A STUDY OF ORGANIZATIONAL COMMITMENT AND INTENTION TO STAY IN GOLD RETAILER BUSINESS

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Abstract- One way to reduce the employee turnover rate and absentee rate in gold retailer business is to understand the reason why exiting employees still stay with companies. This study explores the factors influencing organizational commitment and intention to stay of non-family employees in gold retailer business, because non-family employees is important for this kind of business to expand. Factors included remuneration and reward, co-worker support, job satisfaction, and supervisor support. Data collected from 55 non-family employees in 14 gold retailers in Pathumyhani, Thailand. This study also analyzed by factor analysis, and multiple linear regression. The results showed two factors had positive influence on organizational commitment and intention to stay which are job satisfaction factor, and co-worker and supervisor support factor. This study also addressed the recommendation for gold retailers' owner

Keywords- Organizational Commitment, Intention To Stay, Remuneration And Rewards, Coworker Support, Supervisor Support, Job Satisfaction.

I. INTRODUCTION

The hard of small and medium business is 'how to keep people with the organization?' Gold retailer business is require workforces rather than machines for running business. Using only family members to be employees is not enough for expansion the business because this kind of business required people who have honest, knowledge, and high commitment even though salary is not too high. Therefore, to know factors that influence the exiting employees is one way to keep the exiting and to attract and to retain the new comers. This paper studied 4 factors which are remuneration and reward, co-worker support, supervisor support, and job satisfaction that might influence gold retailer employees

II. LITERATURE REVIEW

Organizational commitment (OC) can define in term of three dimension which are strong desire to be and remain a member status of the organization, willing to put a high effort levels for the organization, and believe and accept the organization values and goals. Many research found the factors affecting to employees commitment to their organization, this study selected four factors for testing with non-family employees in gold retailer business which are remuneration and rewards, co-workers support, job satisfaction, and supervisor support.

Remuneration and Reward (RR): All compensation for person services including base salary, merit pay, short term incentive (bonus, commission), long term incentive (stock, option, profit sharing), and benefits that organization provide to employees for satisfying primary needs and being motivation. Firm would hard to retain employees, when the company fails to serve the surficial financial level to meet the employees' needs. Therefore, financial rewards are frequently adopted by firm to keep employees.

Co-worker Support (CS): Supporting or helping each other to do the task when friends need help. For example knowledge, consult, encouragement, recognition and support. Moreover, co-workers support can build or destroy harmony in workplace, then employee became to solidarity or resistance, sometime the failure in relation in workplace come from politic in the organization. It also had affect outside the workplace like employees mind set, and their mental health. However, the positive effect from the good co-worker support will make a good positive working environment, and then workers will want to come to work.

Job Satisfaction (JS): A pleasurable or positive emotional that job holder, who performed that job, felt about his or her job from the result of the evaluate job and job holder. Moreover, job satisfaction was the leading indicator to reduce the absence and to increase organizational commitment. Thereby, lack of job satisfaction, it would indicate to high employee turnover rate of that organization.

Supervisor Support (SS): People hold power to support, and represented an organization,. From the workers point of view they see the supervisors as organization agents, so that, they considered their supervisor actions as the organization actions., Actions of supervisor support are supervisor caring about employees and supporting them including emotional support, role modeling behavior, instrumental support and employee's work/life support. Intension to stay (IS): Employee who willing to stay and continue working for long or had high working experiences with the current organization, he

or she has intention to stay. Moreover, the intention to stay led to reduce the employee turnover and absence.

Conceptual framework: This study focuses on four factors as above for testing with non-family employees in small family gold retailer business. These are hypotheses of this study

H_1: Remuneration and rewards have positive influence on organization commitment.
H_2: Co-worker support has positive influence on organization commitment.
H_3: Job satisfaction has positive influence on organization commitment.
H_4: Supervisor support has positive influence on organization commitment.
H_5: Organizational commitment has positive influence on intention to stay.

III. METHODOLOGY

This study used quantitative method for testing those hypotheses. Questionnaire distributed to all fifty-five non-family employees in fourteen gold retailers in Phathumthani. Sample size of small population was calculated by using Yamane formula. Instrument and measurement, this study developed from literature review and used interval scale base on five- point Likert Scales as shown in Table I.

TABLE I. The list of variables

Factor	Author	Type of scales
RR	Janet [3], Danielle [19]	five- point Likert Scales
CS	Janet [13], Calista [20]	five- point Likert Scales
JS	Danielle [19], Kruger [21]	five- point Likert Scales
SS	Janet [3], Calista [20], Danielle [19]	five- point Likert Scales
OC	Janet [3]	five- point Likert Scales
IS	Janet [3]	five- point Likert Scales

Data analysis, this study used SPSS version 15.0 to test hypothesis by factor analysis, reliability analysis, correlation analysis, and multiple linear regression analysis.

IV. FINDING AND ANALYSIS

This study got all fifty-five non family employees' respondents. They were 28 Sales people, 7 Sales managers, 7 Cashier, 7 Craft man, 3 Accounts, and 3 Housekeeper. Most of them work for their company 1-5 years, and more than 15 years with salary range 9,001-15,000 Baht.

A. Factor Analysis

Data reduction analysis was conducted, the hypothesis had to be revised and deleted because some items cannot meet the 0.4 coefficient or the contribution of that item did not exceed 0.4 to that factor, cross loading occurs with some items, and some items' meaning did not match; all of those items had to be deleted. For the items that pass 3 criteria, those items have to be in a group or factor that related among items.

Table II. Independent variables items rotated component matrix of factors influencing employee commitment.

Items	Component	
	1	2
My co-workers recognized what I did for work.	.872	Co-worker & Supervisor support
My co-workers care about me and how I feel.	.842	
My co-workers support me at work.	.831	
I being recognized by supervisor, it is important.	.825	
My manager is fair to support me when compare with other co-workers.	.810	
The company and managers facilitate when we do things.	.746	
I feel this job is important to me.	Job Satisfaction	.914
I feel that my job is secure.		.889
I satisfy with my job.		.822

Table II illustrated that from four factors of this study assumption that have only two factors with nine items from the exploratory factor analysis. These two factors are 'Co-worker and Supervisor Support factor', and 'job satisfaction factor'. Therefore, the hypothesis of this study has to revise to be H1r: Co-worker & Supervisor support factor have positive influence on organizational commitment.

H2r: Job satisfaction factor has positive influence on organizational commitment

B. Reliability test

To measure the internal consistency, this study considered sufficiently reliable at 0.7 Cronbach's Alpha. The result shown in Table III that all these factors were pass the criteria.

Table III. Cronbach's alpha coefficient of reliability of independent variables and dependent variables factors

Factor	Mean	S.D.	Cronbach's Alpha
JS	4.4	0.59	0.89
CS and SS	3.89	1.01	0.93
OC	4.18	0.69	0.94
IS	4.0	0.99	0.76

C. Correlation Coefficient Analysis

To measure the correlation between variables, this study used correlation coefficient. The range of correlation of each pair variables is between -1 and 1 ($-1 \leq r \leq 1$).

Table IV. Correlations matrix of factors influencing employee commitment

		Co-worker and supervisor support	Job satisfaction
CS and SS	Pearson Correlation	1	.499(**)
	Sig. (2-tailed)		.000
	N	55	55
JS	Pearson Correlation	.499(**)	1
	Sig. (2-tailed)	.000	
	N	55	55

** Correlation is significant at the 0.01 level (2-tailed).

Table V. Correlations matrix factors intention to stay

		Commitment	Retention
OC	Pearson Correlation	1	.791(**)
	Sig. (2-tailed)		.000
	N	55	55
IS	Pearson Correlation	.791(**)	1
	Sig. (2-tailed)	.000	
	N	55	55

** Correlation is significant at the 0.01 level (2-tailed).

Table IV, and Table V shown the correlation between independent variables, and dependent variables that had positive relationship among them.

D. Multiple Regression Analysis

This study used multiple liner regression to test the factors influencing non family employees to commit with gold retailers business. After running the multiple regression, this study looked at the significant level less than 0.05 or the confidential interval at 95% to determine the results. For testing H1r, and H2r,

Adjusted R-squared coefficient of factors influencing organizational commitment multiple regression model is 0.39 equal to 39%. Moreover, the results of testing two factors (CS and SS, and JS) are significance level is less than 0.05. It means that both independent factors influence on organizational commitment of this group of people with 39% of explanation model as show on the Table VI below.

Table VI. Factors influencing non-family employees' commitment

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.333	.487		2.737	.008
	CS and SS	.262	.099	.323	2.633	.011
	JS	.417	.123	.416	3.394	.001

a Dependent Variable: Organizational commitment

Job satisfaction factor consists of three feeling statement; I feel my job secure, I feel my job is important, and I satisfy with my job. The co-worker and supervisor support factor which include co-worker support three items (my co-workers recognized what I did for work, my co-workers care about me and how I feel, my co-workers support me at work.) and supervisor support three items (I being recognized by supervisor, it is important, my manager is fair to support me when compare with other co-workers, the company and manager facilitate when we do things).

Furthermore, this study tested organization commitment factor with intention to stay factor of non-family employees in Pathumthani gold retailers' model. The result shown 0.62 or 62% of adjusted R-square for explanation of this model. This model also significance at 95% interval. Therefore, increasing of organizational commitment can increase intention to stay of this non-family employees group as the following table VII.

Table VII. Organization commitment influencing on non-family employees intention to stay

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	-.697	.506		-1.377	.174
	OC	1.124	.120	.791	9.404	.000

a Dependent Variable: Intention to stay

Organizational commitment factor consisted five state which are 'I feel a strong sense of belonging to this company', 'I would accept any type of job assignment in order to keep working for this company', 'I am willing to put a great deal more effort than normally expected to help this company be successful', 'I am proud to tell that I am a part of this company', 'I really care about the future of this company'. The result of organizational commitment will effect on employee intention to stay with this organization.

After testing those hypotheses, the conceptual is suggested in Fig.1

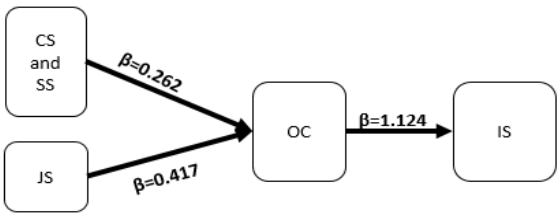

Figure 1. A revised conceptual model of factors influencing organizational commitment and intention to stay of non- family employees in Pathumthani gold retailers.

CONCLUSIONS

Non- employees commit and stay with Pathumthani gold retailers because of 9 components from 3 factors. They commit with their works because they

satisfy with their job. They think their job is important to them and to company. They feel they are a person who is important to this company. Moreover, they feel this job is secure for them, and satisfy to work with this company job.

For the co-worker & supervisor support factor, they commit and stay with this company because employees supported by their boss and coworkers. For instant, boss and peer are caring, support and facilitate them in their tasks. Moreover, employees feel that they are recognized by boss and peer when they did a good job.

The job satisfaction and co-worker & supervisor support are positive influencing on organizational commitment and intention to stay. If employees satisfy by those two factors, they will proud to present to others that they are a part of this company with the sense of belonging. Therefore, they will care about the company is future. Then they will accept and put effort to any work from this company. After they commit with this company, they will happy to work with this company. The turnover rate of this company will decrease.

The results of this study aligned with many previous research. As the results from literature reviews and the result discussion, most of employees in SMEs context influenced by non-monetary rather than money like the majority of GRP group's owners through. For example, SMEs in New Zealand and South Africa the common things of top factors has positive influencing their SMEs' employees in those countries are job and supportiveness. The less affective is money.

V. RECOMMENDATION

The owners and management level people might start with two factors, which are job satisfaction, and co-worker & supervisor support, for satisfying the exiting employees and the new comers. For example,

Job satisfaction factor, the owner has to make employees to feel with their jobs or assignments are important to them and to company. The owner might use a strength of each employee to make them feel that they can use their ability on their jobs, and to make them feel they perform their jobs well. Moreover, the owners should keep telling them that they are important, and how much they are important to company. Then employees will produce more effective works to company. Furthermore, when they feel they are a part of the success of this company to survive and grow, then they will feel more their job are secure and will satisfy with this works. Therefore, they tend to commit with their works, company, and tend to stay with this family business.

In term of Co-worker and Supervisor support factor, the owners or boss and supervisors (management level) should build up a supportive culture. For example, company should facilitate employees when they have to perform their tasks. Moreover, boss should demonstrate fairness to support and recognize employees for their works. Supervisor should not make them feel like their boss is bias. Boss should not make employees depress and should not make employees who are grade 'A' feel like they are grade 'B' people. Boss also might ask employees individually to seek more about the root cause of problems that occur with his or her work. Even though, the problems might occur from works, co-workers, and personal issues. If company can help or support them to fix those problems, they might feel better to work with this company, then they will contribute more to company and stay for long.

Furthermore, company might use teamwork strategy to build more employees' relationship among them. For example, company might set the team targets for their KPI (key performance indicators) to measure their works and contribution. Then they will help each other to achieve their goals. After the result of works, the owner might celebrate for their contribution, and recognized them. Moreover, company might set the knowledge sharing system from employees, who are top performance, to share their tactics and experiences to their co-workers. Therefore, employees will feel more their friends care and support or willing to help each other. Then atmosphere in workplace will have less conflict when employees talk and care each other.

The result of create the support culture, and job satisfaction. The employees will invite their friends to work with this company. Moreover, from the statement that they are proud to present 'they are a part of this company' might attract the new comer. Then the new company nature changes from money to be the job satisfaction and support, the result might help to increase the organizational commitment and willing to stay with this company.

VI. LIMITATIONS

The limitation of this study was developed specific for fourteen gold retailers in Pathumthani, Thailand, researcher did not gathering information for the whole gold retailers in Thailand. Therefore, the results of this study cannot used to be the conclusion for the whole SMEs in Thailand of this industry. Model of this study was constructed from many model. Therefore, some factors were selected to test, it was not cover every factors. This study used questionnaires instrument from many previous researchers to construct this questionnaire of this study. Moreover, this study was not pre-test the questionnaire (or pilot testing) for testing the understanding of respondents. Therefore, this questionnaire of this research, it creates problems.

For examples, some questions are not suitable for this group context. The questionnaire translation from English to Thai language, the meaning might change the content of the traditional questions.

According to many problems from limitations section, a further study or next researcher should conduct for bigger picture; for example, the whole SMEs in a specific industry. Moreover, next researcher should adapt the questions in questionnaire that suitable for each context. To get the information deeper of employees' perspective, next study might use the qualitative or semi method which includes both quantitative and qualitative method. To make the model useful, a further research should add more factors to consider.

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