



Exploring the Relationship Between Interpersonal Trust and Job Satisfaction on Organizational Commitment

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*Received: October 6, 2014
Accepted: December 9, 2014*

ABSTRACT

Organizational commitment is crucial to an organization as it will improve the organization itself as well as the employee's work performance. In relation to this, the level of job satisfaction will effects their working behavior and commitment towards organization. Without strong relationship, they will become unproductive and demotivated in commitment. Moreover, employees also need to understand the importance of trust among them in order to build a strong relationship to enhance their organizational commitment. In this paper, the authors attempts to measure the effect of organizational trust and job satisfaction towards organizational commitment at PFC Engineering. A total of 80 respondents were selected from PFC Engineering. Two predictors, organizational trust and job satisfaction were found to have medium to strong correlation with the dependent variables namely organizational commitment. The analysis shows that job satisfaction and interpersonal trust are positively and significantly related to organizational commitment. The outcome of the study indicate that PFC Engineering need to focus on their job satisfaction and trust among employees towards sustaining and improving organization commitment. Finally, research and practical implications of the study are discussed.

KEYWORDS: Interpersonal Trust, Job Satisfaction, Organizational Commitment, Workplace.

INTRODUCTION

Employees can be considered as the most important asset in organization. Indeed, if they are satisfied with their working environment, they will committed to their organization. Thus, they will have a strong aspiration to continue contributing to the organization. A person may stay with an organization because of the organization's values and responsibilities. Another person may stay with the same organization on the basis that departure may impact his or her position, profit and public networks. However, another person may be committed to the organization due to the sense of responsibility [1]. In addition, in [2] states that normative commitment is the result of employee's sense of responsibility to be a part of the organization.

Job satisfaction plays an important role in order to encourage organizational commitment. Job satisfaction will affect the agreement on continuing in or leaving the organization. If workers are dissatisfied with their jobs, they are more exposed to leave the organization [3]. The conception of employee's intention to leave means that the employee is leaving their jobs due to job-related dissatisfactions rising from unsatisfactory pay, unattractive work and issues of promotion, interpersonal relations, working conditions and bad managerial approach [4]. In [5] claimed that when employees are satisfied with their job, they are committed and usually will not look for other job opportunities. In addition, it is pointed that if the employees get the salary, good working conditions, recognition and career development, they will probably be more productive and will also continue to work with the organization [6].

However, in [7] argued that most of the intellectual employees in tertiary institutions in Zimbabwe are not satisfied with their job. This was due to high level of workload, insufficient salaries, allowances and loans to purchase their needs and wants. Besides, in [8] who conducted a research on job satisfaction among educators in colleges of education in Southern Nigeria, found that educators were not satisfied with their job. The respondents indicated that they are satisfied with their workload but extremely dissatisfied with their income. On top of that, the findings also showed that there was a major negative relationship between age, education level and academic rank with job satisfaction.

Interpersonal trust has been identified as an important element in building a successful organization. Besides, the lack of trust among employees will bound an organization's ability to evolve and achieve its full potential. According to [9], the lack of trust also will leave an organization with a flawed reputation, negative attitudes, less ability to look after innovation and inspiration, inconsistent in thinking, decision making and reduced profitability.

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Thus, from an organizational perspective, the higher the intra organizational trust, the more satisfied and productive the employees tend to be. When trust is a “guiding principle in the corporate culture, it provides a firm foundation to improve job satisfaction and provided a committed staff” [10]. Although organizational commitment has received a lot of attention in researches, it has been measured and conceptualized in many different ways, and still remains as a challenging construct [11]. Therefore, the purpose of this study is to investigate the relationship between job satisfaction and interpersonal trust on organizational commitment.

LITERATURE REVIEW

Job Satisfaction

According to [12], a lot of researches have been done on many issues of job satisfaction over the past period. Thus, the connection between job satisfaction and organizational commitment is important because satisfied employees are committed in their job. The performance of an organization is satisfactory only if the employees are satisfied internally. These two key concepts are very important because job satisfaction and commitment are the main determinants of employee turnover, performance, and efficiency [4]. In addition, according to [13], when people join an organization, they bring with them specific motives and requirements that have an effect on their performance on the job. It also states that, job satisfaction is the level to which individuals experience positive or negative aspects regarding their jobs. Therefore, if employees’ necessities are met, they will present better returns in shape of work of better importance [2]. Therefore, satisfied and committed employees are commonly giver and performer towards enhancing organizational effectiveness [14].

In [1] found that job satisfaction is a factor that whether an employees either support an encouraging approach about a job or an unresponsive approach about job. In the same way, in [15] also agrees that job satisfaction is a general approach towards the work and the degree to which the people like their job and illustrate the positive and negative performance in real job environment. Research by [16] analyzed the effects of job satisfaction on organizational commitment among the employees, and the findings proved that satisfaction level would forecast their commitment to the organization. According to [17], the higher the job satisfaction levels the more positive the employee’s attitude towards one’s work. Thus, job satisfaction can be best described as positive approach towards how to perform a job. On the other hand, in [17] claimed that dissatisfaction creates a negative attitude in an employee. Therefore, job satisfaction as a enjoyable emotional state results from the appraisal of a job or work experience. When a person feels good about the job and duties, it is proved that he has a high level of job satisfaction [18].

As a consequence of job satisfaction, in [18] argued that a good associate in an organization may show behaviors beyond the call of duty. According to them, an employee who is satisfied with one’s job does not watch the time spent at work and does not look forward for pleasure from others about his job [19]. Based on the discussion, job satisfaction can be described as someone’s pleasing feelings in relation to one’s level of satisfaction or dissatisfaction towards one’s work to accomplish organizational goals proficiently and successfully.

Interpersonal Trust

Interpersonal trust is defined as an emotional state consist of intention to accept exposure to the events that is vital to employee [20]. In [20] stated that by putting trust in subordinates is a strong indication of managerial readiness to encourage the employees to participate in decision making processes. It is no doubt that employee’s participation in decision making played an important role behind high productivity, skill, and the progress of employees inspiration and commitment [21]. According to [22], several researchers found that involvement in decision making resulting in job satisfaction and organization commitment, while variety of duty and work effort nurture cooperation among employees.

Past research by [23] reveals that the value of trust and commitment is commonly emphasized in teamwork for they are not only the basis of partnerships but also the necessary conditions to achieve good teamwork performance. Research by [24] indicates that supportive leadership behavior has a major impact on managerial trust and organizational culture that support emotional empowerment in Taiwan’s hotel companies. Moreover, study done by [25] shows that groups with high levels of trust achieve superiorly and suggest that trust should be a main value of an organizational culture. Furthermore, in [26] also expressed that high level of trust is important element toward any firm’s success, providing the much needed skill of its human resources to implement it’s business strategy.

In [27] study found positive relationships between trust and individual well being, job satisfaction and commitment and they referred to the influence of trust in determining organizational success. In addition, studies conducted by [28] found that trust between organizational members can encourage voluntary teamwork, additional

role behaviors and performance as well as individual and team satisfaction and both organizational and decision commitment. In conclusion, when trust becomes less than a back-and-forth commitment, there is a potential for a decrease in employees' job satisfaction and commitment to the organization as a whole.

Organizational Commitment

Organizational commitment is defined as employees' acceptance of organizational goals and their eagerness to give effort on behalf of the organization. In other words, commitment involves readiness to exert extensive effort on behalf of the organization, acceptance of the values and the goals that organization portrays [29]. Similarly, in [30] stated that organizational commitment as the level to which an employee identifies with a particular organization and its goals and wishes to sustain membership in the organization. Research done by [31] defined organizational commitment as a psychological state that classifies an employee's relationship with the organization and decreases the possibility that they will leave it.

In relation to organizational commitment, in [30] stated that committed employees are believed to be more productive and less likely to leave, more reliable, perform well, produce more and are more concerned. In addition, in [32] has developed a model of organizational commitment that differentiates three commitment components which is affective (expressive connection to the organization), continuance (perceived costs allied with leaving the organization) and normative (feelings of responsibility towards the organization). Each of these components contributes to increase the probability that the employee will stay in the organization, but the nature of each way of thinking differs from the others. Employees with a strong affective bond stay because they want to do so. Those with strong continuance commitment stay because they feel they have to. Normatively, committed employees stay because they feel they should to. Additionally, in [33] feels that having committed employees would be an extra additional benefit to the organization.



Figure 1: Conceptual framework of the relationship between independent and dependent variables

Hypotheses Development

H1: Job satisfaction is positively related to organizational commitment.

H2: Interpersonal trust is positively related to organizational commitment.

METHODOLOGY

Research Design

The study was conducted specifically to investigate the influence of job satisfaction and interpersonal trust on Organizational commitments. To achieve the objective of the study, a quantitative correlation research design was used to investigate the relationship between the two types of variables. A pilot test involving 30 responses was conducted to analyze the relationship.

Instruments

Initially, the questionnaire was adapted from [33]. Respondents were required to answer each item using five-Likert scale, ranging from 5 = strongly agree to 1 = strongly disagree.

Sampling Frame

A comprehensive list of number of all employees in PFC Engineering Sdn. Bhd., serves as the sampling frame in the study. The company size in the sampling frame, measured in number of employees, which are 85 employees.

Sampling Technique and Process

The sampling technique that has been used in this study is probability sampling technique which is simple random sampling. Simple random sampling means each member of the population has an equal probability of being selected to be part of the sample. In [34] indicated that since each member of the population has the same chance of being selected, this makes the process fair as the resulting samples are very representative of the population. By using this technique, all employees in PFC Engineering Sdn. Bhd., Paka, Terengganu have the equal chance of being selected for the sample. In this study, simple random sampling was used because the population is small.

DATA ANALYSIS AND FINDINGS

This study discussed two variables namely interpersonal trust and job satisfaction that influence organizational commitment. Respondents were selected from PFC Engineering Sdn Bhd by using [35] table. Based on that, 70 respondents were selected from 85 employees of PFC Engineering Sdn Bhd. Descriptive analysis of demographic information indicated that most of the respondents were male with the percentage of 77.1% while 22.9% were female. The age groups were 52.9% with age between 21 to 30 years old, 31.4% with age between 31 to 40 years, 10.0% with age 41 to 50 years and 5.7% were above 51 years old. Based on the education background, most of them were 38.6% degree, followed by 30.0% diploma, 22.9% were Sijil Pelajaran Malaysia and 7.1% were certificate. Respondents with Master qualification were only 1.4%. The percentage of respondents who were categorised with working experience's of below 10 years was 87.10% while more than 10 years was 12.9%. The employment status of respondents was mostly permanent staff with the exact percentage of 78.6% permanent and 21.4% contract staffs.

Reliability, Means, Standard Deviation and the Correlation Analysis Result

Table 1: Reliability, means, standard deviation and the correlation analysis result

No	Variable	M (N = 70)	SD	1	2	3
1	Job Satisfaction	3.1300	0.71065	(0.853)		
2	Interpersonal Trust	3.1700	0.71715	.905**	(0.852)	
3	Organizational Commitment	3.2571	0.73968	.683**	.588**	(0.90)

Notes: ** Correlation is significant at the 0.01 level (2-tailed); *Correlation is significant at the 0.05 level (2-tailed); Cronbach's alphas in the parentheses along the diagonal

Table 1 illustrates the relationships between job satisfaction, interpersonal trust and organizational commitment. Each construct has acceptable Cronbach's alpha coefficient value which is above 0.70 [36]. Specifically, the values indicate all variables have high internal consistency with organizational commitment (0.90), job satisfaction (0.85) and interpersonal trust (0.85). Spearman's correlation was used to describe the strength and direction of the linear relationship between two variables [37]. The values of the correlation coefficients (rho) tabulated in Table 1 indicate the strength of the relationship between variables. The relationship between job satisfaction, interpersonal trust and organizational commitment were investigated using Spearman's correlation coefficient. The results show that, there was a strong, positive correlation between job satisfaction and organizational commitment ($r = 0.68$, $p < 0.05$). The correlation between interpersonal trust and organizational commitment is $r = 0.58$ and $p < 0.05$. It shows that there is also a strong and positive correlation between the two variables. Therefore, hypotheses 1 and 2 are accepted.

CONCLUSION

The concepts of job satisfaction, organizational trust, and organizational commitment have been the focus of many researchers over the past three decades. Some of those researchers have put forth the idea that organizational leaders who desire to improve overall productivity and sustainability should give greater emphasis to ensuring that these issues receive consistent attention. The results of this study have shown that these concepts are not only important to organizational success but are also strongly related to one another. Furthermore, the researcher is confident that the results from this study can, in all probability, be generalized to similar engineering companys across the country due to the similarities among the aspects of organizations operation.

Commitment of employees in any organization play important part towards it's success. Nurturing interpersonal trust among employees will increase work commitment and loyalty of employees. In this study, the researchers have verified that the independent variables which are interpersonal trust and job satisfaction have positive relationship in organizational commitment at PFC Engineering Sdn Bhd. Therefore, policy makers should

consider creating trustworthy working environments with elements of participative decision-making. According to [38], employees should have high interpersonal trust towards each other when performing task and high job satisfaction in order to have high organizational commitment. Likewise, management needs the trust of employees to maintain a creative, satisfied, and productive workforce. When employees do not have to worry about the competence of their organization's decision-makers, they are more likely to concentrate on doing their part in helping the organization achieve its goals. The future academic endeavours might make use of the present study as a stepping-stone for further exploratory and confirmatory research towards a more complete understanding of the satisfaction considerations in particular.

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