

ANALYZING THE ROLE OF JOB INVOLVEMENT ON ORGANISATIONAL EFFECTIVENESS: AN EMPIRICAL STUDY AMONG THE EMPLOYEES OF PUNJAB NATIONAL BANK

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ABSTRACT

The study on impact of job involvement on organizational effectiveness is descriptive in nature. It is undertaken to find out the relationship between impacts of job involvement on organizational effectiveness and to find out what additional features are needed to bring organizational effectiveness. The data is collected from 80 employees using Simple random sampling technique in and around Hoshiarpur. The collected data is analyzed by using Exploratory Factor Analysis with the help of statistical software PASW 18.0. The results of present study imply that job involvement is the crucial element for organizational effectiveness. This study revealed that the job involvement has a direct relationship with organizational effectiveness by way of their working style, approach towards the attainment of organizational goal, quality improvement, acquisition of new talent and skills etc. This study is very much helpful to the top management for taking strategic directions and forming the organizational policies. Future studies could expand the conceptual circumference, the scope to the specific industry sectors, and the target audience.

Keywords: Job involvement, Organizational effectiveness, Simple random sampling, Exploratory Factor Analysis.

INTRODUCTION

Job involvement is generally described as an attachment to one's job that exceeds normal levels of commitment. The employee can become so involved with his job that it affects performance in other life role areas. "The degree to which an employee is engaged in and enthusiastic about performing their work is called Job Involvement". Business managers are typically well aware that efforts to promote job involvement among staff tend to pay off substantially since employees will be more likely to assist in furthering their company's objectives. Job involvement is a degree to which an employee identifies with his job, actively participate in it, and consider his job performance important to his self-worth. It may be influenced by the level of once satisfaction of one's need be they intrinsic or extrinsic. There is a great deal of confusion regarding the concept of JI. **Mckelvey sekaran** have defined it as "the merging of a person's ego identity with his or her job." Organizational effectiveness scholar Edward Lawler and his colleagues identified four interlocking principles for building a high-involvement work system that help to ensure that the system will be effective and that the various practices will work together to have a positive impact on employee engagement. These principles can be summed up as providing employees with power, information,

knowledge and rewards. High-involvement work practices are positively related to corporate financial performance. High performance working can be considered as an emerging organizational model and there is still a lively debate in the literature between competing perspectives of how it operates in practice. HIWPs positively influenced trust and commitment. In addition, work status and citizenship were used as control variables and played a partially significant role in explaining the effect of those practices on the outcomes. Managers should realize that implementing high involvement policies, and benefiting from them, is not as simple as instituting a single practices. The efficiency with which an association is able to meet its objectives. The main measure of organizational effectiveness for a business will generally be expressed in terms of how well its net profitability compares with its target profitability. Additional measures might include growth data and the results of customer satisfaction surveys. Organizational effectiveness is also called as organizational success or growth, is defined and conceptualized in different ways and no unanimity is found in different approaches though a large volume of literature is available on the concept and working of organizational effectiveness, there is often contradiction in approaches. Thus various terms are often use interchangeably such as efficiency, productivity, profitability, organizational growth to denote organizational effectiveness. This inconsistency mainly arises because of discrepant conception of organizational effectiveness. An organization said to be effective if it is able to achieve its goal within the constraint of limited resources as none of resources provided by the organizational are unlimited, organizational effectiveness is the extent to which an organization achieves its goals with the given resources and means.

Relationship between employee involvement and firms performance

Employee engagement can be critically important to competitiveness in the contemporary business environment. The Gallup Organization, which studied employee engagement in 7,939 business units in 36 companies, found that employee engagement was positively associated with performance in a variety of areas, including increased customer satisfaction, profitability and productivity, and reduced employee turnover. The breadth of employee engagement was substantial. About 2/3 of the business units scoring above the median on employee engagement also scored above the median on performance, while only about 1/3 of companies below the median on employee engagement scored above the median on performance (Harter, Schmidt & Hayes, 2002). Employee engagement has three related components: a cognitive, an emotional, and a behavioral aspect. The cognitive aspect of employee engagement concerns employees' beliefs about the organization, its leaders, and

working conditions. The emotional aspect concerns how employees feel about each of those three factors and whether they have positive or negative attitudes toward the organization and its leaders. The behavioral aspect of employee engagement is the value-added component for the organization and consists of the discretionary effort engaged employees bring to their work in the form of extra time, brainpower and energy devoted to the task and the firm.

OBJECTIVES OF THE STUDY

- To identify the factors of job involvement.
- To identify the factors of organizational effectiveness.
- To find out the relationship between the job involvement and organizational effectiveness.

REVIEW OF LITERATURE

Robert J. Vandenberg(2002) used a second-order latent variable approach with 3,570 participants across 49 organizations, the current study examined the impact of high involvement work processes upon organizational effectiveness. Using a structural model of higher order influences, and taking into consideration mixed-level effects, the analyses supported a model in which a collection of organizational practices positively influenced high involvement work processes. In turn, the high involvement processes influenced organizational effectiveness (defined through return on equity and turnover) both directly and indirectly through positive influence on employee morale. The implications of these findings for expanding this perspective of high involvement are presented as well as issues needing immediate attention in the research literature.

Spence Laschinger, Heather K.; Finegan, Joan; Shamian, Judith(2001) tested Kanter's work empowerment theory in a random sample of 412 staff nurses selected from the professional registry list of a central Canadian province. Kanter argues that work environments that provide access to information, support, resources, and opportunity to learn and develop are empowering and influence employee work attitudes, productivity, and organizational effectiveness. Test results suggest that fostering environments that enhance perceptions of empowerment will have positive effects on organizational members and increase organizational effectiveness

Porter, Gayle(1997) explored the addictive pattern of excessive work (workaholics) through examination of another addictive pattern, alcoholism, to direct attention to a number of

behaviors that are viewed quite differently, when considering work as an addiction, than they are through traditional management interpretations. After providing an addiction view of workaholics, the author compares issues related to both workaholics vs. alcoholism, including neglect of other issues, identity issues, rigid thinking, withdrawal, the progressive nature of the condition, and denial. These factors influence decision making and goals and interfere with effectiveness by distorting interpersonal relations. Alternate interpretations of 5 common behaviors (long hours, high performance standards, job involvement, control, and identification with job) are offered in the context of work addiction. Suggestions for future research focus are provided.

Laschinger, Heather K. Spence PhD, RN; Finegan, Joan PhD; (2000) used Kanter's model of workplace empowerment to examine the effects of organizational trust and empowerment on two types of organizational commitment. A predictive, no experimental design was used to test Kanter's theory in a random sample of 412 Canadian staff nurses. Empowered nurses reported higher levels of organizational trust, which in turn resulted in higher levels of affective commitment. However, empowerment did not predict continuance commitment-that is, commitment to stay in the organization based on perceived lack of other job opportunities. Because past research has linked affective commitment to employee productivity, these results suggest that fostering environments that enhance perceptions of empowerment and organizational trust will have positive effects on organizational members and increase organizational effectiveness.

Rabi S. Bhagat(2009) summarized two decades of empirical literature concerned with both direct and moderating variable-based analyses of the relationship of organizational stress with job satisfaction and job performance. Moderating influences of various constructs operationalized at the individual, group and organizational level of analysis are classified and then reviewed systematically. An evaluative summary of this research suggests that although there have been significant improvements in the analytical methods employed to investigate such phenomena, much of this research still does not consider the role of reciprocal relationships that evolve over time. We provide four guidelines for improving the quality of both theoretical rigor and methodological robustness in this important area of organizational inquiry.

Rodger W. Griffeth (2007) tested a theoretically-based model of the relationship between perceived friendship opportunities in the workplace and work-related outcomes. The empirical findings are based on the survey responses of 174 employees in a small electric utility. Results indicate that employees' perceptions of friendship opportunities in the

workplace have direct effects on job involvement and job satisfaction, as well as indirect effects on organizational commitment and intention to turnover.

Brown, Steven P. (2009) developed a theoretical framework relating job involvement to its antecedents, correlates, and consequences and reports meta-analyses of 51 pairwise relationships involving job involvement. Results of the meta-analyses support research suggesting that job involvement is influenced by personality and situational variables. Job involvement was strongly related to job and work attitudes but not to role perceptions, behavioral work outcomes, negative "side effects," or demographic variables. Moderator analyses indicated little difference in the strength of relationships based on involvement measure. The author found modest but systematic differences in the strength of relationships between studies of employees of public versus private organizations. He compares and contrasts the results of this study with meta-analytic findings regarding organizational commitment, discusses important theoretical considerations in the research stream, and offers suggestions for future research.

John J. Rodwell(2001) examined the relationship between employee perceptions of involvement and organizational climate. Data were collected using a survey of 269 employees of an information technology company. The authors argue that employee involvement is composed of three essential variables, namely, participation in decision making, teamwork, and communications. Three hierarchical regression analyses were carried out with each of the employee perception of involvement variables as dependent variables. Employee demographic data, employee affective attitudes (job satisfaction, commitment, and stress), and three dimensions of organizational climate (bureaucracy, innovation, and support) were entered into the regression analyses. The results showed that supportive climates and commitment significantly predicted each of the employee involvement variables. The results are related to current research literature on organizational climate and involvement, and the implications for managers are discussed.

The above studies through a sound content upon the variables under study but lacks in terms of sound research methodology and no such study has been carried out related to banking sector especially in Hoshiarpur. So, in order to fill this gap, current study is being undertaken.

RESEARCH METHODOLOGY

Research design is a frame work or blue print for conducting the marketing research project. The research on impact of job involvement on organizational effectiveness is descriptive in nature.

Measurement and scaling procedure

A self designed questionnaire on job involvement and organizational effectiveness was made for this study. The sampling element for this study was employees of the Punjab National Bank Hoshiarpur. Convenience sampling technique is used for collecting the data from 80 employees. The sampling frame elements are individual respondents. The respondents are asked to mark their responses on a 5 point likert scale. Where 1 stands for strongly disagree and 5 stands for strongly agree.

DATA ANALYSIS & INTERPRETATION

Reliability

Reliability refers to extent to which a scale produces consistent results if repeated measurements are made.

		N	%
Cases	Valid	80	100.0
	Excluded	0	.0
	Total	80	100.0

a. List wise deletion based on all variables in the procedure.

Cronbach's Alpha	N of Items
.765	10

For checking the reliability of the questionnaire, cronbach's alpha was calculated. The reliability value was found to be 0.765 for JI.

Cronbach's Alpha	N of Items
.881	22

For checking the reliability, cronbach's alpha was calculated. The reliability value was found to be 0.881 for OE.

Exploratory Factor analysis

Factors analysis is a class of procedures primarily used for data reduction and summarization.

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.819
Bartlett's Test of Sphericity	Approx. Chi-Square	507.038
	Df	45
	Sig.	.000

The test static for sphericity is based on a chi-square transformation of the determinant of the correlation matrix. A large value of the test statistics will favor the rejection of the null hypothesis cannot be rejected, then the appropriateness of factor analysis should be questioned. Another usefully statistics is the Kaiser- Meyer- Olkin (KMO) measure of sampling adequacy. This index compares the magnitudes of observed correlation coefficients to the magnitudes of partial correlation coefficients. Small values of KMO static's indicate that the correlation between pairs of variable cannot be explained by other variables and that factor analysis may not be appropriate. Generally a value greater than 0.5 is desirable.

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
	1	4.460	44.598	44.598	4.460	44.598	44.598	4.289	42.891
2	2.739	27.390	71.988	2.739	27.390	71.988	2.910	29.097	71.988

In this approach, only factors with eigenvalues greater than 1.0 are retained; the other factors are not included in the model. An eigen value represents the amount of variance associated with the factor and in the present study only two factors are emerged named as job enjoyment and job motivation.

	Component	
	1	2
My job gives me satisfaction	.869	
I like my job	.868	
I find my job interesting	.866	
I identify with my present job	.856	
I find my job motivating	.818	
My job is important to me.	.784	
Whenever I complete a task I feel happy		.854
I care for my job		.841
I enjoy my work.		.841
My work is not a burden for me		.832

The above table depicts that the first six items having highest loading on factor one whereas the rest of the items have highest load on factor two.

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
	1	8.697	39.530	39.530	8.697	39.530	39.530	8.641	39.275
2	4.364	19.836	59.366	4.364	19.836	59.366	4.314	19.610	58.885
3	1.671	7.595	66.962	1.671	7.595	66.962	1.753	7.970	66.856
4	1.284	5.837	72.798	1.284	5.837	72.798	1.307	5.943	72.798
Extraction Method: Principal Component Analysis.									

In this approach, only factors with eigenvalues greater than 1.0 are retained; the other factors are not included in the model. An Eigen value represents the amount of variance associated with the factor and in the present study only four factors are emerged named as Employee

encouragement, Employee recognition/identification, organizational policy and procedure and Organizational rules

Multiple Regressions

It involves a single dependent variable and two or more independent variables.

Can variation in organizational effectiveness be explained in the terms of employee job involvement?

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.962 ^a	.926	.922	.395

a. Predictors: (Constant), REGR factor score 4 for analysis 1, REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

From the above table it is clear that there is high degree of correlation among JI and OE so JI is the determinant of OE.

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	146.276	4	36.569	233.946	.000 ^a
	Residual	11.724	75	.156		
	Total	158.000	79			

a. Predictors: (Constant), REGR factor score 4 for analysis 1, REGR factor score 3 for analysis 1, REGR factor score 2 for analysis 1, REGR factor score 1 for analysis 1

The above table exhibits that the results of regression analysis are statistically significant as the p value is less than 0.05.

CONCLUSION

The result of present study present study implies that job involvement is the crucial element for organizational effectiveness. This study revealed that the job involvement has a direct relationship with organizational effectiveness by way of their working style, approach towards the attainment of organizational goal, quality improvement, acquisition of new talent and skills, etc. this study is very much helpful to the top management for taking strategic directions and forming the organizational policies . it is concluded from the investigation that

there is a relationship between the job involvement and organizational effectiveness. The employees, regardless of job involvement want more decision on making authority, more opportunities for personnel growth and development, and recognition for good work done. This can be achieved through widening their areas of responsibility, larger delegation of authority, adequate feedback and incentives for good work and training. Top management must continue its efforts to create work environment in which employee who are themselves playing a key role as mentors in motivating others, would voluntarily put forth their maximum contribution. The factor will require particular attention in relation to JI is the recognitions for good work done. Greater recognition by the bosses should lead to higher job involvement. Both tangible (merit based promotions) and symbolic form of recognition (certificate or medals etc.)

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