

*Earthing Knowledge,
Strengthening
Connectivity*

Faculty of Social and Political Science
Hasanuddin University
Makassar, Indonesia



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**THEME CONFERENCE:
EARTHING KNOWLEDGE STRENGTHENING CONNECTIVITY**

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OPENING REMARKS

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As a part of International Conference on Multidisciplinary Research 2016, I am pleased to welcome all presenters and participants from different regions and countries to the conference, in Makassar, Indonesia.

It is also an honor for me to welcome representatives from our consortium partners as well as experts from natural and social sciences to this conference to engage with all of us in open and constructive dialogue.

By designing a theme “Earthing Knowledge, Strengthening Connectivity” for this conference, the ICMR 2016 Organizing Committee is committed to actively raising the quality of scientific knowledge and the importance of strengthened connectivity among academics around the globe. Therefore, I also would like to thank and congratulate the ICMR2016 Organizing Committee that have worked hard since the last year to prepare this outstanding conference.

The ICMR 2016, which is a series of celebration for 60 years of Unhas, is expected to be a great success and further to strengthen ICMR as an excellent dynamic platform for the exchange of knowledge and science to face emerging challenges in our specialist fields.

The last, I would like to thank for all support and participation of highly respected and internationally renowned keynote speakers that have made the ICMR 2016 a record-breaking conference.

Prof. Dr. Dwia Aries Tina Pulubuhu, MA.
Rector Universitas Hasanuddin

INFLUENCE OF JOB SATISFACTION ON AFFECTIVE COMMITMENT AMONG BANK EMPLOYEES

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ABSTRACT

This paper explores the influence of job satisfaction towards level of affective commitment among bank employees. Influence of job satisfaction can be related to what the employees like or inspire quality that lies within bank employees that will lead to higher affective commitment. It is extremely important for bank employees to have high level of job satisfaction in order for the bank to have high productivity of employees and at the same time maintain the service standard as majority of the are facing customers on their day-to-day banking operations. Banking services is built on trust and also the level of standard etiquette provided by the bank employees and the standard banking operations itself. Banks in Malaysia still use employees' functions to cater their services to customers. In certain countries, the bank employees' usage is very minimal as compared to Malaysia's banking sector. Moreover, bank employees are very essential to the banking service since majority of them perform banking duties, credit administration, and call center personnels. Questionnaires were handed to bank employees in the northern states of Malaysia and were analysed using SPSS. Bank employees indicated job satisfaction was associated with their affective commitment. These findings further have an impact on bank employees and banks' top management.

Keywords: job satisfaction, affective commitment, bank employees

INTRODUCTION

Banking services is built on trust and also the level of standard etiquette provided by the bank employees and the standard banking operations itself. Banks in Malaysia still use employees' functions to cater their services to customers. In certain countries, the bank employees' usage is very minimal as compared to Malaysia's banking sector. Moreover, bank employees are very essential to the banking services since majority of them perform banking duties, credit administration, and call center personnel. Khoo (2012) stated that the functions of bank has been transform from traditional ways to universal ways of banking, during this period the function of a previous concept for bank which is based on investment and commercial has change to the concept of universal banking. By changing of the concept in the financial institutions, the management method of a company will have to be changed too in order to suit the market niche and to leave a satisfactory yet with outcome orientated from the staff affected. Thus, there is a need to know and understand the bank employees' job satisfaction toward their affective commitment in the banking sector.

Even though bank employees, especially clerical, in the bank falls under lower level hierarchy employee in the sector, but their work related task mainly have a major concern from the customers since that majority of them are front liners in the bank. Being either a teller, customer service or backrooms staff usually deals with many customers inquiries and complaints. It is undeniable that teller function plays a multitasking role in fulfilling customers' needs. Bruzelius and Skarvard (2004), with the current competitive environment, firms frequently determine their employees are their overall most useful resource. Firm's organization structures are heavily dependent on employees, which influence the organization their engagement, attitudes and motivation. Thus, scenario in banking nowadays seems to fully utilize the functions of teller in the bank. Even though, on the bright side it will bring positive impact to bank employees but the result will still be vary because different staff has different mind-set.

This paper explores the influence of job satisfaction towards level of affective commitment among bank employees. It is extremely important for bank employees to have high level of job satisfaction in order for the bank to have high productivity of employees and at the same time maintain the service standard as majority of the are facing customers on their day-to-day banking operations. The banks' management will be benefited as they know how to motivate bank employees' job satisfaction in which will lead to affective commitment; then in turn will lead to the banks' profits.

LITERATURE REVIEW

Job Satisfaction

Locke (1976) described job satisfaction as a pleasurable or positive emotional state resulting the appraisal of one's job or job experiences. In this context, bank employees in the bank will be satisfied if they are doing what they love to. Management must use variety of approach with better rewards for their bank employees to perform better. Hulin and Judge (2003) noted that job satisfaction includes multidimensional of psychological response to one's job. Researcher point of view believed that job satisfaction will only exist when employee have a happy feeling towards what he or she achieve after performing task during her daily routine. Unfortunately, if staff is burden with too many responsibilities it would not be fair to some staff. Staff with stiff and stubborn attitude will receive fewer jobs and the hardworking type will have more and more jobs. In this context, the negative attitude staff might have job satisfaction feeling but in real life he is not contributing that much to the organization. So, it is crucial for an employee to still have intrinsic motivation that lies in them so that they will have the sincerity in doing work. There must be a system to patrol on the level of job performance of bank employees toward job satisfaction such as competency point in key performance indicator.

Difficulties encountered by organizations with performance appraisal system are the result of inadequate system design (Fournies, 1973). Bank employees face issues during appraisal creation because they are not clear on the process flow. Besides, in the banking situation nowadays, less employees is to be guide as buddy attachment on certain matter. The lack of staff usually encounter at the branch level since that the branch are apart from the headquarters team members to assist, performance appraisal know as Key Performance Indicator is a yearly basis to judge an employee. Bank employees were given short period to complete the key in process of KPI details in the system and proceed to the next level of their supervisor. Some of the bank employees might be facing problem since that they do not have a good relationship with their supervisor. Even though supervisor only contribute on judging oncompetencies portion but it brings huge difference of scoring point if the supervisor marked low rating for the bank employees.

Affective Commitment

Organizational commitment was the psychological relationship between the employees and their organization, which leads their decision to continue their membership and makes them less likely to leave the organization (Allen & Meyer, 1996). Commitment exists when an employee is satisfied enough to remain in the organization, to attend work on a regular basis and share the goals of the organization (Whyte, 1956). Employees with organizational commitment will strongly believe and agree with the goals and values of the organization, be willing to work hard and have a strong desire to maintain membership in the organization (Mowday et al., 1982). This paper examines affective commitment in relation to job satisfaction. Thus, affective commitment is referred to the employee's identification with, involvement in, and emotional attachment to the organization. This concept referred to the employees' decision of "want to" remain in an organization (Meyer & Allen, 1997).

Theoretical Framework and Hypotheses

This paper intends to understand the relationship and the impact of between job satisfaction and affective commitment as hypothesized below:

H1: Job satisfaction has a positive relationship with affective commitment among bank employees. Moreover, Figure 1 depicts the paper's theoretical framework.

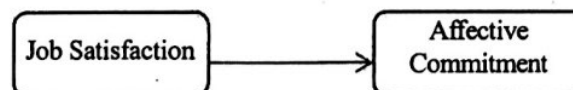


Figure 1: Theoretical Framework

METHODOLOGY

This paper explores the context of bank employees. Moreover, the population frame is bank employees employed in local banks. Questionnaires were distributed among bank employees through the approval from the respective branch managers. Simple random sampling was used. The unit of analysis is the individual bank employees of local banks. The data is gathered from each individual and treat each response as an individual data source (Sekaran, 2003). A total of 100 useable questionnaires were examined using SPSS, which yielded 40% of response rate.

Moreover, this paper employed the instruments MSQ – Minnesota short-form Questionnaire (Weiss et al., 1967) on questions pertaining to job satisfaction; and Allen and Meyer (1990) and Meyer, Allen, and Smith (1993) on their affective commitment instrument. Both instruments were widely used in past research.

ANALYSIS AND RESULTS

Demographically, the questionnaire respondents consist of 39 males (39%) and 61 females (61%). The majority of the respondents are married as indicated by 75 respondents (75%). Age distribution, 31 respondents (31%) were between 20 to 30 years old, 33 respondents (33%) were between 31 to 40, 25 respondents (25%) were between 41 to 50, and 11 respondents (11%) were 51 and above. Meanwhile single respondents comprise 20 people (20%).

Moreover, Malay was represented by 72 respondents (72%), Chinese by 21 respondents (21%), and Indian by 4 respondents (4%). Respondents indicated their years of service with less than 10 years with 41 respondents (41%), 11 to 20 years with 33 respondents (33%), 21 to 30 years with 21 respondents (21%), and above 30 years with 5 respondents (5%).

Education wise, SPM holders were 33 respondents (33%), STPM/Diploma were 40 respondents (40%), and university degree with 24 respondents (24%). In terms of monthly income, 11 respondents indicated they were earning less than RM1500 per month (11%), 27 respondents (27%) were earning between RM1501 to RM2500, 18 respondents (18%) were earning between RM2501 to RM3500, and 44 respondents (44%) were earning more than RM3500. Table 1 depicts the summary of respondents' demographic.

Table 1: Demographic Analysis

		n	%
Gender	Male	39	39
	Female	61	61
Age (years old)	20 to 30	31	31
	31 to 40	33	33
	41 to 50	25	25
	51 and above	11	11
Marital status	Single	20	20
	Married	75	75
Ethnic	Malay	72	72
	Chinese	21	21
	Indian	4	4
Years of service	Less than 10	41	
	10 to 20	33	41
	21 to 30	21	33
	More than 30	5	21
Education level	SPM	33	33
	STPM/Diploma	40	40
	Degree	24	24
Monthly income	Less than RM1500	11	11
	RM1501 to RM2500	27	27
	RM2501 to RM3500	18	18
	More than 3500	44	44

Reliability analyses were conducted on job satisfaction and affective commitment. The job satisfaction has a Cronbach alpha of 0.92 and affective commitment has a Cronbach alpha of 0.89.

Correlations analysis was done job satisfaction and affective commitment. The relationship between job satisfaction and affective commitment was investigated using correlation coefficient. Preliminary analyses were performed to measure no violation of the assumptions of normality, linearity and homoscedasticity. Overall, there were strong correlation ($p < 0.73$) between those two variables as depicted in Table 2.

Table 2: Correlation Analysis

	1
1. Job satisfaction	1
2. Affective commitment	0.725*

* Correlation is significant at the 0.01 level

In Table 3, regression analysis was conducted between job satisfaction and affective commitment. The R^2 value indicated 53% for the affective commitment, which was explained by job satisfaction. This mean 47% of the variance for affective commitment was explained by other unknown variables that have not been explored. The multiple regression model ($F=108.60$, $p < 0.00$) was proven to be a significant model due to the F ratio being significant in predicting affective commitment.

Table 3: Regression Analysis

	Affective Commitment	
	Std Beta	Sig.
Job Satisfaction	0.725	0.00
$R^2 =$	0.526	
Adjusted $R^2 =$	0.521	
Std Error =	0.093	
F Statistics =	108.60	
Sig F =	0.00	

Overall, the F ratio result presented that the combination of affective commitment was a good fit in predicting job satisfaction. Therefore, hypothesis H1: Job satisfaction has a positive relationship with affective commitment among bank employees, is supported.

DISCUSSION AND CONCLUSION

This paper indicates that satisfaction have a good indicator for affective commitment among bank employees in the Malaysian banking sector. Thus, it is an impetus for banks' top management to ensure that their bank employees do get the relevant trainings, courses, exposures, and retools that could enhance their affective commitment toward their organization. Moreover, these activities could be directed to the banks Head Office, especially the HRM Department to conduct the relevant activities needed to enhance their bank employees' job satisfaction that will lead to affective commitment.

Job satisfaction and affective commitment play important factors among bank employees. Thus, the results provide practical implications for the local banks' top management to understand the need of their bank employees on job satisfaction and affective commitment that could lead to their organizations' success in their bank to serve their customers by their satisfied and committed bank employees.

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