

**Addis Ababa University
School of Graduate Studies**

**The Impact of Intrinsic and Extrinsic Factors of Motivation
towards Organizational Commitment in Private Colleges - A
Case Study of Two Selected Private Colleges in Addis Ababa**

**Submitted in Partial Fulfillment to the Requirements of
Master in Business Administration**

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Faculty of Business & Economics
Master of Business Administration**

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Declaration

I, Berhan Ayenew Nurlign assert that this study entitled ‘The Impact of Extrinsic Factors on Organizational Commitment in Private Colleges, a Case Study of Two selected Private Colleges in Addis Ababa’ is my own original work that has not been presented for a degree in any other university and that all sources of material have dully acknowledged.

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Statement of Approval

This is to certify that Ato Berhan Ayenew has completed a research project entitled '**The Impact of Intrinsic and Extrinsic Factors of Motivation towards Organizational Commitment in Private Colleges - A Case Study of Two Selected Private Colleges in Addis Ababa**' with my advise and follow up. I also approve that his work is appropriate enough to be submitted as a partial fulfillment of the degree in Masters of Business Administration (MBA)

Prof. Murthy G. Krishna

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Abstract

Private higher education is a rapidly expanding part of Ethiopia's higher education system. Investment in private higher institutions by Ethiopian entrepreneurs is continued to grow, but little is known about their organization and management in general, or the nature of work factors and employees commitment in particular. This study examines the impact of intrinsic, extrinsic, and equity factors of work on employee's organizational commitment in two selected private colleges in Addis Ababa. The finding shows that instructors in private colleges were satisfied with intrinsic factors of work such as opportunity for achievement, challenging work, responsibility, and opportunity for growth and development. On the other hand, instructors were generally dissatisfied with extrinsic content of work such as salary, fringe benefits, incentives, job security, opportunity for training, and post employment security. Moreover, there was also structural inequity which is a perception of employees that they are required to do too much work for small pay. Consequently, employees were not committed to their organization which implies the availability of high turnover and lower performance. To build a viable work force for the success of the colleges and industrial peace, the colleges should invest in the long term goal of their employees and learn to balance their interest to earn a higher profit with those of their employees.

CHAPTER ONE

INTRODUCTION

1.1 Background

Private higher education is a rapidly expanding part of Ethiopia's higher education system. Private higher institutions in Ethiopia are a relatively new phenomenon. Virtually all of them have been established within the past 9 years. According to World Bank (2003) there are some 37 private colleges and institutes (not all of them accredited by the Ministry of Education) enroll 21% of the nation's higher education students. The majority of these institutions are quite new, enroll 500 students or less, and offer training in specialized areas such as accounting, business administration, or information science. The remainder range in size from 1,000 students up to a maximum of 7,100 students.

Those private Colleges employ a considerable number of employees with different educational background ranging from BA/BSC degrees to PhD. For the growth and effective performance of the colleges the commitment of employees to the organization is an important factor to be considered. However, most of the employees in the college do not seem to be committed to their organization. It is observed that there is a rapid movement of workers from one organization to another and there are also large numbers of employees who are working for more than one college at the same time. With the current living condition in the country, when the price of food items, house rent and other materials required for living has skyrocketed, it is argued that employees are focusing on earning more and looking for organizations which pay better. In this regard the study focuses on investigating the impact of working conditions, particularly the impact of Herzberg's extrinsic factors of work, on the commitment of employees in private higher

educational institutions specifically by taking the case of employees of Royal and Infonet colleges.

Royal and Infonet Colleges are private higher institutions established and operating in Ethiopia. Infonet College was constituted in 1999 under the educational vision of the Infonet Computer Center as a Private Limited Company incorporated in Ethiopia. The College offers both long and short term trainings and consultancy services on various fields. From the old curriculum, the college was accredited for Diploma in different fields of studies, such as Software and Hardware Engineering, Computer Assisted Marketing Management, Computer Aided Accounting, Multimedia Production & Graphic Design, Computerized Secretarial Science. In its new Curriculum, the College is accredited to take on courses on Information Technology, Accounting, Marketing, Purchasing, and Banking & Insurance. For the Degree Program, the College has been pre-accredited to take on Computer Science, Accounting, Management Information system; Management & Economics related courses for the diverse groups of students. The college is also under take different short-term training programs. The College is located in Addis Ababa, a place customarily known as Sefere Selam and it has branches at the center of Piazza.

Royal College is a private higher academic institution founded under the Royal Business Group PLC. The college has laid its background in the former LANCOM Institute established in 1997 and had been offering trainings in computer, foreign language tourism and hotel management. Royal college has got accreditation from the Ministry of Education in 2000 in six areas of study – Accounting, Marketing Management, Human Resources Management, Secretarial Science and Office Management, Business Information Systems, and Law, at Diploma and Certificate levels. In Degree level, the

College was accredited in Accounting, Business administration, and Law. The college started its diploma courses in the above six fields in a campus located in the center of the capital city, Addis Ababa, customarily known as Piazza and later on opened additional campus to the east of the capital, Lancia Campus. Based on its plan to open branches in other parts of the country, the college presently has another campus in the Oromia Regional State, Adama.

Both Royal and Infonet Colleges were established as private limited companies. They were established as a family business in which founders include husband, wives, and children as part of the ownership. The owners were usually known as general managers and managing directors. In both the colleges, the owners directly participate in the management of every aspect in the colleges by being members of the management team. In the colleges under the study, there was explicit division of labour, specialization and departmentalization, indicating a formal organization structure.

This paper is aimed to analyze how Royal and Infonet Colleges are managing their workers, and what the workers feel about their jobs, their employers and their organizations. Specifically, this is a study of the impact of intrinsic, extrinsic factors of work, and employees' perception of equity towards employees' commitment in Royal and Infonet Colleges.

1.2 Statement of the Problem

Management is a problem solving process to achieve organizational objectives through the efficient use of physical, financial and human resources in a changing environment. In this regard, the organization needs to have employees who are competent and committed to the organization they are working for. To retain a satisfied work force that

is committed to its organization the management needs to focus on creating and maintaining a suitable and conducive working condition.

Ukaegbu (2000) explained that for employees working in a depressed economy the extrinsic working conditions such as salary, promotion opportunity, fringe benefits and job security are stronger predictors of employee commitment than will intrinsic factors such as a challenging job and participation in decision-making in the organization. Also, the more management is perceived to be conscious of and interested in the welfare of workers, the higher will be the level of employee commitment. Furthermore, equity factors are stronger predictors of employee commitment than intrinsic factors. (Ibid, 2000, p. 302)

As a result, Royal College's and Infonet College's managers are expected to make effective and appropriate decisions about extrinsic factors and employee's perception of equity which contribute to the employees commitment, since they are operating and employing workers in a poor country.

Consequently, the researcher studied working conditions in general and the impact of intrinsic, extrinsic and equity factors on employees' commitment to their organizations under study in particular, by answering the following basic questions:

1. What does the current extrinsic content of work looks like?
2. Do the employees in the organization satisfied with the extrinsic content of the work?
3. Do the employees feel the management cares for their welfare?
4. What is the perception of the employees towards equity?
5. What is the feeling of employees regarding the intrinsic content of the work?
6. Are the employees committed to their organization?

7. Which factors of the work is more predictor of employees' commitment to their organization?

1.3 Objectives of the Study

The general objective of this research is to study the effects of work contents on the Royal and Infonet Colleges employees' long term commitment to their organizations.

However, the specific objectives of the present study are:

- To find out the satisfaction level of employees on intrinsic factor of work, extrinsic factor of work and equity.
- To find out the commitment level of employees in the colleges,
- To bring out the relationship between intrinsic factors of work, extrinsic factors of work and perception of equity with employees organizational commitment,
- To find out the most determinants of employee commitment,
- To make necessary recommendations towards the betterment of the working conditions.

1.4 Significance of the Research

This study investigates the impact of work factors such as intrinsic, extrinsic and equity factors towards organizational commitment of Royal and Infonet Colleges' employees.

The study is important because it provides an understanding in the area of organizational commitment and satisfaction with the factors of work involved in teaching job or educational organization. It also provides an insight on the relationship of the factors of work with employees' organizational commitment in those colleges. The result of the present research is also important to create awareness on the part of the management of Royal and Infonet Collages about the most determinant variables that can influence the commitment level of the college's employees. It is expected that the management of the

Colleges will take the necessary measures to overcome problems regarding employee satisfaction after going through the findings and recommendations given by the researcher.

Furthermore, the study will add to the existing literatures and may serve, as additional source for reference and it will also serve as a spring board for other researchers who want to conduct detailed research on the issue.

1.5 Scope and Limitation of the Study

This study would be more important if more private colleges had been included in the research. However, it would be practically unattainable to assess more than two private colleges due to lack of time and financial resources, despite the pursuit for in depth analysis on the part of the writer. Therefore, only Royal and Infonet Colleges are selected for the study.

1.6 Research Methods and Design

1.6.1 Measurement

On a five point scale, (5) strongly agree, (4) agree, (3) indifferent (2) disagree, and (1) strongly disagree, organizational commitment index was constructed to examine the degree of workers satisfaction with the intrinsic factors of work, extrinsic factors of work, and equity factors of work. The organizational commitment component of the index was designed to measure workers' intension to stay with the company or leave it. The following variables which were adapted from Ukeagbu (2000) were used to measure the satisfaction of employees with the work factors and to measure their commitment level.

Intrinsic factors of work

The degree of workers satisfaction with:

- Opportunity of achievement
- Challenging work
- Increased responsibility
- Growth and development

Extrinsic Factors of work

The degree of worker dissatisfaction with:

- Salaries
- Promotion
- Job security
- Fringe benefits
- Opportunity for training
- Post employment security
- The extent to which workers feel management cares for their welfare.

Equity factors of work

Consists of employees perceptions on:

- Whether management treat all employees equally
- Whether employees expected to do too much work for small pay
- Whether the relatives of owners and managers received higher salaries and faster promotions
- Whether gossipers get favorers from owners and managers
- Whether other organizations pay more than employees of those Colleges earn for the same type of job they are engaged in.

The Organizational commitment questions were designed to find out:

- If the employees feel they have a bright future with the organizations and so would remain in the organizations
- If they think that their current job is only a temporary employment
- Whether or not employees would easily leave the company if they found jobs in other organizations

According to Ukaegbu (2000) when the variables for intrinsic, extrinsic, and equity factors, are correlated with the organizational commitment variables, it will enable to identify the relative impacts of these work factors towards organizational commitment.

1.6.2 Data Source

The sources of data for this research paper were academic employees (instructors) of Royal and Infonet Colleges. Hence, the data source was basically a primary source.

1.6.3 Data Collection Method

The relevant and current data were collected through the following tools.

1. Data for this study were collected from academic staff (instructors) of Royal and Infonet Colleges by distributing the questionnaire to a randomly selected but proportionate to the size of the Colleges' employees. To let respondents express their opinions, open ended questions were used to request them to list conditions in their companies which they found attractive and unattractive. Further to clarify some of the questions in the questionnaire open ended questions were provided. The responses from the open ended questions were used to broaden the discussion in the analysis.

The results of the responses of the employees were used to present the finding and the analysis; however, interviews were conducted with the managers (the academic vice deans of Royal and Infonet Colleges) to be used to clarify some issues relevant to the study and to verify the finding from the employees.

2. Review of documents and records of the institution about its employees, policies, procedures and performances were used to collect secondary data.

1.6.4 Sample Design

As shown in Table 1.1 the total population was 178 instructors in both Royal and Infonet Colleges i.e. Royal College had 100 instructors and Infonet College had 78 instructors by the time this research has been conducted. Therefore, a sample of 50 instructors was randomly selected from both colleges which are approximately 28 percent of the total population. Particularly from royal college 28 instructors and from Infonet college 22 instructors were selected for the study. In addition, the academic vice deans of Royal and Infonet Colleges were interviewed.

Table 1.1 Sample Design

Particulars	Royal College	Infonet College	Total
Total population of academic staff	100	78	178
Sample size of Academic staff	28 (28%)	22 (28%)	50 (28%)
Management (Vice Deans)	1	1	2

Note: Figures in brackets indicate percentage of the samples to the population in each college and the total population

1.6.5 Analysis

The collected data from randomly selected employees was summarized by using Excel and transferred to SPSS to be analyzed in terms of descriptive statistics such as Percentages and Mean. The output obtained from the software was presented by using tabulation of data followed by the analysis. Mean scale as a measure of central tendency was used to show where the majority of responses concentrate i.e. nearer to which scale the representative middle value of responses is found.

As a statistical tool, Correlation was employed to analyze the collected data and to find out the relationship of commitment with its determinants. The correlation coefficients were calculated by using SPSS.

1.7 Organization of the Study

The paper is arranged in four different chapters. The first chapter deals with the introductory part of the study. Here, the statement of the problem, objective of the study, significance of the study, scope and limitation, and methodology are included.

Chapter two discusses the related literature and the theoretical framework. Here different theories applicable to the study are presented.

In the third chapter the data obtained from the respondents are presented. Moreover, the analysis is also presented in this chapter following the presented data.

Finally, in the last chapter relevant conclusion was drawn from the findings obtained and accordingly possible recommendations have been forwarded

CHAPTER TWO LITERATURE REVIEW

2.1 Introduction

Employee's Commitment to their organization is an important factor for organizational growth and development. Ukaegbu argued that an understanding of working conditions and employee commitment in organizations is very important. A motivated and committed workforce can help enterprises to expand their profits, diversify investments and pave the way for durable organizations, especially if owners create robust organizational structures for effective entrepreneurial and managerial succession and continuity. (Ibid, 2000, p. 305)

Hang and Finsterbusch (1987) as quoted in Ukaegbu, stated that building and sustaining effective and productive organizations is a prerequisite for achieving economic, social and political development. Attracting employees to an organization, retention of committed employees to their organization, and job satisfaction are outcomes of good human resource management. Employees join, and continue to work, for an organization as long as their needs are reasonably satisfied. Poor working condition results in abandonment of organizations by employees. In organizational literature, this is a sign of lack of employee commitment to the organization, with detrimental consequences to the organizations. (Ibid, 2000, p. 298)

In this chapter, literatures regarding motivational theories, equity theories and commitment will be discussed. Since the theoretical basis for this paper is the theories of Herzberg and Maslow, more emphasis is given for a broad discussion of those motivational theories. Similarly, organizational commitment is broadly reviewed.

2.2 Distinction between Motivation and Commitment

Motivation is the driving force within individuals that drive them physiologically and psychologically to pursue one or more goals to fulfill their needs or expectations (Lam & Tang, 2003, p. 61). Moreover, Luthans (1998) asserts that motivation is the process that arouses, energizes, directs, and sustains behavior and performance. That is, it is the process of stimulating people to action and to achieve a desired task. One way of stimulating people is to employ effective motivation, which makes workers more satisfied with and committed to their jobs. (p. 90)

Where as organizational commitment is the belief in and acceptance of the organization's goals and values, the willingness to exert considerable effort on behalf of the organization, and the desire to remain in the organization (Martin,1982, pp. 1147-1153). Becker, Randal, and Riegel (1995) defined the term in three dimensions:

1. a strong desire to remain a member of a particular organization;
2. a willingness to exert high levels of efforts on behalf of the organization;
3. a definite belief in and acceptance of the values and goals of the organization.

Managers and management researchers have a long believe that organizational goals are unattainable without the enduring commitment of members of the organizations. Motivation is a human psychological characteristic that contributes to a person's degree of commitment (Tella, Ayeni & Popoola 2007, p. 14). Motivators may be intrinsic or extrinsic. An example of an intrinsic motivator is the self-fulfillment of a worker as a result of performing a task well. An example of an extrinsic motivator is the award of monetary bonus for extra effort by a worker. In this regard, motivational theories briefly

reviewed with an emphasis given for Maslow's and Herzberg's theories, since motivation is a basis for employee's commitment to their organization.

2.3 Review of Motivation Concepts

According to Lam and Tang, methods to motivate employees can be categorized into need-based, and process based. Maslow's Needs Hierarchy, Herzberg's Two-factor Theory, McGregor's Theory X and Theory Y, and Ouchi's Theory Z are typical need-based approaches focusing on the role of motivational dispositions in driving an employee to complete a job with the desirable productivity and quality. Vroom's Expectancy Theory and Reinforcement theory are process-based approach in through which motivation become aroused and translated into the desirable work behavior. (Ibid, 2003, p. 64)

2.3.1 Theory X and Theory Y of McGregor (1960)

McGregor (1960) postulates Theory X and Theory Y based on extreme assumptions about people and work. Theory X assumes that average employees dislike work, and that the only way to maintain or increase productivity is to simplify the operational process, supervise the employees closely, and motivate them in short term through financial incentive schemes. Theory Y assumes that average employee's desire self-direction and self-control, seek and accept responsibility, enjoy physical and mental effort, and have the potential to be self-motivating. (p.304)

2.3.2 Expectancy theories of Vroom (1964) and Lawler (1973)

The expectancy theories of Vroom (1964) and Lawler (1973) are regarded by Maloney (1986) people chooses how to behave from among alternative courses of action, based on

their expectation what there is to gain from each action. It is as the most useful approach to analyzing the three important variables (performance out come expectancy, Valence and Effort performance expectancy). (pp. 231-245)

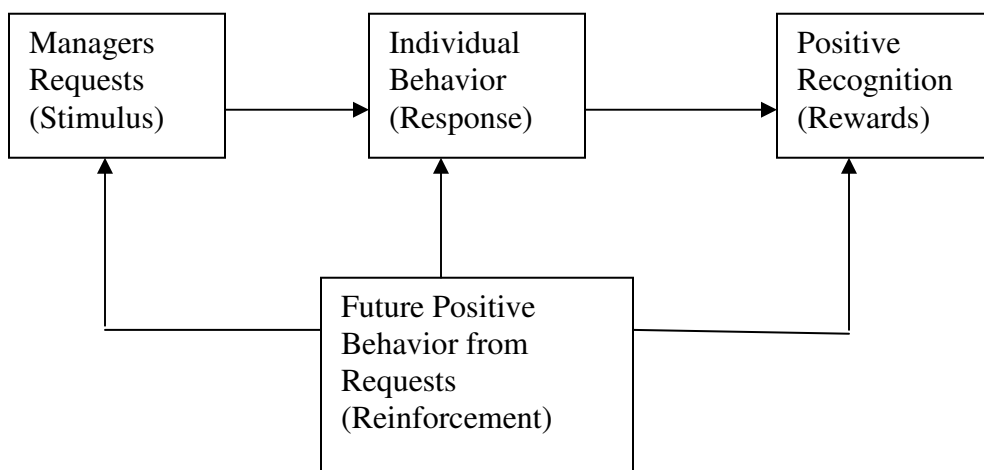
2.3.3 Theory Z of Ouchi (1981)

According to Theory Z of Ouchi (1981) as quoted in Lam and Tang, the key factors to managerial success are technology and a holistic way of managing employees by a strong company philosophy, a distinct corporate culture, long-term staff development, staff-participation in decision-making, and modification or improvement of worker behavior. (Ibid, 2003, p. 63)

2.3.4 Reinforcement Theory of B.F Skinner's

Reinforcement theory which is associated with the psychologist B.F Skinner, shows how the consequences of past behavior affects future actions in a cyclical learning process. (Stoner, Freeman & Gilbert, 2002, p. 459)

Figure 2.1 The Reinforcement Process



Source: Warren Plunkett and Raymond F. Attner 1986, Introduction to Management, Kent Publishing Company Boston p. 322

2.3.5 David McClelland's Achievement Theory

The work of David McClelland relates to three needs: achievement, power, and affiliation. (Plunkett & Attner, 1986, p.320)

- Achievement – desire to excel or achieve in relation to a set of standards.
- Power – desire to control others or have influence over others.
- Affiliation – desire for friendship, friendship, cooperation, and close interpersonal relationship.

2.3.6 Maslow's Need Hierarchy Theory

In his theory of motivation, Maslow (1954) as quoted in Lam and Tang, classifies the desires or needs of human beings into physiological, safety, belongingness, esteem, and self-realization needs in ascending order of importance. Examples of physiological needs are salary, housing, food and clothing. Examples of safety needs are safe working environment, freedom from pain and threat, and job security. Belongingness needs include affection from friends and family, and the feeling of belonging to a group. Esteem needs are the desire for respect and recognition that satisfy one's ego. Self-realization or self-actualization needs are individual's personal sense of achievement and feeling of self-fulfillment. Maslow asserts that the low-level need must be satisfied before attempting to reach the need of the next higher level; and that once a need is satisfied; it is no longer a motivator of behavior with the exception of esteem and self-realization needs. (Ibid, 2003, p. 62)

Maslow (1943) broadly discussed the physiological, safety, belongingness, esteem, and self-realization needs and it is briefly revised as follows: (pp. 370-396)

Physiological needs. – A human who is missing everything in life in an extreme fashion, it is most likely that the major motivation would be the physiological needs rather than any others. A person who is lacking food, safety, love, and esteem would most probably hunger for food more strongly than for anything else. If all the needs are unsatisfied, and the organism is then dominated by the physiological needs, all other needs may become simply non-existent or be pushed into the background. It is then fair to characterize the whole organism by saying simply that it is hungry, for consciousness is almost completely preempted by hunger. All capacities are put into the service of hunger-satisfaction, and the organization of these capacities is almost entirely determined by the one purpose of satisfying hunger.

The safety needs - If the physiological needs are relatively well gratified, there then emerges a new set of needs, which is roughly categorized as the safety needs. All that has been said of the physiological needs is equally true, although in lesser degree, of these desires. The organism may equally well be wholly dominated by them. They may serve as the almost exclusive organizers of behavior, recruiting all the capacities of the organism in their service, and is then fairly describe the whole organism as a safety-seeking mechanism. Again, as in the hungry man, it is found that the dominating goal is a strong determinant not only of his current world-outlook and philosophy but also of his philosophy of the future. Practically everything looks less important than safety.

The love needs - If both the physiological and the safety needs are fairly well gratified, then there will emerge the love and affection and belongingness needs, and the whole cycle already described will repeat itself with this new center. Now the person will feel keenly, as never before, the absence of friends, or a sweetheart, or a wife, or children. He

will hunger for affectionate relations with people in general, namely, for a place in his group, and he will strive with great intensity to achieve this goal. He will want to attain such a place more than anything else in the world and may even forget that once, when he was hungry, he sneered at love.

The esteem needs - These needs may be classified into two subsidiary sets. These are, first, the desire for strength, for achievement, for adequacy, for confidence in the face of the world, and for independence and freedom. Secondly it is the desire for reputation or prestige (defining it as respect or esteem from other people), recognition, attention, importance or appreciation. Satisfaction of the self-esteem need leads to feelings of self-confidence, worth, strength, capability and adequacy of being useful and necessary in the world.

Self-actualization. - Even if all these needs are satisfied, people may still often expect that a new discontent and restlessness will soon develop, unless the individual is doing what he is fitted for. A musician must make music, an artist must paint, a poet must write, if he is to be ultimately happy. What a man can be, he must be. This need is called self-actualization. It refers to the desire for self-fulfillment, namely, to the tendency for him to become actualized in what he is potentially. This tendency might be phrased as the desire to become more and more what one is, to become everything that one is capable of becoming. The specific form that these needs will take will of course vary greatly from person to person. In one individual it may take the form of the desire to be an ideal mother, in another it may be expressed athletically, and in still another it may be expressed in painting pictures or in inventions.

2.3.7 Herzberg's Two Factor Theory

In 1959 Herzberg and his co-workers had performed an in depth analysis of sources of satisfaction and dissatisfaction among 200 engineers and accountants in the Pittsburgh area. A conventional approach to the problem would call for the experimenter to measure over-all job satisfaction on a scale, and then relate these scores to various factors making up or surrounding the individuals' jobs. Herzberg chose a somewhat different "semi-structured" interview approach, in which he and his co-workers asked a few general questions and then pursued items as they saw fit, without attempting to force the responses into any preconceived scalar format. (Behling, Labovitz & Kosmo 1968, pp.99-108)

Behling, et al (1968) elaborated that Herzberg asked the respondents to identify any "critical incidents" which had led to satisfaction or dissatisfaction on the job. If the first incident recalled concerned a satisfying experience, the respondent was then asked to relate one which had led to dissatisfaction. If the first incident had been dissatisfying he was asked to recall a satisfying one. All of the incidents (a number of the interviewees came up with three or four during the course of the interview) were discussed and the respondents were asked to rate how strongly their feelings toward their jobs had been affected by each one. The various ideas which appeared in the transcripts of the interviews were then subjected to a post hoc classification, from which 14 factors emerged:

1. Recognition
2. Achievement
3. Possibility of growth
4. Advancement

5. Salary
6. Interpersonal relations
7. Supervision-technical
8. Responsibility
9. Company policy and administration
10. Working conditions
11. Work itself
12. Factors in personal life
13. Status
14. Job security

These factors were used as the basis of several analyses of the responses, the most important of which, for the development of Herzberg's theory, concerned the relative frequency with which they appeared in incidents leading to satisfaction and in those leading to dissatisfaction. Achievement, recognition, the work itself, responsibility, opportunity for growth, and advancement -all things intrinsic to the job itself -were mentioned in a large proportion of the satisfying incidents, but in only a few of the dissatisfying ones. Company policy and administration, quality of supervision, salary, interpersonal relations with the supervisor, and working conditions -factors extrinsic to the work itself - appeared mostly in dissatisfying incidents. (Behling, et al, 1968)

According to Herzberg (1967) as quoted in Ukaegbu (2000), intrinsic elements of the job are related to the actual content of work, such as recognition, achievement and responsibility. These were referred to as 'motivational' factors and are significant elements in job satisfaction. By contrast, Herzberg described extrinsic factors as elements associated with the work environment, such as working conditions, salary, class size, staff assessment and supervisory practices, and benefits. These were referred to as

'Extrinsic' or 'hygiene' factors which are related to job dissatisfaction. Herzberg concluded that satisfaction and dissatisfaction are not on the same continuum. As a result, he argued that motivational factors can cause satisfaction or no satisfaction, while hygiene factors cause dissatisfaction when absent, and no dissatisfaction when present. (p. 299). Such theories are, of course, somewhat tenuously founded in Maslow's theory of a hierarchy of needs as applied to work situations, with lower order needs requiring satisfaction before higher-level needs emerge and determine motivation.

According to Plunkett and Attner, (1986) hygiene factors are the primary causes of unhappiness on the job. They are extrinsic to the job- that is, they do not relate directly to a persons work, to its real nature. These are part of a job's environment – it is context, not its content. When an employer fails to provide these factors in sufficient quality to its employees, job dissatisfaction will be the result. When they are provided in sufficient quality, they will not necessarily act as motivators-stimuli for growth and greater effort. They will only lead to workers to experience no job dissatisfaction. The factors include:

(p.315)

- Salary- adequate wages, salaries and fringe benefits
- Job security- company grievance procedures and seniority privileges.
- Working conditions - adequate heat, light, ventilation, and hours of work.
- Status – privilege, job titles, and other symbols of rank and position.
- Company policies – the policy of the organization and the fairness in administering those policies.
- Quality of technical supervision – whether or not the employee is able to receive answers for job related questions.
- Quality of interpersonal relationships among peers, supervisors, and subordinates – social opportunities as well as the development of comfortable operating relationships.

Motivational (intrinsic) factors are the primary causes of job satisfaction. They are intrinsic to the job because they relate directly to the real nature (job content) of the work people perform. When an employer fails to provide these factors in sufficient quality to employees, they will experience no job satisfaction. When they are provided in sufficient quality, they affect and provide job satisfaction and high performance. People require different kinds and degree of motivation factors. What will be stimulating to one may not be to another. To individuals who desire them, motivation factors with the right amount of quality act as stimuli for psychological and personal growth. These factors include: (Herzberg, 1975, pp. 16-17)

- Achievement – opportunity for accomplishment and for contributing something of value when presented with a challenge.
- Recognition – Acknowledgement that contributions have been worth the effort and that the effort has been noted and appreciated
- Responsibility – actuation of new duties and responsibilities, either through the expansion of work or by delegation.
- Advancement – opportunity to improve one’s organizational position as a result of job performance.
- The work it self – opportunity for self expression, personal satisfaction, and challenge.
- Possibility of growth – opportunity to increase knowledge and develop through job experience.

Herzberg theory’s implication for managers is that, they can use it to focus their efforts on insuring the presence of and quality in hygiene and motivation factors as a foundation on which to build motivation. In the absence of quality, employees may face an unclean

environment, which can lead to dissatisfaction for the workforce. (Plunkett & Attner 1986, p. 316)

2.4 Comparison of Maslow's and Herzberg's Theories

Herzberg et al. (1959) as quoted in Lam and Tang, (2003) divides Maslow's hierarchy into lower-level and higher-level needs according to hygiene (extrinsic) factors and motivators (intrinsic) factors respectively. Table 2.1 provides a comparison of Maslow's and Herzberg's view of needs. The hygiene factors are similar to Maslow's physiological, safety and affiliation needs. The motivation factors are similar to his esteem and self actualization needs. (p. 63)

Table 2.1 Motivational model developed after Maslow (1954) and Herzberg et al. (1959)

Motivational Factors	Priority of Human Needs	Examples of Needs and Motivational Factors
Job Enrichment /Long-term Factors	Level 5: Self-realization Needs	Achievement in work Challenging job
	Level 4: Esteem Needs	High position/ status Advancement recognition
Hygiene /Short-term Factors	Level 3: Belongingness Needs	Affection from team members Professional affiliations
	Level 2: Safety Needs	Job security Safe working environment
	Level 1: Physiological Needs	Salary Housing

Source: Steve Y. W. Lam and Conrad H. W. Tang, 2003 Motivation of Survey Employees in Construction Projects, Journal of Geospatial Engineering, Vol. 5, No.1, pp.61

2.3 Researches Made on Academic Staff to Test Herzberg's Theory

Hill (1986) adopted Herzberg's two-factor theory and assessed the utility of the theory for explaining faculty job satisfaction. In noting that research into higher education that has used the Herzberg approach has supported the two-factor theory, Hill argued that, if Herzberg's theory is applied to academics, satisfaction should come from the

'professional' model - that is, ministering to clients (students) and working fairly autonomously in their respective disciplines. The principal sources of satisfaction should therefore be those things intrinsic to the work -teaching, scholarly achievements and creativity, and the nature of the work. Principal contributors to dissatisfaction would be expected to be things extrinsic to the actual work - salary, fringe benefits, administrative features and collegial associations. Hill's study provided support for the two-factor theory and he suggested that the model could be successfully applied to academic staff in higher education institutions. He concluded that job satisfaction of academic staff in universities and colleges is related to intrinsic factors (in particular, ministering to students and the work itself), and dissatisfaction is related to extrinsic factors, and arises from factors external to the job. (p. 36)

More recently, while some researchers continue to examine, test and advance models of job satisfaction, other studies have used variants of Herzberg's approach to explore and describe patterns of job satisfaction, and motivators for staying or leaving employment in various academic settings. For instance, Flowers and Hughes (1973) developed the notion of the relationship between job satisfaction and environmental factors, particularly in accounting for reasons that employees stay in their jobs. (pp. 49-60). Further, Matier (1990) examined the influence of three types of 'environmental' factors on decisions to leave the job; these were identified as the intangible, the tangible, and the non work-related aspects of the job. Such research advances the field of study by providing interesting insights into the various aspects of higher education employment, their impact on job satisfaction, and the flow-on effect in terms of decision making about future directions in employment. (pp. 39-60)

A study of university academic staff by Pearson and Seiler (1983) focused on Herzberg's notion of extrinsic elements of the job, investigating academics' levels of satisfaction with the environment in which they work. They found that academics levels of satisfaction with the environment in which they work. They found that academics were generally more satisfied than dissatisfied with their work environment, but that there were high levels of dissatisfaction with compensation-related elements of the job (e.g., fringe benefits, pay, and performance criteria). Pearson and Seiler commented that higher order needs tend to dominate in a university setting, where academics generally have a high degree of control over intrinsic factors, including the process of teaching and molding minds. By contrast, academics generally have limited control over extrinsic factors, such as the university environment in which the teaching and research processes take place. Because academics have high degree of control over intrinsic elements, perceptions of the job are particularly dependent on the degree of satisfaction with the extrinsic factors. (pp. 35-47)

A study by Moses (1986) tended to support the view that levels of dissatisfaction relate to extrinsic factors. She found, for example, that faculty was dissatisfied with the undervaluing of teaching excellence in promotion decisions. She concluded that tenured and well-paid employment provides satisfaction of the lower-order needs, whereas prestigious and autonomous work enables academic staff to satisfy to a greater degree higher-order needs than is possible for the general population (e.g., esteem need the need for self actualization). Moses comments, however, that closure of academic departments and institutions, what are characterized as 'attacks' on tenure, and the institution of longer

probation periods, have resulted in a fear of job loss for untenured academics and sense that their lower order needs for security are threatened.(pp.33-37)

2.5 Equity Theory

Robins and Coulter (2006), elaborated that employees perceive what they get from a job situation(outcome) in relation to what they put into it (inputs) and then compare their inputs – outcomes ratios with inputs – outcome of relevant others. If an employee perceives his/her ratio to be equal to those of relevant others, a state of equity exists. In other words, he/she perceives that his/her situation is fair – that justice prevails. However, if the ratio is unequal, inequity exists and he/she views his/herself as under rewarded or over rewarded. When ever employees perceive inequity, they will act to correct the situation. The result might be higher or lower productivity, improved or reduced quality of out put, increased absenteeism, or voluntary resignation. (p.404) Moreover, Plunkett and Attner (1986), asserts that people are influenced in their behavior choices by the relative rewards they receive or are going to receive. This theory is based on the assumption that people are motivated by a desire to be equitably treated at work. (p.324)

According to Ukaegbu (2000), inequity has both structural and specific components. Structural inequity refers to a belief by workers that a general discrepancy exists between the amount of effort they commit to their work and the rewards offered by the organization. By contrast, specific inequity refers to situations where employers reward specific workers on the basis of criteria unrelated to employers reward specific workers on the basis of criteria unrelated to employee performance and productivity. Some of the particularistic criteria include blood relationship, friendship or gossip.

2.6 Organizational Commitment

Employee commitment is based on an affective attachment to the work organization. Employee commitment can become a vehicle by which individuals manifest loyalty to and identification with the organization. Committed employees identify with and feel loyal toward the organization; they share the values of the organization and have a personal sense of importance about the agency's mission.

Organizational commitment as defined by Porter et al. (1982) has three major components:

1. A strong belief in and acceptance of the organization's goals,
2. A willingness to exert considerable effort on behalf of the organization, and
3. A definite desire to maintain organizational membership.

Committed employees have a stronger sense of belonging to the organization and a greater desire to remain organizational members; they are willing to make extra efforts for the organization; and, in most work situations, they put the organization's interests before their personal concerns. There has been, of course, an extensive stream of academic research providing evidence that committed employees are less likely to leave the organization and more likely to make extra efforts on its behalf than other, less committed employees (O'Reilly & Chatman, 1986, pp. 492-499).

2.6.1 Types of Commitment

According to Meyer and Allen's (1991) there are three "mind sets" this can characterize an employee's commitment to the organization.

- ***Affective Commitment:*** is defined as the employee's emotional attachment to the organization. As a result, he or she strongly identifies with the goals of the

- organization and desires to remain a part of the organization. This employee commits to the organization because he/she "wants to".
- ***Continuance Commitment:*** The individual commits to the organization because he/she perceives high costs of losing organizational membership, including economic losses (such as pension accruals) and social costs (friendship ties with co-workers) that would have to be given up. The employee remains a member of the organization because he/she "has to".
 - ***Normative Commitment:*** The individual commits to and remains with an organization because of feelings of obligation. For instance, the organization may have invested resources in training an employee who then feels an obligation to put forth effort on the job and stay with the organization to 'repay the debt.' It may also reflect an internalized norm, developed before the person joins the organization through family or other socialization processes, that one should be loyal to one's organization. The employee stays with the organization because he/she "ought to".

Meyer and Allen, (1991) assert that these components of commitment are not mutually exclusive: an employee can simultaneously be committed to the organization in an affective, normative, and continuance sense, at varying levels of intensity.

2.6.2 Impact of Organizational Commitment on Turnover and Performance

Meyer et al (1989) explain that organizational commitment has been stimulated largely by its demonstrated negative relation to turnover: Committed employees have been found to be less likely to leave an organization than those who are uncommitted. Because

turnover can be costly to organizations, commitment is generally assumed to be a desirable quality that should be fostered in employees.(pp.152-156)

Moreover, according to Meyer et al (1989) organizational commitment correlates positively with individual and group level of performance and they concluded that, employees who are committed to the organization tend to perform at a higher level than those who are not. (p.152). Balfour and Wechsler (1991) claim that higher levels of performance and productivity result when employees are committed to the organization, take pride in organizational membership, and believe in its goals and values. (pp. 355-167)

2.6.3 Different Levels of Employee Commitment

The results of this dynamic process surrounding employee commitment are not uniform within any one organization or among organizations. Employers differ in the levels of commitment that they are able to elicit among their employees. Most organizations find themselves with a wide range of levels of employee commitment. In fact, most managers find individuals with differing levels of commitment within their own small groups of subordinates. Employee commitment can range from extremely high to extremely low. The differences are reflected on the varying degree to which individuals share an organization's values. People who are at the extremes of the commitment continuum can experience some negative effects themselves and can bring some negative effects to their workplaces.

Romzek, (1990) has described different level of employees' commitment to their organization. The brief discussion that follow present the differences among the levels of commitment and some behaviors associated with each as explained by her.(pp.355-367)

Zealots

Zealots are those individuals who have the highest possible level of employee commitment. Zealots share all of the pivotal values of the agency and are willing to go beyond the call of duty for the good of the organization. They feel a strong sense of loyalty to the agency and have strong beliefs in the worth or importance of the work their organization is doing. However, zealot's loyalty and beliefs are extreme, out of proportion. Zealots are so strongly committed to the organization that they are often blind to shortcomings in the organization and are often unwilling to entertain even constructive criticism of the agency. Zealots do not have a sense of balance in their commitments; they may be excessively absorbed in their work. In turn, this can lead to negative consequences for their personal lives. Negative organizational consequences can arise because zealots have the potential to overstep the bounds of acceptable behavior (sometimes even legal bounds) in their pursuit of agency interests.

Highly Committed

Highly committed employees share the pivotal values of the organization but retain their sense of balance and proportion about them. Like zealots, these individuals are anxious to engage in facilitative behaviors at work; they are willing to volunteer for assignments that are beyond the calls of duty when needed. Unlike zealots, highly committed employees' organizational commitment can be balanced with other, equally important, non work commitments. High commitment types will express their support for the agency, but they

are also willing to question organizational policies. They trust the organization and are willing to support it, but not blindly.

Moderately Committed

Moderately committed employees share some of the important organizational values, but not all. In other words, they have partial value congruence and may experience partial inclusion in the organization. While there is some overlap between organizational values and their personal values, the overlap may not be on values pivotal to the organization. Moderately committed employees will engage in facilitative behaviors, but they need to be asked to do so, unlike highly committed people. For the moderately committed, their life outside the organization may be of more importance than work.

Marginally Committed

Marginally committed employees feel no particular sense of attachment to the organization, either positive or negative. They are essentially indifferent to the organization. Such employees find their personal values irrelevant to their agency roles and the organization's values. Similarly, agency values are irrelevant to their personal roles and values. "Indifferent employees are not likely to engage in facilitative behaviors. In fact, they are likely to resist efforts and requests for them to go beyond the call of duty.

The Alienated

Alienated employees encounter situations where their personal values conflict with those of the work organization. Consequently, they feel hostile to organizational imperatives and are likely to distrust organizational representatives and to avoid responsibilities. As a result, alienated employees have a difficult time generating a sense of personal meaning from their work. Alienated employees are likely to push agency policies about personal

leave policies, absenteeism, and tardiness to the limit. Alienated employees face high personal costs because of their negative attitudes toward their workplace.

Romzek, (1990) concluded that managers face different supervisory challenges when they have employees with different levels of commitment. Supervisors must begin to sort out the differences in the commitment levels among their subordinates. And managers who have a diverse workforce face the challenge of treating their employees equitably while recognizing the need for treating their individual employees according to their particular needs and attitudes.

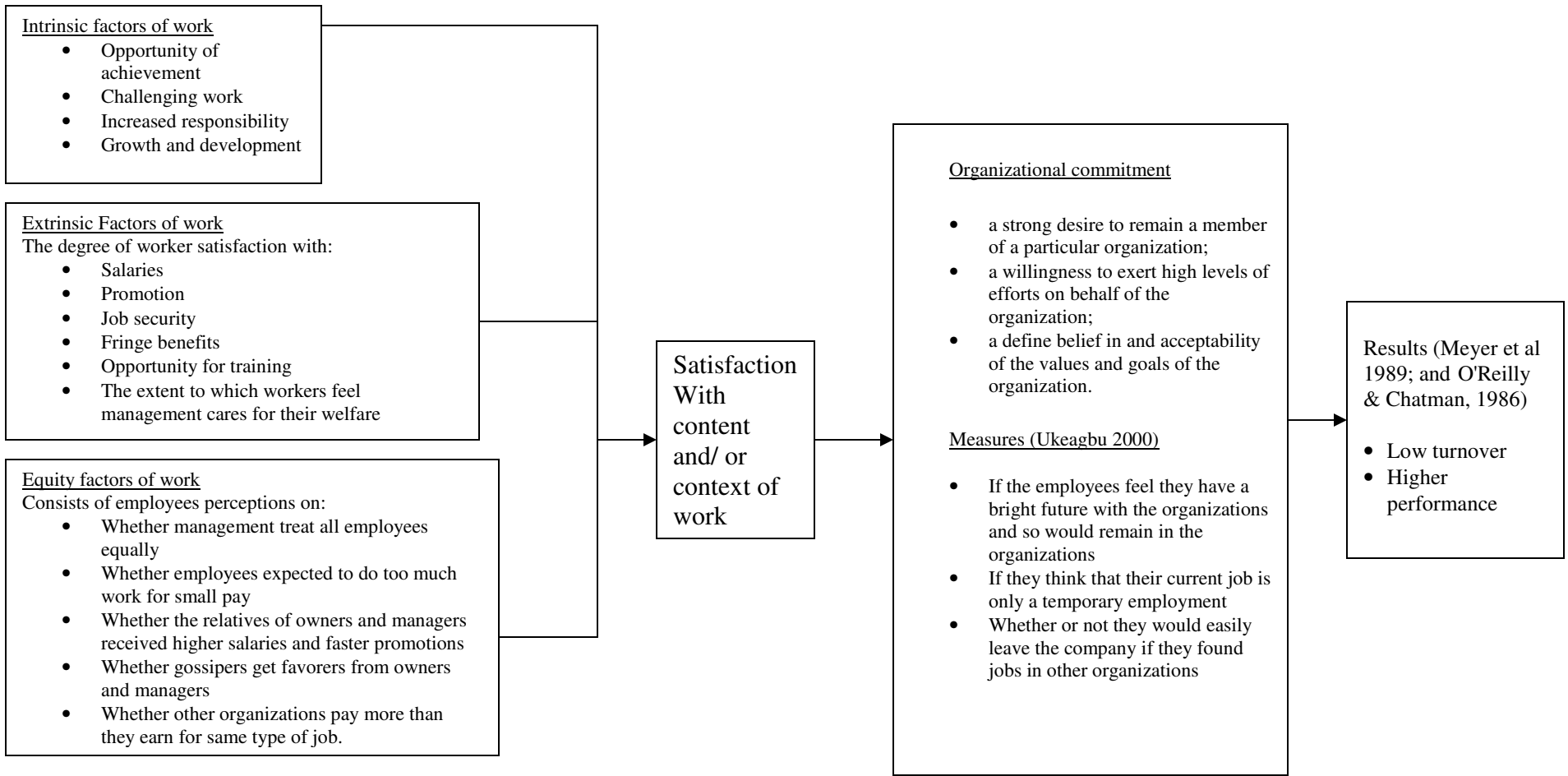
2.7 Impact of Motivational Factors on Organizational Commitment

Figure 2.2 is a theoretical framework which was developed to show the impact of motivators such as the intrinsic factors, extrinsic factors and perception of equity on organizational commitment. According to the researches revised earlier organizational commitment intern has an impact on turn over and productivity.

The strongest motivator, according to Maslow, is self-actualization, that is, the desire to maximize one's potential, fulfill oneself and use one's abilities to the fullest. Maslow was quick to suggest, however, that unless lower level needs such as the physiological, security and esteem needs are satisfied, self-actualization will not occupy a prominent place in a person's list of needs. Herzberg likewise found that when people are satisfied with their jobs, they are concerned about the environment in which they work, namely organizational policies and administration, supervision, working conditions, interpersonal relations, wages, status and job security. Upon satisfaction of these hygiene or maintenance factors, Herzbeg contends, that workers can then be motivated by the content of work, such as opportunities for achievement, challenging work, increased

responsibility, growth and development, and recognition of accomplishments. Put somewhat differently, if hygiene factors and lower order needs are not fairly satisfied, people will tend not to be interested in the challenges of a more responsible job. (Guest, 1977). Moreover, the relationship of satisfaction with pay to organizational commitment is quite straightforward. To the extent the job allows for adequate financial compensation, a linear and positive relationship between satisfaction with pay and organizational commitment would be observed. (Opshal and Dunnette, 1966, p. 18)

Figure 2.3 Theoretical framework



Motivators → Satisfaction → Organizational commitment

Source: Owen explanation based on the works of Ukeagbu, (2000), Meyer et al, (1989), and O'Reilly and Chatman, (1986)

CHAPTER THREE

Intrinsic, Extrinsic Factors, and Organizational Commitment in Royal and Infonet Colleges

The data collected from the employees of both Royal and Infonet Colleges using questionnaires are presented and analyzed in this chapter. The data are presented by using tables followed by its analysis. Moreover, the results of the interview with the managers were used to support and elaborate the facts.

3.1 Intrinsic Factor of Work

3.1.1 Achievement

Most of the employees were satisfied with opportunity for achievement. About 48% of the respondents agreed, while 36% of the respondents even strongly agreed that their job provides them with opportunity for achievement. Where as 14% of the employees were indifferent with only 2% of the respondents disagreed on this aspect. Moreover, the mean of the distribution of responses was found to be 4.2, which was close to 'Agree', indicating that frequency of responses concentrated around agreement on satisfaction with opportunity for achievement. Therefore, it can be concluded that employees are satisfied with opportunity for achievement that their job provides. (Table 3.1)

Table 3.1 Responses regarding opportunity for achievement

Scale		Frequency	Percent	Mean Scale
1	Strongly Disagree	-	-	4.2
2	Disagree	1	2.0	
3	Indifferent	7	14.0	
4	Agree	24	48.0	
5	Strongly Agree	18	36.0	
	Total	50	100.0	

Note: The mean scale was calculated by dividing, the sum of the products of each scale with the relative frequency, to the total number of respondents. The mean scale has a minimum value of 1 and a maximum value of 5.

3.1.2 Challenging Work

A high proportion of the employees expressed their satisfaction with the amount of challenge which they experienced from their jobs. About 54% of the employees showed their agreement on their engagement in performing a challenging work. Further, about 28% even strongly agreed on their work being challenging. The rest of the employees which constitute 18% of the respondents were indifferent on this matter. Moreover, the mean of the distribution of responses was about 4.1 which were nearest to the value of ‘Agree’. Therefore, the employees showed their satisfaction on performing a challenging job. (See Table 3.2)

Table 3.2 Responses regarding challenging work

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	-	-	4.1
2	Disagree	-	-	
3	Indifferent	9	18.0	
4	Agree	27	54.0	
5	Strongly Agree	14	28.0	
Total		50	100.0	

3.1.3 Responsibility

Almost all of the respondents expressed satisfaction with the strong sense of responsibility that their job provides. 98% of the employees were satisfied with the level of responsibility they got by being engaged in the type of job they perform. Particularly 48% agreed and 50% strongly agreed on this aspect, while only 2% were indifferent with no disagreement. Furthermore, the mean of the distribution was found to be 4.5 which were in the middle of ‘Agree’ and ‘Strongly Agree’. Therefore, it is clear that employees

of the colleges were satisfied with the sense of responsibility they get from their job.
(Refer Table 3.3)

Table 3.3 Responses regarding responsibility

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	-	-	4.5
2	Disagree	-	-	
3	Indifferent	1	2.0	
4	Agree	24	48.0	
5	Strongly Agree	25	50.0	
Total		50	100.0	

3.1.4 Growth and Development

It was found out that the highest proportions of the respondents were satisfied with the opportunity that their job provides them with personal growth and development. About 58% of the respondents agreed and 28% strongly agreed on the satisfaction with growth and development they got from their job. This constitutes 86% of the respondents were satisfied with this aspect. On the other hand, 10% of the respondents were indifferent, while 4% disagreed on satisfaction with growth and development. In addition, the mean of the distribution was found to be 4.1, which was almost equal to the value of 'Agree'. Hence, it can be concluded that employees of the colleges were satisfied with the opportunity to increase knowledge and develop through job experience. (See Table 3.4)

Table 3.4 Responses regarding opportunity for growth and development

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	-	-	4.1
2	Disagree	2	4.0	
3	Indifferent	5	10.0	
4	Agree	29	58.0	
5	Strongly Agree	14	28.0	
Total		50	100.0	

According to Herzberg, the variables for intrinsic factors are the primary causes of satisfaction, they are intrinsic to the job because they relate directly to the real nature of the work people perform. Regarding those factors employees of the colleges were satisfied. As an instructor, they believed that, their job provided them with opportunity for accomplishment and contributing something of value presented with a challenge. This high feeling of challenge is because, they put in long hours of effort on preparing themselves for the class lecture; handling outstanding, average and poor students properly; giving long hours of lecture; and updating themselves with new developments. They work on weekends and even prepare makeup classes on public holidays. Employees were also satisfied with a feeling of responsibility, this is because the respondents believed that they are positively influencing the life of others (students) through their work, they are contributing to the society, and they are molding and shaping students minds. Moreover, their job include reading of book, browsing internet looking for new developments, preparing hand outs and other aspects which contributed for their satisfaction with opportunity for personal growth and development.

3.2 Extrinsic Factors of work

3.2.1 Salary

The highest proportions of the respondents were dissatisfied with their salary they earn from the colleges. About 84% of the employees expressed their dissatisfaction with the amount of salary they get paid. Particularly, 56% of the respondents disagreed and 28% even strongly disagreed. Where as, 12% of the respondents were indifferent with only 4% agreed on satisfaction with their salary. Furthermore, the mean of the distribution of responses was found to be 2, which was the same as the value of 'Disagree'. Accordingly, it can be concluded that the employees of the colleges were dissatisfied with the amount of salary they are getting paid. (See Table 3.5)

Table 3.5 Responses regarding salary

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	14	28.0	2
2	Disagree	28	56.0	
3	Indifferent	2	4.0	
4	Agree	6	12.0	
5	Strongly Agree	-	-	
Total		50	100.0	

3.2.2 Fringe Benefits

Most of the employees of the colleges were dissatisfied with the level of fringe benefits they got. About 36% of the respondents disagreed with the fringe benefits available in their workplace and 46% even strongly disagreed on the availability of satisfactory benefits in the colleges. This constitutes 82% were dissatisfied with this aspect. While 6% of the respondents were indifferent with only 12% agreed with the benefits being

satisfactory. Moreover, the mean of the distribution of responses was found to be 1.8, which was closer to the value of ‘Disagree’. In this regard, it is clear that the employees of the colleges were dissatisfied with the fringe benefits available in the colleges. (Table 3.6)

Table 3.6 Responses regarding fringe benefits

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	23	46.0	1.8
2	Disagree	18	36.0	
3	Indifferent	3	6.0	
4	Agree	6	12.0	
5	Strongly Agree	-	-	
Total		50	100.0	

3.2.3 Promotion and Salary Increment

Majority of the employees of the colleges were dissatisfied with the promotion and salary increment. About 70% of the respondents expressed their dissatisfaction with the colleges’ system regarding salary increment and promotion. Specifically, 44% of the employees disagreed and 26% even strongly disagreed on this matter. On the other hand, 24% of the respondents were indifferent and only 6% agreed on the system in which employees got promoted and salary increment was made. Further, the mean of the distribution of responses was 2.1, which was close to the value of ‘Disagree’. Accordingly, it can be concluded that employees were dissatisfied with promotion and salary increment. (See Table 3.7)

Table 3.7 Responses regarding promotion & salary increment

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	13	26.0	2.1
2	Disagree	22	44.0	
3	Indifferent	12	24.0	
4	Agree	3	6	
5	Strongly Agree	-	-	
Total		50	100.0	

3.2.4 Job Security

The highest proportion of the respondents expressed their dissatisfaction with job security. 52% of the employees disagreed with their job being secured and 26% even strongly disagreed. This constitute 78% were dissatisfied with job security. While, 10% were indifferent with only 12% agreed on this aspect. In addition the mean of the distribution of responses was found to be 2.1, which was close to the value of ‘Disagree’. In this case it is clear that the employees of the colleges’ were dissatisfied with job security. (See Table 3.8)

Table 3.8 Responses regarding job security

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	13	26.0	2.1
2	Disagree	26	52.0	
3	Indifferent	5	10.0	
4	Agree	6	12.0	
5	Strongly Agree	-	-	
Total		50	100.0	

3.2.5 The Incentive System

Most of the employees of the colleges' were dissatisfied with the incentives. About 20% of the employees disagreed and 54% even strongly disagreed with the availability of incentive that satisfies the respondents. This shows that 74% of the respondents were dissatisfied with the incentives. Where as, 18% of the respondents were indifferent with only 8% agreed with availability of satisfactory incentives. Moreover, the mean of the distribution of the responses was 1.8, which was close to the value of 'Disagree'. Accordingly, it can be concluded that employees of the colleges' were dissatisfied with the incentives. (Table 3.9)

Table 3.9 Responses regarding incentives

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	27	54.0	1.8
2	Disagree	10	20.0	
3	Indifferent	9	18.0	
4	Agree	4	8.0	
5	Strongly Agree	-		
Total		50	100.0	

3.2.6 Opportunity for Outside Training

The highest proportions of the employees were dissatisfied with the opportunity for outside training they got. About 84% of the respondents disagreed with opportunity for outside training. Particularly, 48% of the employees disagreed and 36% even strongly disagreed. While, 10% of the respondents were indifferent with only 6% agreed on this matter. The mean of the distribution of responses was also found to be 1.9, which was close to the value of 'Disagree'. Therefore, this shows that employees of the colleges were dissatisfied with the opportunity for outside training. (Table 3.10)

Table 3.10 Responses regarding opportunity for outside training

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	18	36.0	1.9
2	Disagree	24	48.0	
3	Indifferent	5	10.0	
4	Agree	3	6.0	
5	Strongly Agree	-	-	
Total		50	100.0	

3.2.7 Opportunity for In-House Training

Majority of the respondents expressed their dissatisfaction with in house training. About 48% of the respondents disagreed with opportunity for inside training and 30% even strongly disagreed. This constitute 78% of the respondents were dissatisfied with opportunity for in-house training. Where as, 14% of the respondents were indifferent with only 6% agreed and 2% strongly agreed. The mean of the distribution was also found to be 2, which was the same with the value of ‘Disagree’. From this it is clear that the respondents were dissatisfied with the opportunity for in-house training. (See Table 3.11)

Table 3.11 Responses regarding opportunity for in-house training

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	15	30.0	2
2	Disagree	24	48.0	
3	Indifferent	7	14.0	
4	Agree	3	6.0	
5	Strongly Agree	1	2.0	
Total		50	100.0	

3.2.8 Post Employment Security

Majority of the respondents were dissatisfied with the post employment security of the colleges. About 70% of the respondents expressed their dissatisfaction with post

employment security. Specifically, 34% of the respondents disagreed and 36% even strongly disagreed. On the other hand, 20% were indifferent with only 10% agreed with the post employment security. Moreover, the mean of the distribution of responses was found to be 2, which was equal to the value of ‘Disagree’. Therefore, it is clear that majority of the respondents were dissatisfied with the post employment security. (Table 3.12)

Table 3.12 Responses regarding post employment security

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	18	36.0	2
2	Disagree	17	34.0	
3	Indifferent	10	20.0	
4	Agree	5	10.0	
5	Strongly Agree	-	-	
	Total	50	100.0	

3.2.9 Relationship with Co-workers

The highest proportion of the respondents expressed that there were no dissatisfaction with the relationship with co-workers. About 94% of the respondents were not dissatisfied with this aspect. More specifically, 40% of the respondents agreed and 54% even strongly agreed. Where as, 4% of the respondents were indifferent and only 2% strongly disagreed with the availability of attractive co-worker relationship. The mean of the distribution of responses was found to be 4.4, which was between the values of ‘Agree’ and ‘Strongly Agree’. This shows that majority of the respondents were not dissatisfied with the co-worker relationships in the colleges. (Table 3.13)

Table 3.13 Responses regarding relationship with co-workers

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	1	2.0	4.4
2	Disagree	-		
3	indifferent	2	4.0	
4	Agree	20	40.0	
5	Strongly Agree	27	54.0	
Total		50	100.0	

3.2.10 The Colleges' Management Welfare Consideration

Majority of the respondents felt that managements of the colleges did not care for their welfare. About 72% of the respondents considered that the managements do not care for employee's welfare. Particularly 52% disagreed and 20% even strongly disagreed on this aspect. While, 22% of the respondents were indifferent with 4% agreed and 2% strongly agreed on whether management cares for their welfare. Moreover, the mean of the distribution of responses was found to be 2.2, which was close to the value of 'Disagree'. This shows that employees felt that managements of the colleges did not care for their welfare. (See Table 3.14)

Table 3.14 Concerning the colleges' management welfare consideration for employees

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	10	20.0	2.2
2	Disagree	26	52.0	
3	Indifferent	11	22.0	
4	Agree	2	4.0	
5	Strongly Agree	1	2.0	
Total		50	100.0	

A higher proportion of the respondents expressed their dissatisfaction with most of the extrinsic factors of work. To put somewhat differently, nearly all of the workers were dissatisfied with job rewards such as salary, promotion, job security, fringe benefits and opportunity for getting training outside the colleges. The open ended questions revealed that none of the colleges had a formal plan for in-house or out-side training of employees. Consequently, human resource development which is expected to improve the skills of the instructors was lacking.

A considerable proportion of employees expressed dislike for the incentive systems of their colleges, which they regarded as poor. Many respondents mentioned lack of promotion, lack of job security, poor salaries and poor fringe benefits as aspects of their companies' policies and practices which they most disliked. The colleges do not have medical expense converge, no medical insurance, no coverage for educational fees, no short or long term loan services and there are no other benefits. However, Royal College provides transportation allowance for instructors and for department heads. Further the results from the open ended question showed that the colleges do not have definite lines of mobility on which employees could be promoted. Instead, only irregular and subjective (based on personal opinion of the managers) increases were awarded. There was also a lack of post-employment security due to the absence of provident fund contribution and pension schemes. However, there is a small amount of provident fund available in Royal College (6 % from the college and 5% from employees). Employees could commit many years of service to the colleges and leave with nothing or with a very small amount of money. Moreover, employees feeling of job insecurity arise since they have a high degree of concern about the frequency and arbitrariness with which

employees were fired. For the open ended questions most of the respondents express that managers lack managerial training especially on human resource management.

Regarding whether employees rights which are stipulated on the labor law being respected, the respondents expressed their dissatisfaction on such item as, dismissal without notice, absence of annual leave, lack of special incentives for work done after the regular working time, intimidation, lack of respect for human rights, etc. Ukaegbu (2000) suggested that enterprises which want to attract and retain the best and brightest workers must develop personnel policies that respect individual rights.

3.3 Perception of Equity

Inequity has both structural and specific components. Structural inequity refers to a belief by workers that a general discrepancy exists between the amount of effort they commit to their work and the rewards offered by the organization. On the other hand, specific inequity refers to situations where employers reward to specific workers on the basis of criteria unrelated to the work. And also the specific workers on the basis of criteria unrelated to employee performance and productivity. Some of the particularistic criteria include blood relationship, friendship or gossip (Tansik et al., 1980).

3.3.1 Regarding the Managements' Equal Treatments of All Employees – In Handling Grievances and Conflicts

Majority of the respondents were indifferent on whether managements of the colleges treat all the employees equally. About 30% were indifferent where as, 26% of the respondents agreed and 14% strongly agreed. On the other hand, 16% of the respondents disagreed and 14% even strongly disagreed on whether the management treats all employees equally in handling grievances and conflicts. Furthermore, the mean of the

distribution was found to be 3.1, which was closer to the value of ‘Indifferent’. Therefore, it can be concluded that employees of the college are indifferent on whether the management treat all the employees equally in handling the grievances and conflicts. (See Table 3.15)

Table 3.15 Perception of employees regarding management of the College treats all employees equally

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	7	14.0	3.1
2	Disagree	8	16.0	
3	Indifferent	15	30.0	
4	Agree	13	26.0	
5	Strongly Agree	7	14.0	
Total		50	100.0	

3.3.2 Regarding Too Much Work for Small Pay Perception of Employees

Most of the respondents perceived that they were required to do too much work for small pay. About 80% of the respondents considered that the management required them to do too much work for the small payment they got in return. Specifically, 34% of the respondents agreed and 46% even strongly agreed on this aspect. While, 6% were indifferent with 14% disagreed on whether they were required to do too much work for small pay. Moreover the mean of the distribution of responses was found to be 4.1, which was closer to the value of ‘Agree’. Accordingly, it can be concluded that employees perceived that they are required to do too much work for small payment the got in return. (Table 3.16)

Table 3.16 Regarding too much work for small pay perception of employees

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	-	-	4.1
2	Disagree	7	14.0	
3	Indifferent	3	6.0	
4	Agree	17	34.0	
5	Strongly Agree	23	46.0	
Total		50	100.0	

3.3.3 Concerning Better Salary and Faster Promotion for Relatives of Owners and Managers

Majority of the respondent were indifferent on whether relatives of owners and manager received better salary and faster promotion. About 48% of the respondents were indifferent while 28% agreed on the relatives got better salary and faster promotions. On the other hand 20% of the respondents disagreed and 4% even strongly disagreed on this matter. Further, the mean of the distribution was found to have a value of 3, which was equal to the value of 'Indifferent'. In this regard it can be said that employees were indifferent on whether the relatives of owner and manager got better salary and faster promotion. (Table 3.17)

Table 3.17 Concerning better salary and faster promotion for relatives of owners and managers

Scale		Frequen	Percent	Mean scale
1	Strongly Disagree	2	4.0	3.0
2	Disagree	10	20.0	
3	Indifferent	24	48.0	
4	Agree	14	28.0	
5	Strongly Agree	-	-	
Total		50	100.0	

3.3.4 Concerning Gossipers Get Favors from Managers and Owners

The highest proportions of the respondents were indifferent on whether gossipers got favors from managers and owners. About 64% were indifferent while, 12% of the respondents agreed on the management and owners of the colleges favor those employees who gossip to them. On the other hand, 16% disagreed and only 2% strongly disagreed on gossipers get favors. The mean of distribution of responses was also found to be 3, which was the same as the value of ‘Indifferent’. Therefore, it can be concluded that employees were indifferent on whether gossipers get favors from managers and owners. (See Table 3.18)

Table 3.18 Regarding gossipers get favors from managers and owners perception of employees

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	1	2.0	3.0
2	Disagree	8	16.0	
3	Indifferent	32	64.0	
4	Agree	6	12.0	
5	Strongly Agree	3	6.0	
Total		50	100.0	

3.3.5 Concerning Other Organizations Pay More for the Same Type of Job and Qualification

Majority of the respondents perceived that other organizations pay better for the same type of job they are performing in the colleges and other jobs which require the same qualification with employees’ posses. About 96% of the respondents perceived that they are getting lesser than they would get if they have been employed in other organizations. Specifically 30% of the respondents agreed and 66% even strongly agreed that other

organizations pay better than they earn for the same type of job they are performing. Where as, only 2% of the respondents were indifferent and only 2% disagreed. The mean of the distribution of responses was 4.6, which was between the value of ‘Agree’ and ‘Strongly Agree’. Accordingly, it can be concluded that employees of the colleges perceived that other organizations pay better than they earn for the same type of job or other types of jobs which requires the same educational back ground and experience that the employees have (See Table 19)

Table 3.19 Regarding other organizations pay more for the same type of job and qualification perception of employees

Scale		Frequency	Percent	Mean sca
1	Strongly Disagree	-	-	4.6
2	Disagree	1	2.0	
3	Indifferent	1	2.0	
4	Agree	15	30.0	
5	Strongly Agree	33	66.0	
Total		50	100.0	

Employee perception of structural inequity was high. Employees felt that they did too much work in return for small pay. A majority of the workers thus experienced an imbalance between the contributions they made to their colleges and the inducements they receive in return. Moreover, the external inequity was also high; they felt that other organization pay more than they earn for the same type of job or jobs which requires the same skill that employees possessed. In other words, they perceive that they would get better if they get a job in other organizations. On the other hand, for the specific inequity, employees were indifferent. A significant proportion of the workers, were indifferent on

whether the firms over-reward particularistic criteria such as blood relationship and gossipers.

According to Tsui et al. (1997), an employer under-invests in the employee if the latter is expected to undertake broad and open-ended obligations while the former reciprocates with short-term investment with no commitment to the employee's training and career. Under-investment in employees instills a feeling of inequity in them and makes them feel that they receive much less than they give to the firm. Feelings of inequity could also arise from managerial partiality, where management rewards some workers not because of higher performance and productivity but because of non-work-related criteria. On the other hand, the employer over-invests in the employee if the former offers open-ended rewards, including training and commitment to the career growth of the employee, intern for only a specified set of tasks or focused activities. Tsui and her team found that employees performed better and were more committed to the organization if an employer over-invested than if he/she under-invested in them. Consequently, over-investment in employees usually pays off.

Accordingly employees of Royal and Infonet Colleges perceive that their employers under invest in them which created a feeling of inequity made them feel that they receive much less than they give to the firm.

3.4 Commitment

Organizational commitment is the degree to which an employee identifies with the goals of the organization, and is willing to exert effort to help it succeed (Kullberg & Berg

1987). It reflects the degree of affective and emotional attachment of an employee to the organization (Mueller et al. 1992).

3.4.1 Preference of Respondents to Work in the Colleges Rather than in Other Organization

Most of the respondents did not prefer to work in the colleges rather than in other organizations they know. About 64% of the respondents did not prefer working in their colleges to any other organizations that they know. Particularly, 52% of the respondents disagree and 12% even strongly disagree. Where as, 28% of the respondents were indifferent with only 8% agreed that they prefer working in their colleges than in any other organizations. Further the mean of the distribution of responses is found to be 2.3 which is close to disagree. Accordingly, it can be concluded that majority of the respondents did not prefer to work in those colleges rather than in other organization. (Table 3.20)

Table 3.20 Regarding employees preference to work in the Colleges rather than in any other organization

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	6	12.0	2.3
2	Disagree	26	52.0	
3	Indifferent	14	28.0	
4	Agree	4	8.0	
5	Strongly Agree	-	-	
Total		50	100.0	

3.4.2 Concerning Employees' Feeling That They Have a Bright Future with the Colleges

Highest proportion of the respondents expressed their disagreement on whether they have a bright future with the colleges and so they will remain. About 34% of the respondents disagree and 28% strongly disagree on this factor. This constitutes 62% of the respondents did not feel a right future with the colleges. Where as, 34% of the respondents were indifferent with only 4% agreed that they feel a bright future. The Mean of the distribution of responses was 2.1, which was close to 'Disagree'. Therefore, it can be concluded that majority of the employees did not feel a bright future with the colleges. (Table 3.21)

Table 3.21 Concerning employees' feeling that they have a bright future with the colleges

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	14	28.0	2.1
2	Disagree	17	34.0	
3	Indifferent	17	34.0	
4	Agree	2	4.0	
5	Strongly Agree	-	-	
Total		50	100.0	

3.4.3 The Current Job Is Only a Temporary Employment

Majority of the respondents thought that their current job in the colleges is a temporary employment. 84% of the respondents considered their current job as a temporary one. More specifically, 64% of the respondents agreed and 20% even strongly agreed that their current job is a temporary employment. On the other hand, 4% of the respondents were indifferent with only 12% of them disagreed on this aspect. The mean of the

distribution of responses was 3.9, which was nearest to the value of ‘Agree’. In this regard it can be concluded that respondents thought their current job as a temporary employment. (Table 3.22)

Table 3.22 Considering the current job as a temporary employment

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	-	-	3.9
2	Disagree	6	12.0	
3	Indifferent	2	4.0	
4	Agree	32	64.0	
5	Strongly Agree	10	20.0	
Total		50	100.0	

3.4.4 Regarding Employees’ Intention to Leave the Colleges easily if they get another Job

The highest proportion of the respondents would leave the colleges if they find another job in another organization. 94% of the respondents admitted that they would leave the colleges if they get another job. Specifically, 50% of the respondents agreed and 44% even strongly agreed on this aspect. Whereas 6% of the respondents were indifferent with no disagreement at all. The mean of the distribution of responses was also found to be 4.4, which was almost in between the value of ‘Agree’ and ‘Disagree’. Hence, the employees of the college would leave their current job if they find another work in other organizations. (See Table 3.23)

Table 3.23 Regarding Employees' Intention to Leave the Colleges easily if they get another Job

Scale		Frequency	Percent	Mean scale
1	Strongly Disagree	-	-	4.4
2	Disagree	-	-	
3	Indifferent	3	6.0	
4	Agree	25	50.0	
5	Strongly Agree	22	44.0	
Total		50	100.0	

Organizational commitment as defined by Porter et al. (1982) is a strong belief in and acceptance of the organization's goals, a willingness to exert considerable effort on behalf of the organization, and a definite desire to maintain organizational membership. As it is described earlier the employees did not prefer to work for their colleges rather than in other organization they know. This shows that, they believe there are other better working places for them rather than their current job. Moreover, respondents expressed that they did not feel a bright future with the colleges and they would not remain in the current job. This implies that employee's do not have emotional attachment to the organization. As a result, it can be concluded that they did not have a strong desires to remain as a part of the colleges. Their stay in the colleges is until they get a job that fits their expectations.

A significant proportion does not seem keenly committed to their work organizations. Majority of the respondents admitted that their stay in their present colleges was temporary, and intended to leave if they found jobs elsewhere. The open ended questions revealed that, majority of the instructors would even leave their 'teaching' profession and join other organizations which pay more and provide better benefits, despite the fact that

they are satisfied with the intrinsic content of the teaching job. According to them their preferences are NGOs and other international organizations.

The interview conducted with the managers of the colleges revealed that their employees do not seem to know the goal and values of the colleges properly and do not seem to commit themselves towards achieving them. According to the managers majority of the employees are not seems to be willing to exert additional efforts to perform activities which are important for the development of the colleges. This was shown by loss of interest and willingness to be department head in addition to being an instructor. Besides, majority of the employees are not willing to organize workshops, seminars and conferences which supplement the teaching-learning process. The interview also revealed that employees do not seem to be giving their time to consult students properly. They leave the campus of the colleges as soon as they finished their lecture class with no intention to stay longer in the office. This is because they are also doing a part-time job in other colleges to earn additional income. Interview with the managers also revealed that worker turnover through resignations was frequent.

Organizational commitment is an emotional attachment of employees with their organizations, which influences the employee to stay, demands on the employee's against working elsewhere. Organizational commitment is an important precondition for the evolution and consolidation of an experienced and viable workforce that can contribute to the survival, expansion and durability of an enterprise. (Hilary C. & D. Weaklien 1989). However, the study found out that majority of the employees of the colleges was not committed to their organization since they did not seem to have emotional attachment with their colleges. In this regard the colleges are losing competent and experienced work

force which in turn have a negative impact on their growth and development in addition to the cost of turnover the colleges incur to replace the employees.

3.5 Comparison of responses between Royal and Infonet Colleges

Employees of both Royal and Infonet Colleges were satisfied with intrinsic factors of work such as achievement, challenging work, responsibility, and growth and development with small differences between the mean of the distribution of their responses. (See Table 3.24)

Table 3.24 Means scale of responses for intrinsic factor from Royal and Infonet Colleges shown separately

Variables	Mean Scale	
	Royal College	Infonet College
Respondents satisfaction with opportunity for achievement	4.29	4.05
Respondents satisfaction with challenging work	4.14	4.05
Respondents satisfaction with the level of responsibility	4.57	4.36
Respondents satisfaction with opportunity for growth and development	4.14	4.05

Regarding the extrinsic factors, the employees of both colleges were generally dissatisfied with almost all variables except with the relationship with co workers. In spite of the fact that the responses for most of the extrinsic variables from employees of Royal College were better than Infonet College, the differences were not that much significant. (See Table 3.25) The reason that the mean of distribution of responses from Royal College were a little bit better than Infonet College is that the former pays better salary and have better benefits than the later. Royal College pays a salary of birr 1690.00 to birr 2165.00 for instructors with BA degree where as Infonet pays birr 1430.00 to birr

1600(with some irregularities). Moreover, Royal College provides birr 110.00 as a transportation allowance and have a provident fund contribution (6% from the college and 5% from employees) as a post employment security while neither are available in Infonet College. The weekly teaching load in both colleges is the same (18 hours per week) nevertheless; Royal College pays better for the extra hour worked as a part time job.

Table 3.25 Mean scale of responses for Extrinsic factors from Royal and Infonet Colleges shown separately

Variables	Mean Scale	
	Royal College	Infonet College
Respondents level of satisfaction with salary	2.14	1.82
Respondents level of satisfaction with fringe benefits	2.29	1.27
Respondents level of satisfaction with promotion & increment system	2.29	1.86
Respondents level of satisfaction with job security	2.25	1.86
Respondents level of satisfaction with the incentive system	2	1.55
Respondents level of satisfaction with the opportunity for outside training	1.86	1.86
Respondents level of satisfaction with the opportunity for in-house training	2.11	1.91
Respondents level of satisfaction with post employment security	2.5	1.45
Respondents level of satisfaction with the relationship with co-workers	4.36	4.55
Whether the management cares for the welfare of employees	2.18	2.14

In both colleges the respondents were dissatisfied with the variables that measure structural inequity and were indifferent for specific inequity with small differences.(see Table 3.26)

Table 3.26 Mean scale of responses for equity factors from Royal and Infonet Colleges shown separately

Variables	Mean Scale	
	Royal College	Infonet College
Whether they perceive that management of the College treats all employees equally	3	3.23
Whether they perceive that employees are required to do too much work for small pay	4.18	4.05
Whether they perceive that relatives of owners and managers receive better salary and faster promotions	3	3
Whether they perceive that gossipers get favors from managers and owners	3.07	3
Whether they perceive that other organizations pay more than they earn for the same type of job	4.43	4.82

Moreover, both the colleges lack organizational commitment from their employees. Here also the mean of the distribution of responses form employees of Royal College were a little bit better than Infonet College with small differences. (See Table 3.27)

Table 3.27 Means scale of responses for Commitment variables from Royal and Infonet College shown separately

Variables	Mean Scale	
	Royal College	Infonet College
Whether they prefer to work in this College than any other organization that they know	2.36	2.27
Whether they feel that they have a bright future with the College and so they will remain in the organization	2.29	1.95
Whether they think that their current job is only a temporary employment	3.79	4.09
Whether they would easily leave the College if they find a job in other organizations	4.29	4.5

3.6 Relationship among Factors of Work and Organizational Commitment

The correlation coefficients show the relationship among the work factors and employee commitment which indicate how important certain job factors were to the respondents. The more the employees are dissatisfied with the extrinsic factors their intention to leave the colleges is higher. In other words, there are positive relationships between the core extrinsic rewards such as no dissatisfaction with salary, promotion, job security and fringe benefits, and the tendency to remain in the company. Also, the more the dissatisfaction with the extrinsic rewards, the more the workers viewed their stay in the company as temporary. This shows that, the more the extrinsic rewards are provided, the grater the tendency for workers to view their stay in the organization as permanent. In addition, the perception that management takes care of employees' welfare are obviously influential in making workers to feel like remaining in the organization, and viewing their

current jobs as permanent employment. Similar deductions can be made for other organizational commitment items, namely the willingness to go or remain in the company if another job were available elsewhere. (See Table3.28)

The two indicators of the structural inequity should also be noted. The more the workers feel that their economic returns from the colleges are not equitable with the investments of their labour with the feeling that other organizations pay more, the less their commitment to the organization . By contrast, employees satisfaction with intrinsic factors such as achievement, job challenge, responsibility, and opportunity for growth and development did not keep them committed in those colleges. (Table 3.28) Instructors keep on moving from those colleges to other colleges which they believe pay better, they work for more than one college at the same time, and even they leave their profession and join organization with a better payment and fringe benefits.

Employees in Royal and Infonet Colleges are employed within a poor country. Currently, the purchasing power of the average worker had greatly declined due to high inflation, scarcity of commodities, a weak currency, and other reasons in the economy. Through informal observations, the cost of basic necessities (food, housing, clothing, transportation and health care) had skyrocketed relative to previous years. As low-income earners, it may be expected that employees to place greater emphasis on extrinsic/hygiene factors of work. Therefore, the degree of employee satisfaction with salaries, promotion, job security, fringe benefits, training, incentives, equity, and managers' consideration for employees' welfare are likely to have a stronger impact on employees' commitment to the organization.

Table 3.28 Relationship among factors of work and commitment variables

Variables	Whether they feel that they have a bright future with the College and so they will remain in the organization	Whether they think that their current job is only a temporary employment	Whether they would easily leave the College if they find a job in other organizations
Intrinsic Factors			
Respondents satisfaction with opportunity for achievement	-0.27	0.05	0.15
Respondents satisfaction with challenging work	-0.11	0.20	0.37
Respondents satisfaction with the level of responsibility	-0.04	0.08	0.04
Respondents satisfaction with opportunity for growth and development	-0.22	-0.02	-0.03
Extrinsic Factors			
Respondents level of satisfaction with salary	-0.04	-0.16	-0.22
Respondents level of satisfaction with fringe benefits	0.32	-0.27	-0.19
Respondents level of satisfaction with promotion & increments system	0.19	-0.15	-0.13
Respondents level of satisfaction with job security	0.24	-0.13	-0.13
Whether the management of the College cares for the welfare of employees	0.29	-0.29	-0.15
Respondents level of satisfaction with the opportunity for outside training	-0.06	0.00	-0.02
Respondents level of satisfaction with the opportunity for in-house training	0.20	0.06	-0.13
Respondents level of satisfaction with post employment security	0.30	-0.26	-0.14

Perception of Equity

Whether they perceive that management of the College treats all employees equally	0.08	-0.16	-0.07
Whether they perceive that employees are required to do too much work for small pay	-0.20	0.41	0.20
Whether they perceive that relatives of owners and managers receive better salary and faster promotions	-0.16	-0.03	0.07
Whether they perceive that gossipers get favorers from managers and owners	-0.06	-0.05	0.04
Whether they perceive that other organizations pay more than they earn for the same type of job	-0.12	0.10	0.28

CHAPTER FOUR

CONCLUSION AND RECOMMENDATION

4.1 Conclusion

Ethiopia needs trained and skilled man power to achieve its objective of alleviating poverty and creating a country with a middle income economy. The role played by private colleges is very important in this regard. The private colleges are directly involved in producing the required human resource. As a result, they are required to maintain well qualified and committed instructors who contribute for the success of the organizations. With this in mind, it is important to study the level of employee's commitment, and the factors of work that determine organizational commitment. It was with this objective the project was undertaken. Based on the findings and the analysis, the following major conclusions were drawn:

- Employees of Royal and Infonet colleges were satisfied with the intrinsic content of the work such as achievement, challenging work, responsibility, and growth and development.
- The employees of the colleges were dissatisfied with the extrinsic factors of work. They expressed their dislike in many of the context of their work such as the salary they get paid were considered very low, the fringe benefits were considered inadequate and even unavailable, and the incentive system were considered very poor. Employees of the colleges feel that their job is unsecured and there is inadequate or no post employment security available. Moreover, human resource development through in house training and outside training were also regarded as

very unsatisfactory. Nevertheless, it was found out that there is a strong and attractive co-workers relationship in the colleges.

- The management of the colleges did not care for their employee's welfare. Rather the management focused on achieving their objectives of securing high profit by saving from the human resource cost.
- Employees of the college perceived that they get much lesser than the effort they are required to exert on performing their jobs. Employees also perceived that they earn much lesser than other organizations pay for the same type of job. There fore, there is a structural inequity which is a belief by employees that a general discrepancy exists between the amount of effort they commit to their work and the rewards offered by the organization.
- The employees did not have a psychological attachment to the colleges; that is, they are not keenly interested to be identified with the goals and values of the colleges, they are not willing to exert much effort to perform additional activities that are important for the growth of the colleges, and they did not have a strong feeling to continue as a member of the colleges. Hence, the employees of the colleges are not committed to their organizations.
- As indicated earlier the employees are satisfied with the intrinsic variable while, they are dissatisfied with extrinsic variables and the equity factors. Moreover, it was found out that there lacks organizational commitment from employees of the college. In this regard the extrinsic factors and perception of equity are more determinates of

organizational commitment for employees whose lower needs are not yet satisfied and who live in a poor country.

- Employees of the colleges do not seem to know the goal and values of the colleges properly and do not seem to commit themselves towards achieving them. Moreover, majority of the employees are not seems to be willing to exert additional efforts to perform activities which are important for the development and growth of the colleges. It was also found out that there is a high level of employees turnover in the colleges.

4.2 Recommendation

It is clear that owners and managers of those colleges want their organizations to develop and grow. One of the ways to achieve that is to create conditions in which employees see a bright future in their workplace. This will make them to develop a sense of belongingness to the colleges. Based on the findings and the analysis the following recommendations, which are necessary for the betterment of the working conditions of Royal and Infonet Colleges, are forwarded:

1. The management of the colleges should improve the extrinsic factors of work, such as, salary, fringe benefits, the incentives, and job security by assessing the level of those factors available in organizations with in and outside the industry. This may require more financial investment by the colleges. How much financial resource can an investor of a private business commit to the improvement of employees salaries and other forms of welfare? Is it not possible that a high financial commitment to the latter reduces the chances of

the colleges to grow and endure, especially in a poor country like Ethiopia? This is a problem faced by the private colleges in which profitability is a precondition for sustained growth of the business organization. That notwithstanding, managers of the colleges should balance the desire to increase profits through savings in human resource costs with the interest of employees. In this regard, the employees' dissatisfaction with these extrinsic factors will be removed or reduced. Moreover their perceptions regarding "they are doing too much work for small pay and other organization pay better" will be neutralized. Therefore, the management of the colleges will enable to control the consequences of low employee commitment and high labor turnover.

2. The Colleges should invest in the long-term goals of their employees in the form of post employment security as a provident fund contribution. This also requires an industry and cross industry assessment. In this regard, employees will have a confidence that there is an amount of money deposited on their behalf for their post employment security purpose. Unless otherwise, employees will always maintain a "birds of passage" orientation if they are not sure that a job will help them to meet their sense of fulfillment in old age and with any reason when they leave their job . Solutions to the problems of post –employment security in the form of provident fund/pension should not be left to the discretion of entrepreneurs alone .The profit motive may prevent them from giving the attention it deserves. Government should, therefore, enact and incorporate provident fund/pension in the labour proclamation for

firms to build such security into the conditions of service. This will in the long run benefit the owners of firms, because they will be better placed to retain experienced and loyal employees.

3. The colleges should also invest in the long term goal of employees in a form of training. In addition to improvement on extrinsic conditions, human resource development through training should be built into the organizational plan of the colleges. Employees training, whether within or outside the colleges, should not be provided as an end by itself. Training should lead to improvements in the life chances of employees through commensurate financial remuneration. This will make them to remain in the enterprise to use the new skills. Training programmes that deal with firm –specific skills, such as pedagogical training, and trainings on new developments will help to bind the worker to the organization. In this regard, the employees skill will be improved which intern benefits the college and it will help to remove of reduce employees feeling that the management does not have a consideration for their welfare.
4. Moreover, the owners and managers should also take managerial trainings especially on the human resource aspect which neutralize the arbitrary managerial behaviors and enable them to care for employee’s welfare and provide a more secured working place. If universities and institutes of management desire to play this role, they must first conduct exhaustive and in-depth studies of the private colleges in order to understand and their unique characteristics.

5. Employees should properly know the goal and values of the colleges and strive to achieve them. Moreover, they should engage themselves in activities which are important for the development and growth of the colleges. They should participate in departmental activities including being a department head. They should spend extra hours in their offices to consult and follow up students. Furthermore, they should prepare and organize workshops, seminars and conferences which supplement the teaching – learning process.

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**Appendix I Questionnaire to be filled out by employees of _____
College**

Directions for filling out the questionnaire

- a. In parts where written responses are required, please **provide your written response briefly** in the blank space provided.
- b. Where the questions require ranking (from strongly agree to strongly disagree) please rank the choices by **putting a tick mark (√)**.
- c. To help the researcher treat your responses confidentially and objectively, please **do not write your name on the questionnaire.**

Questions relevant to the study

- 1. Please put a tick mark(√) in front of the following items indicating the level of your agreement or disagreement regarding the following intrinsic content of work in your college

	Strongly Agree	Agree	Indifferent	Disagree	Strongly Disagree
I am satisfied with the type of work I perform since it provides me with opportunity for achievement					
I am satisfied with the type of job I perform since it is a challenging work					
The job provides with strong feeling of responsibility since, I am positively influencing other people's lives (students or colleagues) through my work.					
The job provides me with strong feeling of responsibility since I am contributing to the society					
I am satisfied with the type of job I perform since, I am molding and shaping students mind					
The type of work I perform provides me with opportunity for personal growth and development					

Pease state the reasons why you get the above factors as satisfying of
dissatisfying

2. Please put a tick mark(✓)in front of the following items indicating the level of your agreement or disagreement regarding the following extrinsic content of work in your college

	Strongly Agree	Agree	Indifferent	Disagree	Strongly Disagree
I am satisfied with the salary					
I am satisfied with the fringe benefits like medical expense, education fee coverage etc ...					
Promotion and salary increment are satisfactory					
I am satisfied with the job security					
The management of the college cares for employees welfare					
I am satisfied with the incentive system					
There is opportunity for outside training					
There is opportunity for in-house training					
I am satisfied with the post employment security (in the form of pension or provident fund)					
I am satisfied with the relationship with coworkers in the work place					

If you think any of the above factors are inappropriate or dissatisfying Please give your opinion why

Is there any other thing that you want to add?

3. Please put a tick mark(✓) in front of the following items indicating the level of your agreement or disagreement regarding your perception of equity in your college

	Strongly Agree	Agree	Indifferent	Disagree	Strongly Disagree
Management of the College treats all employees equally					
Employees expected to do too much work for small pay					
The relatives of owners and managers receive higher salaries and faster promotions					
Gossipers get favorers from owners and managers					
Other organizations pay more than I earn for the same type of job or other jobs which require the same qualification with that of mine					

If you think any of the above factors are inappropriate or dissatisfying Please give your opinion why

Is there any thing that you want to add?_____

4. Please put a tick mark(√) in front of the following items indicating the level of your agreement or disagreement regarding your Commitment to your college

	Strongly Agree	Agree	Indifferent	Disagree	Strongly Disagree
I prefer working in this College to any other I know about.					
I feel that I have a bright future with the college and so I will remain in the organizations					
I think that my current job is only a temporary employment					
I would easily leave the college if I find a better job in other organizations					

If you agreed that you would easily leave the college if you get another job, will you leave your teaching profession for another? Yes

No

If you choose yes why and what type of organizations and jobs are your preferences

5. Please list conditions in your company which you found attractive and unattractive.

Attractive _____

Unattractive _____

Appendix II Interview prepared for Managers of the private colleges.

Purpose: This interview is prepared for managers of the colleges to find out the commitment level of their employees and the factors that affect employee's commitment for their organization. The result of this interview will be used to supplement the data gathered from the questionnaire in the analysis.

1. Do you think employees of the college properly know the vision, mission, goals and values of the college and strive to achieve them effectively?
2. Do you think employees are willingness to exert high levels of efforts on behalf of the organization?
3. Are they willing to engage on the following activities that are important for the development of the college by spending extra time?

_ Are they willing to be department head?

_ Are they willing to coordinate students affair?

_ Are they willing to consult students?

_ Are they willing to prepare workshop?

4. Do you think your employees have a strong desire to be a member of your college?
5. What is the level of movement from and in to your college?
6. Do the employees stay working in your organization for long period of time?
7. Do you know the reason why employees leave your college or think temporary?

