HOW JOB SATISFACTION INFLUENCES ON ORGANIZATIONAL COMMITMENT AND TURNOVER INTENTION CASE OF MONGOLIAN PRIVATE SECTOR EMPLOYEES

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Abstract- Research studies the job satisfaction influences on organizational commitment and turnover intention of Mongolian private sector workers.Data was collected and analyzed from 328 low to middle level workers by Social Media.Measuring methods includedBrayfiled and Rothe(Job satisfaction),Myer and Allen(Organizational commitment),Hinshaw and Atwood (Turnover intention). Result findings show Job satisfaction positively significant influences on Organizational Commitment.Orgnizational Commitment and Job satisfaction have significant and negative relationship with Turnover Intention.

Keywords- Job Satisfaction, Organizational Commitment, Turnover Intention,Private Sector

I. INTRODUCTION

Rapid development of technology is giving opportunity to create high productivity using low labor force for organization,but the workers remained a key resource. The private sector is the main part of the country development that is operate by individuals and company.The sector actors are perceived as playing a role in urban governance: they influence whether urban areas develop in inclusive and sustainable ways, and they affect poverty reduction and drivers of fragility and conflict such as unemployment, exclusion and instability (Mac Sweeney, 2008).

Recent years,MongolianPrivate sector employment was decreased and more like to work in public sector.The organization face big problem to motivate,satisfy using the limited resource and required to make right decision.Because job attitude of workers is different and to satisfy every employee is very costly.Job satisfaction is an individual's emotional response to his or her current job condition, while motivation is the driving force to pursue and satisfy one's needs. Conventional human resources theories, developed some 50 years ago by Maslow and Herzberg, suggest that satisfied employees tend to be more productive, creative and committed to their employers.Literature determine a strong relationship between job satisfaction, commitment and turnover intentention of the workers (CooperHakim and Viswesvaran, 2005;). The link between job satisfaction and organizational commitment has been acknowledged for many years (Markovits et al., 2007). In a meta-analysis conducted by Meyer et al., (2002) it was found that a satisfied and happy employee is more committed to the organization. Job satisfaction is one the factors that contribute to people's intention to quit their jobs (Moore, 2002).Researchers found that job satisfaction is significant towards the turnover and absenteeism. (Lee and Liu, 2008).

II. LITERATURE REVIEW

2.1 Job satisfaction

Job satisfaction is one of the most widely researched construct in the area of organizational studies and has far reaching implications for both employees and organization.Employee satisfaction is essential to the success of any business. Employees' JS is one of main concerns for managers in many modern organizations (Westover & Taylor 2010).A high rate of employee contentedness is directly related to a lower turnover rate,higher job performance and organizational commitment.It is the general understanding that job satisfaction is an attitude towards job. In other words job satisfaction is an affective or emotional response toward various facets of one's job. A person with a high level of job satisfaction holds positive attitudes towards his or her job, while a person who is dissatisfied with his or her job holds negative attitudes about the job. Job satisfaction has been defined as the pleasurable feelings that an employee experiences as a result of the fulfilment of one's important job values (Locke, 1976). Based on psychological perspectives, Saal and Knight (1988) conceptualized job satisfaction as the overall emotional or evaluative response of employees concerning the job.Job satisfaction represents the extent to which needs, desires and expectations that one brings to the job are met.

2.2 Organizational Commitment

Many scholars have defined the concept of organizational commitment in different ways. Organizational commitment can be defined as "an effective response or attitude resulting from an evaluation of the work situation which links or attaches the individual to the organization" (Mottaz, 1988, p. 468).Porter et al. (1974) defined organizational commitment as a belief and acceptance of organizational goals and values, the willingness to exert effort toward organizational goals, accomplishments, and a strong desire to maintain

organizational membership. It is individual's affective binding with his/her organization as a consequence of accepting organization nal values, and the willingness to keep working within the organization. Meyer and Allen (1991) defined affective commitment as an emotional attachment, identification, and involvement in the organization. Affective commitment refers to the feelings of belonging and the sense of attachment to the organization.

2.3 Turnover Intention

Every organization faces turnover of employees, some of them leaves the organization voluntarily while the organizations discharge some of their employees from the organization. "Turnover intention" is defined as an employee's intention to voluntarily change jobs or companies. Turnover intention and intention to quit are used interchangeably in the literature (Balogun, Adetula, &Olowodunoye, 2013). When employees seriously consider quitting their jobs, they are thought to have the intention to quit the organization (Omar, 2012). Turnover intention was an emotional variable of the trend to leave any organization . Turnover intention, a strong predictor of quitting an organization as discussed earlier, becomes a final step before an employee actually leaves the organization (Lee &Bruvold, 2003). Some researchers thought behind using this interval as a measurement is that employee turnover intention is a time-consuming process. This process has three stages.It starts with thinking of leaving the organization followed by the intention to search for a new job and is finally directed to the intention to leave (Falkenburg&Schyns, 2007).

2.4 Job satisfaction and Organizational Commitment

Markovits et al., (2007) indicated that both intrinsic and extrinsic job satisfaction were most influenced by affective commitment. A very recent research on job satisfaction and organizational commitment indicates that job satisfaction has a significant positive influence on affective and normative commitment, and it strongly influences continuance commitment (Akeke et al., 2015). Paulin, Ferguson, & Bergeron (2006) proposed that job satisfaction influences organizational commitment. Kim, Leong, & Lee, (2005) believed that employees with job satisfaction have higher levels of organizational commitment than employees with job dissatisfaction. Thus, Mobley (1977) states that if dissatisfaction of employees with their works increases, they have intentions to leave the organization for other job conditionsEmployees' job satisfaction has been related to organization outcomes such as organizational commitment .According to some studies (Greenidge, & Ramsey, 2007) organizational commitment is related to job satisfaction and indicated that some factors of job satisfaction were direct indicators of organizational commitment.

Job satisfaction and Turnover intention

The link between job satisfaction and organizational commitment has been acknowledged for many years (Markovits et al., 2007). In a meta-analysis conducted by Meyer et al., (2002) it was found that a satisfied and happy employee is more committed to the organization. Markovits et al., (2007) indicated that both intrinsic and extrinsic job satisfaction were most influenced by orginazational commitment. A very recent research on job satisfaction and organizational commitment indicates that job satisfaction has a significant positive influence on affective and normative commitment, and it strongly influences continuance commitment (Akeke et al., 2015). Paulin, Ferguson, & Bergeron (2006) proposed that job satisfaction influences organizational commitment. Kim, Leong, & Lee, (2005) believed that employees with job satisfaction have higher levels of organizational commitment than employees with job dissatisfaction.

2.5 Organizational Commitment and Turnover Intention

Irving, Coleman, and Cooper (1997) investigated the relationship between affective, continuance, and normative commitment and the outcome measures of job satisfaction and turnover intentions. Results revealed that job satisfaction was positively correlated to both affective and normative commitment, though negatively related to continuance commitment; these findings were congruent with the influential works of 53 Meyer, Allen, and Smith (1993) and Meyer and Allen (1991). In other words, those employees who remained with their organization because they had to, due to financial constraints or a lack of professional alternatives, were less satisfied with their jobs. All three types of organizational commitment were negatively related to turnover intentions, with affective commitment showing the strongest negative correlation, meaning that as affective commitment increases the employee's intention to leave the organization decreases.

IV. OBJECTIVES AND HYPOTHESIS OF THE STUDY

Based on the review of literature and issues discussed above, the current study has been focused to investigate job satisfaction influences on organizational commitment and turnover intention of employees in private sector organizations of Mongolia. Thus, following hypotheses have been proposed in this study:

H1: Job satisfaction has positive relationship with Organizational Commitment

H2: Job satisfaction has positive relationship with Turnover Intention

H3: Organizational commitment has positive relationship with Turnover Intention

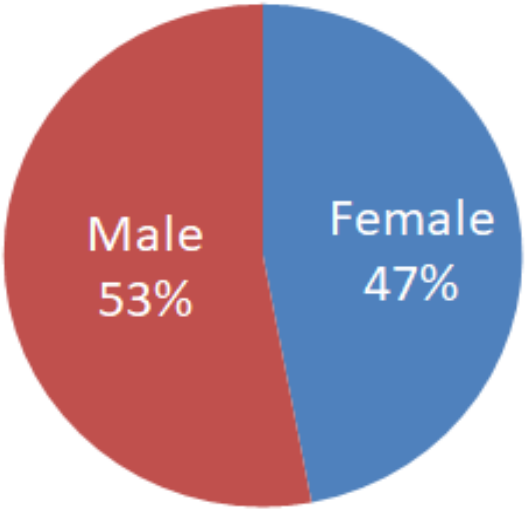
V. METHODOLOGY

4.1.Sample and Personal Data Information

The questionnaire design based on previous literature review and Likert7 point scale and data collected by 328 respondents. It is the primary source of data and also called quantitative techniques. Survey delivered by social media and e-mail. Personal Data Information ofparticipents showed below:

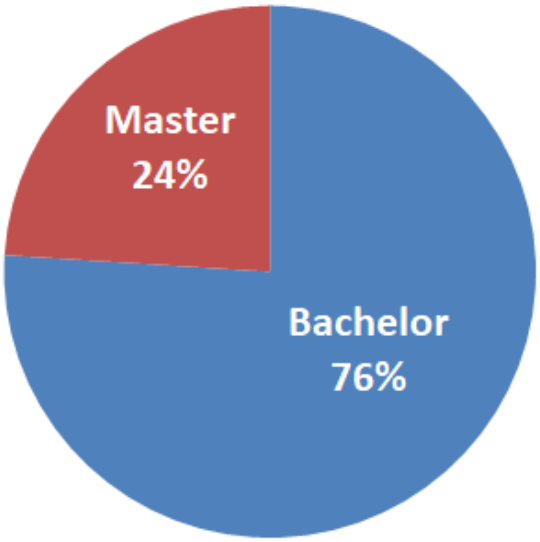
4.2 Gender of Respondents

The frequency analysis of the questionnaire indicates that the total of 328 responders 53% were males and 47% were females. The result shows that male respondents indicates more enthusiasm toward current investigation than female.



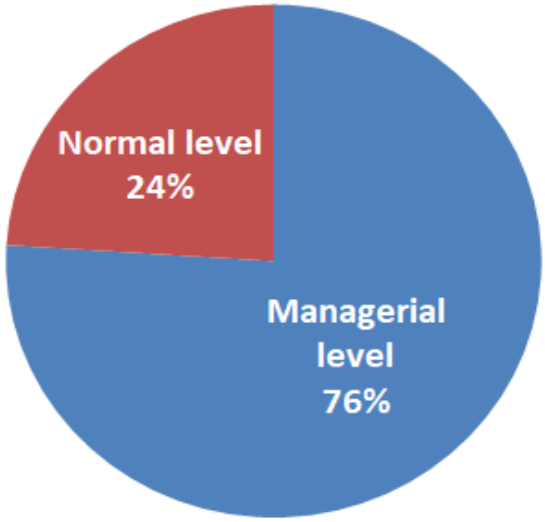
5.2 Education of Respondents

74% of total participants have bachelor degree and others are Master Degree.



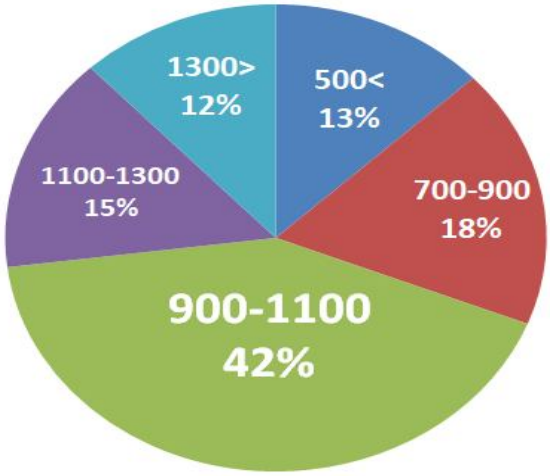
5.3 Job position of Respondents

36% of total respondents are managerial level employeers and other or 64% are worker or normal level employeers.Job position information of respondents shows below:



5.4 Income of Respondents

The frequency analysis of the questionnaire indicates that of the total of 328 respondents 13% have income below 500,000, 18% have 700,000-900,000, 42% have 900,000-1100,000 and 15% are 1100,000-1300,000 and only 12% have more than 1300,000.



Questionary Design Tool used in the Study

Job Satisfaction:Job satisfaction questionnaire design based on Brayfield and Rothe (1951) and assesses the degree of agree or disagree from respondents about job satisfaction.

Organizational Commitment Scale: The scale developed by Meyer and Allen (1997) and has 18 items.The instrument uses a 7-point likert scale (1-strongly disagree, 7-strongly agree).

Turnover Intention: Research study based on Anticipated Turnover Scale (ATS) and developed by Hinshaw and Atwood (1978).The ATS has 12 items with agreement degree (1- strongly disagree, 7 – strongly agree).

DATA ANALYSIS

a. Descriptive Analysis

Cronbach's Alpha values of Job Satisfaction, Organizational commitment and Turnover intention is .78, .81and .87 which is above from 0.70 which is

recommended for social sciences standard for research. It shows the data consistency among the questions. In this statistics mean values and standard deviation of all variables show its consistency.

Table 1: Descriptive statistics

Variables	Reliability	Means	Standar Deviation
JS	.78	3.7829	1.08372
OC	.81	3.8383	1.02134
TI	.87	3.8431	1.20141

b. Correlation Analysis

The correlation analysis shows that there is positive significant relationship between Service quality relation with customer satisfaction as the correlation value is 0.763 and also positive significant relationship has been found between service quality relations with brand loyalty as the research result value is 0.752.

The correlation analysis shows that there is positive significant relationship between Job Satisfaction relation with Organizational Commitmentas the correlation value is 0.782 and also negative significant relationship has been found between Job satisfactionrelation with Turnover intention as the research result value is -0.785.

Table 2: Correlation Analysis

	JS	OC	TI
JS	1 328	.782** .000 328	(.785**) .000 328
OC	.782** .000 328	1	(.672**) .000 328
TI	(.785**) .000 328	(.672**) .000 328	1

N=328. Reliabilities are given in parenthesis. *=p<.05,**=p<.01 and ***=p<.001

c. Regression Analysis

Table 3 shows regression results.The results approve our proposed hypothesis.

Hypothesis 1:

Job satisfaction has positive and significant relationship with Organizational Commitment (β = 0.694, $p < 0.01$).

It describe 53,9% unique variance ($\Delta R2 = 0.539$, $p < 0.001$) in Customer Satisfaction.Thus hypothesis 1approved.

Hypothesis 2:

Job satisfaction has Negative and significant relationship with Turnover Intention($\beta = 0.632$, $p < 0.01$). It

It describe 48,2% unique variance ($\Delta R2 = 0.482$, $p < 0.001$) in Brand Loyalty.Thus hypothesis 2 approved.

Hypothesis 3:

Organizational commitment has Negative and significant relationship with Brand Loyalty (β = 0.791, $p < 0.01$).

It describe 37,9% unique variance ($\Delta R2 = 0.379$, $p < 0.001$) in Brand loyalty.Thus hypothesis 3 approved.

Table 3: Regression Analysis

	Job satisfaction		
Predictors	β	R^2	ΔR^2
TI	(0.632)***	0.541	0.539***
OC	0.694***	0.482	0.481***

	Organizational Commitment		
Predictors	β	R^2	ΔR^2
TI	(0.791)**	0.378***	0.379***

CONCLUSION

Result findings show Job satisfaction positively significant influences on Organizational Commitment.Orgnizational Commitment and Job satisfaction have significant and negative relationship with Turnover Intention.It means If employeers will be more happy, they more relate with organization and decrease worker's quite intention from job. Before previous International research wasn't made in Employeers of Mongolian Private Sector and we tended to fill the gap.We created suggestion from our result of research.Recentyears,Mongolian economy growth decreased and downed by wrong policy of Government.Theproblem negatively influenced on the companies of private sector.The companies decreased salary,training cost and increased job pressure for employeers. 43% of total respondents don't satisfy from their job,which means Lower Organizational Commitment and Higher Turnover intention in Mongolia. Order to decrease negative influences,The managers need to create a pleasant atmosphere of company,to provide training,self development course and so on by low cost in unpleasant condition of economy.

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