

## The Effects of Intrinsic Job Satisfaction on Employees' Organizational Commitment; The Study on Commercial Bank Of Ethiopia, Wolaita Sodo District

\*Gudayehu Gomeshu Goa<sup>MBA</sup>, \*\*Adisu Fanta<sup>MBA, MA</sup>

\*Human Resource Business Officer, Commercial Bank of Ethiopia (CBE) Wolaita Sodo District, Wolaita, Ethiopia

\*\*Lecturer at Department of Management, Wolaita Sodo University, Wolaita, Ethiopia

Corresponding Author: Adisu Fanta Bate<sup>MBA, MA</sup>

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**ABSTRACT:** This paper has been targeted to articulate the effect of intrinsic job satisfaction on employees' organizational commitment considering the case of banking sector. For analysis purpose, organizational commitment facets described and used were affective, normative and continuance commitment. The study objective is to examine the effect of the facets of job satisfaction on the commitment which is manifested in these three facets. The data have been collected from stratified and then randomly selected employees of Commercial Bank of Ethiopia, Wolaita Sodo District, through standardized Multifactor Leadership Questionnaire and Job Satisfaction Survey (JSS). The total sample size is 295 which was determined using sample determination formula and the data was analyzed using multiple linear regressions of SPSS Version 20. The study indicates that the intrinsic job satisfaction has moderately strong and statistically significant correlation ( $r=0.68$ ,  $p=0.026$ ) with affective commitment. As its beta value ( $b=0.723$ ) shows, intrinsic job satisfaction contributes 72.3% on changing affective commitment which is the highest as compared to others. The intrinsic job satisfaction has also positive and statistically significant correlation, though it is weak, with normative commitment ( $r=0.137$ ,  $p=0.03$ ). With the beta value ( $b=0.54$ ), the intrinsic job satisfaction takes share of 54% in influencing the normative commitment. On the other hand, Continuance Commitment is negatively correlated with intrinsic job satisfaction ( $r=-.389$ ,  $p=0.00$ ) with beta value of ( $B=0.418$ ) which shows it is only getting affected by 41.8% as the change occurs in intrinsic job satisfaction. This has an implication that the more we apply intrinsic variables, the more we reduce continuance commitment and shift employees to normative or affective commitment. In overall, intrinsic job satisfaction has statistically significant effect on employee organizational Commitment.

**KEY WORDS:** Intrinsic Job Satisfaction, Extrinsic Job Satisfaction, Affective Commitment, Continuance Commitment, Normative Commitment.

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### ACRONYMS

AC - Affective Commitment  
ANOVA – Analysis of variance  
CBE – Commercial Bank of Ethiopia  
CBE DWS - Commercial Bank of Ethiopia Wolaita Sodo District  
CC– Continuance Commitment  
EFA - Exploratory factor analysis  
MSQ –Minnesota Satisfaction Questionnaire  
NC – Normative Commitment  
OC – Organizational Commitment  
OCQ –Organizational Commitment Questionnaire  
VIF – Variance inflation factor (VIF)

### I. BACKGROUND OF THE STUDY

Of all critical activities in any organization regardless of its size and type, human resource management has become an indispensable issue. This emanated from the recognition that the human resources of an organization and the organization itself are synonymous (Rayton, 2006). The workplace is changing dramatically and demands for the highest quality of product and service is increasing. To remain competitive in the face of these pressures, employee commitment is crucial, *ibid*.

Researchers recognize that Job satisfaction (Robbins *et al*, 2005) employee commitments (Meyer *et al.*, 2004); Allen & Meyer, (1990) are of major factors to the organizational success or failure. A well-managed business organization normally considers the average employees as the primary source of productivity gains. These organizations consider employees rather than capital as the core foundation of the business and contributors to firm development. To ensure the achievement of firm goals, the organization creates an atmosphere of commitment and cooperation for its employees through policies that facilitate employee satisfaction, (Blevins, 2005; Witt and Kacmar, 2000).

Furthermore, Yousef, D.A. (2002) suggests that an employee with a high level of commitment is more likely to adjust to goals and values of organization, willing to give more effort to organization and seeks to provide benefits to organization. This suggests that employees with high commitment be more responsible in its work. Employees with a strong commitment will certainly be able to show good level of performance. The idea of job satisfaction is one of the premeditated matters in both public as well as private sector organizations (Mulinge, 2000). Job satisfaction is crucial factor for all organization whether in public or private organizations or working in advanced or underdeveloped countries. One of the purposes for this degree of interest is that satisfied personnel is reported as committed workers and commitment is indication for organizational output and effectual operations (Robbins, 2005).

Therefore, job satisfaction is seen as one of the determinants of organizational commitment (Mannheim *et al.*, 1997). It is thus expected that highly satisfied workers will be more committed to the organization. Job satisfaction of human resource finds close links to highly motivated employees. Motivated employees then develop loyalty or commitment to the firm resulting to greater productivity and lower turnover rates. Higher levels of job satisfaction can positively affect organizational commitment, and negatively affect turnover intention (Christina, 2012). Liao, Hu and Chung, (2009); argued that “if a manager wants to reduce the turnover rate in the organization, it is important that employees feel satisfied with their jobs and thereby improve commitment to the organization”.

However, even with the widespread recognition of the importance of facilitating the relationship between job satisfaction and motivation in facilitating organizational commitment, there are varying perspectives on the means of doing this. This means that achieving job satisfaction to develop organizational commitment is not simple or easy works, according to the context of banks like Commercial Bank of Ethiopia. Christina, (2012); stated that although, there are best practices within industries, it is up to the individual organizations to determine which human resource strategies meet its needs and objectives. A number of previous researchers have reported mixed findings on the relationship between job satisfaction and organizational commitment. For instance, Curry, Wakefield, Price and Mueller (1986) found no significant relationship between job satisfaction and organizational commitment. However, other researchers Busch *et al.*, (1998); Chiu-Yueh, 2000; Feinstein & Vondraek, (2006); Freund, (2005); Mannheim *et al.*, (1997) found that job satisfaction is a significant predictor of organizational commitment.

Therefore, the degree of employee satisfaction with salaries, promotion, job security, fringe benefits, working conditions, incentives, co-workers relationship, and adequate managers' are likely to have a stronger effect on employees' commitment to the organization. Since, committed human resources in any organizations are greatest assets, therefore identifying factors that help to foster organizational commitment among bank employees is important. Moreover, when committed employees quit, the organization will be burdened with high cost of replacement and low productivity. The commitment of employees to the organization is an important factor for the sustainable and effective growth of the organization. Having this in mind, it is important to study the employees' organizational commitment in Commercial Bank of Ethiopia Walaita Sodo District, and the effects of job satisfaction that determine organizational commitment of employees.

## **II. STATEMENT OF THE PROBLEM**

Management is all rounded problem solving process to achieve organizational objectives through the efficient use of physical, financial and human resources in a changing environment. In this regard, the organization needs to have employees who are competent and committed to the organization they are working for. It is undeniable that human resource with high organizational commitment contributes toward ensuring organizational productivity and profitability, growth and development in a country. To retain a satisfied work force that is committed to its organization the management needs to focus on creating and maintaining a suitable and conducive working condition.

The organizations need to build the commitment of their employees for efficiency and effectiveness. Meyer and Allen (1990) have recognized that organizational commitment as a leading factor affecting the level of achievement in many organizations. According to Ukaegbu (2000) employees working in a depressed economy, the extrinsic working conditions such as company policies and practices, compensation, advancement supervision, technical, supervision, human relations, working conditions, coworkers, recognition, job security

are stronger predictors of employee commitment than will intrinsic factors such as independence, variety of responsibilities, social status, responsibility, authority, ability utilization, achievement in the organization.

Ethiopia needs trained and skilled man power to achieve its objective of alleviating poverty and creating a country with a middle income economy. To achieve this and other mega projects started before six years, Commercial Bank of Ethiopia plays very important role in country economy. More than half the mega projects capital budget was supplied by from country economy and this shows deposit made from peoples in commercial bank of Ethiopian supports and critically helps for the accomplishments of these projects. This can be done when trained, skilled, motivated, satisfied and committed employees effectively participated on achievement of organizational goal.

Employees join and continue to work for an organization as long as their needs are reasonably satisfied. Poor working condition results in abandonment of organizations by employees. In organizational literature, this is a sign of lack of employee commitment to the organization, with detrimental consequences to the organizations (Ukaegbu, 2000, p. 298).

As the researcher knowledge, this sign is also seen on some employees of the Wolaita Sodo District. There are common trends among employees that indicate such a problem. Which is efficiency i.e. some tellers with the same job grade and experience serve more than two hundred customers per day but some others serves not more than eighty, low customer service, regular lateness, high absenteeism often go together with low productivity, low quality on their work, i.e. regular and sloppy work, inattention to detail and inaccurate work, complaining about working environment the organization, and cannot enjoyed on their work because of routines.

Hence, the management of the organization must commit to invest high financial investment to the human resource development since it will increase the chances of the bank to grow and endure. This negative effect in terms of replacement or hiring cost, newcomer's induction and training cost and disrupted work can affect the organizational vision to be competitive in industry.

Despite, different researchers were conducted on the issue of job satisfaction and organizational commitment, the Wolaita Sodo District has neglected as the researchers have come across several literatures. Even though, commercial bank branches account the greatest proportion of total banks in the area of Wolaita, there is an acute shortage of studies conducted with a specific objective of assessing the effects of intrinsic job satisfaction variables on organizational commitment among bank employees. Therefore, this study will deem to fill the gaps by identifying the effects of job satisfaction on organizational commitment in commercial bank of Ethiopia, Wolaita Sodo District.

### **III. OBJECTIVES OF THE STUDY**

The general objective of this study is to identify the effect of job satisfaction on employees' organizational commitment in Commercial Bank of Ethiopia (CBE), Wolaita Sodo District (WSD). With the above general objective, the study will address the following specific objectives:-

- To identify the variables of intrinsic job satisfaction influencing organizational commitment;
- To measure the effect of intrinsic job satisfaction variables on Affective organizational commitment
- To measure the effect of intrinsic job satisfaction variables on Continuance organizational commitment and
- To measure the effect of intrinsic job satisfaction variables on normative organizational commitment.

### **IV. SCOPE OF THE STUDY**

Commercial bank of Ethiopia has fifteen/15 district offices of which 4 are city districts and 11 are outline districts. Wolaita Sodo district is one of district office located in south region Wolaita Sodo town so the study is restricted in W/Sodo district. Commercial Bank of Ethiopia has permanent and non-permanent employees. But this study focuses on permanent employees only. The organizational commitment may depend on different factors but the scope of this study was limited to intrinsic job satisfaction. Intrinsic job satisfaction factors including activity, independent, varieties of responsibilities, social status, moral values, social values, authority, ability, responsibility, creativity and achievement. And extrinsic job satisfaction and its factors (company policies and practices, compensation, advancement technical supervision, supervision-human relations, working conditions, coworkers, recognition, and job security) would not be considered.

### **V. LITERATURE REVIEW**

#### **5.1. Definition and Theoretical Overviews of Job Satisfaction**

One of the most highly researched employee attitudes over the last 50 years is Job satisfaction. It was repeatedly addressed in the subjects of industrial/organizational psychology, social psychology, and organizational behavior (Parnell & Crandall, 2003). Locke (1976) defined it as "a pleasurable or positive emotional state resulting from an appraisal of one's job or job experiences." It can also be defined as the feelings or a general attitude of the employees in relation with their jobs and the job components such as the

working environment, working conditions, equitable rewards, and communication with the colleagues (Kim, 2005). Employee's job satisfaction is an important factor for organizational growth and development (Rayton, 2006).

Scholars argued that an understanding of working conditions and employee commitment in organizations is very important to enhance job satisfaction. A satisfied, motivated and committed workforce can help organization to expand their profits, diversify investments and for effective entrepreneurial and managerial succession and continuity (Ukaegbu, 2000). It also helps to build and sustain effective and productive organization and it is a prerequisite for achieving economic, social and political development, Hang and Finsterbusch (1987) as [cited in Ukaegbu, 2000].

They also commented that attracting employees to an organization, retention of committed employees to their organization, and job satisfaction are outcomes of good human resource management (Siegel and Lane, 1974). The importance of job satisfaction specially emerges to surface particularly when an organization start to feel the pinch of negative consequences of job dissatisfaction such as lack of loyalty, increased absenteeism, increase number of accidents etc. According to Robbins *et al* (2009), job satisfaction describes a positive feeling about a job, resulting from an evaluation of its characteristics. A person with a high level of job satisfaction holds positive feelings about his or her job, while an unsatisfied person holds negative feelings. Studies have shown that employee absenteeism, turnover and other behaviors are related to a person's satisfaction with his or her job and the organization (Vroom, 1964) and (Spector, 1997).

Later studies, suggest that job satisfaction facets/dimensions can be merged into two, that is, intrinsic and extrinsic satisfaction (Spector, 1997). Conceivably, intrinsic satisfaction refers to the job tasks themselves e.g. variety, skill utilization and autonomy while extrinsic satisfaction refers to satisfaction with aspects that have little to do with the job tasks or content of the work itself, such as pay, working conditions and co-workers. General satisfaction describes to measure the aggregate of intrinsic and extrinsic satisfaction (Spector, 1997). While, Luthans (2005) indicated that there are three important dimensions to job satisfaction, which are intrinsic job satisfaction, extrinsic job satisfaction and general job satisfaction.

## **5.2. Types of Job Satisfaction**

Accordingly as Spector (1997), Job satisfaction facets/dimensions can be merged into two: intrinsic and extrinsic satisfaction. Studies have also shown that job satisfaction is a multidimensional construct consisting of intrinsic job satisfaction and extrinsic job satisfaction (Maidani, (1991); Volkwein and Zhou, (2003)). Intrinsic aspects of the job comprise 'motivators' or 'job content' factors such as feelings of accomplishment, recognition, autonomy, achievement, advancement among others. Extrinsic aspects of the job, often referred to as 'hygiene' factors are job context factors which include pay, security, physical working conditions, company policies and administration, supervision, hours of work, union relations with management among others.

## **5.3. Intrinsic Job satisfaction**

Refers to how people feel about the nature of the job tasks themselves. The intrinsic job satisfaction factors are achievement, recognition, the work itself, responsibility (Herzberg *et al.*, 1959; Herzberg, 1966). By contrast, their absence was not necessarily dissatisfying. However, when present, they could be a motivational force. Accordingly, motivation could be enhanced by restructuring work with increased opportunities for advancement, personal development, recognition, and responsibility (Lambert *et al.*, 2008).

**Achievement** - Herzberg (Herzberg *et al.*, 1959; Herzberg, 1966) associated this factor with feelings of accomplishment such as completing a task or resolving an issue. Employees who demonstrate a strong orientation for achievement may be characterized by working long hours, accepting challenging tasks, and a willingness to do whatever it takes to reach maximum outcomes (Scott *et al.*, 1997).

**Responsibility** - This factor pertains to control over one's work or that of others (Herzberg *et al.*, 1959; Herzberg, 1966). They found that job satisfaction increased and the intent to quit decreased as levels of authority over the job grew. This finding confirms Herzberg's conclusion.

**Social Status** - According to Herzberg, (Herzberg *et al.*, 1959; Herzberg, 1966), this factor is defined as any consideration that would enhance an employee's sense of importance, prominence, or position in life. Examples would be a big office, company provided transportation, or any other special privilege that would distinguish one employee from another. Several studies have found a positive correlation between status and job satisfaction (Rostamy, 2008).

**The Work itself** - Employees are likely to prefer jobs that provide them opportunities to utilize their skills and abilities and offer a diverse responsibilities, autonomy and feedback on how well they are pursuing. Jobs that have too little challenge create dullness but too much challenge creates frustration and a sentiment of disappointment (Saifuddin *et al.*, (2012). In response for making the employee is paid salaries that enable the buy

of food, clothes, refuge, and other lavishness of life. Second objective is; work is the title of social prominence or satisfying the social desires of citizens (Beach, 1998). According to Luthans (1992), employees derive satisfaction from work that is interesting and challenging, and job that provides them with status. Due to this, Workers tend to choose jobs that give them chances to employ their proficiencies and aptitudes and offer a diversity of tasks, autonomy, and response on how well they are doing (Malik *et al.*, 2010).

#### **5.4. Extrinsic Job Satisfaction**

Refers to how people feel about aspects of the work situation that are external to the job tasks itself. The extrinsic factors are pay, supervision, working conditions, co-workers, policies and procedures, status, and job security (Herzberg *et al.*, 1959; Herzberg, 1966). Pay refers to the amount of financial compensation that an individual receives as well as the extent to which such compensation is perceived to be equitable (Saifuddin *et al.*, 2012). Supervision refers to the function of leading, coordinating and directing the effort of others to achieve and attain the predetermined goals and objectives. Advancement refers to the degree an employee perceives his or her chances to grow and be promoted within the organization (Lambert *et al.*, 2008). Work Conditions concerns the physical work atmosphere including space, lighting, ventilation, and equipment (Herzberg *et al.*, 1959; Herzberg, 1966). Job Security refers to objective considerations that could affect job stability or tenure Herzberg claimed that these factors did not serve as satisfiers, but their absence could well be a source of dissatisfaction. Thus, a neutral state would obtain.

#### **5.5 The Concept of Organizational Commitment**

Through the literature search, organizational commitment was found to have a diverse set of definitions. Allen and Meyer (1990) defined employee commitment as a psychological state that characterizes the employee's relationship with the organization and has implications for the decision to continue employment with the organization. It is a 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" (Bateman, 1984).

##### **5.5.1 Types of Employee Organizational Commitment**

There are three components of organizational commitment; these are affective, continuance, and normative commitment (Meyer and Allen, 1997, p.11). Individuals who have strong affective commitment remain in the organization because they feel they want to, some with a stronger normative commitment remain because they ought to and those with strong continuance commitment remain because they need to. All the three components namely affective commitment that is psychological attachment to organization; continuance commitment- costs associated with leaving the organization; and normative commitment- perceived obligation to remain with the organization, have implications for the continuing participation of the individual in the organization (Ayeni and Phopoola, 2007).

##### **Affective Commitment**

Affective commitment is defined as "the employee's emotional attachment to, identification, and involvement in the organization" (Meyer and Allen, 1991, p. 67). As defined by Mowday, Porter, and Steers (1982), affective organizational commitment is "a strong belief in and acceptance of the organization's goals and values; a willingness to exert considerable effort on behalf of the organization; and a strong desire to maintain membership in the organization." Affective commitment is type of commitment, there is a positive interaction between the individual and the organization because both have similar values (Meyer and Allen, 1997). Those who stay in their organizations with a strong commitment retain their position not only because they need the occupation, but also because they want it (Meyer *et al.*, 1993, p. 539).

##### **Continuance Commitment**

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 (Roussenu, 1995). Continuance commitment is related to one's experience and what one has given to an organization. There is thus difficulty in "giving it up" and the unknown "opportunity cost" of leaving the organization or having few or no alternatives. According to Mowday *et al.*, (1982), continuance commitment is defined as readiness to remain in an organization because of personal investment in the form of non-transferable investments such as close working relationships with other employees, retirement investments and career investments, obtained job skills that are unique to a particular organization. Further, a research into continuance commitment suggests that this component consists of two related sub-dimensions: personal sacrifice and perceived lack of alternatives (Meyer *et al.*, 1993).

### **Normative Commitment**

Normative commitment explain the employees with strong normative commitment will remain with an organization by virtue of their belief that it is the “right and moral” thing to do (Meyer and Allen, 1991). Wiener and Gechman (1977) argued that normative commitment to the organization develops based on a collection of pressures that individuals feel during their early socialization from family and culture and during their socialization as newcomers to the organization. Besides that, normative commitment might also develop because of the “psychological contract” between an employee and the organization (Roussseau, 1995). Furthermore, normative commitment can increase when an individual feels loyal to his employer or responsible to work for the benefits that he gets from the organization as a result of the desire to compensate the favors received from the institution, Meyer and Allen, (1991) and Meyer et al., (1993).

### **5.6. Job Satisfaction and Organization Commitment**

A number of previous researchers have reported mixed findings on the relationship between job satisfaction and organizational commitment. For instance, Curry and *et al.*, (1986) found no significant relationship between job satisfaction and organizational commitment. However, other researchers (Busch et al., 1998); Chiu-Yueh, 2000; Feinstein and Vondraek, (2006); Freund, (2005); Mannheim *et al.*, (1997) found that job satisfaction was a significant predictor of organizational commitment. Higher job satisfaction, on the other hand is usually associated with higher level of organizational commitment, lower turnover, and fewer absences (Mowday *et al.* 1982) , Baker (1992) and (Young, 2008)

Empirically, the study conducted by Khamiset *et al.*, (2012) on Job satisfaction related with organizational commitment on bank employees at Northern region, Malaysia; they examined that the extent to which job satisfaction correlate with organizational commitment focusing on bank employees specifically and private sector generally. They concluded as also that the intrinsic and extrinsic job satisfaction had a significant impact to organizational commitment among bank employees, proposing improvement in job satisfaction factors strengthen employees’ commitment to their organization.

Randolph and Johnson, (2005) in a study concerning the influence of intrinsic and extrinsic job satisfaction factors on over 300 rehabilitation professionals, the results supported intrinsic factors having a positive impact of career satisfaction as well as organizational commitment. Gunluet *et al.*, (2009), conducted a study on job satisfaction and organizational commitment of hotel managers in Turkey; they established that intrinsic and extrinsic satisfaction had significant effect on affective and normative commitment but not on continuance commitment. In another study, Raymond *et al.*, (2012), on the relationship between job involvement, job satisfaction and organizational commitment among lower-level employees at a motor-car manufacturing company in East London, they shows that intrinsic job satisfaction and extrinsic job satisfaction were found to be significantly effect on organizational commitment, an indication that promoting job satisfaction components (intrinsic, and extrinsic) improves employees commitment to the organization.

An employee who has higher levels of job satisfaction will be highly committed to the organizations (Lau and Chong, (2002). Irving *et al.*, (1997) found that job satisfaction was positively related to affective and normative commitment (with a stronger relation between job satisfaction and affective commitment), but not with continuance commitment. There is also research that calls upon employers to carefully monitor the extrinsic and intrinsic job satisfaction factors which influence employees’ organizational commitment since those factors involve matters over which supervisors may have significant influence (Firth *et al.*, 2003).

### **5.7. Conceptual Framework**

Based upon the literature review, the conceptual framework was constructed below and it will offer the conceptual foundation to examine and explore more to the study in verifying the effects of job satisfaction facets on organizational commitment. Other thing is kept constant, organizational commitment is the function of independent variables of job satisfaction which are intrinsic job satisfaction and the extrinsic job satisfaction.

#### **Mathematical frame work is**

$$\hat{Y}_i = f(X_1, X_2,) \quad i = 1, 2 \& 3$$

Multiple regression Equation

$$\hat{Y}_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2,$$

Whereas

$\beta_0, \beta_1, \beta_2$  = Estimated coefficients

$X_1, X_2$  = Job satisfaction Variables (intrinsic facets)

$\hat{Y}$  = Overall organizational commitment; ( $Y_1 + Y_2 + Y_3$ )

Or (Affective + Continuance + Normative Commitment)

### **5.8. Structural Framework**

After reviewing different literature, the researcher developed structural framework as follows

Independent Variables Dependent variables  $\hat{Y}$

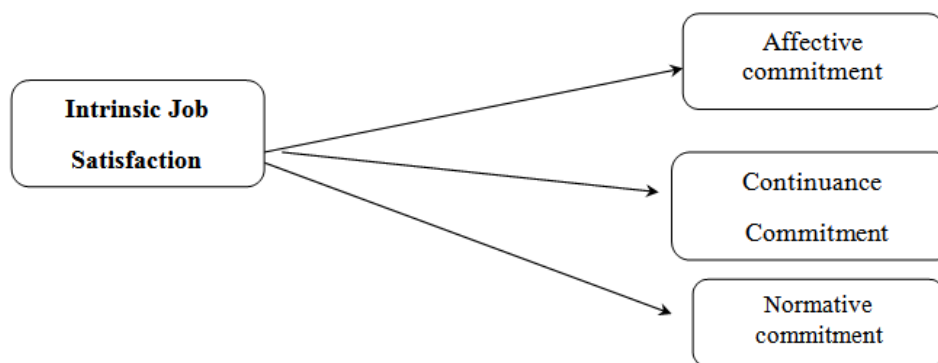


Figure 3.1 Structural framework of the study

5.9. Hypothesis

The alternative research hypotheses for this study are listed as follows;

- H<sub>1</sub>: Intrinsic job satisfaction variables have a significant effect on affective commitment.
- H<sub>2</sub>: Intrinsic job satisfaction variables have a significant effect on continuance commitment.
- H<sub>3</sub>: Intrinsic job satisfaction variables have a significant effect on normative commitment.

VI. RESEARCH METHODOLOGY

6.1. Research Design

According to C. R. Kothari (2004) a research design is the arrangement of conditions for collection and analysis of data. The method that used for this study was causal research design (cause and effect relationship between dependent and independent variables) in order to investigate the effect of job satisfaction on the employees' organizational commitment. This method was believed to be convenient and appropriate to enable the researcher in investigating the gap. The target population of the study is total of 1,129 permanent employees those currently working in Commercial Bank of Ethiopia, Wolaita Sodo District which consists of 61 branches of the bank. The researchers implemented stratified random sampling. In order to determine the appropriate sample size, below indicated Toro Yamane's (1967) simplified formula was used with a 95% confidence level and 5% of precision level is assumed.

$$n = \frac{N}{1+(N)(e)^2}$$

Where:- N = the total population  
 n = the sample from the population  
 e = the error term, which is 5 % (i.e. at 95% confidence interval)

$$n = \frac{1129}{1+(1129)(0.05)^2} = 295 \text{ employees}$$

Then, as it is shown below in the Table, from each stratum (which was based on bank grade), sampling units are, proportionally, taken.

Table 1. Total population and stratified samples from each grade of branch and proportional weight of samples for each grade branch.

NO.	Grade of Branches	Respondents		
		Population (N)	Proportionate rate	Sample size (N*26.1%)
1	Grade I branches	933	(933/1129)*295	244
2	Grade II branches	32	(32/1129)*295	8
3	Grade III branches	108	(108/1129)*295	28
4	Grade IV branch	56	(56/1129)*295	15
Total		1129	(1129/1129)*295	295

Source: Own Survey, 2017

6.2. Data Collection and Analysis

The questionnaire used for the study consists three independent sections including demographic details, Job satisfaction survey and Employee commitment. Minnesota Job Satisfaction Questionnaire (MSQ) which is designed by Weiss, Davis, England and Lofquist (1967) was used to obtain data on job satisfaction of employees'. (1990). Organizational Commitment Questionnaire which is designed and used by Meyer and Allen (1990 and 1993) was adapted to measure participant's organizational commitment. The researchers used a multiple regression analysis to examine the effect of the independent variables on the dependent variables. The

collected data were encoded and analyzed by using Statistical Package for Social Science (SPSS) computer software program version 20.0.

**VII. DATA ANALYSIS AND INTERPRETATION**

**7.1. General Background of Respondents**

In this section, the general characteristics of the respondents were presented in the following Table 2. Showing sex, marital Status of employees and their educational level which are cross tabulated. Next, cross Tabulation of sex and employees' year of service was presented. Description using Cross tabulation has been deliberately selected to display the inclusion of the respondents with varies profile.

As one can see from the Table 2., male respondents represent majority in size 197 (66.3%) and among them about 192 (64.6%) are Bachelor Degree holders and five are Diploma holders, the left ones which is 100 (33.7%) are female respondents and among them five of them are Diploma holders. It is due to the fact that, CBE, now days, is hiring more of graduates from the Universities who are with good academic records rather than Diploma holders. And the sizes of females who are graduating from universities with good grades are relatively less than that of male graduates. Also as it is shown in the Table, total number of respondents who are 'single' is 262 (88.2%) which is by far more than the size of married people, 35 (11.8%). It shows a big marital status difference among bank workers which needs to do further research in assessing all pros and cons related with it.

**Table 2. The Cross tabulation of sex and marital status of respondents with their educational level**

			Educational Qualifications		Total
			Diploma	Degree	
Sex of Employee	Male	Count	5	192	197
		% within sex of employee	1.70%	64.60%	66.30%
	Female	Count	5	95	100
		% within sex of employee	1.70%	32.00%	33.70%
	Total	Count	10	287	297
		% of Educational Qualification within sex of employee	3.40%	96.60%	100.00%
Marital Status	Unmarried	Count	9	253	262
		% within unmarried employees	3.00%	85.20%	88.20%
	Married	Count	1	34	35
		% within married employees	0.30%	11.40%	11.80%
	Total	Count	10	287	297
		% of Edu. Qual. within married & unmarried employee	3.40%	96.60%	100.00%

Source: Own survey, 2017

**7.2. The Assumptions of Multiple Regressions**

Multiple regression is used when we want to explore the predictive ability of a set of independent variables on dependent variables. In standard multiple regression, all the independent (or predictor) variables are entered into the equation simultaneously. Each independent variable is evaluated in terms of its predictive power, over and above that offered by all the other independent variables. As stated earlier, multiple regression is one of the fussier of the statistical techniques. It makes a number of assumptions about the data, and it is not all that forgiving if they are violated. The main assumptions of multiple regression are sample size and multi-collinearity.

In the issue of sample size, different authors tend to give different guidelines concerning the number of cases required for multiple regression. Gorsuch (1983, p.332) and Hatcher (1994, p. 73) recommend a minimum subject to item ratio of at least 5:1 in Exploratory factor analysis (EFA), but they also have stringent guidelines for when this ratio is acceptable, and they both note that higher ratios are generally better. As a rule of thumb, the minimum ratio of valid cases to independent variables for multiple regression is 5 to 1. With 297 valid cases and 2 independent variables the ratio for analysis is 148.5 to 1. Additionally, assumption on sample size can be checked by taking into account the number of independent variables that you wish to use:  $n > 50 + 8m$  (Tabachnick & Fidell, 1996 p.132) (where m is number of independent variables). Thus, having 2 independent variables sample size should exceed 66 to run multiple regression. Therefore, with 297 valid cases the assumption of multiple regression is more than satisfied.

**7.3. Hypotheses Testing**

H<sub>1</sub>: Argues that intrinsic job satisfaction has significant effect on affective commitment.



**Table 3. Model of intrinsic job satisfaction with affective commitment**

Model Summary						
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					F Change	Sig. F Change
1	.490 <sup>a</sup>	0.24	0.235	0.59605	46.342	0.000

a. Predictors: (Constant), Intrinsic job satisfaction

**Table 4. ANOVA of intrinsic job satisfaction with affective commitment**

Model		Sum of Squares	Of	Mean Square	F	Sig.
1	Regression	32.920	2	16.460	46.350	.000 <sup>b</sup>
	Residual	104.405	294	.355		
	Total	137.325	296			

a. Dependent Variable: Affective commitment

b. Predictors: (Constant), Intrinsic Job satisfaction

**Table 5. Coefficientsof intrinsic job satisfaction with affective commitmentCoefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations		Co linearity Statistics	
	B	Std. Error	Beta			Partial	Part	Tolerance	VIF
(Constant)	1.208	0.31		3.902	0.000				
Intrinsic job satisfaction	0.18	0.08	0.723	2.243	0.026	0.13	0.68	0.864	1.158

a. Dependent Variable: Affective Commitment

The regression analysis was performed to predict the factors of intrinsic that influence affective commitment of the employees towards organization. In the above Table3.,the R-square which measures of how much of the variability in the outcome is accounted by the predictor. In this model, the R- square value is 0.24(with  $p < .05$ ), which means that intrinsic job satisfaction variables exert significant influence on affective commitment towards. In other word, 24% of variation in organizational affective commitment can be explained only by intrinsic job satisfaction factors. In regression coefficient Table 5., the standardized beta value tells about the level of effect of the dependent variable and each predictor. According to the data on the Table, though that there is relativelystrong correlation (semi partial correlation  $r=0.68$ ), intrinsic job satisfaction exclusively contribute about 72.3% (Beta=0.723 with  $P=0.026$ ) change on the employee commitment. Hence, based on the result of analysis, the researchers accepted hypothesis  $H_1$  which saysintrinsic job satisfaction has statistically significant effect on affective organizational commitment.This findings conform to study findings ofKhamiset *al.*, (2012) conducted on bank employees in Northern region, Malaysia.

**H<sub>2</sub>: Argues that intrinsic job satisfaction has statistically significant effect on continuancecommitment.**

**Table 6. , Model of intrinsic job satisfaction with continuance commitment**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics	
					F Change	Sig. F Change
2	.408 <sup>a</sup>	.166	.161	.62068	29.349	0.000

a. Predictor: (Constant), Intrinsic job satisfaction

**Table 7., ANOVA of intrinsic and extrinsic job satisfaction with continuance commitment**

Model		Sum of Squares	Df	Mean Square	F	Sig.
2	Regression	22.613	2	11.307	29.349	.000 <sup>b</sup>
	Residual	113.261	294	.385		
	Total	135.874	296			

a. Dependent Variable: Continuance Commitment b. Predictor: (Constant), Intrinsic job satisfaction

**Table 8.,Coefficients of Intrinsic Job Satisfaction With Continuance CommitmentCoefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations		Collinearity Statistics	
	B	Std. Error	Beta			Partial	Part	Tolerance	VIF
2									
(Constant)	1.592	.322		4.939	.000				
Intrinsic job satisfaction	.610	.084	.418	7.297	.000	.392	-.389	.864	1.158

a. Dependent Variable: Continuance Commitment

As it is displayed in the above Table6, the R- square value of the model is 0.166(16.6) and p =0.000 (which is even less than <0.01) indicates that intrinsic job satisfaction variablenessignificantly influence continuance commitment towards organization. In other word, 16.6% of variation in organizational continuance commitment can be explained by intrinsic job satisfaction variables. Again in the Table 8., the beta value tells about the amount of unique contribution of intrinsic jobsatisfaction on organizational commitment which is about 41.8% (Beta=0.418.). So based on this result, it is possible to accept hypothesisH<sub>2</sub> which says intrinsic job satisfaction has significant effect on continuance organizational commitment. However, intrinsic job satisfaction facets are not positively correlated to continuance commitment which was also confirmed by Lau and Chong (2002) and Irving *et al.*, (1997). This implies that the more intrinsic variables are employed, the more we reduce continuance commitment and increase affective commitment.

**H<sub>3</sub>: Argues that intrinsic job satisfaction has significant effect on normative commitment.**

**Table 9., Model of intrinsic job satisfaction with normative commitment**

Model Summary

Model	R	R Square	Adjusted Square	R	Std. Error of the Estimate	Change Statistics		
						F Change	Sig. Change	F
3	.630 <sup>a</sup>	.397	.392		.47719	96.615	0.000	

a. Predictors: (Constant), Intrinsic job satisfaction

**Table 10.,ANOVA of intrinsic job satisfaction with normative commitment**

Model		Sum of Squares	Df	Mean Square	F	Sig.
3	Regression	44.057	2	22.029	96.766	.000 <sup>b</sup>
	Residual	66.929	294	.228		
	Total	110.986	296			

a. Dependent Variable: Normative Commitment b. Predictor: (Constant), Intrinsic job satisfaction

**Table 11. Coefficientsof intrinsic job satisfaction with normative commitment**

Model3	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Correlations		Collinearity Statistics	
	B	Std. Error	Beta			Partial	Part	Tolerance	VIF
(Constant)	.790	.248		3.188	.002				
Intrinsic job satisfaction	.194	.064	.547	3.018	.003	.173	.137	.864	1.158

a. Dependent Variable: Normative Commitment Source: Own Survey, 2017

In the above Table 9.,the R is the value of the correlation coefficients between the predictors and the outcome. Here, the data on the Table 11. The intrinsic job satisfaction variables could uniquely contribute 14.7% (Beta=0.547) in enhancing the normative organizational commitment. The semi partial correlation coefficient ( $r=0.137$ ) and sig.value(p) which is 0.003 clearly show that there is statistically significant and positive correlation between intrinsic job satisfaction variables and commitment. Also,in this model, the R-square value is 0.397, which shows that 39.7% of variation in organizational normative commitment can be explained by intrinsic job satisfaction variables collectively. Based on the result of analysis, it is sound to accept alternative hypothesis  $H_3$  which says: intrinsic job satisfaction has significant effect on normative organizational commitment.

### VIII. CONCLUSION AND IMPLICATIONS OF FINDINGS

- Intrinsic job satisfaction Variables includes the nature of work itself, recognition, freedom, varieties of responsibilities, social status, moral values, social values, authority, ability, responsibility, creativity and achievement. As the study showed us all of these variables, collectively, have statistically significant and moderately strong correlation with organizational commitment. This implies that the absence or presence of any of these facets, by and large, affects of the level of employee organizational commitment.
- Affective organizational commitment which refers to employee's emotional attachment, willingness and strong desire to maintain membership in the organization has significant and strong positive correlation ( $r=0.68$ ,  $p=0.026$   $B=0.723$ ) with intrinsic job satisfaction factors. As the research findings suggest, in order to be more productive , employees need to develop affective commitment towards organization and management body is supposed to work more on intrinsic variables.
- Normative commitment, which signifies the employees feeling towards remaining in the organization as a loyalty, right and moral, psychological contract and as responsibility to get benefits, is also positively and significantly correlated ( $r=0.137$ ,  $p=0.03$ ,  $B=0.547$ ) to intrinsic job satisfaction. This has an implication that to make employees loyal and develop moral obligation towards the organization, intrinsic factors plays an indispensable role.
- Continuance Commitment refers to individuals' readiness to remain in an organization because of fear of losing their benefits, taking a pay cut, and not being able to find another job. Also, because of personal investment in the form of non-transferable investments such as close working relationships with other employees, retirement investments and career investments, obtained job skills that are unique to the organization employees do not decide to leave the organization. This kind of commitment negatively correlated ( $r=-.389$ ,  $B=418$ ,  $p=0.00$ ) to intrinsic job satisfaction. The more we apply intrinsic variables, the more we reduce continuance commitment and shift employees to normative or affective commitment.

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GudayehuGomesu Goa<sup>MBA</sup>, Adisu Fanta Bate <sup>MBA, MA</sup>. "The Effects of Intrinsic Job Satisfaction On Employees Organizational Commitment; The Study on Commercial Bank Of Ethiopia WolaitaSodo District" *International Journal of Business and Management Invention (IJBMI)* , vol. 07, no. 04, 2018, pp 36-47