



## A study on Employee Attitude at the workplace and its relationship with Organizational outcome with special reference to the Iron and steel industries

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**ABSTRACT-** After the advent of LPG policy in the 1990s, the functioning of the organization has seen a dramatic shift that enforced change in organizational policies and strategies driving towards increasing competition and technological up-gradation (Hampel and Martinsons, 2009). It pertains to the introduction of advanced technologies, mergers, product quality maintenance, expansion of the existing businesses, and enhancing employee satisfaction along with innovations, new leadership and management approach. Employees are the key to the success of any organization in this highly competitive environment. This is achieved by high employee's commitment rates. However, most of the companies are experiencing retention challenges where the procurement of competent and dedicated professionals is much more critical. Therefore, the identification of the relationship between actual job behavior of employees and its change with different behavioral aspects of employees such as personality, perception, and attitude is significant. The current study is thereby directed towards identifying the work attitude of employees that plays a pertinent role in deriving their commitment for the organization.

**Keywords:** Employee attitudes, organizational commitment, employee engagement, job satisfaction, organizational performance.

### I. INTRODUCTION

The evaluative statements which are either favorable or unfavorable that are related to objects, events or people which are called attitudes, reflecting how one feels about something (Robbins, 2003). Employee attitudes are concerned with different aspects of human life where the job performance of the employees is well affected. The attitude of employees has a multiplying effect which affects the attitudes and commitment of other employees. Therefore, it becomes very evident to focus on employee attitudes and job performance so as to sustain within the competition as well as achieve a competitive advantage. The attitudes of employees related to work consist of job satisfaction, job involvement, and organizational commitment (Hettiararchchi and Jayarathna, 2014). When organizations succeed and perform well, there is an emphasis on the implementation of various strategies that pay attention on the performance of the organization directly. Employees who are committed and satisfied are unlikely to indicate low performance and are normally highly productive who are in line with organizational goals and values. Attitudes of employees stemmed from its linkage with several work behaviors where job performance is more important than turnover (Samad, 2011). Employee attitude and behavior refers to the responsiveness of an employee. When an employee is nominated in different workshops, and training sessions, the employee attitude, and behavior will determine the seriousness in training and development programs. A responsive employee will learn different skills which will increase his/her performance. Employee performance affects organizational productivity (Hammed and Waheed, 2011). Organizational commitment is based on a psychological contract that is focused on trust and attachment amongst people (Guest, 2007). Thus, employees' turnover can be prevented through job independence and internal satisfaction which is impacted by the psychological contract, organizational policies and procedures affecting job satisfaction, work-life balance, job security, and consequently decision to stay or leave (Wang, 2012).

Human resources have been the most essential and decisive element that affect the organization's efforts to achieve success and accomplish their goals. Human resources are an asset that needs to be fostered and maintained for achieving organizational goals along with the utilization of other resources (Sidharta&Lusyana, 2014). Attitude, as well as organizational commitment, is defined as the degree of the employee to identify oneself as a part of a particular organization and its goals by maintaining the membership in the organization. It also involves emotional bonding and identification of individual members to continuance commitment as well as the values and objectives of the organization (Robbin

and Judge, 2013). According to a study conducted by Khanifar et al. (2009), the positive attitude of employees tends to influence organizational commitment in order to prevent employees' absenteeism and desertion. Albeit, the positive attitude will fade away if the organization suffers the prevailing atmosphere of distrust and organizational trust has been investigated with various occupational circumstances and outcomes (DeConinck, 2011).

### Research Aim and Objectives

- To validate the major employee attitude measures that are a new measure and has not been widely tested.
- To investigate the relationships between employees' attitudes at the workplace used in the (engaging work, sense of community, spiritual connection) and three employees' work attitudinal variables (organizational identification, job satisfaction and psychological well-being).
- To investigate the relationships between three employee work attitudes (job satisfaction, organizational identification, and psychological well-being) as mediator variables between individual attitude at work and three organizational outcomes (in-role performance, turnover intentions).

## II. LITERATURE REVIEW

According to a study conducted by Chang, Rosen & Levy (2009), the significant relationships between perceptions of organizational politics and the focal outcomes such as turnover intentions, psychological strain, morale, and performance have been established. It provides support to perceptions of organizational politics as employees tend to leave the organization in order to prevent themselves from the political games of the organization. Studies reveal that perceived politics represent an aversive aspect of the work environment. It can be outlined that employees may respond to perceptions of organizational politics by immersing themselves in their work or by increasing the extent to which they are involved in their jobs. Erturk (2010) conducted a study where it was identified that organizational trust is significant for leadership to create a vision for the organization where trust is a conceptual measure of employees that eventually supervised on the basis of employee advantage. Accordingly, trust comprises of two dimensions, i.e., cognitive and affective dimensions, where cognitive-based trust includes logical evaluation of the ability to perform requirements and obligations. It reflects the reliability and confidence of individuals such as responsible and qualified performance backgrounds of superiors providing support for reliability.

In contrast, affective trust is based on the quality of staff interactions with their superior and reflects superior's effective attachment and concerns toward subordinates. Organizational trust and commitment are feasible when the main objective is kept for individuals who are dependent on trust among people. Accordingly, recent studies have shown that employees' trust in their superior has a negative relationship with their willingness to leave (Costigan et al., 2011). Additionally, instead of the current trend, skilled and technical employees can simultaneously be unsatisfied, non-aligned, and have a high performance too as claimed by Cushen and Thompson (2012). White and Bryson (2013) emphasized that a selective view of Human Resource Management (HRM) has been proposed which is guided by work motivation theory wherein organizations are achieving high performance. It invests in HRM practices that fulfill intrinsic values of work, thereby influencing attitudes of employees' to their jobs and to the firm in a positive direction. The performance measure included two types of attitudes that involve the strength and form of the association between the array of practices deployed by the workplace and organizational commitment (OC) and intrinsic job satisfaction (IJS). These practices are being investigated by utilising nationally representative linked employer-employee data for Britain. According to Rasouli, Rashidi&Hamidi (2014), the growth of science and technology and the extension of knowledge-based organisations, the development, and maintenance of high-performance knowledge workers with high-potential is very critical. There is a significant reason behind the predictability of knowledge worker's intention to stay through their work attitudes and beliefs that include the reliability of managers, job satisfaction and organizational commitment in the context of the academic community of Iran. In this study, path analysis with AMOS software has shown that the reliability of managers and organizational commitment can anticipate the retention of employees. Here, trust in management has the strongest indirect effect on the retention of employees and job satisfaction through organizational commitment. According to a study conducted by Hom et al. (2009), in order to enhance the performance of the organization, employees contribute in terms of time, effort, creativity, expertise and loyalty in exchange for several inducements from their organizations. In these organizational inducements include both intangible and developmental components such as career development, training for future jobs, employee

motivation to participate in organizational decision-making, open communication with higher management, performance feedback and respectful treatment from higher management as well as concrete, materialistic components such as promotion, promotion opportunities, good health care, medical benefits, competitive salaries, and bonuses. In this context, inducements of an organization help in coping with the challenges, thereby leading towards the organizational change. Moreover, when employees get inducements in the form of long-term investment from the organization, consequently, it results in positive work attitudes and effective work performance. It also enhances employees' performance by enabling valuable resources such as information about the organization's strategic plans, discretionary time, and social support.

When there are a threat and actual loss of resources, it results in stress implying that employees in organizations transformed by experiencing a significant amount of stress from both the anticipation and the loss of valued resources. It includes experiencing increased workload, putting pressure to change jobs as well as losing valued relationships amongst workers.

As per Yalabik et al. (2013), the role of work engagement has been assessed while signifying the relationship between job satisfaction, affective commitment, and employee outcomes in the organizations. Schaufeli & Bakker (2010), in their study, indicated the difference between organizational commitment and work engagement where it involves the affective components of job satisfaction as well as to investigate the conflicting issues related to employee performance and retention to customers. Moreover, Shuck, Reio, & Rocco (2011) asserted that employee engagement plays a mediating role between the affective commitment and retention where work is being approached in a consistent way according to the employer's requirements to perform according to the requirements of jobs.

As per the literature reviewed above, it has been emphasized that several studies have been conducted in the context of organizational commitment and employee attitudes separately. Few of the studies have defined their interrelationships regarding their effect on the outcome of the organization i.e., job satisfaction, implementation of retention, training strategies, and organizational performance in different countries as well as in India. But studies related to the impact of employee attitude on the commitment of the organization has been conducted to a very less extent. Therefore, the present paper is an attempt to identify the significant impact of the employee attitude over the organizational outcomes with regard to commitment towards the organization.

### III. RESEARCH METHODOLOGY

The research methodology is an important section in the research framework as it helps in guiding the entire study in a strategic manner. The varied components of the research methodology like research approach, design, paradigm, and more are simultaneously at work for accomplishing the objectives of the study effectively. The current study will make use of interpretivism research paradigm as it facilitates the researcher to evaluate the nature of events as they happen without any manipulation or interruption. Further, the study will make use of descriptive research design. Descriptive research design will help in explaining the state of events based on the social perspectives such as effective communication, employees' safety, decision-making, and reward system. Moving on, the study has selected a quantitative research approach to extract relevant information with regard to the pre-defined objectives of the study. The study will make use of a survey-based questionnaire instrument to understand the views of the employees concerning varied constructs that fulfill the objectives of the study.

#### **Sampling Technique & Size**

Sampling technique refers to the method that is applied to categorize and select respondents for the study. The current study implements stratified sampling technique. This will allow the researcher to choose respondents based on strata i.e gender, age, designation, company, and so on. The sample size of the current study comprises 400 employees that are involved in Iron and Steel organizations that are located in Jharkhand.

#### **Data Analysis**

After collection of data, converting the raw data into logical form is an important step in the research framework. The current study makes use of a quantitative - questionnaire instrument. For this purpose, it will utilize the SPSS software for the conversion of raw data into presentable facts.

#### IV. FINDINGS AND DISCUSSION

##### 1. Demographic Constructs:

*Table No.1: Respondents Demographic Information*

		Frequency	Percent
<b>Age</b>	25-35 years	289	72.25%
	35-45 years	62	15.5%
	45-55 years	35	8.75%
	Above 55 years	14	3.5%
<b>Gender</b>	Male	316	79.0%
	Female	84	21.0%

The total sample size of the current study was 400 respondents. Among them, 72.25% of the respondents belonged to 25-35 years of age-group. Followed by this, 35-45 years of age groups accounted for 15.5% of the respondents. Lastly, only 8.75% and 3.5% of the respondents belonged to the age group 45-55 and above 55 years respectively. In accordance with the gender of the respondents, 79.0% of the respondents were male while 21.0% of the respondents were female.

##### Reliability Test

Reliability in statistical terms concerns the internal consistency of the variables that measure a given construct. The value gained after reliability relates to the fact that whether the reduction of a single variable from an entire construct will deduct the reliability test. The study used a Cronbach Alpha test to check the reliability of the constructs. The Cronbach Alpha value for the below construct ranged from 0.602 to 0.614 which is deemed to be good.

*Table No. 2: Cronbach Alpha Reliability Test*

Variables	CronbachAlpha ( $\alpha$ )
<b>Influential factors</b>	0.614
<b>Psychological factors</b>	0.607
<b>Family</b>	0.602
<b>Society</b>	0.607
<b>Economic factors</b>	0.604
<b>ABC components</b>	0.607

The value of Cronbach Alpha test above 0.6 to 7.0 is deemed to be good. Further, value ranging from 7.0 and closer to 1.0 is considered to be highly reliable. Since the above values range from 0.6 to 0.61 that is deemed to be good, the study further accelerates with the factor analysis test.

*Table No. 3: Factor Analysis*

Items	Factor loadings	Variance (%)
Employee Motivation	0.734	

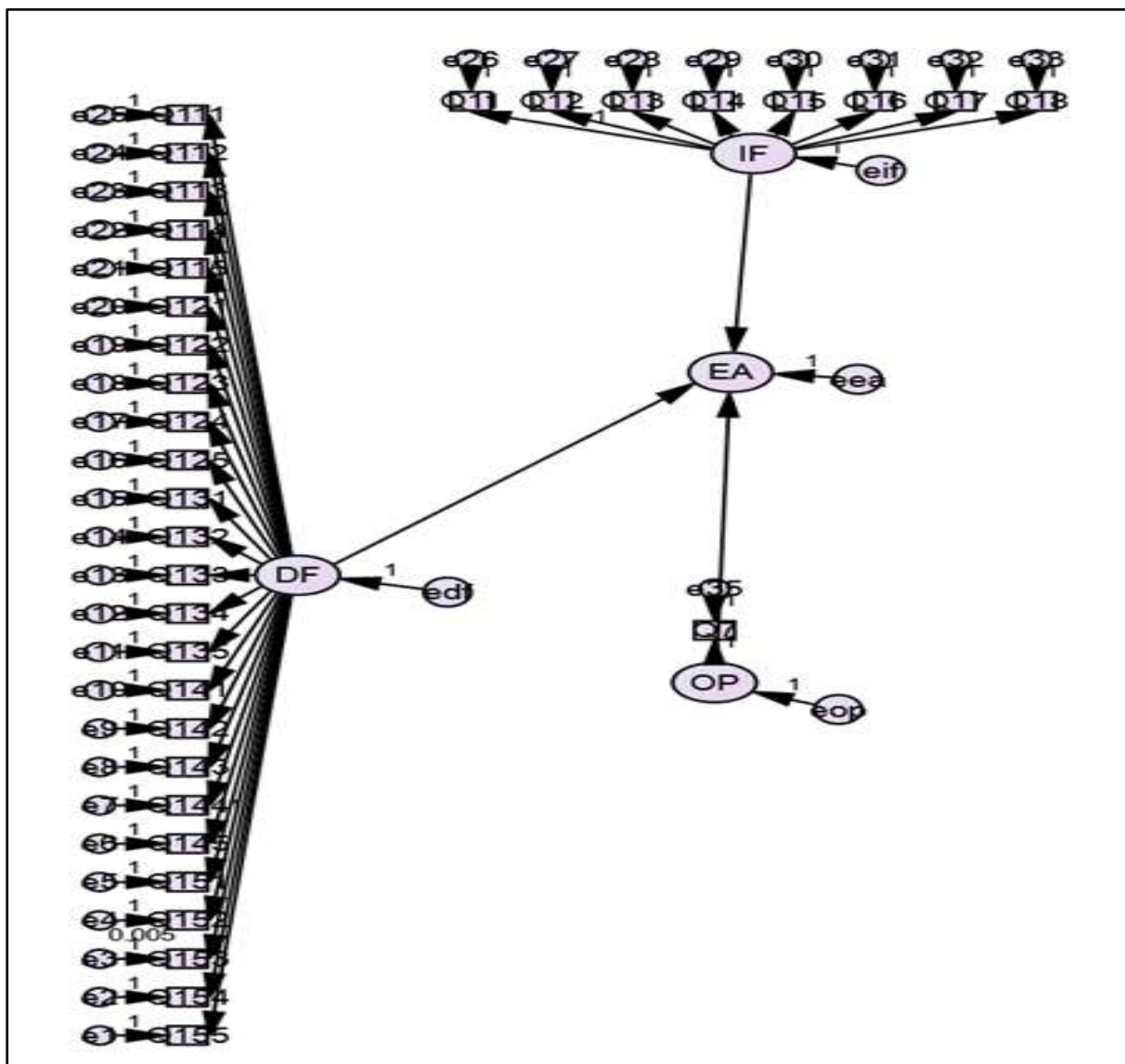
Physical and Mental Health	0.65
Job Satisfaction	0.787
Organizational Commitment	0.401
Organizational Culture	0.59
Work Situation	0.644
Occupational Safety	0.563
Job Security	0.737
I always feel stressed to maintain work-life balance	0.59
Sufficient time for my own self- development.	0.678
I find it difficult to balance my personal and professional life	0.642
Flexible work timings	0.574
Physical and mental fatigue at work make my responsibilities at home difficult	0.602
Capable of fulfilling family commitments	0.564
Sufficient sleeping time	0.651
Optimum time to enjoy and for celebrations.	0.598
Appropriate time for cooking	0.634
Support of spouse	0.63
I am not able to concentrate on work due to personal life conflict	0.675
My duties at the workplace make me feel tired while performing my responsibilities at home	0.644
Low level of personal accomplishment	0.595
I can not spare time for house work due to my job, I always postpone the house work.	0.619
Creating work-family culture in the organization	0.565
Promotion and rewards are given in time	0.644
Satisfied with the social prestige attached to my job	0.652
Offers flexibility of time in certain critical situations.	0.62
Superior considers and understands the importance of well being of employees	0.629

Time and distance to travel to the office is comfortable.	0.533
I received recognition or praise for doing good work.	0.633
Supervisor is open to feedback & opinion.	0.557
Working at my organization has a great deal of personal meaning to me	0.677
I feel personally attached to my work organization	0.559
I would be happy to work at my organization until I retire.	0.661

### Preliminary model

The path diagram for the preliminary model which is used for confirmatory factor analysis was as follows:

Figure 1: Preliminary Model



## Model fit indices

The values of different indices were as follows,

**Table No.4:** Preliminary Model Fit

	Model fit	Desired score
<b>Chi - Square</b>	1115.049	NA
<b>Degrees of Freedom</b>	529	NA
<b>CMIN/DF</b>	2.108	$\leq 2.00$ for good fit and 2.00 - 5.00 for moderate fit.
<b>CFI</b>	0.34	Close to or more than 0.90 for good fit
<b>RMSEA</b>	0.053	$\leq 0.10$ reflects good fit
<b>NFI</b>	0.23	Value close to 0.90 reflects a good fit

The table above shows that the Chi-square value is 1115.049, DF is 529 and the CMIN/DF is 2.108 which indicates a good fit model. The CFI is 0.34 which is far from 0.9 and RMSEA is 0.053 which indicates a moderate fit. However, the value of NFI is far from 0.9 indicating a good fit.

## Validity

The principal component analysis was carried out to reduce a large set of data to obtain a meaningful smaller set of constructs. Each variable used in the analysis was measured by multi item constructs by factor analysis with varimax rotation to check the unidimensionality among the items. The constructs included in the confirmatory factor analysis had Cronbach's alpha of more than 0.8. The Cronbach's alpha indicated the internal consistency between the constructs and it is deemed to be good. All the items included in the analysis had factor loadings of 0.4. Hence this indicated the assessment and validation by using the discriminant and convergent validity. The convergent validity was also assessed by using the factor loadings of latent constructs which had a significant p value of less than 0.001. This test supported that the constructs had convergent validity.

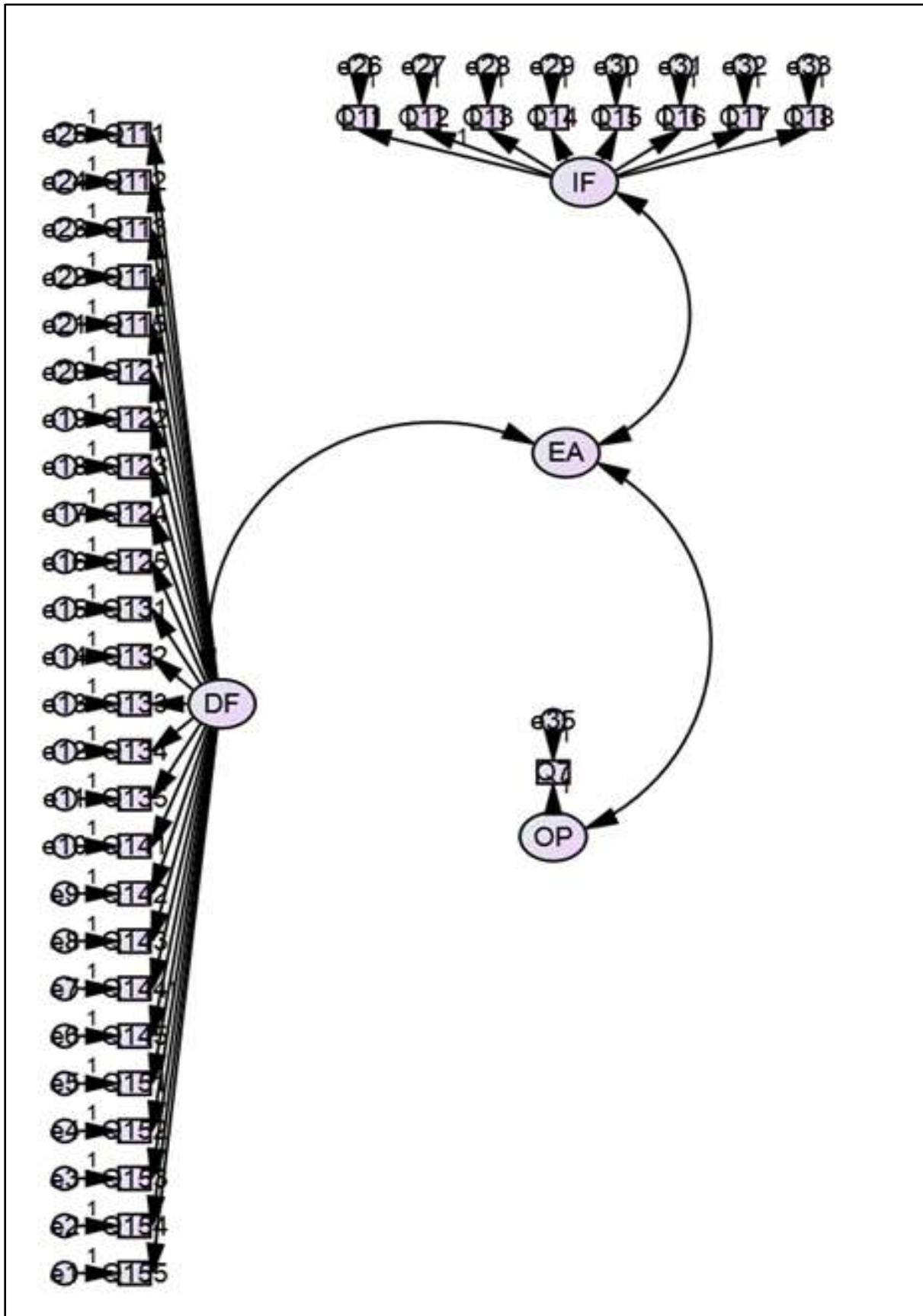
The discriminant validity indicated by correlation matrix where majority of the constructs had a correlation coefficient of less than 0.85 and also by using the path analysis where the correlations among the latent constructs were less than 1.

## Confirmatory Factor Analysis

A preliminary model was set for confirmatory factor analysis by using AMOS. The preliminary model allowed the researcher for its best fit as per parsimony and substantive meaningfulness. The model fit indices indicated how the underlying structure fits the data. The model was evaluated by using the model fit indices including Chi Square statistic, Degrees of Freedom (DF), CMIN/DF, CFI and RMSEA.

Measurement model

Figure 2: Measurement Model





**Model fit indices**

*Table No.5: Measurement model Fit*

	Model fit	Desired score
Chi - Square	1051.134	NA
Degrees of Freedom	528	NA
CMIN/DF	1.991	</=2.00 for good fit and 2.00 - 5.00 for moderate fit.
CFI	0.411	Close to or more than 0.90 for good fit
RMSEA	0.05	</=0.10 reflects good fit
NFI	0.275	Value close to 0.90 reflects a good fit

The table above shows that the chi square value is 1055.134 DF is 528 and the CMIN/DF is 1.991 indicating a good fit model. The CFI was 0.411 which is far from 0.9 and RMSEA is 0.05 indicating a moderate fit. However, the values of NFI were far from 0.9 indicating a good fit.

*Table No. 6:Covariances: (Group number 1 - Default model)*

	Estimate	S.E.	C.R.	P	Label
IF <--> EA	.000				
DF <--> EA	.000				
OP <--> EA	.000				

**Hypothesis Testing**

*a) H<sub>01</sub>: There is no significant difference in rating of assessing good performance to reach the organizational outcome being employee in the organization.*

*H<sub>11</sub>: There is a significant difference in rating of assessing good performance to reach the organizational outcome being employee in the organization.*

*Table No. 7: Hypothesis Testing - One Sample Test*

	Test Value = 3					
	T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
					Lower	Upper
Rate in the scale of 1 to 5 how significant it is, being an employee to this organization assessing good performance to reach the organizational outcome?	.505	399	.613	.02000	-.0578	.0978

The T value corresponding to the mean difference between assessing good performance and a fixed mean value of 3 is 0.505 and its corresponding p-value is 0.613>0.05. Since the p-value is more than 0.05 one can conclude that the study accepts the null hypothesis stating that there is no significant difference in

rating of assessing good performance to reach the organizational outcome being employee in the organization.

**b)  $H_{02}$ : There is no significant difference in rating of job satisfaction at their workplace.**

**$H_{12}$ : There is a significant difference in rating of job satisfaction at their workplace.**

**Table No. 8: Hypothesis Testing - Chi-square Test**

	Rate your level of job satisfaction at the workplace.
Chi-Square	380.225 <sup>a</sup>
df	4
Asymp. Sig.	.000

The value of the Chi-square statistic is 380.225. The corresponding p-value is 0.000 which is less than the significant value of 0.05. As the p-value gained is less than 0.05, it can be strategically concluded that the study rejects the null hypothesis and accepts the alternative one stating that there is a significant difference in rating of job satisfaction at their place.

**c)  $H_{03}$ : There is no significant difference in employee attitude that has an effect towards achieving organizational outcome.**

**$H_{13}$ : There is a significant difference in employee attitude that has an effect towards achieving organizational outcome.**

**Table No. 9: Hypothesis Testing - Chi-Square Test**

	Rate the statement: "Employee attitude has an effect towards achieving organizational outcome."
Chi-Square	295.625 <sup>a</sup>
Df	4
Asymp. Sig.	.000

The value of the Chi-square statistic is 292.625. The corresponding p-value is 0.000 which is less than the significant value of 0.05. As the p-value gained is less than 0.05, it can therefore be stated that there is a significant difference in the rating of the respondents concerning the employee attitude has an effect towards achieving organizational outcome. Therefore, study rejects the null hypothesis and accepts the alternative one.

## V. CONCLUSION AND RECOMMENDATION

The findings of the study depict that there exists a significant relationship between the attitude of employees and organizational commitment. Here, HRM intensity is linked to intrinsic job satisfaction of employees as well as organizational commitment potentially contributing to the performance of the organizations. This study will help the academicians as well as policy analysts by adopting more intensive HRM regimes that involve participation, team-working, and practice domains. Also, several organizations can be benefitted from the adoption of a broader array of HRM practices to foster intrinsic work values and overall positive attitudes. Implementation of the HRM systems can initially encounter several constraints, but surpassing them can result in eliciting more significant organizational commitment and conducive in attaining greater intrinsic job satisfaction. This research study would accommodate organizations to build a workforce with the right set of work attitudes due to high competitiveness coming for the environment. This study will also help in gaining knowledge about the overall contribution that iron and steel industries are providing which perhaps lead towards increased GDP in the state of

Jharkhand. It will also help in getting insights about the overall environmental factors that might affect the relationship of employees' working attitudes and organizational productivity. Therefore, further research in this field can help in analyzing the recent trends in the context of consolidation, downsizing, reengineering, restricting the organization and dehumanizing technology that negatively affect the internal motivation of the employees.

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