



## Organizational commitment of employees: A study on ICICI & Kotak Mahindra banks of selected cities of Chhattisgarh region

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### Abstract

Organizational commitment plays a very large role in determining whether a member will stay with the organization and zealously work towards organizational goals. ICICI and Kotak Mahindra Banks are very much different in respect of their policies, working culture, objectives and philosophies. The study is conducted to know the commitment levels of the employees working in ICICI and Kotak Mahindra Banks in Chhattisgarh Region.

**Keywords:** employees, organizational commitment, private banks, satisfaction

### Introduction

The main purpose of this study is to check the commitment level of employees working in private sector banks in Bhilai and Raipur city of Chhattisgarh region. Both employers and employees are aware that the commitment level can affect the individual outcomes as well as job performance. It is evident that no one can work under pressure, especially in private banking sector where brilliance is the key to success. The working environment of the organization must be stressed free so that worker can give their maximum efforts satisfactorily. Most of the research works on employee commitment are based on the demographic profile of the employees. The study by Ogba (2008) <sup>[12]</sup> revealed that the employees who are older are more committed than younger employees. Study done by kaur and sandhu (2010) <sup>[9]</sup> found that at every stage of employees career, there is no difference in commitment whether affective, continuous or normative. Employees who are near retirement and mid stage are more committed as compared to employees who are in the early stage of their career. Khan and zafar (2013) <sup>[8]</sup> research reveals that relation between affective commitment & the employees' age & tenure is constructive. Indian banking sector has not received adequate focus on organizational commitment.

(Jaros *et al.*, 1993). Organizational commitment is a significant concept through which we can forecast the work behaviours and behavioural intention of employees. (Mowday, 1998; Tsui, Pearce, Porter, & Tripoli, 1997). Organizational commitment is one of the important concepts in organizational research now a days. It exhibits how much the employees recognizes himself or herself with the organizational goals. It is necessary for competitive organization to have committed employees if they have to grow leaps and bounds and banking sector is no exception in this area. High-performance and high commitment strategy must be adapted by most of the competitive organizations. When employees are committed towards organizational goals and objectives. This study will identify the level of commitment of employees working in

ICICI and Kotak Mahindra banks. The study has been carry out in Bhilai and Raipur City, India. In the next segment we are going to discuss the relevant literature, methodology and results.

### Literature Review

Robert, A.S. (1970) <sup>[1]</sup> has observed that people in low status occupations are little committed as compared to those people in high status occupations.

Hrebiniak, L.G., & Alutto, J.A. (1972) <sup>[2]</sup> in their study have shown that there is a strong positive relationship between organizational commitment and experience or seniority have a strong positive relationship.

Cook, J., & Wall, T.D. (1980) <sup>[3]</sup> identified that organizational commitment is positively related to supervisory relations and interpersonal trust.

Morris, J.H., & Sherman, J.D. (1981) <sup>[4]</sup> research indicated that there is no relationship between level of education and organizational commitment.

Allen, N. & Meyer, J. (1990) <sup>[5]</sup> found that there is a connection between employee turnover and organizational commitment, and conclude that the employee are not likely to leave the organization if they are strongly committed.

Shore, L.M. and T.H. Shore (1995) <sup>[5]</sup> and Eisenberger, R., *et al.*, (1997) <sup>[7]</sup> both in their studies have found that rewards given by the organization shows that the organization is willing to invest in their employees. A reward given by the organizations reflects their interest in their employees.

Malhotra, N., P. Budhwar, and P. Prowse (2007) <sup>[13]</sup> explained that monetary and non monetary gains received by an employee of an organization are termed as organizational commitment.

Williamson, I.O., M.F. Burnett, and K.M. Bartol (2009) <sup>[10]</sup> stated that there are two kinds of rewards which can be availed by the employee. These are intrinsic and extrinsic rewards. Intrinsic rewards are intangible in nature and includes recognition, autonomy and role in decision process. Extrinsic

rewards are tangible in nature and include pay benefits and promotions.

Kirmizi & Deniz (2009) [11] identified that better relations between peers and with management affect an employee’s commitment to the organization. Nature of relations between colleagues affects the employee’s commitment towards the organization. It has been observed that conflicting relationships exist between peers; and between employees and the management and this interaction affects the employees organizational commitment. Organizations need to conduct some activities and try to create friendly atmosphere, so that their relations can improve; and in turn, their commitment towards the organization can excel.

**Research Methodology**

**A. Sampling Plan**

- Universe:** ICICI and Kotak Mahindra Banks of Bhilai and Raipur city is taken (considered) as a universe for this study.
- Sample size:** The total Sample size for this study is 100 employees of ICICI and Kotak Mahindra Banks of Bhilai and Raipur City.

**B. Sampling Methods**

- Sampling Technique:** Convenience sampling method is used for collecting the data.
- Research Design:** Descriptive research and Exploratory research design is used for the study.
- Data Collection Technique:** Data has been collected from both primary and secondary sources

**Hypothesis**

$\mu_1$  = ICICI Bank

$\mu_2$  = Kotak Mahindra Bank

**H<sub>0</sub>:**  $\mu_1 = \mu_2$  {There is no significant difference between ICICI and Kotak Mahindra Bank regarding spending rest of the career happily in the organization.}

**H<sub>a1</sub>:**  $\mu_1 \neq \mu_2$  {There is significant difference between ICICI and Kotak Mahindra Bank regarding spending rest of the career happily in the organization.}

**H<sub>0</sub>:**  $\mu_1 = \mu_2$  {There is no significant difference between ICICI and Kotak Mahindra Bank regarding discussion about organization with outside people.}

**H<sub>a2</sub>:**  $\mu_1 \neq \mu_2$  {There is significant difference between ICICI and Kotak Mahindra Bank regarding discussion about organization with outside people.}

**H<sub>0</sub>:**  $\mu_1 = \mu_2$  {There is no significant difference ICICI and Kotak Mahindra Bank with respect to considering organizations problems as their own}

**H<sub>a3</sub>:**  $\mu_1 \neq \mu_2$  {There is significant difference between ICICI and Kotak Mahindra Bank with respect to considering organizations problems as their own.}

**H<sub>0</sub>:**  $\mu_1 = \mu_2$  {There is no significant difference between ICICI and Kotak Mahindra Bank with respect to feeling as a part of family at their organization.}

**H<sub>a4</sub>:**  $\mu_1 \neq \mu_2$  {There is significant difference between ICICI and Kotak Mahindra Bank with respect to feeling as a part of family at their organization.}

**H<sub>0</sub>:**  $\mu_1 = \mu_2$  {There is no significant difference between ICICI and Kotak Mahindra Bank with respect to feeling emotionally attached to the organization.}

**H<sub>a5</sub>:**  $\mu_1 \neq \mu_2$  {There is significant difference between ICICI and Kotak Mahindra Bank with respect feeling emotionally attached to the organization.}

**Research Analysis**

**Table 1:** Descriptive Analysis table

	Income	N	Mean	Std. Deviation
Happy to spend rest of career	1.00	8	1.8750	.64087
	2.00	28	2.0000	.81650
Discussing with outside people	1.00	8	2.3750	.74402
	2.00	28	2.1429	.59094
Problems are my own	1.00	8	1.8750	.35355
	2.00	28	2.3571	1.06160
Part of family	1.00	8	2.0000	.53452
	2.00	28	2.0000	.94281
Emotionally attached	1.00	8	2.0000	.00000
	2.00	28	2.3929	.62889

**Table 2:** Significance Values for t-test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Happy to spend rest of career	Equal variances assumed	2.701	.103	-.187	98	.852	-.02441	.13061	-.28359	.23477
	Equal variances not assumed			-.186	95.121	.853	-.02441	.13096	-.28439	.23557
Discussing with outside people	Equal variances assumed	.381	.538	.045	98	.964	.00640	.14208	-.27555	.28836
	Equal variances not assumed			.045	97.956	.964	.00640	.14191	-.27520	.28801
Problems are my own	Equal variances assumed	3.112	.081	.834	98	.407	.14766	.17714	-.20387	.49918
	Equal variances not assumed			.828	84.636	.410	.14766	.17843	-.20713	.50245
Part of family	Equal variances assumed	2.498	.117	1.426	98	.157	.21889	.15351	-.08575	.52353
	Equal variances not assumed			1.417	86.634	.160	.21889	.15452	-.08825	.52603
Emotionally attached	Equal variances assumed	.433	.512	-1.352	98	.179	-.19288	.14264	-.47595	.09019
	Equal variances not assumed			-1.351	97.192	.180	-.19288	.14279	-.47627	.09051

**Findings**

- There is no significant difference between ICICI and Kotak Mahindra Bank regarding spending rest of the

career happily in the organization. Employees of both the banks are happy to spend the rest of their career in his organization.

2. There is no significant difference between ICICI and Kotak Mahindra Bank regarding discussion about organization with outside people. Employees of both the banks want to discuss about the organization with outside people.
3. There is no significant difference ICICI and Kotak Mahindra Bank with respect to considering organizations problems as their own. Employees of both the banks feels that their organization problems as their own.
4. There is no significant difference between ICICI and Kotak Mahindra Bank with respect to feeling as a part of family at their organization. Employees of both the banks feel like part of the family at organization.
5. There is no significant difference between ICICI and Kotak Mahindra Bank with respect to feeling emotionally attached to the organization. Employees of both the banks are emotionally attached to their organization.
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### Conclusion

The success of every organization in the competitive world depend on their workforce. Every organization wants to have a highly committed employee. The study examine the level of employees working in ICICI and Kotak Mahindra bank. The factors like part of family, emotionally attached, discussing with outside people etc. have a positive effect on commitment of employees working in ICICI and Kotak Mahindra bank. The results recommend that if the organization wants to increase the level of commitment the organization must look after these factors and try to motivate their employees for the upliftment of their organization.

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