to the prediction of significant organizational outcomes, such as voluntary turnover (Huselid & Day, 1991). It has been extensively researched as an important factor in employee retention and motivation. One study found that affective commitment was positively correlated with job performance, whereas a negative relationship was observed between continuance commitment and performance (Meyer, Paunonen, Gellatly, Goffin & Jackson, 1989). Continuance commitment presents a more uncertain picture of turnover than affective commitment.

Meyer, Stanley, Herscovitch, and Topolnytsky (2002) in their meta-analysis found that affective commitment was negatively correlated with turnover and withdrawal cognition, absenteeism and work-family conflict and positively correlated with job performance and organizational citizenship behavior. Consequently, knowledge-intensive firms are seeking commitment-producing human resource management strategies to retain and motivate their employees.

In view of the high turnover rate problem, the Group Managing Director of this company, Mr. Wong Wai Wah has requested for a study to be done in this company to examine the factors underlying in affecting the organizational commitment among the employees. This study is one of the ways to address the issue of turnover faced by the company as the management able to understand the level of employees' commitment in the company and what affects this level of commitment. As suggested by Deconnick, Bachmann and Duane (1994), organizations can establish policies and procedures to increase employee retention with an understanding of causes, one cause verified in the literature being organizational commitment.

Demographic characteristic is always being studied as the factors affecting organizational commitment of employees. These variables include age, gender, marital status, tenure, education level, races and etc. However, these studies in general have not found any significant correlation between demographic characteristic and affective commitment (Mathieu & Zajac, 1990; Meyer et al. 2001; Vijay Krishna, 2008).

Job satisfaction has been shown to positively relate to organizational commitment. (Porter, Steers, Mowday, & Boulian, 1974). According to Timmereck (2001), job satisfaction and motivation issues are key aspects of the quality of work, the reduction of turnover, containing costs, and the development of satisfying and productive work relations.

The job characteristics variables also had been revealed that to have statistically significant correlation with job satisfaction and organizational commitment (Allen, Lambert, Pasupuleti, Tolar &Ventura, 2004). Job characteristic, which according to Hackman and Oldham (1976) consists of 5 dimensions, attempted to systematize, refine and extend the knowledge of the relationship between job characteristic and the responses of an individual to their work. This model speculates that the experience of an individual is positively

affected by what an individual learns, what an individual personally has performed well on a job, and what an individual cares about. Those individual experiences also positively affect individual's incentive to perform his or her job well in the future (Hackman & Oldham, 1976)

Although all these factors have been study in numerous fields such as health care, education, manufacturing and other service industry, however, it was seldom or very little being performed in engineering consulting firm. As a firm in service industry, organization commitment is important especially in the highly competitive market.

#### 1.3 Research Questions

The purpose of this study is to investigate whether there is any relationship between job characteristic and job satisfaction with affective commitment among the engineers in SSP. Therefore, the following research questions guided the study:

R1: Do SSP engineer's job characteristics (Skill variety, task identity, task significance and task autonomy), correlates to the level of affective commitment?

R2: Do the level of job satisfaction among the SSP's engineers affecting the level of affective commitment?

#### 1.4 Research Objective

The purpose of this study is to reveal and examine the factors influencing affective commitment among the engineers in a consulting firm, Sepakat Setia Perunding Sdn.

Bhd.(SSP) The factors that will be studied are the job characteristics and job satisfaction which can be describe as follow:

- i. To examine the relationship between job characteristic with affective commitment among SSP's engineers.
- ii. To examine the relationship between job satisfaction with affective commitment among SSP's engineers.

## 1.5 Significance of the Study

There has been very little work performed in this area as it pertains to the engineering consulting industry. Although the result of this study might not be good enough to be generalized to others engineering consulting firm in Malaysia, but this study will have a great implication to the management of SSP in developing strategies to improve organizational commitment to the work organizations and increase their retention. The study will also provide information related to the current level of SSP's engineers level towards affective commitment to this company.

The importance of affective commitment in management research is supported by empirical findings that show high level of affective commitment associated with low turnover (Mowdays, Steers & Porter, 1979). Thus, findings on how the job characteristic and job satisfaction in affecting the level of affective commitment will be much more useful to the management as the management able to identify where changes that may have the potential to produce opportunities for future improvements. More specifically, this study has the potential to identify what employees need from their job model, and identifying areas where emphasis might be placed in designing higher value of job

dimensions. This study will also provide information in identifying the areas where employees are more satisfy, thus providing management with the ability to reinforce favorable practices and to develop plans to improve or change practices that are possible to increate affective commitment.

#### 1.6 Definition of Terms

Affective commitment. Affective commitment refers to employees's emotional attachment, identification with, and involvement in the organization (Meyer & Allen, 1991) where employees with strong affective commitment remain with the organization because they want to do so.

Job satisfaction. Job satisfaction has been defined by Locke (1976) as an emotional state resulting from job experiences with the result that a worker feels positively or negatively about his or her job. Robbins and Coulter (1996) stated that job satisfaction is a bout general attitude of employees toward their jobs. Employees' attitudes are likely to reflect their job satisfaction. Job satisfaction can be conceptualized in different ways, such as extrisinc (compensation and job security), intrinsic (advancement), or general satisfaction (an aggregation of satisfaction with various job facets) (Sheng W. L., 2007)

Job Characteristics. Job characteristic are affection factors that influence employees's intrinsic work motivation by the achievement of critical psychological states (Hackman & Oldham, 1975). Hackman and Oldham (1975) indicated that positive personal and work outcomes are obtained when jobs have high levels of five core job dimensions; Skill variety,

Task identity, Task significance, Task autonomy and Feedback. Skill variety is the degree to which a job requires a variety of challenging skills and abiities that provide and employee the opportunity to undertake a wide range of options in his/her job. Task identity is the degree to which the job requires completion of a whole and identifiable piece of work as the result of individual effort. Task significance is a measure of the degree to which the job has an impact on the lives of others in an organization or in the world at large. Autonomy assesses whether the job allows an individual freedom and independence in scheduling his/her work and determining what he/she likes to do. Feedback concerns the degree to which workers receive information concerning their performance on the job and the effectiveness of their effort from others (Hackman & Oldham, 1976).

#### **CHAPTER 2**

#### LITERATURE REVIEW

# 2.1 Industry Profile

Civil engineering industry primarily covers activities of engineering discipline from planning, designing and construction of buildings to development of water supplying structures. Civil engineering industry has the potentiality to build a strong economy and so more multinational companies and engineers are showing their interests to be involved with this industry. With the development of society and because of technological advancement, demand of civil engineering activities is also increasing.

The engineering industry assumes an important role in generating wealth and improving the quality of life for Malaysians through the translation of Government's socioeconomic policies into social and economic infrastructures and buildings. The engineering industry also provides job opportunities to approximately 800,000 people. Further, the engineering industry creates a multiplier effect to other industries, including manufacturing, financial services, and professional services. The most significant aspect associated with the engineering industry trends is increased use of the latest IT technologies for pacing up the work. Cutting edge technology is being adopted by world's one of the biggest industries for leveraging purposes and is mainly being used in raising the efficiency level of engineering and designing of construction industry.

#### 2.2 Company Profile

SEPAKAT SETIA PERUNDING (SDN) BHD (SSP) was incorporated in Malaysia on 4th April 1973 as a private limited company fully-owned by Malaysians with Bumiputra participation complying with the Malaysian New Economy Policy (NEP) guidelines. Since its origin in 1924, the company practised as a consulting engineering firm under the name of Steen Sehested in the then Malaya and neighbouring countries until its subsequent partnership operation as Steen Sehested & Partner in 1956. In the year 1971, SSP was established to serve the needs of its expanding clientele better

Currently, Sepakat Setia Perunding Sdn. Bhd. (SSP) is the oldest and one of the largest consulting engineering firms in the country with a track record of more than 80 years' experience in the provision of consulting engineering services to both the public and private sectors. SSP is one of the largest engineering consulting firms in Malaysia. SSP provides professional services relating to the stages from Feasibility Study, Design, Contract Documentation, Project Management, Supervision of Construction, Design Audit and Independent Design Check in the development of any project.

For many years, SSP has worked in neighbouring countries such as Singapore, Vietnam and Brunei providing various disciplines of engineering services which include road and highway, bridge, marine, buildings and infrastructure projects. The company is registered with major international and bilateral funding organisations such as the World Bank, the Asian Development Bank and various Foreign and Local Government funding agencies.

With more than 80 years history since 1924, the company has grown from a humble one-man proprietary firm to a large reputable establishment with a sizeable workforce of

about 500 employees of which more than one-third of them are engineers. The majority of its directors, management and senior employees have remained with the company for no less than 20 years thus ensuring that the knowledge gained is well retained within the company.

The company's current authorized share capital is RM25 million and the issued and paid-up capital is RM15, 387,503 comprising 15,387,503 ordinary shares of RM1.00 each.

## 2.3 Definition of Organizational Commitment

Multiple definitions of organizational commitment are found in the literature. Bateman and Strasser (1984) state that organizational commitment has been operationally defined as multidimensional in nature, involving an employee's loyalty to the organization, willingness to exert effort on behalf of the organization, degree of goal and value congruency with the organization, and desire to maintain membership. Porter et al. (1974) discuss three major components of organizational commitment as being "a strong belief in and acceptance of the organization's goals, a willingness to exert considerable effort on behalf of the organization, and a definite desire to maintain organizational membership

Meyer and Allen (1994) state that organizational commitment is a psychological state that characterizes the employee's relationships with the organization and has implications for the decision to continue membership in the organization. Other researchers use similar definitions that refer to an employee's attachment, goal congruency, identification, loyalty and allegiance to their organization.

In an organizational context, commitment has been conceptualized as loyalty to, identification with, and involvement in a job, organization, or profession (Saturnino de los

Santos, Emmalou Not-land, 2006). Commitment to an entity is manifested by the belief and acceptance of its values and goals willingness to exert considerable efforts on its behalf as well as a definite and relatively strong desire to maintain membership in the job, organization, or profession (Ferris, 1981). Commitment has been repeatedly identified as important for understanding work behavior and performance of employees in organizations (Porter, Crampon, & Smith, 1976).

One of the most important finding revealed by Meyer and Allen (1991) and Dunham et al (1994) is the three-component model of commitment where three types of commitment were identified. All these three-components have implications for the continuing participation of the individual in the organization. The three components are affective commitment, continuance commitment, and normative commitment.

Affective commitment refers to employees' perceptions of their emotional attachment to or identification with their organization. Porter et al (1974) further characterize affective commitment by three factors:

- Belief in and acceptance of the organization's goals and values;
- A willingness to focus effort on helping the organization achieve its goal's;
- A desire to maintain organizational membership.

Continuance commitment refers to employees' perceptions of the costs associated with leaving the organization. This is in line with Reichers (1985) study where continuance commitment defined as the willingness to remain in an organization because of the investment that the employee has with "nontransferable" investments include things such as retirement, relationships with other employees, or things that are special to the organization

Finally, normative commitment refers to employees' perceptions of their obligation to their organization. Weiner (1982) discusses normative commitment as being a "generalized value of loyalty and duty". In year 1993, Bolon supported that normative commitment is the commitment that a person believes that they have to the organization or their feeling of obligation to their workplace. It is argues that normative commitment is only natural due to the way we are raised in society. For instance, if an organization is loyal to the employee or has supported his/her educational efforts, the employee may report higher degrees of normative commitment.

This three-pronged classification allows for identification of the underlying basis for each type of commitment and researchers have clarified the unique antecedents and outcomes related to each type (Meyer, Stanley, Herscovitch, & Topolnytsky, 2002).

Of all the forms of organizational commitment, affective commitment has shown the strongest correlation with desirable organizational outcomes; hence, organizations typically strive to foster this type of commitment among their employees (Meyer & Allen, 1997). The counterpart to affective organizational commitment is continuance organizational commitment, which considers the idea that individuals do not leave a company for fear of losing their benefits, taking a pay cut, and not being able to find another job (Murray, Gregoire, & Downey, 1991).

# 2.4 Factors Affecting Organizational Commitment

Literature relevant to organizational commitment indicates a number of variables which determine organizational commitment. Previous studies have identified various characteristics which may be related to commitment. In general, these characteristic can be

clustered into demographic characteristic, job characteristic and organization characteristic. Demographic characteristics which believed will affect the organization commitment include age, gender, level of education, position in the company, years of working experience, education level and others. Some researcher has also included some personal social psychology characteristic such as self-esteem and emotional intelligence in determining the factors influencing organizational commitment. Job characteristic include job variety and skills involved, whereas organizational characteristic include organizational size, relation with coworkers, opportunity for promotion and others will be discussed in the following literature.

## 2.4.1 Demographic Characteristic

Age was believed to be one of the important demographic characteristic that was studied as one of the factors affecting the level of commitment. This is because researcher found that there a lot of study done previously with interest to reveal this relation. For example, Allen & Meyer (1993) and Hall et al. (1977) found that employee's age and time with the organization and their level of commitment include is found there to be a positive relationship.

Nasurdin A.M. and Ramayah T. (2003) also indicating age have a direct influence on commitment. In their research, age was found to moderate three of the five relationships between job satisfaction and organizational commitment. Specifically, age moderates the relationship between:

- Satisfaction with pay and commitment;
- Satisfaction with promotion and commitment;

• Satisfaction with coworkers and commitment.

However, their research revealed that age does not seem to impact the commitment level of younger employees with promotion, pay, but slightly with coworkers compare to older employee.

Lew, T. Y. (2008) has uses age as moderator, where he examined the positive relationship between job satisfaction and affective commitment will differ according to the age level of the employees. This study also investigated whether the positive relationship between the level of satisfaction of each of the facets of job satisfaction and affective commitment will differ for younger and older employees.

Lew, T. Y. (2008) tested the significance of variables in the three-components in commitment model (normative, affective, continuance commitment). The variables tested in his study include position, highest qualification, monthly salary, marital status, race, gender and years of working experience. However, Englert, J. S. (2001) study suggested that age do not associate with affective commitment. This was similar to Lew, T. Y. (2008) research also concluded that age had no direct and interactive influence on affective commitment.

Gender differences also have been study as one of the variables influencing organizational commitment. Peter (1993), in his study found that men are more likely commit to organization than women. This difference is cause by the degree of commitment of women to the family in compare to men. This study was in line with the research reveal by David M. Porter Jr. (2002), where women's manager with family will less indicate in organizational commitment. In David's (2002) study, the degree of organizational commitment is measure by the willingness to relocate, willingness to work longer hour and willingness to not take any vacation. The primary explanation found in the study for the

gender difference is that men are more likely than women to hold jobs with commitment-enhancing features. However, when job attributes, career variables, and family ties are simultaneously controlled, David (2002) found that, if anything, women tend to exhibit slightly greater organizational commitment. This finding was also supported by Mathieu and Zajac's (1990) in the meta-analysis where women found that tend to be more committed than men but the magnitude of the effect was small, which is in line with a study by Colbert and Kwon (2000).

Saturnino de los Santos and Emmalou Not-land (2006) in their study to examine relationships among selected work related (tenure, organization, job title, profession, program area, and region of work), socio-psychological (job, organizational, and professional esteem), and commitment variables, revealed that extension workers' commitment to job, employing organization and profession was related to esteem.

Esteem is based on both the individual's feelings and beliefs about self, and the individual perceptions from his/her environment regarding his/her value, importance, contributions, and competence in a given role or roles (Saturnino de los Santos and Emmalou Not-land, 2006). Saturnino de los Santos and Emmalou Not-land (2006) also suggested that esteem relates to specific individual feelings of worth related to job, organization, and profession. For example, a person's job esteem would be how he/she feels about him/herself in relationships to all aspects of the job. These feelings of worth are developed based on perceptions gained from information provided by external sources. "I am what I think you think I am" (Hedges, 1992). Her finding shows that the extent to which an extension worker is committed to his/her job, employing organization, and profession can be substantially explained by the individual's socio-psychological characteristics

(esteem) or a combination of his/her sociopsychological and selected work-related characteristics.

Another variable of personal characteristic that was seldom to be tested with level of job commitment is emotional intelligence. Emotional intelligence is the ability to perceive and express emotion, assimilate emotion in thought, understand and reason with emotion and regulate emotion in the self and others (Mayer et al., 2000). In the recent study by Samuel O. Salami (2008) which only focuses on demographic and psychological variables in predicting organizational commitment, it was found that emotional intelligence significantly predicted organizational commitment. This has supported the work of previous researchers (Carmel, 2003; Nikolanu and Tsaousis, 2002; Rozell, Pettijohn and parker, 2004), who found that emotional intelligence was positively correlated with organizational commitment. Samuel O. Salami (2008) research also revealed that achievement motivation significantly predicted organizational commitment which is also consistent with the findings of previous researchers (Dodd-McCue and Wright, 1996; Mannheim et al., 1997) who found significant relationship between need for achievement and organizational commitment. This finding can be explained that individual employees attempt to satisfy many needs including need for achievement through their work and through their relationship with an organization. So workers with high achievement motivation are more committed to their organizations.

As conclusion to the above findings, personal characteristics do not appear to play a large role in determining commitment (Morris et al., 1993). Studies that have examined the relationship between personal characteristics and organizational commitment in general have not found any significant correlation between them, with coefficients of correlation typically less that .20. Mathieu and Zajac (1990) in their meta-analysis using 174

independent samples found low levels of correlation between personal characteristics and organizational commitment. Meyer et al. (2001) found that demographic variables in general had a small correlation with all the three types of organizational commitment. The corrected correlation for affective commitment with demographic variables was typically less than .15. Vijay Krishna (2008) in his study in his study to Explore Organizational Commitment from an Organizational Perspective concluded that his research has not found any strong evidence to link personal and demographic characteristics with organizational commitment. Therefore, these variables cannot be considered as significant antecedents of organizational commitment.

## 2.4.2 Organizational Characteristic & Job Characteristic

The researches discussed so far are mostly revealed the relationship between personal characteristic and demographic characteristic with organizational commitment such as age, level of education, personal expectation and gender. However, Yoshiko Yamada & Hidehiro Sugisawa & Yoko Sugihara & Hiroshi Shibata (2006) in their study has focus on the job and organizational characteristic as factor influencing the organizational commitment. The variables involved in this study include:

- Employment security;
- Supportiveness from coworkers (supervisors and colleagues);
- Job characteristic (Job autonomy and job demands, job volume);
- Skill application;
- Salary including bonus.

Yoshiko et al. (2006) found that all of the organizational characteristics, personal relationships and job characteristics had significant and direct relationships to organizational commitment. It is also found that higher job autonomy had stronger relationships to higher organizational commitment and this was supported by study done by Johns in year 2005, where autonomy was found to be positively related to organizational commitment. Yoshiko et al. (2006) concluded that higher employment security, higher support from supervisors and colleagues, lower job demands, and higher levels of skill application in workplaces were significantly related to higher organizational commitment. This finding was also in line with Meyer and Allen, (1997), who found that employees that have a good relationship with their immediate work group have higher levels of commitment. They discuss they idea that if employees are directly committed to their group, their commitment to the overall organization will be higher.

Among the researchers discussed in this paper, the research by Ik-Whan G. Kwon, Doyle W. Banks (2004) in study their study of commitment on internal auditors, appear to be the most comprehensive and most related to author's research. They have discussed the issue from different perspective of the factors influencing organizational commitment. Specifically, their study examine the relationship of organizational and professional support, dependability, instrumental communication, group attitudes toward the organization and profession, and satisfaction with promotion opportunities with organizational and professional commitment. The variables discussed in their research are generally divided into three main categories which are:

- Demographic variables of tenure and gender;
- Job characteristics of skill variety and feedback;

Organizational characteristics of organizational dependability and support, attitude,
 promotional opportunity, and instrumental communication to be significantly
 related to organizational commitment.

There are few researchers have covered wider scope of job characteristic's category. This includes Hackman and Oldham's (1975) and Steers (1977) who examined the relationship between organizational commitment and job dimensions. Generally, Hackman and Oldham (1975) indicated that positive personal and work outcomes are obtained when jobs have high levels of five core job dimensions; Skill variety, Task identity, Task significance, Task autonomy and Feedback.

In later stage of year 1977, Steer (1977) has developed four core dimensions of job characteristic which consists of Autonomy, Variety, Feedback and Task identity, where the task significance is not taken into account.

Researchers have attempted to examine relationship between job characteristics and different variables including organizational commitment. To raise job satisfaction among their employees, managers need to reduce the gap between the importance and likelihood values for job characteristics that involve the acquisition of skills (Linz, 2003).

From Ik-Whan G. Kwon, Doyle W. Banks (2004) study, the results for the organizational size are as the expected and in line with Sommer et al. study (1996) where increase in organization size is to be less committed based on lower potential for interaction and involvement. However, this is in contra with Mathieu and Zajac, (1990) and Colbert and Kwon's study (2000) where this study confirms that there is virtually no relationship between the size of organizations and the level of organizational commitment. The reason for this contravention was not explained in Ik-Whan G. Kwon et al. (2004) and it required further study to explain this relationship. Also, it has supported the finding of employees at

services industries are expected to have lower levels of commitment than their counterparts due to increased job opportunities elsewhere (Zeffane, 1994).

Another job characteristic revealed in Ik-Whan G. Kwon, Doyle W. Banks (2004) study, feedback, which had a significant negative relationship with organizational commitment. This result contradicts the hypothesized relationship and the result found by Dunham et al. (1994). One possible explanation is that the feedback received in heir study may be more negative in nature than positive. The questions measuring feedback in the survey instrument measured only the level, not the type, of feedback.

Ik-Whan G. Kwon, Doyle W. Banks's (2004) study proposes that the presence of skill variety appears to have a statistically significant positive influence over organizational commitment at marginal degree. The study also indicates that respondents at higher position seem to have less professional commitment than those with a lower position. This result might cause by other reason which was not been studies such as organizational pressure. Further research is needed in order to explain this relationship. However, respondents with internal auditor certification may have less commitment to an organization and this was due to higher chance to work in other company, where alternate employment opportunities higher. As expected, promotional opportunity and group attitude seem to have the largest impact on the dependent variable.

Sheng W. L. (2007) has also carried out a study to reveal the relationship between job characteristic with the 3 components of organizational commitment. This study found that Job Characteristic showed strong correlations only with affective commitment in correlation analysis. Among the components of job characteristic, Task Identity had a strongest correlation with affective commitment with significance negative impact.

#### 2.4.3 Job Satisfaction

Job satisfaction is a collection of feelings that an individual holds toward his or her job. This is clearly a very broad concept as is evidenced by the many scholarly definitions of job satisfaction. Locke (1976) states that job satisfaction refers to employees' affective relations to their work role and is a function of the perceived relationship between what one wants from one's job and what one perceives it is offering.

Lew T. Y. (2008) in his study agreed that Job Satisfaction is a significant determinant of affective commitment. This studied was in line with study by Porter et al. (1974), Mottaz (1987), Williams and Anderson (1991). The most recent study by Samuel O. Salami (2008) who found that job satisfaction was a significant predictor of organizational commitment has also supported this finding. It is also supported by Randi L. Sims, K. Galen Kroeck's (1994) study in where satisfaction and commitment are negatively related to turnover intentions, and satisfaction is positively related to affective commitment.

Andrew (2001) in his study among foodservice employees quoted that several researchers have made the case that job satisfaction is a predictor of organizational commitment (Porter, Steers, Mowday, & Boulian, 1974). Andrew has developed 2 set of hypotheses, which is the relation between demographic traits such as age, education level, tenure, position, marital status, years in foodservice, and hours worked per week, with job satisfaction and the relation between job satisfaction and job commitment. In the part 1 analysis, Andew (2001) revealed that years of working experience and level of education do affect the job satisfaction level. Where as in part 2, level of satisfaction with compensation, work condition and company's policy have linear relation with job commitment.