ABSTRACT

This thesis measures the Employee Commitment and its role as a Mediator towards organizational effectiveness with special reference to Indian steel sector on the relationship with Employee Satisfaction. The Indian steel industry has grown to become the 3rd largest steel producer (109.85 MT in 2014-15) of the crude steel in the world. Sector symbolized national pride. India is the Largest producer of sponge iron (46.23MT in 2014-15) in the world as well as 3rd largest consumer of finished steel (per capita consumption is 57.8 kg in 2013) in the world. According to a World Steel Association (WSA) publication, average per capita steel consumption globally was 225.2 kg in 2013 and India is expected to grow by 6.2 per cent to 80 MT in 2015 from 75.3 MT in 2014.

In this study, Indian Public Sector Steel Plant (Steel Authority of India Ltd.) was the research universe and its unit Rourkela Steel Plant (RSP) located in eastern India, were targeted for survey. These plant are coming under the umbrella of Steel Authority of India (www.sail.co.in), the major public sector steel producer in India.

A random sample of 522 employees from front line worker to senior management level of selected steel industries in India (Rourkela Steel Plant) was collected. Both the primary and secondary data collected through Questionnaire, and web based survey.

For measuring Employee Satisfaction, ESQ(Employee Satisfaction Questionnaire) was developed taking Seven(7) sub scale form the Minnesota Satisfaction Questionnaire [MSQ-Long form] developed by Weiss et al.( 1967) and adding three new sub scale (viz. work life balance, Company leadership and Ethics & values) into it, reliability & validity are tested for 55 items and was administered. Measurement of affective, continuance and normative commitment to the organization measured with Allen and Mayor (1990) Scale. For assessing Organizational Effectiveness, the research instrument Organizational Effectiveness Scale (OES) of C.N.Daftuar (1983) was administered after deleting a two construct (Job satisfaction and commitment) as these two aspects already included in Part A (Employee Satisfaction ).Reliability and Validity was also verified and found to be reliable.
Various statistical tools of descriptive statistics and inferential statistics were used for quantitative analysis of survey data. Descriptive statistics like frequency mean and standard deviation is used. In inferential statistics – Multiple Regression analysis, ANOVA, t-test is used. For testing of hypothesis and to study the mediating effect of Employee Commitment, Structured Equation Model (SEM) of AMOS is used. Further, Cronbach’s alpha is used to test the reliability of all the twenty items undertaken for the study. The Cronbach’s Alpha value for all the items is coming 0.851 which is a good sign of reliability. It simultaneously validates the scale taken for the study.

It has found that, in case of Employee Satisfaction, descriptive statistics reveals that mean score of the variables i.e. work life balance (WL) is coming highest 3.36 out of all the variables contributing towards employee satisfaction then coming job satisfaction (JS) 3.14. Similarly in Employee Commitment highest score is coming to the variable Normative Commitment -NC (3.33) and then Continuance Commitment- CC (3.31). Further in Organizational Effectiveness, the mean score of the variable Innovation - IV (3.88) is coming highest and then coming Organizational Attachment-OA (3.69).

Regarding Moderating effect, results portrayed that employee commitment and employee satisfactions were positively and significantly correlated with organizational effectiveness. Employee commitment is one of the important assert of business organizations that can enhance organizational performance and reduces job burnout, turnover intention and workload. Highly committed employees diminish the probability of turnover intention and work harder to attain expected results. Further in this scientific epoch, these employees work for the organizational efficiency and development.

The findings of this original study provides interesting implications to practice by this steel industries and will be a source of general guidance in stimulating future research in this area, which is closely attached to production