Effect of Continuance Commitment and Organizational Cynicism on Employee Satisfaction in Engineering Organizations

Rukaiza Khan, Afshan Naseem, and Syed Athar Masood

Abstract—Employee continuance commitment and job satisfaction are inevitably linked to each other, and it is a well-known fact that employee job satisfaction is affected by organizational cynicism. The present study aimed to assess the effect of continuance commitment and organizational cynicism on employee job satisfaction. We focused on determination of commitment impacts on satisfaction of employees. The data was collected through structured questionnaires. The correlation was performed. Besides it, analysis was done with control charts and 3-D scatter diagram. The results showed that organizational cynicism has negative association with employee job satisfaction and there is a significant relationship exists among employee job satisfaction and continuance commitment. Moreover, there is no significant relationship exists among continuance commitment and organizational cynicism. The intricate link between continuance commitment, organizational cynicism and employee job satisfaction manifested in our study emphasizes the need of simultaneous investigation of these parameters.

Index Terms—Continuance commitment, organizational cynicism, employee Satisfaction.

I. INTRODUCTION

Employee-organization relationship has great importance for the success and persistence of any organization. To build a strong relation among employee and organization, there is a need for organization to ensure high level of employee satisfaction and commitment.

Organizational commitment has been studied over more than four decades in private, public and non-profit sector. It has an important place in the field of organizational behavior. Three-component model: affective, normative and continuance, has multi-dimensional conceptualization [1]. Continuance commitment has negative correlation with desirable work behavior [2]. It is the willingness of employees to remain in organization because of fear of losing the benefits employee is acquiring from the job.

Cynicism originated from the ancient Greek word ‘Kyon’ that means dog [3]. Although it is a widespread among employees but it is ignored by researchers until now. It is the negative attitude composed of belief, behavior and affect towards organization. The organizational cynics assume that organizations lack principles like scrupulousness, equality and sincerity [3]. The effects of organizational cynicism are far reaching and cynical employees lack trust in management because they believe that they are being treated unfairly at workplace. While comparing organizational cynicism with performance quality of employee, it has been found that it is negatively related to quality performance [4].

Cynical employees have feelings of frustration and distrust. The cynical employees are unwilling to perform organizational citizenship behavior and have intention to engage in unethical behavior [5].

In the continuance commitment, employees have feelings that they lose something if they will lose something if they do not stay in organization. It is considered a passive commitment. It creates satisfaction among employees. (Hiroaki)

No specific study has been done in Pakistan till now that can see the outcome of continuance commitment and organizational cynicism on employee job satisfaction. In this work the aim is to observe the effect of employee willingness to stay in organization and organizational cynicism on the employee satisfaction at workplace.

II. LITERATURE REVIEW

A. Organizational Commitment

Organizational commitment has an important place in the field of organizational behavior. (Schultz) Organizational commitment is considered as a psychological state [1] between an employee and his/her organization [6]. Organizational commitment is a multidimensional construct [2]. Commitment at workplace is a considerate force that provides direction to behavior of employees [7]. Commitment is a mind-set [1] and multidimensional that gives employee a direction of behavior. [7] Commitment can also be defined as the loyalty and attachment with organization [8].

Organizational commitment is very critical to understand for success of an organization in this competitive environment. But literature of organizational behavior mostly focused on developed countries.

B. Continuance Commitment

A three-component model of organizational commitment categorized commitment are like: affective, continuance and normative [1]. Continuance commitment is commitment in which employee identifies the side-bets or investment, cost and alternatives [1] that are associated with leaving the organization like time, effort and pension [6], [7], [9], [10]. If
there is a high level of continuance commitment in employee, then he/she will stay with his/her organization [6], [9], [11]. There is a mutual relationship exist between management and employee and that relationship is continuance or calculative [12].

Continuance commitment is unrelated or negatively related to organizational citizenship behavior [13] absenteeism and job performance [2]. Continuance commitment is positively related with performance and quality of work [12]. Organizational citizenship behavior is of no importance for employees who have high continuance commitment. Besides this, altruism and conscientiousness are also negatively correlated with continuance commitment [13]. Organizational Cynicism

Cynicism is widespread in the workplace [3], [14]. Studies have shown its widespread prevalence in American workforce [15]. Since the initiation of the cynicism as a peculiar way of looking at life in the fifth century BC, cynicism has transformed from pursuit for higher standards of morality and virtue and moral freedom in liberation from desire (Russell) to distrust of employees in the intentions of organizations, in fear of exploitation [5].

C. What Is Organizational Cynicism?

Author [3] has operationalized organizational cynicism as negative attitude toward one’s employing organization, comprising three dimensions: (1) a belief that the organization lacks integrity; (2) negative affect toward the organization; and (3) tendencies to disparaging and critical behaviors toward the organization that are consistent with these beliefs and affect.

Research has shown that organizational cynicism is different construct from other organizational behavior construct like organization commitment, trust, alienation [3], psychological contract breach [16], and job satisfaction [16] and skepticism [17].

Recently organizational cynicism has been viewed with the focus on organizational change effort giving rise to dimension of CAOC (cynicism about organizational change) [17]. History of failed change efforts, inadequate information provision about the foreseen change and belief that the change efforts are going to run futile, results in growth of CAOC [18].

D. What Causes Organizational Cynicism?

In studies organizational change efforts have been particularly emphasized as engendering cynicism [19], where the repeated history of change failures defines negative behavior of cynics [18]. Bias against working in teams, due to the lack of trust, causes cynicism [3]. The layoff employees do not trust their new employer and more cynic about the intentions of organization [20]. Organizational cynicism is based on perception, incorporating experience from of previous job [21]. Violation of psychological contract between employer and employee was presented as the primary reason of organization cynicism [16].

E. Employee Job Satisfaction

Satisfied employees are more adjusted in organization while dissatisfied employees are more inflexible and try to overcome the factors that create obstacles in environment.

[22]. Employee satisfaction has positive influence on commitment and both satisfaction and commitment has positive influence on intention of employees to remain in organization that reduces the turnover. [23]. It can also be said that employee organizational commitment results from job satisfaction and both of these factors have negative effect on intention of turnover [24]. Employee job satisfaction has great impact on organizational commitment and committed employees have better understanding of goals and values of organization [25]. Employee satisfaction is a critical issue for about two decades. It is a multidimensional construct [26]. There is a need for human resource managers to understand the factors that can enhance the employee satisfaction [27].

F. Continuance Commitment and Organizational Cynicism

Some research has shown that organizational cynicism does not affect work performance, organizational citizenship behavior or absenteeism of employees [16] while work by [28] on university faculty members showed that the cynical faculty members have low level of group consciousness among themselves. That is why there is a reason to consider organizational cynicism as passive behavioral traits instead of active [17].

Organizational cynicism fully mediates the relationship between psychological contract breach and emotional exhaustion [17], resulting in negative feelings toward organization. Therefore, cynic employee have been identified by the use of sarcasm and negative comments, knowing looks, rolling eyes, and smirks of employees as indication of cynicism [3]. On the positive note, cynic employee will not comply with the unethical directions of their management due to the lack of trust in the intentions of management [5]. Being a passive behavioral characteristic, we propose that:

Hypothesis 1: Intention of stay does not have any significant relationship with organizational cynicism.

G. Employee Job Satisfaction and Organizational Cynicism

Employee job satisfaction has positive relation with organizational commitment and organization’s competitive advantage. Committed employees do not look for other opportunities [29].

Managers can develop the performance of employees by considerate handling the commitment of employees with their organization [13].

Cynicism is a state not personality trait that can change and directed to a certain object [3]. There can be many objects of organizational cynicism i.e. institution and society: a person having a general disbelief and mistrust on human nature and hence doubting intentions and sincerity of others [30]. The object can be the work itself, employee considering the work in not repaying him as per the effort he is giving or the understanding of reward he has for his work [16]. The cynical employee show distrust in management considering the principles of honesty, fairness and sincerity are sacrificed to further the self-interests of leadership, leading to actions based on hidden motives and deception. [5], [31]. Being negatively directed towards organization as an object, it is proposed that:
Hypothesis 2: Organizational cynicism is negatively correlated with employee job satisfaction.

It is not the question of having cynicism or not, but it is the degree of cynicism existing in oneself [3]. Based on the Dean’s definition organization cynicism is a personal response based on organizational learning and understandings of employees, and not a personality trait, hence it can be managed [19].

The organization fails to meet the perceived expectations of employees, hence engendering cynicism [5]. Organizational policies i.e. high level of executive compensation, poor organizational performance, layoffs have their impact on formation and development of organizational cynicism [5].

Hypothesis 3: Multiple components of organizational cynicism are significantly associated with employee satisfaction.

Hypothesis 4: Poor employee job satisfaction will lead to significantly higher levels of organizational cynicism than strong employee job satisfaction.

H. Continuance Commitment and Employee Job Satisfaction

Continuance commitment along with other two forms of commitment (affective and normative) is negatively related to withdrawal and turnover intention [2]. Employees who have high continuance commitment would plan to stay with organization to elude the cost of leaving organization [2]. Continuance commitment is considered to be a passive commitment in which employee stays with organization because he/she has no other option. (Hiroaki)

Hypothesis 5: Continuance commitment is positively associated with job satisfaction.

Employees with high continuance commitment believe that their skills and education cannot be transferred easily to other organization [2]. High continuance commitment causes high sense of amalgamation with organization [32].

Organizational cynicism has direct impact on employee job satisfaction, organizational commitment and emotional exhaustion. Although organizational cynicism and psychological contract, both terms are related but they have different effects on employees outcomes [33].

Hypothesis 6: Continuance commitment is associated with employee intention of stay that is not mediated by organizational cynicism.

Based on literature review, the above mentioned hypothesis will be measured in which continuance commitment and organizational cynicism are independent variables and its effect on employee job satisfaction will be observed that is dependent variable.

III. RESEARCH METHODOLOGY

A. Sample and Procedure

The sample comprised of employees working in seven private and public sector engineering organizations in Pakistan. The selected corporations are: bank sector, mobile company, two software houses (branch of multinational company), an autonomous organization, a semi-government an engineering company and a refinery.

The questionnaires were distributed among employees working at top, middle and first line management positions in organizations. The questionnaires were requested to fill anonymously. The cover letter was attached with questionnaires elucidating the purpose of study. Then these questionnaires along with cover letter were referred to designated people with request of filling out the survey themselves and get them filled from their colleagues and employees; and sent back to us. Research entrance to these organizations was achieved with personal and professional contacts of authors.

B. Organizational Cynicism

The organizational cynicism was measured with 12 items scale. This instrument was acquired from Dean et al., 1997. It was extensively validated and used measure of the organizational cynicism. It contained three dimensions: belief, affect and behavior. Each dimension comprised of four items. The Alpha reliability was 0.92 and the measured reliability in this work is 0.820.

C. Continuance Commitment

The continuance commitment was measured with 8 items scale. It was one of the dimensions of instrument developed by [6] Allen and Meyer, to measure affective, normative and continuance commitment. It was comprehensively endorsed instrument to measure organizational commitment and was used by many researchers. It comprised of two subscales: high sacrifices and lack of alternatives. The Alpha reliability was 0.69-0.84 and the measured reliability in this work is 0.617.

D. Employee Job Satisfaction

The employee job satisfaction was measured with 3 items scale developed by [34] Cammann, Fichman. The Alpha reliability was 0.95 and the measured reliability in this work is 0.793.

No modification was performed in questionnaires. The questionnaires were in English language. English language is taught in Pakistan as compulsory subject from grade 6 to 12; therefore every employee in well-established organizations (higher-level to clerical-level positions) can at least read and understand English. For that reason, we did not translate questionnaires in our native language.

The overall 250 questionnaires were distributed in these organizations. 67 were sent to banking sector, 30 to mobile companies, 28 to software houses, 8 to autonomous organization, and 50 to engineering firm, 25 to semi-government organization and 50 to Refinery Company. 108 questionnaires were received from them; 36 from banking sector, 21 mobile company, 12 software house, 5 autonomous organization, 34 engineering firm. While questionnaires were examined for analysis, valid questionnaires found were 106, remaining was having inappropriate and incomplete information.

E. Measures

The average age of respondents is 20-30 years. 73.6 percent were male and 26.4 were female. The range of education level was intermediate to PhD. This range varies because data was collected from top management to first line.
management. 3.1 percent respondents were occupying top-management, 46.4 middle-management, 41.2 first line management and 8.2 other positions. The monthly income of respondents vary from less than or equal to 10,000 to more than 1,000.00 (in Pakistani rupees). 22.6 percent respondents belong to public sector and 77.4 to private sector. The average of employees’ tenure at organizations is 1-5 years.

Liker-type scale was used for measurement, where 1- strongly disagree and 7- strongly agree.

IV. RESULTS

A. Correlation Matrix

Table I presents the descriptive statistics and Table II presents the correlations among variables. The standard deviation of continuance commitment is 0.75, organizational cynicism 1.14 and employee job satisfaction 1.29. The correlation is significant at 0.01 level. The correlation between employee job satisfaction and organizational cynicism is -0.2 (negative correlation). This proves our hypothesis 2 and 3. While correlation between continuance commitment and employee job satisfaction is 0.27. Our hypothesis 5 gets verified. The table shows that significant correlation exists between effect on employee and their behavior. Similarly effect on employee is correlated with employee belief on their organization. The lack of alternatives affect employees psychologically, their belief and their job satisfaction. The correlation among continuance commitment and organizational cynicism is not significant 0.15 that leads to prove our hypothesis 1.

The bivariate association shown in correlation matrix provides support to hypothesis. However, this hypothesis is not supported.

TABLE I: DESCRIPTIVE STATISTICS

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>N</th>
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<tbody>
<tr>
<td>Employee Belief</td>
<td>4.085</td>
<td>1.234000</td>
<td>185</td>
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<tr>
<td>Effect on Employee</td>
<td>3.685</td>
<td>1.151800</td>
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</tr>
<tr>
<td>Employee Behavior</td>
<td>4.160</td>
<td>1.408000</td>
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<tr>
<td>Organizational cynicism</td>
<td>3.910</td>
<td>1.149500</td>
<td>185</td>
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<tr>
<td>Employee Job Satisfaction</td>
<td>1.120</td>
<td>1.282000</td>
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<tr>
<td>High Incentive</td>
<td>4.249</td>
<td>1.003700</td>
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<tr>
<td>Lack of Alternatives</td>
<td>6.575</td>
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<tr>
<td>Continuance Commitment</td>
<td>4.780</td>
<td>1.703200</td>
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TABLE II: CORRELATION MATRIX

<table>
<thead>
<tr>
<th></th>
<th>Employee Belief</th>
<th>Effect on Employee</th>
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<th>Organizational cynicism</th>
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<th>High Incentive</th>
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<th>Continuance Commitment</th>
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</thead>
<tbody>
<tr>
<td>Employee Belief</td>
<td>1.000</td>
<td>-0.000</td>
<td>-0.047</td>
<td>0.549</td>
<td>-0.152</td>
<td>-0.319</td>
<td>-0.277</td>
<td>0.137</td>
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<tr>
<td>Effect on Employee</td>
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<td>1.000</td>
<td>-0.107</td>
<td>0.165</td>
<td>-0.158</td>
<td>0.739</td>
<td>0.152</td>
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<tr>
<td>Employee Behavior</td>
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<td>-0.107</td>
<td>1.000</td>
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<td>-0.225</td>
<td>0.110</td>
<td>0.430</td>
<td>-0.225</td>
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<tr>
<td>Organizational cynicism</td>
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<td>0.165</td>
<td>-0.182</td>
<td>1.000</td>
<td>-0.277</td>
<td>0.739</td>
<td>-0.137</td>
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<tr>
<td>Employee Job Satisfaction</td>
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<td>0.137</td>
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B. Control Charts

Fig. 1 presents that mean value of continuance commitment varies and highest value near to Upper control limit is 4.58 and lowest value near to Lower control limit is 3.60 with respect to job satisfaction and organizational cynicism, while sigma level is significant at 3.

Fig. 2 presents that mean value of organizational cynicism with reference to job satisfaction and continuance commitment. The highest value near to upper control limit is 5.46 and lowest value near to lower control limit is 4.83, while sigma is significant at 3.

The 3-D scatter (see Fig. 3) diagram presents the picture of relationship exists among employee job satisfaction, organizational cynicism and continuance commitment. The diagram presents that continuance commitment is closely related to organizational cynicism and these two factors together, affect employee job satisfaction.

V. DISCUSSION AND IMPLICATIONS

In general, we found reasonably good support for our hypotheses 1, 2, 3 and 5; however two hypotheses 4 and 6 could not get supported. Although organizational cynicism affects the employee job satisfaction, but it does not affect continuance commitment of employee with his/her organization. This is a positive note that organizational cynicism does not compel employee to leave organization. This result verifies with findings of [5] Anderson, 1997.

Our finding concludes that organizational cynicism has negative impact on employee job satisfaction. This verifies our result with Anderson [5]. If employee will have doubts on his/her organization, then it will lead to low employee job satisfaction, so negative relation exists among them and there are multiple factors of organizational cynicism that affect employee job satisfaction.
Moreover, our results showed that continuance commitment is associated with employee job satisfaction. If employee is satisfied, then his/her continuance commitment will be high and he/she will not have intention to leave his/her organization. This confirms with Meyer, Stanley, [2], [7], [32].

Although, our two hypotheses could not get supported with our results that were: Poor employee job satisfaction will lead to significantly higher levels of organizational cynicism than strong employee job satisfaction and Continuance commitment is associated with employee intention of stay that is mediated by organizational cynicism.

VI. CONCLUSION

This research scrutinized the effect of continuance commitment and organizational cynicism on employee job satisfaction specially in engineering organizations. Considering the results of current work, we conclude that continuance commitment is directly related to employee job satisfaction and continuance commitment is associated with organizational cynicism. If there is more organizational cynicism, then employees are less satisfied in their organization and it is also related to continuance commitment. The findings of this research suggested that impact of organizational cynicism and continuance commitment on employee job satisfaction is undeniable. Moreover, sustaining the satisfaction level of employee is a continuous process whose foundations are intricately linked with the organizational cynicism.

VII. LIMITATIONS OF STUDY

Empirical findings in the current study can be more pragmatic provided the data is collected from more diverse organizations other than engineering ones. Since it was not possible to mark all the cities of Pakistan, so generality of the findings is not warranted. Moreover, as there is no specific study has been done on this issue until now, so generalization of results is not merited with other studies.

VIII. FUTURE WORK

Further work need to be carried out in analyzing the effect of affective and normative commitment related with organizational cynicism on employee job satisfaction. An input of psychological aspect of employees should also be focused in order to observe their willingness to put effort for the improvement of job performance.

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