



Faculty of Cognitive Sciences and Human Development

**THE RELATIONSHIP BETWEEN FACTORS EFFECTING JOB  
SATISFACTION AND ORGANIZATIONAL COMMITMENT**

**Sivagaami A/P Ganes**

**Bachelor of Science with Honours  
(Human Resource Development)  
2019**

# **THE RELATIONSHIP BETWEEN FACTORS EFFECTING JOB SATISFACTION AND ORGANIZATIONAL COMMITMENT**

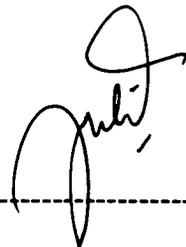
**SIVAGAAMI A/P GANES**

This project is submitted  
in partial fulfillment of the requirements for a  
Bachelor of Science with Honours  
(Human Resource Development)

Faculty of Cognitive Science and Development  
UNIVERSITI MALAYSIA SARAWAK  
(2019)

Projek bertajuk 'Hubungkait Antara Faktor Mempengaruhi Kepuasan Kerja Dan Organisasi Komitmen' telah disediakan oleh Sivagaami A/P Ganes dan telah diserahkan kepada Fakulti Sains Kognitif dan Pembangunan Manusia sebagai memenuhi syarat untuk Ijazah Sarjana Muda Sains dengan Kepujian (Pembangunan Sumber Manusia)

Diterima untuk diperiksa oleh:



-----  
(Dr. Ida Juliana Hutasukut)

Tarikh:

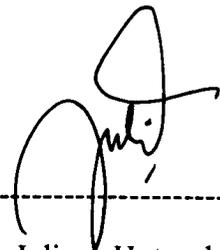
24/5/2019

-----  

<b>Gred</b> A
------------------

The project entitled 'The Relationship Between Factors Effecting Job Satisfaction And Organizational Commitment' was prepared by Sivagaami A/P Ganes and submitted to the Faculty of Cognitive Sciences and Human Development in partial fulfillment of the requirements for a Bachelor of Science with Honours (Human Resource Development)

Received for examination by:



-----  
(Dr. Ida Juliana Hutasuhut)

Date:

24/5 / 2019 .  
-----

Gred

A

UNIVERSITI MALAYSIA SARAWAK

Grade: \_\_\_\_\_

**Please tick one**

Final Year Project Report

Masters

PhD

**DECLARATION OF ORIGINAL WORK**

This declaration is made on the 24th day of MAY year 2019.

**Student's Declaration:**

I, SIVAGAAMI A/P GANES , 55068, FACULTY OF COGNITIVE SCIENCES AND HUMAN DEVELOPMENT, hereby declare that the work entitled, Sleep Index of Undergraduate Students in FCSHD and Neurocognitive Psychological Well-Being is my original work. I have not copied from any other students' work or from any other sources with the exception where due reference or acknowledgement is made explicitly in the text, nor has any part of the work been written for me by another person.

24 MAY 2019



**Supervisor's Declaration:**

I, DR. IDA JULIANA HUTASUHUT , hereby certify that the work entitled, Sleep Index of Undergraduate Students in FCSHD and Neurocognitive Psychological Well-Being was prepared by the aforementioned or above mentioned student, and was submitted to the "FACULTY" as a partial fulfillment for the conferment of BACHELOR OF SCIENCE WITH HONOURS (COGNITIVE SCIENCE), and the aforementioned work, to the best of my knowledge, is the said student's work

24 MAY 2019

Received for examination by: \_\_\_\_\_  
(DR. IDA HUTASUHUT)

Date: \_\_\_\_\_

I declare this Project/Thesis is classified as (Please tick (√)):

- CONFIDENTIAL** (Contains confidential information under the Official Secret Act 1972)\*
- RESTRICTED** (Contains restricted information as specified by the organisation where research was done)\*
- OPEN ACCESS**

I declare this Project/Thesis is to be submitted to the Centre for Academic Information Services (CAIS) and uploaded into UNIMAS Institutional Repository (UNIMAS IR) (Please tick (√)):

- YES**
- NO**

### Validation of Project/Thesis

I hereby duly affirmed with free consent and willingness declared that this said Project/Thesis shall be placed officially in the Centre for Academic Information Services with the abide interest and rights as follows:

- This Project/Thesis is the sole legal property of Universiti Malaysia Sarawak (UNIMAS).
- The Centre for Academic Information Services has the lawful right to make copies of the Project/Thesis for academic and research purposes only and not for other purposes.
- The Centre for Academic Information Services has the lawful right to digitize the content to be uploaded into Local Content Database.
- The Centre for Academic Information Services has the lawful right to make copies of the Project/Thesis if required for use by other parties for academic purposes or by other Higher Learning Institutes.
- No dispute or any claim shall arise from the student himself / herself neither a third party on this Project/Thesis once it becomes the sole property of UNIMAS.
- This Project/Thesis or any material, data and information related to it shall not be distributed, published or disclosed to any party by the student himself/herself without first obtaining approval from UNIMAS.

Student's signature: \_\_\_\_\_ Supervisor's signature: \_\_\_\_\_  
Date: 24 MAY 2019 Date: 24 MAY 2019

Current Address: Lot 3, 877 Kampung Paya Besar, 09600 Lunas, Kedah.

Notes: \* If the Project/Thesis is **CONFIDENTIAL** or **RESTRICTED**, please attach together as annexure a letter from the organization with the date of restriction indicated, and the reasons for the confidentiality and restriction.

## ACKNOWLEDGEMENT

Here, I would like to express my gratitude and special thanks to those who helped and supported me throughout this journey of completing my research. First, I would like to thank God for giving me such blessings and strength in completing the given task. By God's grace, I had met people who helped me directly and indirectly in this research.

I would like to thank my supervisor Dr Ida Juliana Hutasuhut for giving me moral support and guidance on how to conduct a research. I appreciate her patience in guiding me throughout this journey which is almost one year. The confidence on me to complete this research made me to believe that I could complete it in the given time frame.

Next, to my parents who supported me mentally, emotionally and financially, I would like to thank them for the support given to me. They had supported me throughout this three year of my degree life and especially by giving moral support to complete my research. To my brother, I am immensely thankful to him who helped me throughout the project. The support received was just as important as the support I received within the walls of Armstrong Hall.

Apart from that, I would like to thank to all my respondents who actively participated in my research keeping their busy work aside. Their cooperation in filling up the questionnaires and entertaining me as well is much appreciated.

Finally, I would thank all my friends who helped me by sharing their thoughts and ideas during my hard times to complete my work. They were helping me all the time when I need them. I feel really blessed to get all support from the loved ones in this journey.

## TABLE OF CONTENT

TABLE OF CONTENT .....	I
LIST OF TABLES .....	VI
LIST OF FIGURES.....	VIII
ABSTRACT.....	IX
ABSTRAK.....	X
<b>CHAPTER ONE</b> .....	1
<b>INTRODUCTION</b> .....	1
1.0 Introduction.....	1
1.1 Background of study.....	2
1.2 Problem Statement .....	5
1.3 Research Objective.....	7
1.3.1 General objective of the Research .....	7
1.3.2 Specific objectives of the Research .....	7
1.4 Research Questions .....	7
1.5 Hypotheses of the Research .....	7
1.6 Conceptual Framework of Research .....	8
1.7 Definition of Terms .....	9
1.7.1 Job satisfaction .....	9
1.7.2 Pay .....	9
1.7.3 Promotion.....	10
1.7.4 Supervision.....	10
1.7.5 Organizational Commitment .....	10

1.8 Chapter Summary .....	11
<b>CHAPTER TWO</b> .....	12
<b>LITERATURE REVIEW</b> .....	12
2.0 Introduction .....	12
2.1 Related Theory .....	13
2.1.1 Herzberg's Two-Factor Theory .....	13
2.2 Related Issues of Job Satisfaction .....	15
2.2.1 Factors of Job Satisfaction .....	18
2.2.1.1 Pay.....	18
2.2.1.2 Promotion .....	20
2.2.1.3 Supervision .....	22
2.2.2 Related Issues of Organizational Commitment.....	24
2.2.1 Three Component Model of Organisational Commitment .....	26
2.2.1.1 Affective Commitment (AC).....	26
2.2.1.3 Normative Commitment (NC).....	28
2.3 Past Similar Findings.....	30
2.4 Chapter Summary .....	33
<b>CHAPTER THREE</b> .....	34
<b>RESEARCH METHODOLOGY</b> .....	34
3.0 Introduction.....	34
3.1 Research Design .....	35
3.2 Research Location, Population and Sample.....	36
3.3 Research Instrument .....	39
3.4 Pilot Study.....	41

3.5 Validity and Reliability.....	42
3.6 Normality.....	45
3.7 Ethics of the Study.....	47
3.8 Data Collecting Procedure.....	48
3.9 Data Analysis Procedure.....	49
3.9.1 Descriptive Statistics.....	49
3.9.2 Inferential Statistics.....	50
3.9.2.1 Pearson Correlation.....	50
3.9.2.2 Multiple Regression.....	52
3.10 Summary of Data Analysis Procedure.....	53
3.11 Chapter Summary.....	54
<b>CHAPTER FOUR.....</b>	<b>55</b>
<b>FINDINGS.....</b>	<b>55</b>
4.0 Introduction.....	55
4.1 Demographic Characteristics of Respondents.....	56
4.1.1 Gender.....	56
4.1.2 Age.....	58
4.1.3 Race.....	59
4.1.4 Marital Status.....	61
4.1.5 Income (RM).....	62
4.2 Main Findings.....	64
4.2.1 Pay.....	64
4.2.2 Promotion.....	66
4.2.3 Supervision.....	68

4.2.4 Organizational Commitment .....	70
4.3 Findings and Discussion .....	72
4.3.1 Bivariate Analysis – Hypothesis Testing .....	72
4.3.1.1 Relationship between Pay and Organizational Commitment .....	72
4.3.1.2 Relationship between Promotion and Organizational Commitment .....	74
4.3.1.3 Relationship between Supervision and Organizational Commitment .....	75
4.3.2 The Establishment of The Most Dominant Factor .....	76
4.4 Summary of Hypotheses Testing .....	79
4.5 Chapter Summary .....	80
<b>CHAPTER FIVE</b> .....	<b>81</b>
<b>SUMMARY, DISCUSSION, IMPLICATIONS, RECOMMENDATIONS &amp; CONCLUSION</b> .....	<b>81</b>
5.0 Introduction .....	81
5.1 Summary of The Research .....	82
5.2 Discussion .....	85
5.2.1 Discussions of Main Findings .....	85
5.2.1.1 Relationship between Pay and Organizational Commitment .....	85
5.2.1.2 Relationship between Promotion and Organizational Commitment .....	86
5.2.1.3 Relationship between Supervision and Organizational Commitment .....	87
5.2.1.4 Dominant Factor That Influence the Organizational Commitment .....	89
5.2.1 Discussions of Theory .....	90
5.3 Significant of Study .....	92
5.3.1 Significant to Knowledge .....	92
5.3.2 Significant to Human Resource (HR) Practitioners .....	93
5.3.3 Significant to Organization .....	94

5.4 Implications.....	95
5.4.1 Implications to Organization and Human Resource Practitioners .....	95
5.4.2 Implications to Future Research.....	97
5.5 Limitation of the Study.....	98
5.6 Recommendations .....	99
5.6.1 Recommendations for Organization and Human Resource Practitioners.....	99
5.6.2 Recommendations for Future Research .....	102
5.7 Conclusion .....	104
REFERENCES .....	107

## LIST OF TABLES

Table 1 Sample Size for a Given Population .....	37
Table 2 Five-Point Likert-Type Rating Scale.....	40
Table 3 List of Sections and Number of Items in Questionnaire.....	40
Table 4 Cronbach's Alpha of Pilot Test.....	43
Table 5 Cronbach's Alpha of Actual Research .....	44
Table 6 Description of Pearson Correlation's Coefficient .....	51
Table 7 Statistical Analysis of Pearson Correlation .....	51
Table 8 Statistical Analysis of Multiple Regression.....	52
Table 9 Summary of Data Analysis Procedure.....	53
Table 10 Gender of Respondents.....	56
Table 11 Age of Respondents.....	58
Table 12 Race of Respondents .....	59
Table 13 Marital Status of Respondents .....	61
Table 14 Income of Respondents .....	63
Table 15 Pay .....	65
Table 16 Promotion.....	67

Table 17 Supervision.....	69
Table 18 Organizational Commitment.....	71
Table 19 Correlation between Pay and Organizational Commitment .....	73
Table 20 Correlation between Promotion and Organizational Commitment .....	74
Table 21 Correlation between Supervision and Organizational Commitment .....	75
Table 22 Multiple Regression of Independent Variables on Dependent Variables.....	77
Table 23 Multiple Regression of Independent Variables on Dependent Variables (ANOVA <sup>a</sup> ).....	77
Table 24 Multiple Regression of Independent Variables on Dependent Variables (Coefficient <sup>a</sup> ).....	78
Table 25 Summary of Results of Hypothesis Testing.....	78

## LIST OF FIGURES

Figure 1 Research Framework of the Study .....	8
Figure 2 Herzberg Two-Factor Theory .....	14
Figure 3 Sample Size Calculation Formula.....	36
Figure 4 Normal Q-Q Plot of Organizational Commitment.....	45
Figure 5 Normal Q-Q Plot of Pay .....	46
Figure 6 Normal Q-Q Plot of Promotion.....	46
Figure 7 Normal Q-Q Plot of Supervision .....	47
Figure 8 Gender of Respondents .....	57
Figure 9 Age of Respondents .....	58
Figure 10 Race of Respondents .....	60
Figure 11 Marital Status of Respondents .....	61
Figure 12 Income of Respondents .....	62

## **ABSTRACT**

This study is aimed to study the relationship between factors effecting job satisfaction and organizational commitment. The factors studied includes pay, promotion and supervision towards organizational commitment. The method of research is quantitative research where the data were collected using questionnaire as an instrument. The data was collected among 100 employees from Showa Denko identified as a manufacturing company at Kulim Hi-Tech, Kedah. The collected data were analyzed descriptively and inferentially. Pearson Correlation was used to test the association between pay, promotion and supervision towards organizational commitment. Then, Multiple Regression was used to test the dominant factor that influence the organizational commitment. Findings shows that all the studied variables have a relationship with organizational commitment. Finally, the researcher has recommended few recommendations that could be helpful to the organization, HR practitioners and the future researcher.

*Keywords:* Pay, Promotion, Supervision, Organizational Commitment

## ABSTRAK

*Kajian ini bertujuan untuk mengkaji hubungkait antara faktor mempengaruhi kepuasan kerja dan organisasi komitmen. Antara faktor yang dikaji ialah gaji, kenaikan pangkat dan penyeliaan. Kaedah kajian yang digunakan dalam kajian ini adalah kaedah kuantitatif dimana data dikumpulkan dengan menggunakan soal selidik sebagai instrument kajian. Data yang dikumpul ialah antara 100 pekerja dari Showa Denko yang dikenali sebagai syarikat pembuatan di Kulim Hi-Tech, Kedah. Data yang dikumpulkan dianalisis dengan menggunakan statistik deskriptif dan inferensi. Ujian korelasi Pearson dan ujian regresi digunakan untuk mengukur hubungan antara gaji, kenaikan pangkat dan penyeliaan. Hasil kajian telah menunjukkan bahawa terdapat hubungan yang signifikan di antara semua pemboleh ubah dengan komitmen organisasi. Akhirnya, pengkaji telah mencadangkan tumpuan kepada kajian yang boleh membimbing organisasi, pengamal HR dan kajian masa depan.*

*Kata Kunci: Gaji, Kenaikan Pangkat dan Penyeliaan*

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.0 Introduction**

The intention of this research was to identify the relationship between factors effecting job satisfaction and organizational commitment. This chapter consists ten sections including the summary of this chapter. The first section described the background of the study followed by problem statement, research objectives, research questions and research hypotheses. Then, a conceptual framework was constructed to describe the independent variables and dependent variables of this research in a simple way. The significant and limitation of the study were also discussed in this chapter. After that, the definition of the terms that used in this research were explained. This chapter end with summary and the following chapters continues.

## **1.1 Background of study**

In the modern era, job satisfaction and organizational commitment correlation research study was needed hastily especially to the growing country like Malaysia. This issue considers essential because of the relationship with the cost reduction by reducing the absences and turnover. Vroom (1964) indicated that job satisfaction is an emotions and feelings of employee that they obtained towards their responsibility when performing the given task by the upper manager or employer at their working place.

Job satisfaction is one of the significant elements of inspiration, confident and motivation of the employees when they were performing their given task with full of responsible. It also led the employee to perform better in their task with full of satisfaction and not just to perform their responsibilities as their part of work life because it is their job commitment thus, they have no choice to avoid it. Some employee would perform the task as their responsible whether they like or not even not satisfy with their current job because of the job commitment.

Therefore, the employee would remain at the same organization by performing their responsible. This kind of employee action might lead their organization to unprofitable and unproductively. Hoppok and Spielgler (1938) mentioned that job satisfaction is a combined set of psychological, physiological and environmental circumstances which is give confidence to the employees to acknowledge their satisfaction whether they are happy or not with their current job.

A good organization develop an environment of collaboration and loyalty or commitment for the employees throughout the policies that provide, facilitate and fulfill the satisfaction of the employees to make sure the accomplishment of firm goals. Satisfaction of

human resource finds closely related to motivate the employees to perform better happily and with full of passion. Consequently, the organization could ensue the employee's greater productivity and their lower turnover rates by buildup the employee's loyalty or commitment to the firm (Parvin & Kabir, 2011).

Additionally, job satisfaction is a combination of employee's feelings which is negative and positive towards their task or work. It also the employee's sense of accomplishment and achievement of their task which is have direct link to their productivity. Moreover, satisfaction in a job described how a person doing his or her job very well and being with full of passion and cheerfulness by enjoying and having fun with it (Aziri, 2011). The satisfaction that the employees having from their job equal to compensate them for their hard work and efforts in a organization. Hence, the job satisfaction plays a very important role in terms of increment, promotion, recognition and the accomplishment of firm goals which is lead to fulfillment and satisfaction (Kaliski, 2007).

Different author research about the different factors and each of them stated different opinions about their studies. Rad and Yarmohammadian (2006) stated that several factors influence employee job satisfaction such as pay, communication, working conditions, job importance, interpersonal relationships, recognition, co-workers, supervision. Subsequently, Misener et al. (1996) mentioned that job satisfaction is an employee feeling on job elements which are intrinsic and extrinsic. It is consisting of specific aspects such as work conditions, relationships with co-workers, pay, supervision and organizational practices.

According to Chandrasekar (2011) statement, employee relations with their supervisors (supervision) is one of the important keys of job satisfaction. Based on Luthans (2011) opinion, job satisfaction has five dimensions. There are work itself, pay, promotion, co-workers and supervision. There are the most significant characteristics in a affective

responses of employees to their job. Regarding to Lane, Esser, Holte & Anne (2010) view, the various elements and components such as wages, working hour, employee's autonomy, communication and the structure of organization might influence job satisfaction, and it could be positive either negative effect.

Subsequently, organizational commitment also considers a famous issue that still debating and need further research in a developing country like Malaysia. This is due to the important of accomplishment and achievement level in an organization through the organizational commitment that given by the employees (Meyer & Allen, 1997). Many research studies have been conducted before in discovering the relationship between job involvement, perceived organizational support and job satisfaction with organizational commitment. There are three component model (TCM) in organizational commitment which is affective commitment, continuance commitment and normative commitment.

Affective commitment implies the employee's feelings that make them attached with their organization. Generally, the employees thought to keep on working in their current organization. It is because the employees really want to remain stay in their organization. Next, continuance commitment implies the employees believes that it would be costly for their self if they leave their organization. Thus, the employees would keep on working in their current organization because they think and believe that they must stay. After that, normative commitment implies the employees trust that they are doing the right thing by remain stay in their current organization.

Employees organizational commitment contributes to better customer service and workforce stability thus, it might increase the business performance based on commitment of organization from the employees. Previous research also signifies the satisfaction of job as a path of connection with the organizational commitment (Nguyen, Mai & Nguyen, 2014).

Consequently, there are some interested factors from the previous research studies from different researchers attracted to conduct this study. Therefore, this study chooses few selective factors of job satisfaction which is pay, promotion and supervision that associate the organizational commitment for the further investigation.

## **1.2 Problem Statement**

Some previous research has not supported that factors of job satisfaction such as pay, promotion and supervision have direct relationship with organizational commitment. The employees have greater affection towards their organization when reach the satisfaction level in their organization. A study done by Samad (2007), on job satisfaction influence on organizational commitment and rate of staff retention in Malaysia. Another study by Nawab and Bhatti (2011), investigated the compensation impact for employees on satisfaction of job in sector of education, Pakistan. According to the studies on career development (training skill), compensation is a predictor for employee's organizational commitment however the researcher did not give a breadth explanation in causal correlation between the compensation content and work context set. Furthermore, there was no research conducted to determine the employees job satisfaction as a direct pathway to link the organizational commitment of employees (Cicekli & Kabaskal, 2017). Thus, this study aimed to study the correlation between factors effecting job satisfaction and organizational commitment.

Moreover, the concept of job satisfaction frequently relays to organizational commitment, absenteeism, turnover, and there are limited researches that have been done that shows job satisfaction includes pay, promotion, co-workers, supervision and work itself has direct relationship with organizational commitment of employees (Nguyen, Mai & Nguyen, 2014; Leite, Rodrigues & Albuquerque, 2014; Kelly, 2015). Besides. only small numbers of studies that have investigate the job satisfaction influence towards the organizational

commitment. The most common factors of job satisfaction are pay, promotion, co-workers, supervision and work itself.

A study done by Gangai and Agrawal (2015), on job satisfaction and organizational commitment of employees in India. According to the study that conducted by the researcher, there was only positive correlation of organizational commitment among gender but there was no positive correlation between job satisfaction and organizational commitment of employees. In addition, another study by Ismail (2012), investigated on job satisfaction and organizational commitment of employees and the study revealed that there was no correlation between job satisfaction (pay, promotion, co-workers, supervision and work itself) and organizational commitment of employees. Thus, here is proven by the studies reveal that only few empirical studies exist to date and even in this study the effect of job satisfaction and organizational commitment were not the primary research focus. For that reason, the discussion for the relationship between job satisfaction includes pay, promotion and supervision, and organizational commitment are still open.

Besides, some previous research also not supported that promotion have direct relationship with organizational commitment (Gathungu, Iravo & Namusonge, 2015). According to the study that conducted by the researcher, there was negative correlation between promotion and organizational commitment of employees in the Industry of bank which is in Kenya. However, a few researches that have proven the correlation between promotion and organizational (Cicekli & Kabaskal, 2017). The researcher stated that alternative opportunities are conceptual to moderate the correlation between promotion and organizational commitment of employees in a negative way. Thus, here is proven by the studies reveal that only few empirical studies exist to date and the discussion for the relationship between job satisfaction and organizational commitment are still open.

## **1.3 Research Objective**

### **1.3.1 General objective of the Research**

To determine the relationship between factors effecting job satisfaction and organizational commitment.

### **1.3.2 Specific objectives of the Research**

1. To determine the relationship between pay and organizational commitment.
2. To determine the relationship between promotion and organizational commitment.
3. To determine the relationship between supervision and organizational commitment.
4. To determine the dominant factor that influence the organizational commitment.

## **1.4 Research Questions**

- RQ 1: What is the relationship between pay and organizational commitment?
- RQ 2: What is the relationship between promotion and organizational commitment?
- RQ 3: What is the relationship between supervision and organizational commitment?
- RQ 4: What are the dominant factors that influences the organizational commitment?

## **1.5 Hypotheses of the Research**

- H<sub>a1</sub>: There is a significant relationship between pay and organizational commitment.
- H<sub>a2</sub>: There is a significant relationship between promotion and organizational commitment.
- H<sub>a3</sub>: There is a significant relationship between supervision and organizational commitment.
- H<sub>a4</sub>: There is a dominant factor that influence the organizational commitment.