

**A Study on Employee Commitment and its Impact on Sustainability of
Leather Footwear Industry in Tirupattur District-Tamilnadu**

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Abstract

The purpose of this study is to identify the impact of Employees Commitment on Sustainability of Leather Footwear Industry. The three commitments (Affective, Normative and Continuance) have been taken as independent variables and Organisational Sustainability as dependent variable. The descriptive research design was adopted in this study. Five point Likert Scale type measuring scale was constructed and administered among selected staff of Leather Footwear Industry in Tirupattur District-Tamilnadu. The results of the study indicate that Employees Commitment is significantly related to Organisational Sustainability. It has also been proved from the results that there exists brawny correlation between the Employee Commitment and Organizational Sustainability. These outcomes in turn are associated with guiding the top management for working towards increasing employees' commitment level, and the management should hire employees who are likely to become linked to the organization, this shall have a great impact and take the organization towards promising competitive edge.

Keywords: Employee Commitment, Sustainability, Leather Footwear Industry

1. Introduction

Organizational commitment is defined as “the relative strength of an individual’s identification with and involvement in a particular organization” (Mowday et al., 1969, p.241). Porter et al. (1974) defined commitment “as a strong belief in and acceptance of the organizational goals, willingness to exert considerable effort on behalf of the organization and a desire to maintain organizational membership”. Meyer and Allen (1984) defined the term Affective commitment (AC) to describe an employee’s emotional attachment to an organization because of a belief and identification with the organization’s goals.

Organizational commitment has received a great deal of attention from organizational behaviorists (for instance, Allen and Meyer, 1990; Mowday, 1998). Organizational commitment has long been viewed as an attitude of attachment of an employee with the organization, which leads to particular job-related behaviors like work absenteeism, job satisfaction, turnover intentions, behavioral changes, work motivation and work performance.

1.1. Tirupattur District - Tamil Nadu in Leather Footwear Production

The state of Tamil Nadu occupies a major place in the leather map of India. 65% of Indian tanning capacity is in Tamil Nadu. 46% of leather products from India originate from the Tirupattur District consisting of Ambur, Vaniyambadi and Tirupattur Clusters in Tamil Nadu. 50% of total export from India is from Tamil Nadu and the state accounts for 60% share in finished leather production.

Almost 63% of the labor force consists of women in the Indian leather industry and majority of them belong to weaker section of the society (Delaney, 2016). Women make predominant contribution to exports and thereby the national economy. Their entry in to productive work has enabled in improving their household situation and life style.

2. Review of Literature

Commitment: Organizational commitment and job satisfaction are important antecedents of absenteeism. Organizational commitment is often considered as a measure of loyalty to the employing organization, identifying with the organization and its core values and goals. Often, employee with higher commitment towards organization shows cognitive desire for meaningful involvement in the organizational activities (Mowday et al., 1979; Cook & Wall, 1980). It is imperative that employees with strong allegiance towards their organization have a greater desire to be part of that organization and strive to put forth their continuous effort to ensure the success of the organization (Mowday et al., 1982).

It is natural that employees with low organizational commitment see every simple obstacle as the reason to stay away from work. On the other hand, employee with strong organizational commitment might see every impediment as another challenge to be overcome. Therefore, the level of organizational commitment influences an employee to avail unauthorized leave (absent) or turn up to work (Steers & Rhodes, 1978).

Job Satisfaction: Several studies have highlighted that employee satisfaction is commensurate with customer satisfaction (Bernhardt et al., 2000; Harter et al., 2002; Wangenheim et al., 2007). Moreover, “satisfied employees will create satisfied and loyal customers, which will result in higher sales and, therefore, higher financial returns, service companies have been allocating significant resources for employee and customer satisfaction and retention” (Chi & Gursoy, 2009, p.245). Thus, analyzing the employee job satisfaction has assumed greater relevance in HRM studies as the absence of job satisfaction often results in lethargy and reduced organizational commitment (Levinson, 1997, Moser, 1997). Similarly, lack of job satisfaction is a predictor of turnover intention and quitting a job (Alexander et al., 1997; Jamal, 1997).

Sustainability: The focus of sustainable management is on analyzing firms’ performance based on achieving the triple bottom line: social, environmental, and financial outcomes (Gawel, 2012; Gupta & Kumar, 2013). Adopting sustainability initiatives can provide firms with several forms of benefits, including a positive image, enhanced trust from stakeholders, efficiency in resource management, a competitive advantage, superior returns on investments, and profitability (Chen, 2010; Dangelico & Pujari, 2010; Russo & Fouts, 1997; Shrivastava, 1995; Szekely & Knirsch, 2005). However, maximizing financial performance has been a traditional focus of businesses. This profit maximization focus is institutionalized, and it has been suggested that without regulatory obligations fewer companies may be motivated to adopt sustainability initiatives and practices voluntarily, since they involve ambiguities, challenges, and possibly negative short-term financial implications (Williamson, Lynch-Wood, & Ramsay, 2006).

3. Statement of Problem

Review of literature on the employee commitment shows that majority of the past studies have focused on the causes of lack of commitment rather than on its impact. Moreover, there has been a dearth of seminal studies on the impact of employee commitment on sustainable productivity in the Indian context.

Hence, this study is devoted to explore the relationship between employee commitment and productivity. It is an undeniable truth that lack of employee commitment cost the organizations dear and investigating the direct impact of employee commitment on productivity is an active research paradigm. In addition, there is also a strong need to analyze other variables that are likely to influence employee commitment directly and productivity indirectly. The concept like job satisfaction and Motivation are gaining increased significance in the industrial/organizational psychology and organizational behavior. Studying the influence of these variables will give more insights to the effect of employee commitment on productivity.

Research Questions:

1. What is the level of employee commitment in relation to job satisfaction?
2. Does the level of employee's commitment determine Organizational Sustainability?

4.1 CONCEPTUAL MODEL

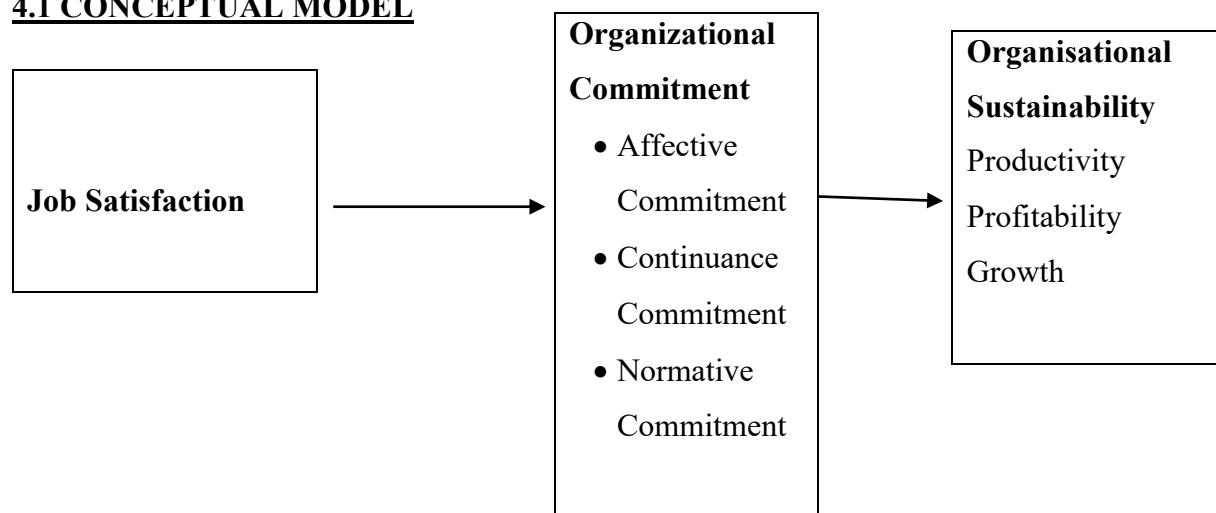


Figure 4.1 CONCEPTUAL MODEL

4.2 Objectives of the study:

- To Determine the effect of employee commitment in relation to job satisfaction
- To review the impact of Employee commitment on organizational sustainability in leather footwear industry.

4.3 Hypothesis:

H01: There is no significant relationship between job satisfaction and employee's commitment.

H02: There is no significant relationship between organizational commitment and absenteeism of employees in leather footwear industry.

4.4 RESEARCH METHODOLOGY

Research Design: Descriptive research design was considered appropriate for the study.

Study Location: Tirupattur District- Tamil Nadu

Sampling Method: Stratified Random Sampling method has been used for the study.

Sample Size: 220

Sources of data: The researcher has used both primary and secondary data for the research.

Data Analysis Tools: The data collected from the respondents was edited and tabulated and then subjected to various advanced techniques in data analysis using SPSS 25.0 software package.

Initially, descriptive statistics was conducted to measure the parameters like frequency, percentage, mean, standard deviation. Then, inferential statistics like “Independent Sample t-test”, “Analysis of Variance (ANOVA)” and “Co-efficient of Correlation”, “Linear Regression” Analysis were computed.

4.5 LIMITATIONS OF THE STUDY

The major limitations of the research are listed below:

- This study has considered only three component model of organizational commitment Allen and Meyer (1993).
- The study considered only the 20 factor model of Job Satisfaction due to limitations of time.
- The limitations of the statistical tools during the analytical process are also inherent in this research process.

5. DATA ANALYSIS AND INTERPRETATION

5.1 RELIABILITY ANALYSIS

Reliability deals with how consistently similar measures produce similar results (Rosenthal & Rosnow, 1984). Reliability has two dimensions namely repeatability and internal consistency. Internal consistency is related to the measurement of the correlation among the scale items that are intended to measure the same construct. Items measuring the same construct are expected to be positively correlated with each other. A common measure of internal consistency of a measurement instrument is Cronbach's alpha (Cronbach, 1951). Cronbach's alpha assesses whether all the items in a given construct/scale measure the same thing or not. The value of Alpha is expressed on a scale that typically varies between 0 and 1. The closer the value of Cronbach's alpha is to 1.00, the greater the internal consistency of items in the survey instrument. The value of Cronbach's alpha for the items in the instrument is shown in Table 5.1.

Table 5.1: Reliability Test using Cronbach's Alpha

S. No.	Variable	No. of Items	Cronbach's Alpha
1	Commitment to Organization	16	.782
	Affective Commitment (AC)	5	.851
	Continuance Commitment (CC)	5	.815
	Normative Commitment	6	.773
2	Satisfaction With Job	17	.759
3	Organizational Sustainability	13	.861

5.2 DESCRIPTIVE STATISTICS

The descriptive statistics of the collected data from employees is shown in Table 5.2. The descriptive data of the variables of the study is represented in terms of mean and standard deviation. Skewness and Kurtosis were used in the study to check the normality of the data. Skewness value between +/- 3.0 and kurtosis value between +/- 3.0 is acceptable for measuring psychometric constructs.

Table 5.2: Descriptive Statistics of Employees Data (N = 220)

1	Commitment to Organization	16	2.84	0.44	-0.17	-1.11
	Affective Commitment (AC)	5	3.13	0.46	-0.03	-1.28

	Continuance Commitment (CC)	5	2.78	0.62	-0.14	-1.08
	Normative Commitment	6	2.66	0.55	-0.14	-0.36
2	Satisfaction With Job	17	2.42	0.76	0.34	0.55
3	Impact of Absenteeism on Organizational Sustainability	13	2.53	0.413	-.536	2.547

5.3 Results of Hypothesis Testing

The hypotheses H1 and H2 were tested using Pearson bivariate correlation analysis test (Table 5.3). It can be seen from the table, that there is a significant correlation between the variables of the study like Satisfaction with Job and Commitment to Organization ($r=0.158$) and the level of significance was 0.01. Similarly there is a significant correlation between Employee Commitment and Organisational Sustainability and the level of significance was 0.01.

Table 5.3: Pearson Correlation Bivariate Correlations

Hypothesis		Result	Level of P – Value
H1:	H01: There is no significant relationship between Job satisfaction and Employee Commitment in leather footwear industry.	Rejected	0.05
	H1: There is a significant relationship between Job satisfaction and Employee Commitment in leather footwear industry.	Accepted	
H2:	H02: There is no significant relationship between Employee Commitment and Sustainability of leather footwear industry.	Rejected	0.05
	H2: There is a significant relationship between Employee Commitment and Sustainability of leather footwear industry.	Accepted	

6.1 Findings and Observations

- Committed employees are attached to the organization to great extent in attaining the set goals.
- Level of Satisfaction with Job and Commitment to Organization was found to be mediocre.
- Affective commitment was highly predominant.
- Employees perceived that absenteeism has prominent impact on the Organizational Sustainability (Productivity, Profitability and Growth).

6.2 Conclusion :

This study identified the impact of organizational commitment on sustained productivity in leather footwear industry in Tirupattur district (Tamilnadu). Organizational Commitment Questionnaire (OCQ) by Mayer and Allen was used for this study. In leather footwear industry sustained productivity of the employees depends more upon the affective commitment and continuous commitment of the employees. It shows a positive signal of the employees revealing the commitment and attachment of employees to the organization. It is also found that the leather footwear industry employees are enthusiastic in reflecting their continuance commitment in their work environment to render maximum productivity to their organization. The commitment of the auto-component employees is also emphasized through their affective commitment to their organizational goals. The leather footwear industry has to ensure that the commitment level of employees based on the above discussed , should be analysed to the extent of its attachment in the organization and necessary continuous action to increase and maintain the productivity level of the employees should be ensured. It has been assumed by research that individuals who were highly committed towards their jobs are likely to be more productive, have higher satisfaction level and have less likely to leave than employees with low commitment. Increase in employee commitment will also help leather footwear industry to retain employees and move ahead to experience global competition.

6.3 Suggestions and Recommendations

- The management of leather footwear industry can organize different management programs like health checkups, recreation, exercise, Yoga and other mind relaxation programs.

- By providing better working environment, better pay and benefits and facilities, it is possible that employee's motivation can be enhanced.
- By improving supervisor - worker and worker - worker relationships, a better physical working environment can be created which in turn can reduce the stress among employees.
- It is recommended that managers and supervisors are provided adequate training to handle workers with great care and motivation.
- The majority of the respondents of the study have poor educational background. They lack knowledge about financial management which often leads to increased level of stress which in turn impacts job satisfaction. Thus, providing training on financial education at workplaces might improve employees' commitment by reducing their financial stress.
- To remove the attitude that works looks boredom and monotonous in nature. Recreation activities, rejuvenation sessions and training programs can be conducted for the employees at regular intervals.
- Employee counseling, Involvement and Engagement activities should be imparted to improve the morale. The study recommends setting up of rehabilitation and counseling center within organization to provide service to employees affected with smoking, drug, alcohol problems, psychological disorders, marital issues, etc.
- It is recommended to conduct regular medical examinations for employees to safeguard the health issues.
- The study recommends ensuring fair and transparent implementation of major human resources practices like job rotation, welfare measures, work culture etc

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