

# Organizational Commitment among the Employees of NGOs in Bangladesh: An Empirical Study

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# **ABSTRACT**

Committed human resource is one of the most valuable and effective assets of an organization. Meyer and Allen (1993) have documented that organizational commitment as a leading factor impacting the level of achievement in many organizations. Commitment-based organizations believe that staff's organizational commitment contributes to workforce stability and better customer service, hence increase business performance. This study investigates the organizational commitment of NGOs employees' in Bangladesh. It focuses on the relative importance of organizational commitment and their impact on the overall organizational success. A total number of 120 employees from three selected NGOs located at different districts in Bangladesh have been interviewed for this study purpose. Data have been collected through structured questionnaire. While tackling the issue addressed in the study relevant statistical tools and techniques were applied at appropriate places. The researchers have tried to measure the organizational commitment through recognized three major elements like-affective commitment, continuance commitment and normative commitment. The study revealed that the level of organizational commitment relating to above mentioned elements is not satisfactory. It is also exposed that demographic variables like age, gender, education and working experiences seemed to affect the commitment of employees. Another noticeable outcome of the study is that the organizational commitment has a significant impact on selected NGOs operations in Bangladesh.

**Keywords:** Organizational Commitment, NGOs, Human resource, affective commitment, continuance commitment, normative commitment

# INTRODUCTION

Bangladesh is one of the suitable countries in the world for non-governmental organizations (NGOs). NGOs have emerged as an integral part of the institutional structure for addressing poverty as well as rural development, gender equity, environmental conservation, disaster management, human rights and other social issue. NGOs, in order to support social and economic empowerment of the poor, have vastly widened their activities to include group formation, micro credit, formal and informal education and training, health and nutrition, family planning and welfare, agriculture and related activities, water supply and sanitation, human rights and advocacy, legal aid and other areas (Rahman, 2010). Amazingly, this process is completely carried out by the members employed by these organizations.

Organizational Commitment is a very important element in having an able, willing workforce that is desirous of continuing with the organization and are willing to contribute at high levels of performance. Commitment of employees can be an important instrument for improving the performance of the organizations. In most of the organizations the high rate of stress leads to lower satisfaction and in turn produces very low organizational commitment (Elangovan, 2001). The higher level of communication in organization leads to higher level of commitment and thereby increased performance (Chen, Silverthorne and Hung 2006). Allen and Meyer (1990) found however, that these three classifications of commitment are conceptually and empirically separable. Even though there appears to be some overlap between affective and normative commitment, both were found to be relatively independent of continuance commitment.

#### LITERATURE REVIEW

Many researchers have conducted numerous research studies on different aspects of organizational commitment of public, private and non-profit organizations in



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Bangladesh and aboard. While making the review of related literature the following important empirical studies are taken into consideration.

Prabhakar and Ram (2011) in their study concluded that job design was measured taking into consideration skill identity, task identity, task significance, autonomy and feedback. Empowerment was assessed using training and development, competency development, participation, decision making and self-determination. The relation between job design, empowerment and organizational commitment was established and it was felt that organizations need to structure jobs and empower employees on a continuous basis as a means to improving commitment levels.

**Huang and You (2011)** in their study suggested that there is strong theoretical support for organizational commitment impact on in-role behaviors and organizational citizenship behavior performance. They also found that the three components of organizational commitment have a considerably important influence on in-role behaviors and two dimensions of organizational citizenship behavior (OCBI and OCBO).

Memari, Mahdieh and Marnani (2013) in their study revealed a positive relationship between organizational commitment and employees' job performance. In the comparative analysis of three dimensions of organizational commitment, normative commitment has a positive and significant correlation with employees' job performance. Furthermore, the study explores the employees' job performance with four demographic variables, resulting that male employees are high performer vis-a-vis their female counterparts.

Iqbal (2010) in their/his study showed that length of service is significantly associated with organizational commitment, whereas, education level is negatively correlated with organizational commitment. Furthermore, no significant correlation was found between organizational commitment and age. The results of this study also showed that the managers and the supervisors are more committed than the workers. The findings of the study suggested that top management might be able to increase the level of commitment in the workers by increasing employee satisfaction with compensation, policies, training, and working conditions. Furthermore, managers can increase organizational commitment by communicating that they value employees' contribution and that they care about employees' well-being.

Nguyen, Mai, and Nguyen (2014) in their study concluded that job satisfaction as a pathway to bridge this set with organization commitment. The pathway from human resources practices to organizational commitment, mediated by job satisfaction, has never been statistically tested in banks in Vietnam before. The findings again recommend commitment-based organizations continue and reinforce organizational support for their staff.

Azeem and Akhtar (2014) in their study showed a moderate level of job satisfaction and organizational commitment among the respondents. Job satisfaction facets and organizational commitment are found to be positively related. As far as the demographic variables are concerned, only tenure was found significantly related to commitment. Job satisfaction facets and job tenure were the significant predictors of organizational commitment

#### **OBJECTIVES OF THE STUDY**

The prime objective of the study is to measure the organizational commitment among the selected NGO employees. However the specific objectives are as follows:

- To find out the commitment level of NGO employees;
- To investigate the impact of organizational commitment on employee attitude and
- To provide some suggestions for policy implications.

# **RESEARCH QUESTIONS OF THE STUDY**

Based on research objectives there are two research questions:

- What are the affective commitment, continuance commitment and normative commitment level of the NGO employees?
- What is the impact of organizational commitment on employee attitude?

#### **METHODOLOGY OF THE STUDY**

To achieve the objectives of this study a quantitative approach has been adopted which was descriptive in nature. Five demographic variables such as age, gender, monthly income, experience and education and three independent variables like affective commitment, continuance commitment and normative commitment were taken in this study in order to identify their impact dependent variable, i.e. organizational commitment of NGO employees. Simple random sampling procedure was used in collecting the data. Both primary and secondary data were collected for the purpose of the study. A well-structured Questionnaire in a five point likert scale (1=Very Dissatisfied, 2 = Dissatisfied, 3 = Neither Neither Satisfied nor Dissatisfied, 4 = Satisfied, 5 = Very Satisfied) was used to collected the data. Among the NGOs operating in Bangladesh, Association of social advancement (ASA), Grameen Bank (GB) and Bangladesh Rural Advancement Committee (BRAC) are selected as study unit. A total of 120 respondents (employees) were taken from these three NGOs from three districts namely Faridpur, Magura and Jhenaidah. All types of data were processed through computer based Statistical Package for Social Sciences (SPSS) developed by Nie et al., (1975). Before feeding the data into computer, all data were converted into numerical codes and the details of these coding were recorded in a code book. The descriptive statistics were based on frequency percentage, mean, standard deviation, correlation analysis and regression analysis.

# **CONCEPTUAL FRAMEWORK OF THE STUDY**

Organizational Commitment: Organizational commitment has been defined as a psychological state that binds an employee to an organization, thereby reducing the incidence of turnover (Allen & Meyer, 1990), and as a mindset that takes different forms and binds an individual to a course of action that is of relevance to a particular target. Organizational commitment is the degree to which an employee identifies with the organization and wants to continue actively participating in it (Newstrom, 2007).

The Three-Component Model: The Three-Component Model of organizational commitment (Meyer & Allen, 1990) has gained substantial popularity since its inception. Meyer and Allen (1990) concluded that an employee's commitment reflected a desire, need and obligation to maintain membership in an organization.

- (a) Affective commitment refers to employees' emotional attachment, identification with, and involvement in the organization. Employees with a strong affective commitment stay with the organization because they want to.
- (b) Continuance commitment refers to employees' assessment of whether the costs of leaving the organization are greater than the costs of staying. Employees who perceive that the costs of leaving the organization are greater than the costs of staying remain because they need to.
- (c) Normative commitment refers to employees' feelings of obligation to the organization. Employees with high levels of normative commitment stay with the organization because they feel they ought to. To cope with increased competitive pressure of globalization and demand for efficiency, many organizations have come to rely on the strategy of restructuring and downsizing. The effectiveness of this strategy, however, depends, in part, on its impact on survivors' work attitudes and behaviors.

Non-Governmental Organization (NGO): A non-governmental organization (NGO) is a not-for-profit organization that is independent from states and international governmental organizations. They are usually funded by donations but some avoid formal funding altogether and are run primarily by volunteers. NGOs are highly diverse groups of organizations engaged in a wide range of activities, and take different forms in different parts of the world. Some may have charitable status, while others may be registered for tax exemption based on recognition of social purposes. Others may be fronts for political, religious, or other interests.

**Employee:** Employee refers to an individual working in any level of an enterprise to achieve objectives of both the organization and the person himself/herself (Mamun, 2004).

## **DATA ANALYSIS AND INTERPRETATION**

Table 1: Distribution of the Respondents regarding Age

Year	Frequency	Percent	Cumulative Frequency
25 Years to 30	54	45.0	45.0
31 years to 35	49	40.8	85.8
36 years 40	13	10.8	96.7
41 years to 45	2	1.7	98.3
46 years to above	2	1.7	100.0
Total	120	100.0	

Source: Field Survey

The frequency distribution and percentages of the respondents' age (in year) are shown in table- 1. The majority of the banks employees i.e. 45% belong to age group of 25-30 years, 40.8% employees belong to the age group of 31-35 years. It is also observed that 1.7%, of employees is with age of 46 and above.

Table 2: Distribution of the Respondents regarding Gender

Gender Level	Frequency	Percent	Cumulative Percent		
Male	101	84.2	84.2		
Female	19	15.8	100.0		
Total	120	100.0			

Source: Field Survey

Out of the 120 respondents in this study, 101 or 84.2% were male and 19 or 15.8% were female.

Table 3: Distribution of the Respondents regarding Educational Qualification

<b>Education Level</b>	Frequency	Percent	Cumulative Percent
SSS and HSC	25	20.8	20.8
Bachelor	20	16.7	37.5
Masters	75	62.5	100.0
Total	120	100.0	

Source: Field Survey

Table 3 shows that the majority of the NGO employees i.e. 62.5%, obtained masters' degree and above, 16.7 % have bachelor degree and 20.8% NGO employees are under graduate.

Table 4: Distribution of the Respondents according to Experience

Year	Frequency	Percent	Cumulative Percent
1 year to 5	23	19.2	19.2
6 years 10	62	51.7	70.8
11 years 15	29	24.2	95.0
16 years 20	5	4.2	99.2
21 years 25	1	.8	100.0
Total	120	100.0	

Source: Field Survey

As shown in the table 4, only 0.8% of the respondents were highly experienced (more than 21 years). Among the respondents highest 51.7% have 6-10 years job experience, 19.2% have the experience of 1-5years, 24.2% have experience of 11-15 years and 4.2% have the experience of 16-20 years.

Table 5: Distribution of the Respondents according to Marital Status

Marital Status	Frequency	Percent	Cumulative Percent
Married	112	93.3	93.3
Unmarried	8	6.7	100.0
Total	120	100.0	

Source: Field Survey

Out of 120 respondents in this study, 93.3% were married and 6.7% were unmarried.



Table 6: Descriptive Statistics of all variables

Commitment	Description	Mean	Comment		
ne tment	I would be very happy to spend the rest of my career in this organization.				
	I really feel as if this organization's problems are my own.	3.81			
	I do not feel like 'part of my family' at this organization.		2.9		
Affective Commitn	I do not feel 'emotionally attached' to this organization.				
fe	This organization has a great deal of personal meaning for me.				
A	I do not feel a strong sense of belonging to this organization.				
	It would be very hard for me to leave my job at this organization right now even if I				
	wanted to.	3.26			
	Too much of my life would be disrupted if I leave my organization.	3.27			
	Right now, staying with my job at this organization is a matter of necessity as much as				
4.	desire.		3.02		
ice ent	I believe I have too few options to consider leaving this organization.		)2		
Continuance Commitment	I believe I have too few options to consider leaving this organization.  One of the few negative consequences of leaving my job at this organization would be the scarcity of available alternative elsewhere.  One of the major reasons I continue to work for this organization is that leaving would				
tin 1m1					
on Con	One of the major reasons I continue to work for this organization is that leaving would	3.43			
0	require considerable personal sacrifice.				
	I do not feel any obligation to remain with my organization.	2.24			
Normative Commitment	Even if it were to my advantage, I do not feel it would be right to leave.				
	I would feel guilty if I left this organization now.				
	This organization deserves my loyalty.				
	I would not leave my organization right now because of my sense of obligation to it.	3.33			
C	I owe a great deal to this organization.	3.54			
	Overall Organizational Commitment of NGO Employees		3.03		

Source: Field Survey

Table 6 reveals that the mean value of affective commitment is 2.91, continuance commitment is 3.02 and

normative commitment is 3.17. At last the overall organizational commitment of NGO employees is 3.03.

Table 7: Correlations among all variables

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Variables	1	2	3	4	5	6	7	8	9
1. Organizational Commitment of NGO Employees	1	111	.102	123	060	215(*)	.027	.064	.394(**)
2. Age		1	111	.292(**)	.662(**)	196(*)	<b>-</b> .055	031	350(**)
3. Gender			1	222(*)	198(*)	.067	.198(*)	.134	.145
4. Education				1	.256(**)	178	380(**)	371(**)	059
5. Experience					1	384(**)	.057	075	086
6. Marital Status						1	.028	.048	120
7. Affective Commitment							1	.448(**)	.165
8. Continuance Commitment								1	197(*)
9. Normative Commitment									1

<sup>\*</sup> Correlation is significant at the 0.05 level (2-tailed).

Source: Field Survey

Table-7 present correlations coefficient of five demographic variables (age, gender, education, experience and marital status) one dependent variables (organizational commitment of NGO employees) and three independent variables such as affective commitment, continuance commitment and normative commitment. The correlations values of correlations age, gender, education, experience and marital status, affective commitment, continuance commitment and normative commitment organizational commitment of NGO employees are -0.111, 0.102, -0.123, -0.060, -0.215, 0.027, 0.064 and 0.394.

#### MAJOR FINDINGS OF THE STUDY

The major findings of the study are summarized below:

- In respect of overall organizational commitment level of NGO employees are not so well because the mean value is 3.03. It is located in neither satisfied /dissatisfied to satisfy. The mean value is very close to neither satisfied /dissatisfied.
- Affective commitment, continuance commitment and normative commitment mean value (2.91, 3.02 & 3.17) denoted that employee's relationship with the organization and implication for the decision to

<sup>\*\*</sup> Correlation is significant at the 0.01 level (2-tailed).

- continue or discontinue membership in the organization are not so sound.
- Affective commitment, continuance commitment and normative commitment are positively correlated with the overall organizational commitment of NGO employees.
- Age, Education, Experience and marital status are negatively correlated with the overall organizational commitment of NGO employees. On the other hand gender has a positive relation with the overall organizational commitment of NGO employees.

## **CONCLUSIONS AND RECOMMENDATIONS**

Meyer and Allen (1990) concluded that an employee's commitment reflected a desire, need and obligation to maintain membership in an organization. Consequently, commitment manifests itself in three relatively distinct manners. Affective commitment refers to the degree to which a person identifies with, is involved in, and enjoys membership in an organization. Continuance commitment involves a person's bond to an organization based on what it would cost that person to leave the company. Normative commitment involves a feeling of moral obligation to continue working for a particular organization. The findings of the study indicate that commitment level of NGO employees is not so well. Affective commitment, continuance commitment and normative commitment are positively correlated with organizational commitment of NGO employees. Commitment has a strong impact on any organizations. So not only NGOs but also all types of organizations should maintain good commitment levels for all types of employees. The organization may create a value proposition that attracts talented and qualified job incumbents and by delivering on these values the organization may improve commitment among employees.

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