

**T.C.  
ISTANBUL GEDİK UNIVERSITY  
INSTITUTE OF GRADUATE STUDIES**



**ORGANIZATIONAL COMMITMENT AND ITS ROLE IN ACHIEVING  
ORGANIZATIONAL EFFECTIVENESS IN THE BANKING SECTOR**

**MASTER'S THESIS**

**Karrar Sameer KAREEM**

**Business Administration Department  
Business Administration Master in English Program**

**JANUARY 2022**

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**Thesis Advisor: Dr. Öğr. Üyesi Ahmet ERKASAP**

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**T.C.**  
**İSTANBUL GEDİK ÜNİVERSİTESİ**  
**LİSANSÜSTÜ EĞİTİM ENSTİTÜSÜ MÜDÜRLÜĞÜ**

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## **DECLARATION**

I, Karrar Sameer KAREEM, do hereby declare that this thesis titled as “Organizational Commitment and Its Role in Achieving Organizational Effectiveness in the Banking Sector” is original work done by me for the award of the masters degree in the faculty of Business Administration. I also declare that this thesis or any part of it has not been submitted and presented for any other degree or research paper in any other university or institution. (06/01/2021)

Karrar Sameer KAREEM



## **PREFACE**

To my father, how stood with me and supported me in all stages of my life, whom I am proud of when he brought me to him.

My mother, who spent her lie for me, is not enough for her all my age if I give her it.

My brothers, bond in this life.

My friends, who always encouraged me.

I dedicate you this simple work.

January 2022

Karrar Sameer KAREEM

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## **ORGANIZATIONAL COMMITMENT AND ITS ROLE IN ACHIEVING ORGANIZATIONAL EFFECTIVENESS IN THE BANKING SECTOR**

### **ABSTRACT**

This study try to find the role of the Organizational commitment (affective commitment, continuance commitment, and normative commitment) in achieving organizational effectiveness and the performance of the employees in the private banking sector. In this study, a total of 213 questionnaires have been distributed, 8 cases were dropped because of lack of answers. As a result, 205 responses were retained for data analysis. Employees working in the AK bank in turkey represent the target population. However, 213 employees randomly be chose as the sample respondents in this study.

The results of the study showed that there is a positive correlation between organizational commitment (affective commitment, continuance commitment, and normative commitment) and organizational effectiveness. The results indicate that there is a statistically significant effect of organizational commitment on organizational effectiveness.

**Keywords:** *Organizational commitment, Effectiveness, Organizational effectiveness, Human resource flexibility.*

# **BANKACILIK SEKTÖRÜNDE ORGANİZASYONEL TAAHHÜT VE ORGANİZASYONEL ETKİNLİĞİN GERÇEKLEŞTİRİLMESİNDEKİ ROLÜ**

## **ÖZET**

Bu çalışma, özel bankacılık sektöründe örgütsel etkinliğin ve çalışanların performansının sağlanmasında Örgütsel bağlılığın (duygusal bağlılık, devam bağlılığı ve normatif bağlılık) rolünü bulmaya çalışmaktadır. Bu çalışmada toplam 213 anket dağıtılmış, 8 vaka cevap şans eseri bırakılmıştır. Sonuç olarak, veri analizi için 205 yanıt tutuldu. Türkiye'de AK bankasında çalışan çalışanlar hedef kitleyi temsil etmektedir. Ancak bu çalışmada örneklem olarak 213 çalışan rastgele seçilmiştir.

Çalışmanın sonuçları, örgütsel bağlılık (duygusal bağlılık, devam bağlılığı ve normatif bağlılık) ile örgütsel etkililik arasında pozitif bir ilişki olduğunu göstermiştir. Sonuçlar, örgütsel bağlılığın örgütsel etkinlik üzerinde istatistiksel olarak anlamlı bir etkisinin olduğunu göstermektedir.

**Anahtar Kelimeler:** *Örgütsel bağlılık, Etkinlik, Örgütsel etkinlik, İnsan kaynakları esnekliği.*

# **1. INTRODUCTION**

## **1.1. Study Topic**

The study topic of this thesis is the impact of organizational engagement on organizational effectiveness in the banking sector. The remainder of this paper is structured as follows: first, a summary of the literature on the two factors organizational engagement and organizational efficacy, then the study methods, data collection, and performance, and finally, a description of the findings and the conclusions drawn from them.

## **1.2. Purpose of Thesis**

This study aims to investigate the role of the Organizational commitment (affective commitment, continuance commitment, and normative commitment) in achieving organizational effectiveness and the performance of the employees in the private banking sector. The study encompasses Organizational commitment factor as an independent variable and the factor of organizational excellence as a dependent variable. This study also intends to investigate the role of “human resource” as a mediator variable between Organizational commitment and the organizational effectiveness. And we can express the Research objectives as

1. To test the relationship between organizational commitment and organizational effectiveness.
2. To examine the relationship between normative commitment and organizational effectiveness.
3. To investigate the relationship between affective commitment and organizational effectiveness.
4. To find out the relationship between continuance commitment and organizational effectiveness.

### **1.3. Literature Review**

When it comes to corporate success, organizations are facing huge problems ranging from downsizing, re-engineering, or consolidation to an influx in knowledge and a growth in employee diversity. These reforms are likely to occur in public corporations, including higher education agencies (Nordin,2012,56). Any developed country's cornerstone is its education system, and the efficacy and viability of that system is determined by the competence of its students (Sharma, 2015). Attempts have been made to create a connection between employee perceptions and organizationally related activities in order to address such challenges. Employees joining and staying with the organisation, carrying out basic task criteria, and participating in creative and unexpected action that goes beyond role prescription are all stated to be considered habits for organizational effectiveness (Shahidand Azhar, 2013,37).

Organizational engagement is one of the measures administrators may use to assess workers' alignment with organizational expectations and dedication to their workplace (Zayas-Ortiz et al., 2015). Commitment is seen as a critical element in determining the organization's performance. The value placed on loyalty comes from the fact that it helps companies attract more employees, resulting in increased achievement, efficiency, and efficacy. Organizational dedication as an attitudinal component of the partnership has recently received a lot of publicity. The rationale for using organizational loyalty is that it is assumed to be a reasonably secure employee attitude that can reveal consistent attitudes and action links (Angle , 1981,48) .

As a result, no company can achieve high standards of performance unless each employee is dedicated to the organization's goals and contributes as a valuable team member (Shahid and Azhar, 2013) According to Zafar (2006), cultivating and promoting organizational loyalty among academic workers is critical because dedicated employees can stay with their company longer, work more, and participate in organizational citizenship behaviour. Organizational engagement is comprised of many aspects, including confidence in and recognition of the organization's aims, principles, and priorities. As a result, it can be inferred that organizational

engagement is one of the most significant factors influencing teachers' participation in academic institutions.

#### **1.4. Hypothesis**

In order to test the research model of the impact of organizational commitment on organizational effectiveness, the study is hypothesized as follows:

H1: Affective commitment has positive relationship with organizational effectiveness

H2: Continuance commitment has positive relationship with organizational effectiveness

H3: Normative commitment has positive relationship with organizational effectiveness

H4: Organizational commitment has positive relationship with organizational effectiveness

## **2. ORGANIZATIONAL COMMITMENT**

### **2.1. Organizational Commitment**

To produce outstanding results over time, each company must make a complete dedication to its workers (Mowday, Porter & Steers, 1982). Employees who serve as a squad are now behaving as entrepreneurs, and each team member aspires to be the best of the best (Mowday et al. 1982). Growing employee commitment within a company would increase employee morale in the long run. Previously, companies gave protections to their workers in order to maximize their loyalty to the company and productivity (Abelson, 1976). The primary cause for increased employee engagement, which contributes to corporate growth, is higher employee motivation within an organisation for particular tasks or industry. Employee morale will also be boosted if they are happy with their jobs and obligations. Their happiness can be influenced by their pay structure, corporate culture, and understanding of employee exchange (Mowday et al. 1982,60).

Employee engagement studies have been underway for four decades, and their effect on employee morale and productivity has been studied. Becker (Becker, 1960). Employee responsibilities was divided into three categories by Meyer and Allen (1991): emotional responsibility, standing duties, and regulatory obligations. Employees who have a deep personal attachment to the company want to deal for it as they wish. Employees that have a long-term loyalty to the company are obligated to stay. Employees with significant regulatory responsibilities work with the company because they believe they do.

Emotional engagement has been linked to employee obligations in several reports (Whitener 1993; Somers, 1995, Jaros, 1997) For a high degree of employee engagement, there will be less attrition, and this employee will perform more effectively with less job placements (Price , 1981). Workload, lack of respect, and low pay are all factors that have an effect on job duties. Performance is a driving concept in Dorgan's (1994) concept of performance and performance characteristics.

According to Epitropaki and Martin (2005), there is a connection between job status and emotional engagement. Employee engagement and workload have a negative association, according to Addae and Wang (2006). Irving and Coleman (2003) discovered a connection between tension and motivation to keep going. According to Somers (2009), there is a nexus between job stress and work period. Physical tension and dedication have a negative association, according to Witting-Berman & Lang (1990). This chapter's key goal is to investigate the idea of "organizational responsibility." The following topics are discussed: theoretical context, term description, dimensions of organizational commitment, organizational commitment formation, and organizational commitment management.

### **2.1.1. Defining commitment**

The dedication has been described and evaluated in various ways for years. Indeed, the lack of agreement about how to define this concept has aided in its treatment as a multidimensional construct (Meyer, Allen, 1991). There must be a center marking it, even though there are more aspects or forms of dedication. To figure out what the critical center is, look for commonalities within current conceptualizations. However, the scholars disagree on the essence of behaviors and, as a result, the various forms of dedication they identify. Conceptualization of corporate engagement is one of three components.

Allen (1991) claims that organizational engagement can be seen in at least three areas: active involvement in the organisation, the expense of leaving the organization, and the duty to stay with the organization. Affective, continuous, and normative engagement are the three methods. The belief that loyalty is a psychological state marked by workers' relationships with the company and means a decision to continue working with it is shared by all three methods. These psychiatric conditions also have varying consequences for organizational activity.

### **2.1.2. The Concept of organizational commitment**

Organizational commitment is described as "an individual's psychological connection to the organization, including a sense of job participation, allegiance, and belief in the organization's values," according to O'Reilly (1989, p 15). Employees' recognition of corporate expectations and readiness to expend initiative on behalf of the company characterize organizational dedication from this perspective (Miller & Lee, 2001).



Human capital are critical to the success of every organization. Human resources are regarded as the most important component of any organization; without them, nothing can get accomplished (Alkalha et al., 2012). Any organization's mission is to attract and maintain the best employees, but this is better said than done. The lack of human capital is one of the most serious issues that organisations face. When workers leave an organisation, they leave behind not just their skills and experiences, but also their knowledge and experiences gained over time (Shannak et al., 2012b; Kanaan et al., 2013; Masa'deh et al., 2015a; Masa'deh et al., 2015b; Obeidat et al., 2017).

One of the most serious problems that organizations face is a lack of human resources. Jobs abandon not only their talents and experiences, but also their expertise and experiences acquired over time (Shannak et al., 2015; Masa'deh et al., 2015; Obeidat et al., 2017). As a result, corporate loyalty is seen as a critical and beneficial component of employee action, but it is elusive in workplaces and organizations (Aladwan et al., 2013).

As a result, much research has been done to further understand the essence, antecedents, and outcomes of organizational engagement (Chughtai and Zafar, 2006). The value placed on corporate engagement can be due to the fact that it contributes to a number of positive consequences for both individuals and organizations (Chiu and Ng, 2015). Organizational engagement has also piqued interest, as it is seen as a key factor in achieving collaboration and consensus in a functionally integrated organization.

Employees in large, unified organizations are said to be more motivated to fulfill the collective interest, while the appeal of ideals brings the members of the organization closer together. As a result, it can be inferred that keeping loyal workers is very important for businesses because there is proof that loyal employees contribute to the value of a company, which aids in recruiting and maintaining the best people (Al-Qarioti and Enezi, 2004).

Several workplace researchers have noted this significance since the 1960s. Organizational engagement has been one of the most researched organizational constructs since then. As a result of this long tradition, a variety of conceptualizations for corporate engagement have arisen (Kell and Motoudlo,

2013). The attachment, identification, or fidelity to the individual of commitment may be described as commitment (Singh and Gupta, 2015). According to Meyer and Herscovitch (2001), Commitment is a benevolent power that guides one's actions.

It is anything more than a desire to carry out a certain course of action or a favorable attitude toward the organization that motivates the individual to behave in a way the benefits that entity. There are at least three distinct approaches to conceptualizing organizational engagement, according to the literature on the topic.

Becker's first solution, known as the side-bet principle, was established in 1960. Anything of value that an employee has spent in the company and will be missed if the employee quit is referred to as a side-bet. The psychological outlook, on the other hand, sees corporate engagement as a three-part orientation. These components are: 1) affiliation of the organization's priorities and beliefs 2) a deep desire to be a part of the association; and 3) a commitment to concentrate resources on helping the organization accomplish its goals. The attribution viewpoint, on the other hand, sees loyalty as a linking of persons to behavioral actions that derive from their attribution of commitment to themselves (Shagholi et al., 2011). Other experiments characterize loyalty in terms of attitude (Mowday et al. 1982) or actions (Mowday et al. 1982). (Meyer and Allen, 1997).

Porter et al (1974). offer a more detailed concept of organizational engagement that incorporates both the personality, experience, and behavioral perspectives, "A deep confidence in and recognition of organizational aims and principles, ability to expend significant effort on behalf of the association, characterize motivation to retain organizational membership," they wrote. Organizational loyalty is often characterized as a psychological state that shapes the relationship between workers and their employers and allows individuals to decide whether or not they want to stay with the company (Hunaiti , 2009; Altinoz , 2012). It is a psychological mentality that ties an employee to the organization, according to Meyer et al. (2012).

Organizational loyalty can also be described as an individual's association with and attachment to an organization's goals and values as a result of intrinsic inspiration offered by leaders and organizations (Srithongrung, 2011). Given the value of organizational commitment, a number of studies have been conducted to identify the factors that influence organizational commitment growth. Specific factors such as

age, length of service, and marital status, for example, have been found to be positively linked to dedication, while education has been found to be negatively related. Job attributes such as mission autonomy, input, job difficulty, and uncertainty, as well as specific work interactions such as job stability, advancement opportunities, training and mentoring opportunities, and positive and considerate leadership, have all been linked to dedication.

Organizational engagement is often influenced by organizational justice, history, and communication (Zafar, 2006; Chiu, 2015). Organizational contribution is linked to three antecedent groups, according to Smeenk et al. (2006). Age, gender, educational degree, need for accomplishment, corporate tenure, positional tenure, and family responsibility are the first group of personal variables. Career mobility, job challenge, employment level, position conflict, role uncertainty, level of control, and working hours are the second group of job and role characteristics. Structure considerations, which include social interaction, personal significance, and formalization, are the third and final type. Employee contribution to organisations is widely acknowledged by academics and professionals. Numerous studies have shown that interpersonal engagement is linked to a number of positive outcomes.

Organizational dedication supports society in the long run because it reduces worker mobility and increases national competitiveness and/or work efficiency. Organizational engagement benefits companies from a narrower viewpoint because of its effect on employee work efficiency, employee turnover, and employee recognition of organizational transition (Su , 2009,276) .

Furthermore, higher executive effectiveness has been linked to lower attrition and absenteeism. better efficiency and efficiency greater adaptability in the face of transition (Bell-Ellis et al., 2015),

as well as a higher level of corporate citizenship and happiness (Aladwan et al., 2013). Poor dedication has been attributed to low morale as well as lower altruism and compliance procedures. Non-committed workers can frighten outsiders by negatively representing the company, limiting the organization's ability to attract high-quality employees. (Chughtai and Zafar, 2006).

## **2.2. Organizational Commitment as a Multi-Dimensional Construct**

Meyer and Allen (1991) did not coin the word corporate loyalty until they re-conceptualized their perspective on the aspects of commitment in 1991. Meyer and Allen identified commitment in this study as a multidimensional concept indicating the relative intensity of an individual's affiliation with, interest in, and allegiance to a specific organization. (Faloye, 2014, 83).

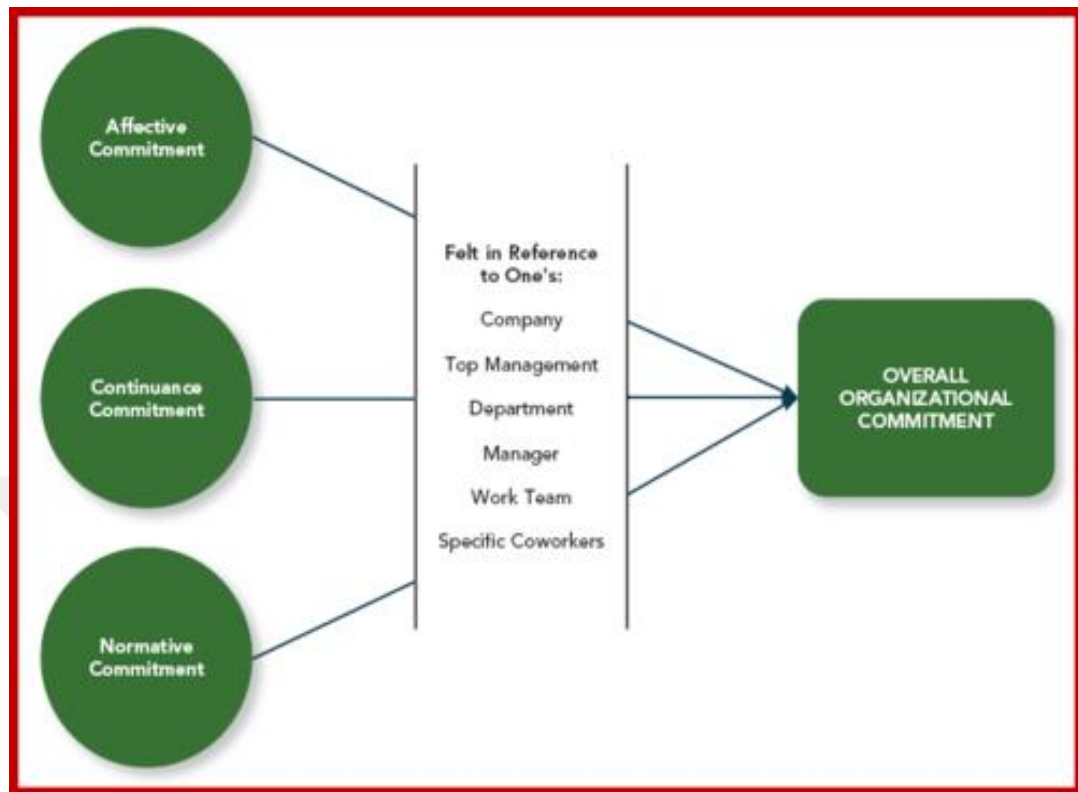
Organizational commitment was also characterized as a multidimensional concept by Vandenberg and Self (1993) and Seo (1994), who described four types of commitment: affective, continuance, temporal, and identity. When evaluating organizational engagement during various timeframes, especially before and after initiation into the organization, the authors discovered major variations, particularly in affective and continuance commitment (Vandenberg & Self, 1993; Vandenberg et al., 1994). Although Vandenberg and Self did not substantially redefine organizational loyalty, they discovered that people at various stages of their careers in organizations had differing degrees of psychological and financial connection (Singh & Gupta, 2015,31).

### **2.2.1. The three-dimensional model of organizational commitment: affective, normative and continuance commitment**

There are three dimensions of organizational engagement in Allen and Meyer's (1990) model, Affective commitment (AC), normative commitment (NC), and persistence commitment (PC) are the three types of commitment (CC). The three dimensions are dependent on human workers' beliefs and expectations (Allen & Meyer, 1990). According to Meyer and Allen (1991), the different aspects of organizational engagement are dependent on workers' expectations of the organization's loyalty, such as turnover intentions, on-the-job behaviour, and employee well-being.

Meyer and Allen (1997) revisited the 1991 concept of organizational responsibility that they had developed. They agreed that affective and normative commitment had important similarities. They've also admitted that using only affective and normative variables to predict corporate engagement isn't always possible (Meyer & Allen, 1997). A psychological condition that connects the employee to the company is

included in the three-dimensional model of affective, normative, and continuance engagement (Meyer & Allen, 1997; Singh & Gupta, 2015).



**Figure 2.1:** Overall Organizational Commitment

**Source:** (A. W. Thiranagama, 2017)

The three dimensions reflect various psychological states within an individual employee, and each dimension will have its own set of interventions (Meyer & Allen, 1997). The degree to which an employee is committed to an organization's goals or vision, whether by affective, normative, or continuance dedication, has been found to be an indicator of the employee's decision to remain or quit the organization (Meyer & Allen, 1997).

#### **2.2.1.1. Affective commitment**

Affective commitment is described as "an emotional connection to the organisation such that the highly committed person associates with, participates in, and enjoys participation within it" (Allen & Meyer, 1990, p. 6). Individuals stay in a company mostly because they want to (Allen & Meyer, 1990). The first of three dimensions of organizational loyalty, according to Meyer and Allen (1991), is the employee's affective connection to the organisation.

AC is defined by an employee's personal decision to stay loyal to the organisation as a result of any emotional identification with it (Singh & Gupta, 2015). A optimistic outlook toward the organisation is referred to as affective engagement (Singh & Gupta, 2015). According to Mahal (2012), an individual's attitude is directly linked to the personal beliefs that they contribute to the organisation. The relative intensity of AC is shown by how people interact with and participate in an organisation (Faloye, 2014,65 ).

According to Meyer and Allen's (1997) Organizational Engagement model, Affective commitment is affected by a number of factors including the individual's work difficulties, the organization's task specificity, direct clarity of priorities, and a degree of achievable difficulty in achieving objectives. Management's receptivity to criticism, peer harmony, equality of opportunity and reward, personal value, and timely and positive feedback are all factors to consider.

Identification with organizational objectives, as well as internalization of organizational strategy and culture, are all part of AC growth (Beck & Wilson, 2000; Singh & Gupta, 2015).

An individual's affective connection to an entity is largely dependent on his or her affiliation with the organization, as well as a willingness to form a friendship with it ( Meyer, 1990) Internalization occurs as a person becomes integrated in the organisation where there is a shared convergence of interests and principles shared by both the individual and the organization. Affective loyalty, in general, is concerned with how well a person identifies with the organisation (Allen 1990).

Affective loyalty has been described as an emotional connection to affiliation with and participation in the organisation, and it is considered the most important consideration for organisations seeking to keep workers in a knowledge-based economy (Meyer & Allen, 1984; Singh & Gupta, 2015). Though workers can acquire all three types of organizational commitment at various times during their employment, most researchers (e.g., Iverson & Buttigieg, 1999) believe that affective commitment is the most useful in predicting long-term retention of valuable employee properties (Singh & Gupta, 2015). Affective engagement has also been shown to be the most reliable and powerful indicator of positive organizational results including job effort and success (Luchak & Gellatly, 2007; Gupta, 2015).

Organizational citizenship practices have also been judged using affective dedication (Mahal, 2012; Mathieu & 1990; Meyer et al., 2002). Affective engagement, on the other hand, has been linked to higher levels of absenteeism, occupational tension, and attrition (Iverson & Buttigieg, 1999; Singh, 2015).

#### **2.2.1.2. Continuance commitment**

Meyer and Allen (1991) described the second component as an employee's cost-benefit study, such as the lack of economic investments and the difficulty of seeking a new career. The perceived costs of quitting are used to determine if an employee stays with an organization. Employees tend to stay loyal based on tenure, positional authority, or period of time since they believe they stand to risk so much if they leave (Singh & Gupta, 2015).

Continuance dedication may be thought of as a contractual obligation to the company (Beck & Wilson, 2000). The individual's affiliation with the company is focused on a continuous evaluation of the financial gains received from staying with the company (Faloye, 2014) While inherently agreeing with the organization's aims and ideals, organizational participants cultivate loyalty as a result of meaningful extrinsic incentives (Faloye, 2014).

According to Mahal (2012), the employee OC continuance dimension is always the most important element in an employee's cost-benefit analysis of staying with the business. Nonetheless, previous and current research has found no substantial connection between employee longevity and continuity engagement (Faloye, 2014; Meyer et al., 1993).

More than 144 paramilitary police officers were asked in the (Faloye ,2014) study to determine which dimension of organizational loyalty has the greatest effect on the decision to exit an organisation, and continuity commitment did not appear to be linked to employee retention. Job conditions in these paramilitary policing careers were shown to have a direct link to organizational loyalty, implying that employers who concentrate on improving an employee's work experience have a higher chance of promoting long-term commitment (Irving & Meyer, 1994). Meyer et al. (2002) discovered a pattern of clear evidence that organizational assistance in the context of HR policies and practices influences the production of organizational engagement directly or indirectly.

The perceived costs of leaving the company decide the extent of a continuance pledge (Meyer & Allen, 1984). If the person believes that the costs of leaving are too great, he or she is more likely to stay (Mahal, 2012). Individuals may deem the costs of quitting to be excessive simply because they have accrued savings that they may lose, such as pension benefits, seniority, or organizational-specific abilities (Mahal, 2012). Employees can leave an enterprise if they are offered better options with lower perceived costs. Individuals' motivations to stick in a company are profit-driven and linked to continuing programs, while benefit termination is an expense synonymous with quitting (Mahal, 2012).

### **2.2.1.3. Normative commitment**

Meyer and Allen (1991) proposed three dimensions, the last of which reflects an employee's sense of commitment as a result of a sense of obligation. This is more like a social expectation than a voluntary obligation, in which one remains committed to the employer who compensates for services provided (Singh & Gupta, 2015).

Normative engagement, according to Messner (2013), is individuals' job conduct driven by a sense of responsibility, obligation, and devotion to the organisation. Members of the organization stay loyal for religious grounds (Iverson & Buttigieg, 1999; Singh & Gupta, 2015). Regardless of how much status or happiness the organisation offers over time, the normative loyal employee remains in the organization whether he or she believes it is morally correct to do so (Messner, 2013).

Normative commitment, along with affective and continuance elements, is one of the three dimensions of organizational commitment explored by Allen and Meyer (1990). Normative commitment, according to Allen and Meyer, is an equally feasible look at commitment, despite being the less popular of the measurements. Normative commitment (obligatorily motivated), unlike Affective commitment (emotionally motivated) and continuance commitment (profit motivated), has been shown to have much of the same antecedents and implications as its counterparts, especially in its associations with Affective commitment (Meyer et al., 2002).

The rules that a person follows and the mutual relationship between the company and its workers decide the strength of normative loyalty (Abreu, Cunha, & Rebouças,



2013). The principle of reciprocity is founded on social exchange philosophy, which states that someone who receives a reward has a strict normative duty or law to return the benefit in some way (McDonald & Makin, 2000; Singh & Gupta, 2015). This means that people stay loyal to a company and they feel obligated to reward the company for engaging in them, such as by training and growth (Singh & Gupta, 2015).

Bhat and Maheshwari (2005) described Continuance engagement as an employee's willingness to do more than merely follow a specific job description in a subsequent report. Bhat and Maheshwari (2005) investigated the commitment of health officials in the Indian state of Chhattisgarh. The authors described professional engagement as "a person's allegiance to the profession and willingness to expend himself to uphold its principles and goals." "A specialist such as a doctor can just as well offer health services out of his concern for the job alone" (p. 3), and organizational engagement in the health industry, as well as the features of HR management activities, and to see how these management practices relate to organizational commitment.

A focus group dialogue was performed using a combination of quantitative and qualitative methodologies, with six district health officials and four officers from the state directorate included in the exploratory analysis (Bhat&Maheshwari, 2005).A questionnaire was prepared and circulated to 75 district and state officials based on the group meetings and additional interviews with the participants, with the aim of identifying related management concerns (Bhat&Maheshwari, 2005). Seventy of the 75 questionnaires circulated were returned, reflecting the views of senior officials throughout the district (Bhat&Maheshwari, 2005).

The questionnaires included 62 variables with multiple elements, each of which was scored on a 5-point Likert scale (Bhat, 2005). Since Meyer and Allen's three-dimensional model (affective, normative, and continuance) is widely accepted as defining commitment, Bhat and Maheshwari (2005) built commitment scales based on it.

According to the findings of Bhat and Maheshwari's research, the following elements are required by an organization in order to achieve affective organizational commitment:

1. The opportunity to collaborate with coworkers and upper management.

2. The ability to provide feedback and advice to the organization's HRD, especially when it comes to the recruiting or transitioning of staff within the participant's district.
3. An employee's desire to advance professionally and find job advancement prospects within the company that the individual considers fair; and
4. A perceived connection between worker success and benefits (Bhat&Maheshwari, 2005).

There has recently been a surge of interest in normative commitment, which is most generally associated with professional commitment, which is characterized as a psychological connection to and identification with one's career (Singh & Gupta, 2015).

Individuals with a deeper professional interest aligned with professional goals and will go to greater lengths to defend or promote the profession's ideals and goals (Singh & Gupta, 2015). Improved work results, dedication to service, and career engagement are all linked to professional dedication. (Cordero, 2002; Kwon & Banks, 2004; Gupta, 2015). This is especially true in many professions, such as those in the service industry, public health and safety, and education.

Allen and Meyer (1990) developed an 8-item Normative commitment scale, and Meyer and Smith (1993) developed a refinement of the same measure of Normative commitment, as well as a parallel 6-item occupational commitment measure.

The revision was comprehensive, and it was inspired by two goals: excluding elements that might be better classified as antecedents of Normative responsibility, and measuring an individual's obligation more broadly, including obligation dependent on the desire to reciprocate for benefits obtained from the organisation (Meyer & Parfyonova, 2010).

Finally, Bhat and Maheshwari (2005) proposed that extra effort put in by workers outside of their specific job descriptions is linked to a higher level of value placed on structural priorities as well as a greater incentive to stay in the company.

The understanding that organizational commitment is dependent on an individual's psychological status and attitude toward an organisation is shared by the three dimensions of organizational commitment (Allen & Meyer, 1990).

Employees' activity profiles in both the Affective and Normative contribution domains are similar (Meyer & Allen, 1991).

Meyer and Allen (1991) did not exclude normative commitment from their concept of organizational commitment, but also measured the impact of normative commitment on individual employees' commitment to organizational objectives by looking at the relationship between normative commitment and affective commitment, as well as the relationship between normative commitment and continuance commitment. Affective engagement, normative commitment, and continuance commitment are all distinct aspects of commitment, according to Meyer and Allen (1997).

### **2.3. Temporal and Affective Dimensions of Organizational Commitment**

Cohen (2007) proposed a theory of a two-dimensional model for organizational commitment, consisting of a (1) temporal dimension and (2) an affective dimension, in order to improve the strengths of existing approaches to organizational commitment while limiting their limitations. Both loyalty tendency, which occurs before a person enters an organisation, and organizational commitment, which develops only after an individual joins the organization, are included in the concept of temporal commitment (Cohen, 2007).

Affective commitment, the second component, is the social framework that underpins commitment (Cohen, 2007). Cohen distinguished between affective commitment based on instrumental factors, which is characterized as the anticipation of general advantages and incentives for job success, and affective commitment based on psychological attachment, which involves a spiritual responsibility to the organisation. When it comes to pre-entry and post-entry obligations, Cohen says the essence of dedication is often two-dimensional, and it's closely linked to and a part of the motivational mechanism.

The cost of leaving an organisation, referred to as continuance commitment, and the gains of remaining in an organization, referred to as instrumental commitment, are used to determine commitment (Cohen, 2007).

Via their distinctions between affective and continuance commitment, Meyer, Stanley, Herscovitch, and Topolnytsky (2002) observed that the two-dimensional

paradigm of organizational commitment had a high correlation between affective commitment (AC) and normative commitment (NC).

Cohen (2007), on the other hand, redefined normative commitment as a function of time, which may account for variations in affective commitment over time, although he did not distinguish between continuance and affective commitment. According to Singh and Gupta, the two-dimensional model of organizational commitment does not adequately quantify continuance commitment, and psychological structures of continuance may be essential in evaluating organizational commitment in specific persons (2005).

## **2.4. Developing Organizational Commitment Model**

Organizational engagement is a natural phenomenon that emerges from individuals' orientation to the organization. The stages and degrees of corporate engagement can be used to characterize the growth process.

### **2.4.1. Stages of organizational commitment**

Enforcement, recognition, and internalization are the phases of organizational engagement, according to O'Reilly (1989, p 12). The following steps are listed in detail:

#### **2.4.1.1. Compliance stage**

The first point, enforcement, focuses on the employee embracing the power of others in order to profit from it by remuneration or advancement (O'Reilly, 1989). At this stage, attitudes and habits are adopted purely for the sake of gaining specific benefits, not because of common values. The continuance component of organizational commitment is correlated with the essence of organizational commitment in the enforcement stage, where the individual considers the need to remain with the company while considering the benefits (Beck & Wilson, 2000). This means that at this stage, workers are staying with the company regardless of the benefits they get (Meyer & Allen, 1997).

#### **2.4.1.2. Identification stage**

Employees recognize the influence of others in the second level, identity, in order to establish a rewarding self-defining relationship with the company (O'Reilly, 1989). Employees are proud to be a member of the organisation, and they may view their positions as part of their self-identity (Best, 1994). At this point, organizational engagement is dependent on the normative dimension (Meyer & Allen, 1997). The person remains because he or she should and is motivated by a sense of obligation and commitment to the business.

#### **2.4.1.3. Internalization stage**

The final step, internalization, occurs when an employee considers the organization's ideals intrinsically satisfying and consistent with his or her personal values (O'Reilly, 1989). At this step, organizational engagement is dependent on the affective axis. At this time, the employee develops a sense of identity as well as a desire to be a part of the organisation, so the loyalty is focused on a "want to continue" basis. As a result, the individual's ideals are compatible with those of the community and the organisation (Suliman & Iles, 2000, 83).

### **2.5. Levels of Organizational Commitment**

There are various degrees of organizational commitment that are linked to the individual's organizational commitment growth (Reichers, 1985)

Figure 3.2 represents the levels of commitment as they increase and decrease. An employee's level of commitment may progress from a low to a moderate level and then to a higher level of commitment. (Reichers, 1985).

The degrees of organizational engagement are defined as follows:

#### **2.5.1. Higher level of organizational commitment**

A high degree of organizational loyalty is described by a deep belief in the organization's ideals and a desire to go to great lengths to stay with it (Reichers, 1985). According to Miller (2003, 73), "high interpersonal engagement" implies "identifying with one's employer." The term "will to remain" implies that at this stage, behavioral patterns are closely linked to the affective side of loyalty, in which people stay because they want to.

### **2.5.2. Moderate level of organizational commitment**

A moderate degree of organizational dedication is described by a fair recognition of the organization's aims and principles, as well as a desire to put in effort in order to stay in the organization (Reichers, 1985).

This commitment degree may be perceived as fair or average, implying partial commitment. The desire to remain is a spiritual obligation attribute that is linked to the ethical component of commitment (Meyer & Allen, 1997,78). Individuals remain in the company and it is required of them.

### **2.5.3. Lower level of organizational commitment**

Low organizational engagement is described as a lack of approval of the organization's aims and principles, as well as a desire to put in effort to stay with the organization (Reichers, 1985). Employees who work at this level may be disillusioned with the organization; nevertheless, they may remain because they are required to stay as part of the continuity dimension (Meyer & Allen, 1997). If given the option, they will leave the business.

## **2.6. Factors Affecting Organizational Commitment Model**

Organizational dedication is influenced by a number of factors. Job-related influences, work prospects, personal traits, productive relationships, organizational structure, and management style are examples of such factors.

### **2.6.1. Job-related factors**

At the employee level, organizational engagement is a significant work-related outcome that may influence other job-related outcomes such as attrition, absenteeism, job initiative, job status, and efficiency, or vice versa. Randall, year 1990 Uncertain work roles can lead to a loss of loyalty to the organisation, and promotional resources can either strengthen or weaken organizational commitment. (Curry, Wakefield, Price & Mueller, 1996). 49

The extent of duty and autonomy are two other work considerations that may influence dedication. “The higher the degree of obligation and autonomy associated with a given task, the less boring and more exciting it is, and the higher the level of dedication displayed by the individual who fills it,” according to Baron and

Greenberg (1990, p 174).

### **2.6.2. Employment opportunities**

The availability of job openings will have an effect on organizational engagement (Curry et. al., 1996). Individuals who believe they have a good chance of getting another career may become less loyal to the company when they see such appealing options. When there are few other options for jobs, there is a high degree of corporate engagement (Vandenberghe, 1996). As a result, membership in the company is focused on a long-term dedication, with workers constantly weighing the pros and cons of staying and quitting (Meyer & Allen, 1997).

### **2.6.3. Personal characteristics**

Personal characteristics of employees, such as age, years of service, and gender, can influence organizational engagement (Meyer, 1997). "Older workers, those with tenure or seniority, and others who are comfortable with their own levels of job success appear to report higher levels of organizational engagement than others," according to Baron and Greenberg (1990, 174).

This means that older people are seen as being more loyal to the organisation than younger people.

Sex is another personal trait that can influence organizational engagement (Meyer & Allen, 1997). Sexual disparities in engagement, on the other hand, are argued to be related to common job characteristics and interactions that are attributed to gender (Mathieu & Zajac, 1990). 50

### **2.6.4. Work environment**

The workplace climate is often identified as another aspect that influences organizational engagement. One of the common working environmental factors that may impact organizational loyalty positively is partial ownership of a business. Employees are important because they own something, and they feel like they're a part of the decision-making process (Klein, 1987). This concept of ownership which includes participation in decision-making on new developments and changes in the working practices, creates a sense of belonging (Armstrong, 1995). Managers who engage in budget decision-making have a high degree of internal responsibility,

according to a report by Subramanian and Mia (2001).

Another factor within the work environment that may affect organizational commitment is work practices in relation to recruitment and selection, performance appraisal, promotions and management style (Meyer & Allen, 1997). “The low degree of organizational commitment of constables may be due to improper selection and promotion, which leads to the perpetuation of management style and conduct that has a detrimental impact on organizational commitment of subordinates,” Metcalfe and Dick (2001, 375) conclude in their report.

#### **2.6.5. Positive relationships**

The supervisory partnership is one of the working arrangements that make up the company as a workplace community. “The supervisory relationship can affect organizational commitment either positively or negatively,” according to Randall (1990, 370). The implementation of work-related strategies such as success control in the enterprise is critical to a constructive supervisory partnership (Randall, 1990, 124). Individuals are more loyal to the company because they believe the supervisory arrangement is equal in its activities (Benkhoff, 1997).

Other working partnerships, such as teams or groups, may have an effect on organizational engagement. When employees of an organization can see meaning in their work relationships, they can show loyalty (Mathieu & Zajac, 1990). “Employee loyalty and connection to the organisation may be improved by attempts taken to strengthen the organization's social environment and sense of purpose,” Brooke, Russell, and Price (1988, 141) write. Individuals are willing to devote themselves to the company when their work experiences show mutual respect.

#### **2.6.6. Organizational structure**

Organizational structure has a significant impact on organizational engagement. According to Zeffanne (1994), "removing institutional obstacles and creating a more open structure are more likely to lead to the enhancement of employee commitment both in terms of their attachment to the organisation." The management will raise the degree of loyalty by supplying the staff with greater guidance and authority (Storey, 1995).



### **2.6.7. Management style**

"The response to the question of employee motivation, productivity, engagement, and attachment may consist not only in supplying motivators, but also in removing demotivators such as management styles that are not tailored to their background and to contemporary employee expectations," writes Zeffanne (1994, 1001). Employees' desire for empowerment and commitment to organizational goals can both be satisfied by a management style that encourages employee involvement.

"More adaptive and participatory management models will strongly and positively strengthen organizational commitment," according to Gaertner (1999, 482). Organizations must be certain that their management practices are efficient.

rather than enforcement, are targeted at increasing employee engagement (William & Anderson, 1991).

### **2.7. Managing Organizational Commitment Model**

Organizations are often confronted with the changing market's demand and supply problems. Organizational participants must be internally dedicated in order for the company to respond to the intense competition in the market place and the significant advances in technology (Miller, 2003,50). The organisation is then faced with the task of monitoring its workers' dedication during the project in order to ensure its long-term viability.

"To understand what loyalty is and how it is formed, we must first understand the basic psychology of commitment," writes O'Reilly (1989, p 20), so that we can think about how to build programs to create such an attachment among employees. As a result, in order to manage loyalty, the company must first grasp it.

Organizational dedication can be fostered by giving individuals meaningful experiences, according to Arnold (2005, p 268). Finegan (2000) found that affective commitment is linked to an organization's perceived value of humanity, while continuance commitment is linked to the value of convention.

The systemic and work design approaches, according to Goss (1994), can be used to promote organizational engagement in the following ways:

- Firstly, A flat organizational structure is used in this methodology, which

reduces the hierarchical hierarchy of communication and promotes one-on-one interaction. It also facilitates the horizontal and vertical coordination of mutual interests and collaboration within the organization, covering all levels.

- Second, task design-related approaches stress the value of work teams while encouraging managers to participate in decision-making processes.

Human resource strategies and procedures that are equitable are another critical tool for managing corporate engagement. “One means that corporate justice is conveyed is by the implementation and enactment of particular policies and practices that are and are seen to be fair,” (Meyer and Allen 1997, 47) conclude. The relationship between human resources policy and corporate engagement dimensions is depicted in Figure 3.3. (Meyer & Allen, 1997).

Employee views of human resources policies and procedures contribute to the creation of a specific dimension of organizational engagement, according to this connection. Affective loyalty to the organization is influenced by human resource strategies and activities that are seen to improve workers' self-worth (Meyer & Allen, 1997).

Continuous loyalty, on the other hand, is based on the potential cost of failure of human resource activities, while normative engagement is based on the perceived desire to reciprocate (Meyer & Allen, 1997). Meyer and Allen (1997, p. 68–72) say that when adopting human resources strategies and procedures as a method to manage corporate engagement, it's necessary to have the following in mind:

- First, the organization's and organizational members' priorities don't always align.
- Secondly, Management does not interpret and express principles in a manner that restricts versatility, innovation, or the capacity to respond to change.
- Finally, campaigns to raise corporate dedication should not be expected to yield anything.

Leaders in the company play a critical role in fostering the required organizational engagement. The three potential ways to strengthen organizational loyalty, according to Sasaki, and Moy (1998, 571), are to concentrate on the desire for satisfaction, self-esteem, and social support among employees.” This approach is not an effort by

management to persuade workers to embrace the ideals and aims of the company. In essence, as companies trust and treat their workers as adults, they develop a sense of belonging, and as a result, employees react with complete loyalty to the company (Finegan, 2000,23).For many organisations, the conventional method of building corporate dedication or engagement by providing employee protection and annual promotions is becoming unsustainable (Arnold, 2005,143). Reviving the casualties of transition due to transformation is another way to manage corporate engagement (Meyer & Allen, 1997, 84).



### **3. ORGANIZATIONAL EFFECTIVENESS**

#### **3.1. Overview of Effectiveness**

Effectiveness is difficult to quantify since various individuals see it differently based on their views and frames of reference. Any definition is based on who is defining or measuring efficacy, as well as why they are doing it. Because each perspective adds a distinct depth to the meaning, there are issues with the measurements as well. Other issues raised by Ivancevich and Matteson (2002) include determining the criteria for determining organizational performance and determining the optimal models to guide research and practice. There is no one criterion for determining efficacy. There is no consensus among experts as to what it means or what indicators to use; some metrics contradict one other, for example, is it better to reward shareholders or compensate employees? The system can be quite complicated at times, with many distinct constituents wanting and desiring various things, making a unified perspective of effectiveness insufficient and unachievable (Katz,1978,34). Effectiveness is also a result of an organization's internal function, dynamics, and beliefs, and each organization conducts its operations in a way that it feels will lead to effectiveness.

Initial attempts to define effectiveness regarded it as the achievement of a goal or some final criteria, with Thorndike identifying productivity, net profit, mission completion, and organizational development and stability as early as 1949. By the time Campbell looked into it in 1973, there were 19 indicators in place, including new terms like conflict-cohesion, internalization of organizational goals, external entity evaluation, environmental exploitation, readiness, and the more traditional ones like productivity, efficiency, quality, profit, growth absenteeism, and staff turnover.

Beyond this method, dubbed univariate by Steers (1977), there is another strategy focused on connections between important factors that influence organizational performance.

He looked at of them, and the most important assessment criteria were flexibility, resource acquisition, and lack of strain, in that order. As a result, severe issues with defining and evaluating organizational effectiveness exist, with some of these issues stemming from construct validity, criterion stability, temporal perspective, numerous criteria, measurement accuracy, generalisability, theoretical relevance, and degree of analyses (Steers, 1977,55). In the context of this, we seek to define efficacy. The ability of an organization to fulfill its objectives is referred to as effectiveness.

Bernard (1938) defines effectiveness as the achievement of defined cooperation goals, emphasizing that the degree of completion determines the degree of effectiveness. However, these objectives are sometimes difficult to define and quantify, inconsistent, seen differently by various members of the organization, or even utilized as a cover for the secret purpose of the organization's dominant forces. Furthermore, Steers (1991) emphasizes the distinction between operative (what organizations really do) and official (what they claim to accomplish) objectives, emphasizing that it is the operative goals that matter. To overcome some of these flaws, Zamuto (1984) takes a stakeholder approach, defining organizational effectiveness as human judgments about the acceptability of organizational performance results from the perspectives of the many constituencies directly and indirectly affected by the organization. However, stakeholders change with time; their tastes change, and society evolves as well.

Organizations can only fulfill their goals if they are able to exist, and the key prerequisite for survival is sufficient profitability to allow them to continue to create wealth. There are many additional essential criteria for organizational stability, predictability, and overall survival, which include resource acquisition, efficiency, production or output, rational coordination, renewal and adaptation, conformity, and constituency satisfaction (Steers, 1991,87).

These are requirements for efficiency. When Robbins and Coutler (2002) introduced another component to the equation, it got even more complicated: effectiveness is now concerned with "how suitable the goals are!" Aside from the fact that appropriateness is a subjective and value-laden concept, the question is who's judgment is suitable and/or for whom or what set of people? As a result, however effectiveness is defined or assessed, it must take these fundamentals into account, which is why it is a multi-dimensional affair. Friedlander and Pickle (1967) put it

clearly when they say that effectiveness criteria must include the organization's profitability, the extent to which it satisfies its members, and the extent to which it adds value to society. System maintenance and growth, subsystem fulfillment, and environment fulfillment are the three viewpoints.

### **3.2. Organizational Effectiveness**

Organizational effectiveness grew increasingly important in the 1980s, and it transitioned from a construct to a concept (Henry, 2011,109). This notion is connected to concerns such as an organization's capacity to acquire and absorb resources and, as a result, fulfill its objectives (Federman, 2006,66). A unit that is individually inefficient in terms of collaboration with the rest of the organization, as Gigliotti (1987) put it, is bound to fail. According to Cameron (1978), organizational effectiveness is defined as the organization's ability to get needed resources. However, McCann (2004) identified it as a criterion for an organization's effectiveness in achieving its goals through core strategies. According to Watanakhon's (1998) research, organizational effectiveness should focus on human resources and organizations, as well as assisting individuals in developing skills and self-esteem in order to gain control over their new surroundings and find security and support. According to Baker and Branch (2002), scientific research organizations, labs, and universities suffer the most since they must exhibit efficient management, behave more responsibly, and complete tasks with limited resources in order to enhance their efficacy. Despite their desire to enhance their efficiency, the managers in these firms consider themselves first as scientists, then as managers.

They must, however, cope with organizational and system effectiveness issues. They must be creative in their research, conduct, sponsorship, as well as the design and administration of their businesses. There is no one model of organizational effectiveness that fits all organizations in the literature. The topic of organizational effectiveness, according to Buelens (2008), focuses on four primary approaches: The objective approach, the strategic constituency approach, and the internal process approach are all examples of system resource approaches. These are effective and efficient strategies that are dependent on the sort of circumstance that may develop. The features of the four organizational effectiveness models discussed below are the focus of this article.

A Literature Review Theoretical Foundations of Organizational Effectiveness Since the early days of organizational theory (Rojas, 2000, 173), organizational effectiveness has been intensively investigated. Organizational effectiveness has gotten a lot of attention in the last several years, thanks to management scholars extolling management excellence and economic realities pressuring businesses to be more accountable with their resources (Cameron, 1986, 54). Organizational effectiveness is a construct based on the ideas and preferences of evaluators that gained traction in the 1980s when it transitioned from a construct to a concept (Henry, 2011). Organizational effectiveness is seen to have a hazy definition, as well as a lack of consensus on effective measurement methodologies and disparities in its use (Cameron, 1986, 98).

Despite some agreement that (i) determining organizational effectiveness necessitates numerous criteria, (ii) organizational effectiveness must take into account the means and ends (Robbins, 1983), and (iii) there should be flexibility in selecting a model appropriate for the context (Cameron, 1986), empirical literature indicates that the definition, circumscription, and criteria include Financial success, long-term planning, internal structure, and commitment to fundamental principles are all essential components of organizational effectiveness (Senge, 1990,23).

Organizational success, particularly in banking, necessitates management making ethical judgments in the best interests of all stakeholders. Organization effectiveness is described by the American Public Human Services Association (APHSA, 2002) as "a systematic and comprehensive strategy to constantly improve an organization's performance, performance capacity, and client outcomes."

Using into consideration the whole organizational structure is referred to as "systemic," while taking a methodical approach is referred to as "systematic." As a result, organizational effectiveness is a methodical approach to improving the entire organization through time. Effective organizations are described as interconnected moving parts that include: the organization's shared plan (strategy); key organizational resources (inputs); the organization's ability to pursue targeted outcomes using available resources (performance capacity); and specific organizational activities aimed at achieving predetermined outcomes (performance actions). resulting improvements in people's lives (outcomes); and input from all stakeholders on the organization's performance in relation to the targeted outputs and

outcomes (feedback from the environment). Feedback is critical since it helps to enhance strategy, resources, performance capability, performance actions, and, as a result, outputs and outcomes (APHSA, 2009,64).

Effective companies make a concentrated, deliberate effort to ensure that the entire system is precisely and strategically aligned to fulfill the organization's goals. The efficient utilization of technical skills supplied by support services is critical to all strategic objectives. Support functions must evolve over time in order to have a greater influence on organizational effectiveness initiatives (Senge, 1990,16). Productivity, turnover, efficiency, conflict, employee absenteeism, goal consensus, involvement in decision-making, communications, and stability are just a few of the ways an organization may be productive.

Organizational success, according to Buelens (2008), centers around the following four approaches: the system resource approach, the goal approach, the strategic constituency approach and the internal process approach.

When it comes to defining and evaluating effectiveness models, there are seven key considerations to consider (Cameron and Whetten, 1983,73). These problems, according to the authors, drive the study and critique of current models, as well as the development of new ones.

### **3.3. The Six Steps of Organization Effectiveness**

#### **1. Leadership**

'Leadership' is the first step in improving an organization's effectiveness. Management and project leaders lay forth the organization's vision at this stage. Leadership outlines the objectives they intend to achieve with this project, as well as the methods they will use to achieve them and the outcomes they must strive towards (Senge, 1990,83).

#### **2. Communication**

Leadership is, of course, only as successful as the group's general communication. Communication is the second phase, and it focuses on evenly disseminating the goals, standards, and ambitions that come from Leadership. Furthermore, project managers should concentrate on strategic communication and relationship information inside the forms that various project members must be compelled to



complete in order to perform their jobs (Whetten, 1983, 44).

### **3. Accountability**

Every business needs a solid communication system to ensure that information flows smoothly. Leaders will be fruitful after they have communicated their message to their followers with extreme precision. Everything in a company happens as a consequence of information exchange, which is why strategic communication is frequently seen as a critical component in the success chain.

It ensures that the message's effect is in line with the intended outcome, resulting in a significantly more full and accurate comprehension. What, where, and when are all important, so maintain watch of your words and communicate effectively. An essential approach for structure effectiveness is to ensure that the leader is orienting with the people around him and teaching them on a regular basis (Henry, 2011,106).

This open communication technique may retain the emphasis on a certain purpose, reduce ambiguity, eliminate excuses, and provide weight to the leadership's decisions in shaping employee behavior and belief.

### **4. Delivery**

Your goods and services are only useful if they are received by customers. Following that, Delivery concentrates on ensuring that a good delivery mechanism is in place. When your company's distribution method is extensive and convoluted, mistakes might happen, and potency is jeopardized. Your finished items will be supplied on time to the appropriate individuals thanks to smaller, more efficient operations (Buelens, 2008, 35).

### **5. Performance**

Human resources are a company's most precious asset, which is why so much emphasis is placed on hiring and retaining the finest of the best. To increase the structure's efficacy, it's critical to choose the ideal person for the job and enhance their skills and abilities through training and other learning methods.

Business entities are particular about lucrative knowledge, skill, and expertise in order to improve worker performance and, as a result, the structure's efficacy (Buelens ,2008, 87).

## **6. Measurement**

If you can't experience it, a business procedure isn't very effective. You must live and examine your project, process, or other systems at the pinnacle of organizational success. Similarly, you must run your business using the right KPIs. Failure to do so may result in incorrect or unusable data.

### **3.4. Major Approaches of Organizational Effectiveness**

The concept of evaluating organizational performance has been significant in organizational practice and philosophy since the dawn of industry. Minton and Lewin (1986) trace the idea's origins in Western philosophical thought, namely in the strong, persistent strain of improvement desire. They identify an underlying or explicit concern for organizational performance in each of the classic management texts. Following the machine analogy of organizations (Taylor, 1911), the phrase 'organizational effectiveness' related primarily to technical efficiency in the early days. The concept of efficiency-as-effectiveness was also influenced by changing organizational concepts. Much wider conceptualizations of organizational effectiveness have emerged in recent decades; five key approaches to the concept of organizational effectiveness may be identified.

#### **3.4.1 Rational-goal approach**

The rational-goal or goal-attainment method has its origins in the organization's mechanistic perspective. The degree to which companies achieve output objectives is the focus of this strategy (such as profitability, growth, productivity). The rational-goal method is realistically important since individual business companies set financial/economic objectives and evaluate their performance based on goal achievement. However, putting this rational-goal method to work in academic studies of organizational efficiency has proven difficult. The most significant restriction is the incompatibility of organizational goals in terms of substance.

Organizations have various, perhaps conflicting, and implicit purposes due to their multifunctional character (Ghorpade, 1970, 67). The degree to which such goal constellations are taken seriously by important members or stakeholders of the organization varies considerably, not only throughout time, but also in the degree to which they are regarded seriously by key members or stakeholders of the

organization (Tsui, 1990, 55). Effectiveness researchers face a fundamental difficulty in identifying comparable and practically meaningful goals among groupings of organizational contexts. It is deceptive to rely just on official or formal goals, as these are sometimes incomplete or little more than window dressing (Ghorpade, 1970). Operational objectives are a more accurate depiction of an organization's goals. These goals are more helpful for assessing organizational effectiveness<sup>2</sup> despite being more difficult to establish.

But, in research investigations, how can one cope with realistically conflicting aims (such as profitability)? How should these goals be incorporated in the evaluation of operational organizational goals in order to evaluate goal accomplishment precisely? The rational-goal method to measuring organizational performance, as Cameron (1986) found, applies only to organizations with well defined, time-bound, and precisely quantifiable operative goals. How many companies have objectives that satisfy these requirements? The answer appears to be unequivocal in the literature on organizational effectiveness: very few. Because of the difficulties in identifying functional organizational goals, academic and practical evaluations of organizational success in terms of goal achievement are less meaningful than previously thought. In the following sections, we will show that the goal perspective continues to play an essential role in the conception of organizational effectiveness; the goal orientation is represented in all of the studied effectiveness methods in some manner.

### **3.4.2 System-resource approach**

In response to the rational-goal approach, the system-resource approach to organizational success (Seashore, 1967) was developed. This method emphasizes input variables above output variables from a system perspective. Most organizations are seen as entities that exist just to survive, contending for scarce and valuable resources (such as financial means and personnel) The ultimate criteria of organizational success is the firm's survival. Multiple penultimate criteria (such as changes in quantities of many sorts of limited resources) have to be employed because this can only be a long-term metric (Seashore, 1967,59) Two opposing viewpoints cast doubt on the effectiveness of this system-resource strategy. To begin with, optimum resource acquisition might be considered a universal organizational aim in and of itself. As a result, the system-resource method is only a variation of the

rational-goal approach, and so cannot be considered a unique organizational-effectiveness strategy (Hall, 1972,247). The second critical viewpoint regards the acquisition of system resources as a required method of achieving organizational objectives. From this perspective, the system-resource approach is focused on the predictors of organizational performance rather than the effectiveness itself (Hall, 1980, 51).

This contrast resource acquisition as a goal versus a means encapsulates a major conceptual contradiction in the organizational effectiveness research tradition: the dichotomy between means and goals, or so-called predictors and effectiveness criteria. We'll come back to this topic later in the article. The system-resource method has the drawback that having a large number of resources does not ensure successful use. Furthermore, defining an appropriate amount of resource acquisition across various companies is problematic. Similarly, determining the relative survival value of distinct groups of resources is difficult (Bluedorn, 1980,60).

The system-resource method, according to Cameron (1986,138), appears to be most helpful in organizations when output goals are difficult to measure accurately and reliable input measurements are accessible (such as in non-profit). However, for most companies, a pure system-resource approach to assessing organizational success falls short.

### **3.4.3 Internal-process approach**

The internal-process approach to organizational performance was developed in response to the rational-goal approach's static output orientation (Bennis, 1966). The strategy is based on both organizational system and human-relations theories. It emphasizes on internal procedures that improve an organization's ability to adapt with environmental changes. Organizational effectiveness is described as smooth internal functioning, which is measured using internal health criteria such as flexibility, a strong sense of identity, and the ability to evaluate reality (Bennis, 1966,30). Undistorted communication, a solid company culture, and a good work environment are all viable effectiveness factors (Daft, 1992,29). Although the internal-process method is most commonly linked with human-relations-type criteria, some literature reviews include other sorts of criteria as well, such as economic efficiency (Daft, 1992,255). The internal-process method has never received as much

attention or been used as the goal-achievement and system-resource approaches. Some overview articles and textbooks fail to recognize it as a distinct organizational-effectiveness method (Robbins, 1990; Weimer, 1994). Critics argue that, like the system-resource approach, the internal-process method cannot produce meaningful measures of organizational success. Instead, it is seen as a method for investigating its presumed predictors (Bluedorn, 1980,88). The internal-process method, like the system-resource approach, may be appropriate only when similar organizational results are difficult to measure accurately (such as private non-profit organizations).

#### **3.4.4 Multiple-constituencies approach**

Each of the three approaches discussed thus far focuses on a different aspect of the organization as a social system, such as results (outputs), resource acquisition (inputs), or internal processes (throughputs). The multiple-constituencies approach to organizational success (Deutsch, 1980, 167), which focuses on the parties engaged in measuring organizations' effectiveness rather than on the features of the organization, provides a needed integrative viewpoint. The multiple-constituencies (or stakeholder) perspective recognizes that organizations serve a variety of goals: Each sort of organizational constituency (such as owners, workers, and so on) is believed to have various interests in relation to the company, therefore different assessment criteria will be used.

While there are numerous variations of this concept, they all agree that an organization is functional if it meets the demands of several key organizational constituents (Tsui, 1990). It is ineffective for an organization to perform poorly in the perspective of its constituents. The strategy obviously assumes that the organization must score well in multiple organizational areas in order for its stakeholders to be pleased. In reality, all three effectiveness techniques previously stated may be understood from the perspective of the constituency. The rational-goal, outcome-oriented approach reflects the viewpoint of shareholders and/or senior management. Constituencies with a stake in key resources generally take the input-oriented, system-resource approach seriously (such as financiers). The internal-process, throughput-oriented strategy would prioritize the interests of internal stakeholders (e.g. personnel).

Because of its integrative nature, the multiple-constituency method inherits some of

the previous techniques' flaws: How do you cope with the conflicting goals of many stakeholders inside an organization? How can you strike a balance between long-term and short-term objectives? And, more importantly, how do we deal with the means-to-ends problem? Researchers must investigate the interplay of effectiveness criteria in terms of constituency satisfaction in order to overcome these difficulties. In what conditions, for example, may employee happiness be considered a method of achieving shareholder or top-management satisfaction? The multiple-constituency approach's benefit is that it brought to light a lot of the complexities required in evaluating organizational success. In general, the constituency or stakeholder perspective on organizations has been widely accepted, both in the effectiveness and strategy literature (Preston, 1995; Tsui, 1990).

### **3.4.5 Competing-values approach**

Some academics offered an empirical technique to capture the notion of organizational effectiveness (e.g. Mahoney, 1967; Yuchtman, 1967). As Steers puts it, "considering how scholars have operationalized and quantified the concept in their work provides a useful approach to comprehend the abstract idea of efficacy" (1975, 546). Quinn's competing-values method is the most visible attempt in this direction (1981, 1983). Quinn utilized expert ratings to rank a set of Campbell's efficacy criteria (Campbell, 1977, 102). They discovered three aspects with opposing foci: (1) exterior vs. internal, (2) control vs. flexibility, and (3) means vs. aims in their taxonomy. They created four different perspectives by combining the first two dimensions: (1) the rational-goal perspective (emphasizing external factors and control), (2) the open-system perspective (emphasizing external factors and flexibility), (3) the human-relations perspective (emphasizing internal factors and flexibility), and (4) the internal-process perspective (emphasizing internal factors and flexibility) (emphasizing internal factors and control).

Effectiveness criteria can relate to means or objectives (the third dimension of Quinn taxonomy) within each of these four viewpoints. The competing-values approach reflects all three conventional approaches to organizational effectiveness; Quinn rational-goal and open-system perspectives are closely related to the rational-goal and system-resource approaches to organizational effectiveness. Quinn's human-relations and internal-process perspectives both represent an internal-process view on

organizational success. The four viewpoints can also be viewed as representing the various organizational constituents' interests (Cameron, 1983,234). This might be the result of a shift in relative importance that has occurred during the 1970s. Interestingly, the sole consumer-oriented effectiveness criterion in Campbell's 1977 criteria list, 'output quality,' does not fit into any of the four proposed viewpoints (Quinn & Rohrbaugh, 1983,211).

As a result, even though Quinn & Rohrbaugh claim that 'output quality' is an important component of all four viewpoints, one may infer that their model is incomplete. The competing-values method has been coupled with a lifecycle view to the organization (Cameron , 1981; & Cameron, 1983). It is expected, for example, that companies in the early stages of development would identify the most important open-systems requirements (such as flexibility and growth). The collectivity stage is seen to be particularly linked to open-system and human-relations requirements (such as morale, and human satisfaction). In the formalization stage, organizations tend to prioritize internal-process (, control) as well as rational-goal (planning, productivity) criteria. The so-called elaboration-of-structure stage is likely to prioritize open-system criteria, with internal-process, human-relations, and rational-goal criteria coming in second and third, respectively.

The competing-values method is a systematization of prior organizational-effectiveness techniques, rather than being totally new. By connecting the different criteria to organizational lifecycle stages, it emphasizes the dynamic character of organizational success. Despite the addition of a means-ends component, the means-ends problem remains unresolved. Should factors that have historically been considered organizational methods (such as planning,) be viewed as effectiveness criteria? The fact that these factors have been employed as efficacy criteria in prior research is no guarantee that they will be utilized as a criterion rather than a predictor in future investigations. The well-structured competing-values method has also been used to the study of leadership positions, organizational decision-making, and organizational culture, among other things. Its key benefit to practitioners and researchers is that it identifies (possible) conflicts between competing organizational goals or performance criteria across organizational domains.

This method has been a helpful but mostly historic demonstration of the intricacy of organizational effectiveness research's fundamental concept.

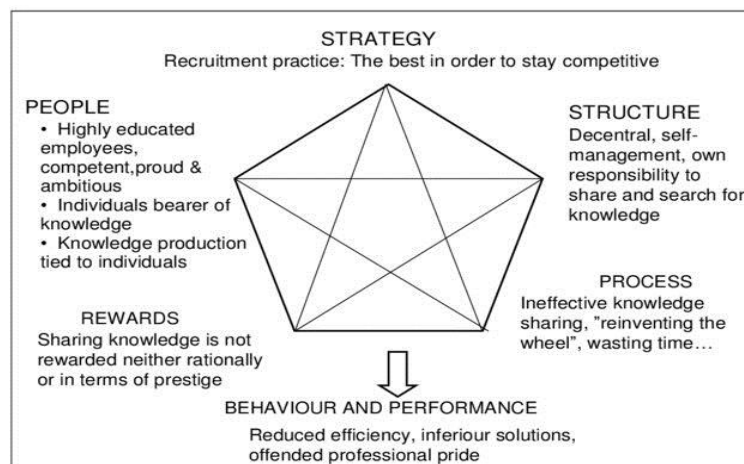
### 3.5. The Models Organizational Effectiveness

There are many models that explain and analysis how the organization can be effective the most important models are :

#### 3.5.1. Star model of organizational effectiveness

The Star Model is made up of a number of distinct design regulations that might have an impact on employee behavior. As we see in the figure 3.1 Corporate executives and managers must be knowledgeable of these rules in order to successfully impact their choices and actions. Star Model design policies are divided into five categories: People, strategy, structure, procedures, and rewards (Galbraith, 2002, 254) In light of the organization's direction, power, skills, motivation, and accessible information, the five design policies are helpful indicators of organizational effectiveness and the creation of an acceptable business model.

Galbraith's work has been adapted (2002). If an organization is to be productive, the elements of the star model must be properly aligned and interact nicely with one another. The Star Model relies on the alignment of design policies. Every company must be adaptable and change as rapidly as its environment. Organizations should be built to adapt frequently and swiftly. Structures and procedures in the organization must be easily changed and realigned in response to shifting strategy. This necessitates the judicious application of significant internal and external networking resources (Galbraith, 2002, 108) The notion of strategic alignment is the Star Model's major benefit.



**Figure 3.1:** Star Model of Organizational Effectiveness

**Source:** (Ipsen, Christine; Jensen, Per Langaa, 2010)



Goal-oriented functioning and, as a result, organizational performance are ensured by policy alignment. The model also takes into account the capacity to adapt to a continuously changing environment (see figure 3.1 ).

### 3.5.2. 7-S-model of the former of organizational effectiveness

Peters and Waterman Jr. (1982), McKinsey management consultants, split organizations into "hard" and "soft" elements. The "hard" components are more solid and may be shown through policy documents, plans, and paperwork on the organization's progress. As we see in figure 6 a n organization's three "hard" or "cold" components are strategy, structure, and systems. The term "soft" refers to characteristics of an organization that are both considerably and just slightly tangible and are difficult to explain. Because these aspects are heavily dependent on the organization's members, they can only be planned or controlled to a limited extent. Skills, personnel, style (culture), and common values are examples of “soft” or “warm” elements ( see figure 3.2.) . While hard variables are simpler to measure, soft factors are more difficult to analyze, yet they are just as essential for organizational performance.



**Figure 3.2:** 7-S-Model of the former of Organizational Effectiveness

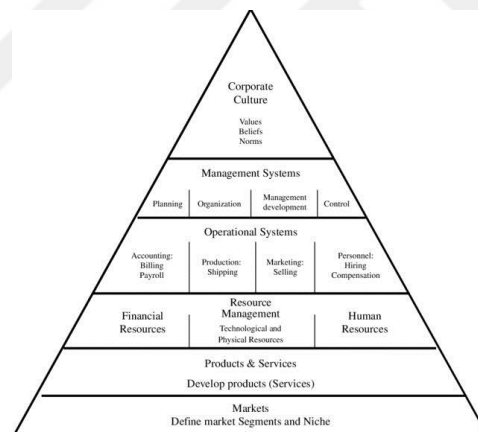
Source : (Ipsen, Christine; Jensen, Per Langaa, 2010)

A coordinated balance of these seven characteristics characterizes well-functioning organizations. In times of transition and adjustment, it's important to remember that changing one component affects the others. A successful business must strive for a proper balance of the seven elements. Effective companies, according to Peters and

Waterman Jr. (1982) pay attention to the optimal balance of soft variables since they might be critical for success because new structures and tactics can't be created on entirely opposing cultures and values (see figure 3.2.).

### 3.5.3. Pyramid of influence model of organizational effectiveness

Organizations should clearly define the varied strategic support of different decision units depending on each unit's decision packages to guarantee work collaboration. This is critical in order to help the organization's primary work get done. Different functions in a company work together to help the company achieve its strategic goals (Lynch and Cross, 1991,134). There are four primary areas of organizational effort, as it shown in Figure 7 of the Pyramid of Influence. Understanding how support services provide value to the wider business is one of these areas. Understanding how support services provide value to the wider business is one of these areas. Work on strategy include establishing the organization's goal and game plan, which includes the organization's purpose, activities, resources, and what it need to succeed.



**Figure 3.3:** Pyramid of Influence Model of Organizational Effectiveness

**Source:** (Eric G. Flamholtz, 2009)

The job of Structure and Culture include modeling and conveying the organization's ideals to all units and stakeholders. Determining and conveying decision units, roles, levels, work teams, policies, and performance objectives are all part of the process. The Key Processes team is in charge of defining particular processes and procedures that support strategy, structure, and culture. The Operations work (Lynch and Cross, 1991) includes the execution of essential procedures, the supply of services, and the management of individual performance. As it seen in figure 3.3 ,The support function of an organization is supposed to conduct the organization's most essential

task, which is classified as service delivery. Service delivery necessitates the effective administration of critical organizational data. This information comprises personnel records, performance statistics, financial records, and timely and high-quality delivery of key services. Tactical Expertise will be required to assist in the design of critical procedures if the service delivery job is to be completed effectively (see figure 3.3).

Gathering information from all internal personnel and developing particular processes and procedures are all part of tactical expertise. Organizational leaders will seek assistance to help them enhance their own performance once the processes and procedures begin to create value. This Leadership Influence job entails offering proactive guidance to individual leaders in order to assist them in leveraging strengths, closing gaps, and pursuing strategic goals. Following that is the Strategic Influence role, which assists in the completion of the organization's strategy job. Participating in strategic planning and other executive team meetings, as well as effectively assessing alternative approaches to the organization's work, are all part of this job (Lynch and Cross, 1991). As we can notice from figure 7 , From the bottom of the pyramid to the up, organizations should guarantee that strategic support work is continually improved. As a result, the Pyramid of Influence demonstrates that all four areas of organizational work are interconnected. The apex of the pyramid is strategy, which directs the other three organizational activities to align with it (Nanni et al., 1992). The structure and culture of an organization ties strategy to day-to-day operations. The support function is critical since it contributes to all four key areas (see figure 3.3).

Support functions will be able to provide value at higher levels of the pyramid once they have established their reputation and efficacy at the fundamental levels. Strategic support functions should be simplified on a regular basis to improve their inventive capability and offer additional value. Before changing its capability to offering more inventive tactical assistance in improving important processes, every support function should first focus on effectively delivering the expected and conventional services. We can notice by looking to the figure 3.3 ,As the organization improves its ability to use the main processes successfully, it may shift its attention to assisting in the improvement of the company's structure and culture

via leadership influence, and, as a result, to assisting in the strengthening of the organization's overall strategy (Lynch and Cross, 1991)

### 3.5.4. Kanji Business Excellence Model (KBEM)

The Kanji Business Excellence Model is based on the concepts of Total Quality Management. Total Quality Management is a critical indicator of an organization's effectiveness. These concepts are seen to be crucial for increasing organizational performance (Kanji, 1998). “Kanji's methodology is built on four principles: delighting the client, management by facts, people-centered management, and continuous improvement” (Kanji, 1998). Each of the four principles is broken down into two main ideas. The basic measurements of organizational performance are the core ideas in Table 3.1 To address each of these key concepts, organizations should establish principles and practices. As a consequence of the prime's ideas and fundamental concepts, business excellence has been achieved. Organizational directors and managers are the core or cornerstone of every organization (Kanji, 1998,277).

**Table 3.1:** KBEM of Organizational Effectiveness

<b>Principles</b>	<b>concepts</b>
Delight the customer	Satisfying and Internal customer
Management by truth	Work is Process and evaluating
People-oriented management	Teamwork quality
Continuous improvement	Continuous improvement cycle

**Source :** (Justine Chinoperekweyi, 2019)

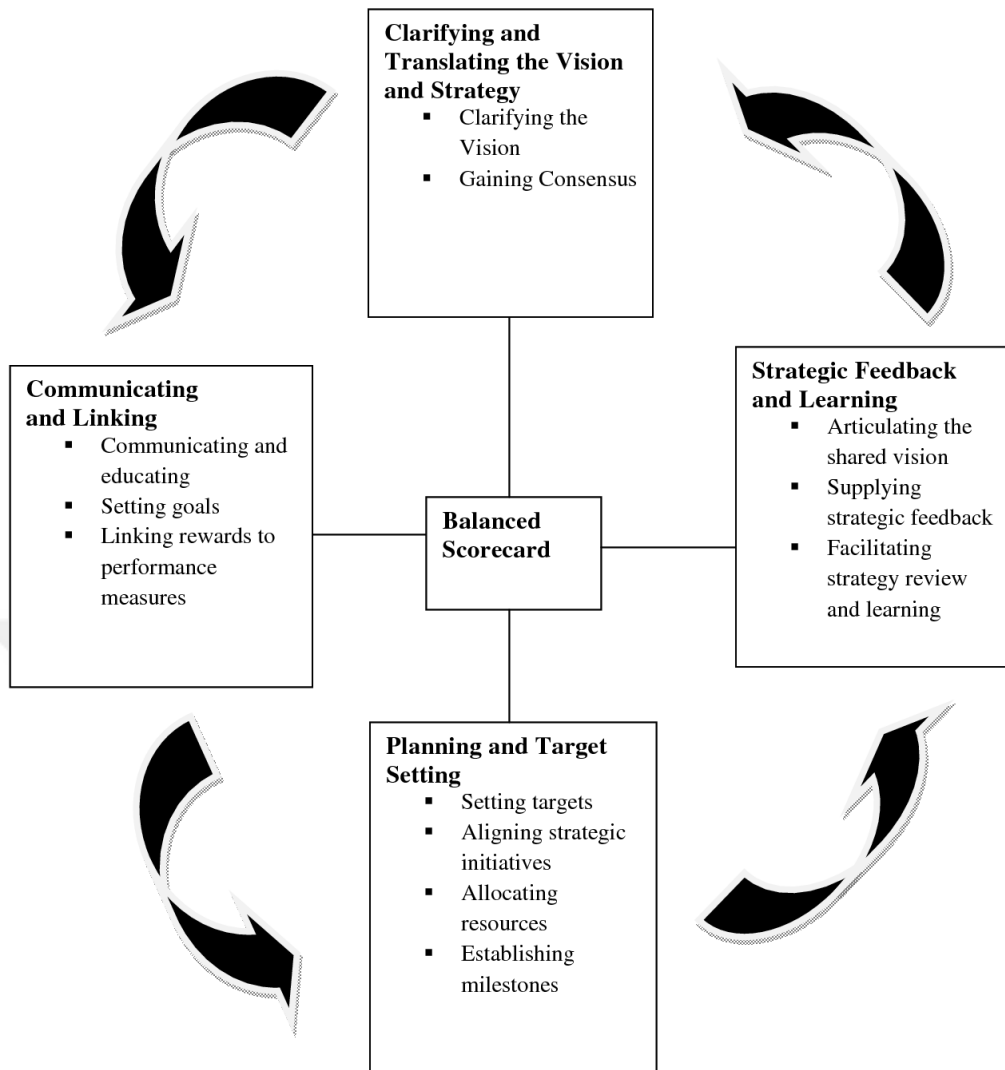
Directors and managers are involved in the development and implementation of the organization's policies, goals, vision, and purpose in a deliberate and active way. This indicates that organizational leaders are the primary catalysts for quality improvement and commercial success. As a result, their attitude must support all four kanji business excellence model principles, as stated in: Model of Kanji Business Excellence Prime, core principles, core concepts, and business excellence are the four elements of Kanji Business Excellence Model. The key concepts for enhancing an organization's performance are referred to as core principles. The main things in enhancing organizational performance are referred to as core ideas. Because each criterion includes direct linkages from leadership to the four dimensions, the approach is typically a cause-effect business excellence model (Kanji, 2002).

Outstanding performance is inextricably linked to excellence. Organizational excellence is described as a method for assessing the type and amount of all stakeholders' satisfaction inside an organization in order to gain a comprehensive assessment of its performance (see table 3.1).

The capacity to discover what motivates stakeholders to be satisfied is the key to long-term organizational success. The initial construction of the Balanced Scorecard is seen in table 1. (BSC). Financial measurements remain the primary indicators of business performance in the scorecard. Customer, internal processes, and learning and growth are added to the financial metrics. These are the factors that influence an organization's ability to generate long-term shareholder value (Kaplan and Norton, 2000). Several experts have said that the BSC plays an important role in strategic management (Kaplan, 1996; Tohidi et al., 2010). Mores, 2000 underlined the benefits of the BSC in terms of organizational effectiveness. The relevance of the BSC as a performance evaluation model for management decision-making was underlined by these researchers. As a result, the BSC is an essential performance assessment and management tool that establishes causal connections between financial and non-financial business performance metrics (see table 3.1).

### **3.5.5. The Balanced Scorecard**

The eight performance measurement objectives are: profitability market share; productivity; product leadership; public responsibility (legal and ethical behavior, as well as responsibility to stakeholders such as shareholders, vendors, dealers, distributors, and communities); personnel development; employee attitudes; and balance bet (Kaplan and Norton, 2000, 145). These objectives are the most significant indicators of an organization's success. Figure 3.4 depicts a scorecard that summarizes these eight characteristics.



**Figure 3.4:** The Balanced Scorecard of Organizational Effectiveness

Source: (Beatrice Elesani Boge, 2010)

### 3.6. Organizational Commitment and Organizational Effectiveness

Organizational effectiveness is a multifaceted concept, and there is evidence to assume that the factors that influence it differ (Angle and Perry, 1981). Organizational commitment is viewed as a critical work habit that can have an impact on organizational success (Shiva and Suar, 2010). The theory underlying this concept is that organizational commitment increases employees' desire to stay in the company, improves their performance, and motivates them to give their best to achieve the organization's goals, all of which are crucial for the organization's effectiveness (Srithongrun, 2011). As a result, evaluating whether an employee's degree of commitment has an impact on organizational effectiveness has become a serious problem. Various studies involving a variety of predictor factors have been

done in various sectors to explore the link between job performance and organizational commitment (Willis, 2013).

Angle and Perry (1981), for example, conducted a research to determine the relationship between organizational commitment of lower-level employees and organizational success in bus companies. Organizational commitment was linked to organizational flexibility, turnover, and tardiness rate, but not to operational expenses or absenteeism, all aspects of organizational success, according to the findings. Chakit (2008) performed research in Thailand to look at the link between organizational learning capability, organizational commitment, and organizational performance.

Some characteristics of organizational learning capability, openness and experimentation, and knowledge transfer and integration have a beneficial influence on organizational commitment and organizational performance, according to the findings. Furthermore, organizational commitment was discovered to be linked to organizational performance. Budihardjo (2013) also discovered that managers' emotional commitment affects organizational effectiveness, implying that organizations must please their managers in order for them to have high affective commitment and give their best efforts to attain optimal organizational effectiveness. Jing and Zhang (2014) found that normative and ideal commitment served to improve faculty performance and effectiveness in higher education institutions in China, but emotional and choice commitment tended to be dysfunctional in faculty work. There were no significant links between financial commitment and performance and effectiveness. As a result, these connections may be explained by the individual and interactive contributions of faculty members' personal goals, available resources, and cost/benefit balancing views. Furthermore, Willis (2013) came to a similar result, stating that organizational commitment is unrelated to total job performance. Furthermore, there was no link between organizational commitment and any of the subscales regarding innovativeness, adaptability, or visibility.

## **3.7. Organizational Effectiveness in the Banking Sector**

### **3.7.1 The concepts of bank**

Banking is described as “Accepting of deposits of cash from public for the cause of Lending or Investment, repayable on call for or in any other case and withdrawal through cheque, draft, or in any other case”

Banking additionally may be described because the enterprise hobby of accepting and safeguarding cash owned through different people and entities, after which lending out this cash in order to earn a profit. However, with the passage of time, the sports protected through banking enterprise have widened and now numerous different offerings are additionally presented through banks (Udell, 1998, 136).

From the different view we are able to say that the definition of a financial institution varies from researcher to another, a banker is described as someone who incorporates at the enterprise of banking, that's particular as accomplishing cutting-edge debts for his clients, paying cheques drawn on him, and accumulating cheques for his clients. Whereas in a few criminal texts in India, the banking agency is described as the only which transacts the enterprise of banking because of this that accepting, for the cause of lending and funding of deposits of cash from the public, repayable on call for or in any other case and withdrawals through cheques, draft, order or in any other case. Let us now delve into a few recognized definitions of the financial institution given through established authors & numerous statues and try and study the necessities of ‘financial institution’ inferred in those definitions (Samolyk, 2004,25).

### **3.7.2 Common definitions of bank**

English Common Law defines the bank as:

1. “A banker is described as someone who incorporates at the enterprise of banking, that's particular as: accomplishing cutting-edge debts for his clients, paying cheques drawn on him, and accumulating cheques for his clients”.
2. “A banking agency is the only which transacts the enterprise of banking because of this that accepting, for the cause of lending and funding of deposits of cash from the public, repayable on call for or in any other case and withdrawals through cheques, draft, order or in any other case.”



"Banking method the accepting, for the cause of lending or funding of deposits of cash from the public, repayable on call for or in any other case and withdraw-capin a position through cheque, draft, order or in any other case."

Banking Regulation Act; India defines the bank as:

3. "A banker is person who with inside the normal direction of his enterprise honors cheques drawn upon him through people from and for whom he gets cash on cutting-edge debts."

Herbert L. Hart defines the bank as :

4. "The feature of receiving cash from his clients and repaying it through honoring their cheques as and whilst required is the feature specifically different capabilities which distinguishes a banking enterprise from some other sort of enterprise."

H. P. Seldon defines the bank as:

5. "A financial institution is a economic organization and a economic middleman that accepts deposits and channels the ones deposits into lending sports, both at once through loaning or not directly via capital markets. A financial institution is the relationship among clients which have capital deficits and clients with capital surpluses".

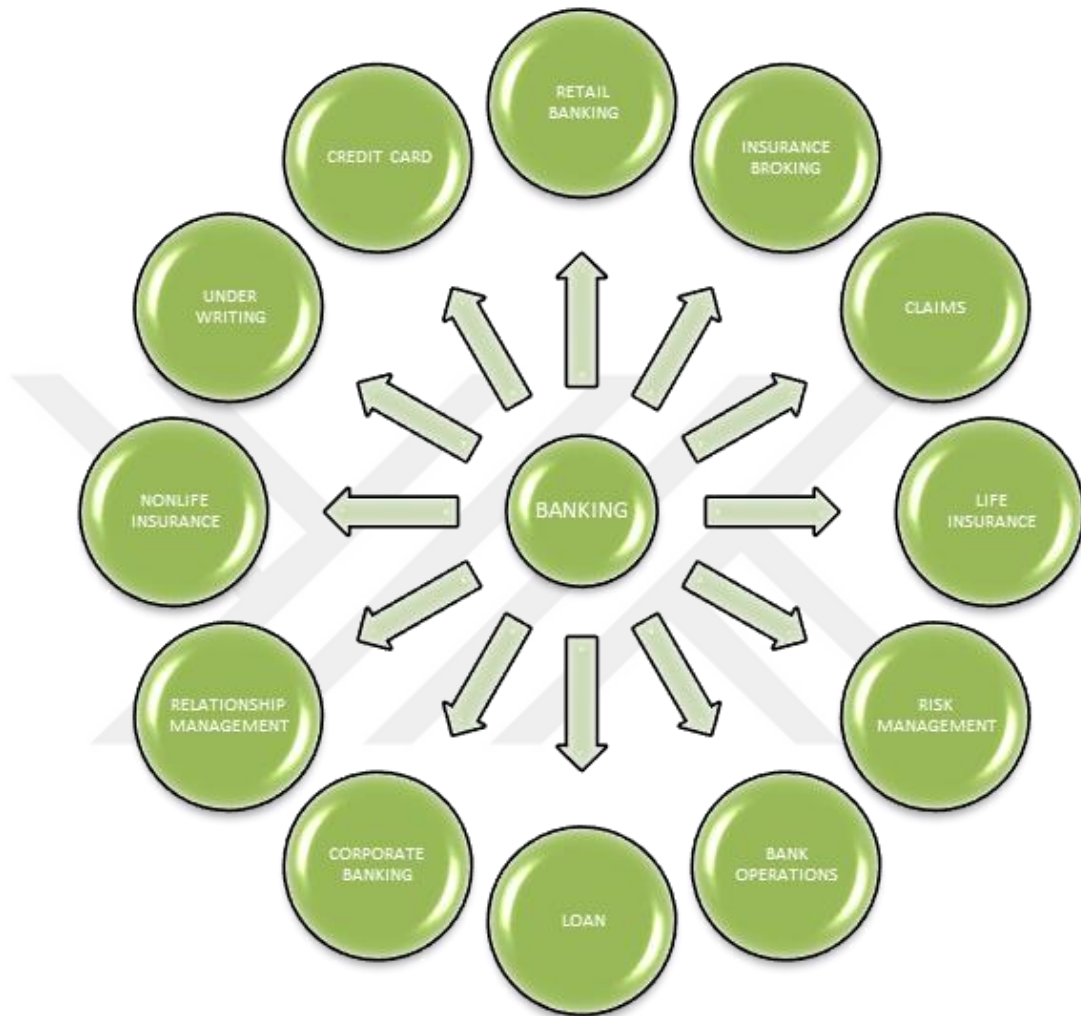
Sir John Paget defines the bank as:

7. Receiving money on a cutting-edge or deposit account, paying and accumulating cheques drawn on or paid in by customers, and providing loans to customers are all examples of banking business; it also includes any other business that the Authority may regulate for the purposes of this Act (Udell, 1998,54).

### **3.7.3. Evolution of bank industry**

Banking would possibly have commenced like this, however these days the banking enterprise is one of the most complicated and extremely various industrial corporations providing a portfolio of a huge wide variety of offerings. Commercial banks are an vital stimulant of the economic system through dealing with institutional credit score to their clients. Today, banks are huge and complicated companies. Their customers variety from people and company establishments, different banks, and governments of complete nations. Banking is a provider

enterprise, because of this that that they don't produce bodily merchandise however offer offerings to their customers. They cope with all forms of cash transactions, borrowing it, lending it, and plenty of different associated sports that could be defined on this series (Samolyk, 2004,18).



**Figure 3.5:** The Nature of Banking Industry

**Source:** (Tsuru, K. 2006, 56)

The banking industry is in a far better situation now than it was during the financial crisis of 2008. According to The Bankers prime a thousand World Banks Ranking for 2018, total worldwide assets increased to \$124 trillion in 2018.

With most money to manage, major banks such as JP Morgan Chase, Bank of America, Wells Fargo, and additional are emotional new features to draw in new customers and retain their existing ones. Furthermore, startups and new banks with disruptive banking technology are breaking into the market, and traditional financial

institutions are either competing with them or combining with them to improve their customer experience (Tsuru, K. 2006, 56) .

#### **3.7.4. Banking industry trends**

The migration to digital, notably mobile and online banking, is the most prominent trend in the money services industry today (more on every of these during a bit). Customers don't want to have to go to a real bank office to perform their transactions in today's era of unparalleled ease and quickness. This is especially true of the elder members of information Z, who have begun to emerge as the force's most powerful players (Berger, 2003, 76).

Exaggerated rivalry from educational entrepreneurs, as well as merging of smaller banks and startups, has resulted from this digital transition. In 2018, overall fintech funding hit \$32.6 billion by the tip of Q3, up 82% from 2017s total figure of \$17.9 billion, in step with CB Insights.

#### **3.7.5. Effectiveness and efficiency in banks**

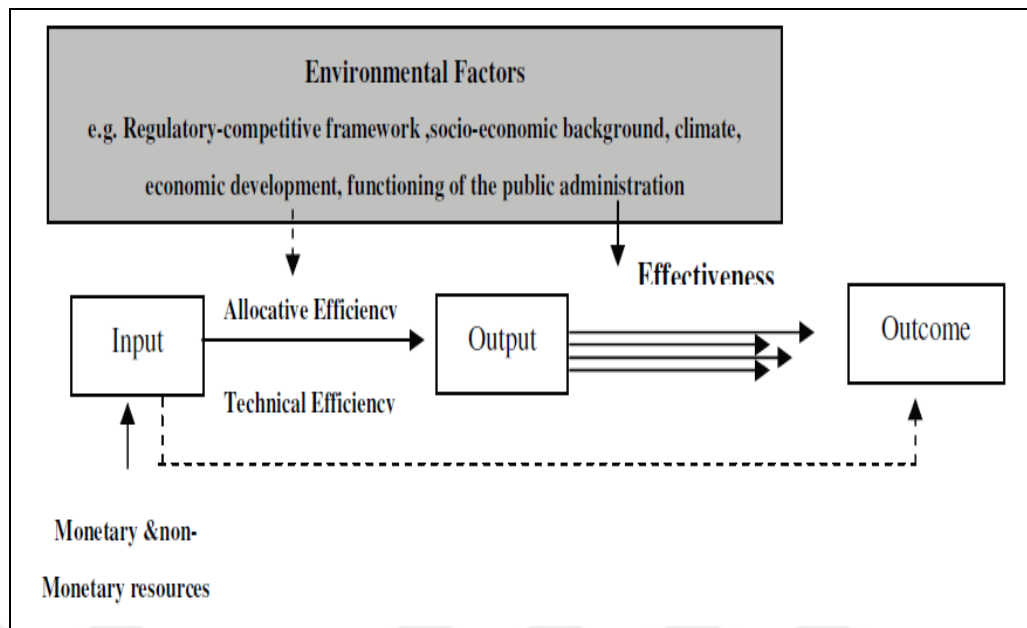
Definitions of efficacy and effectiveness The difference between effectiveness and efficiency has been declared by Drucker, 1954. Efficiency is what he means when he says "doing things correctly." A measure of potency, according to his definition, assesses the organization's capacity to achieve the output (s) given the bare minimum of inputs. Similarly, Achabal observed that potency is mostly linked to costs at the lowest level and to resource allocation among ex gratia applications. In other terms, Chan defines efficiency in the management literature as the effective use of resources (Labor, Machine, Capacity, and Energy). He claims that maximizing resource use results in cost and time savings. as a consequence of which the company's performance improves (Berger, A. N. 2003,44).

The act of performing arts is frequently associated with potency, which has been documented in management literature as well. This phrase, on the other hand, is conceived of as a magnitude relationship between concentrated resources in expected and actual consumption. Sumanth, 2006, on the other hand, has defined the usual magnitude relationship between actual output generated and predicted production. He includes this definition, which includes how well the resources utilized to achieve the outcome. However, Neely broadens the definition of this phrase to include

deploying resources in a cost-effective manner wherever the level of client satisfaction is measured. Furthermore, the potency is expressed as a magnitude relationship between "ideal system dependent time over total time."

The majority of research on this topic has focused on changes in quantity as if to prove that, concentrating on changes in quantity has placed inside the core of potency and assumes that no qualitative changes occur in inputs, or that changes in quality may be ignored from the study. Effectiveness is defined as "doing the right things" and "selecting the right activities in the right way." In addition, effectiveness assesses a company's capacity to meet its objectives and goals. In a simple explanation, an organization is effective everywhere it achieves its objectives. Making value for clients, on the other hand, is one of the most important organizational goals that is frequently linked to effectiveness and has a significant impact on the output of the productivity relationship, as well as simply "the degree to which desired objectives are achieved" (Berger, 2003,39).

Furthermore, Neely focuses on the degree to which consumers' needs are met. In other words, gauging client happiness is critical to providing good services and delivery. Because effectiveness is defined as the relationship between input or output and outcome, it is more difficult to define than potency. There are several elements that influence production, and exogenous or environmental variables may have an impact on the outcomes, and this word is mostly concerned with the expansion of objectives or welfare. Furthermore, several circumstances influence "political choice," and the distinction between outcome and output might have an impact on the outcome (Huizinga, H. 2001, 45).



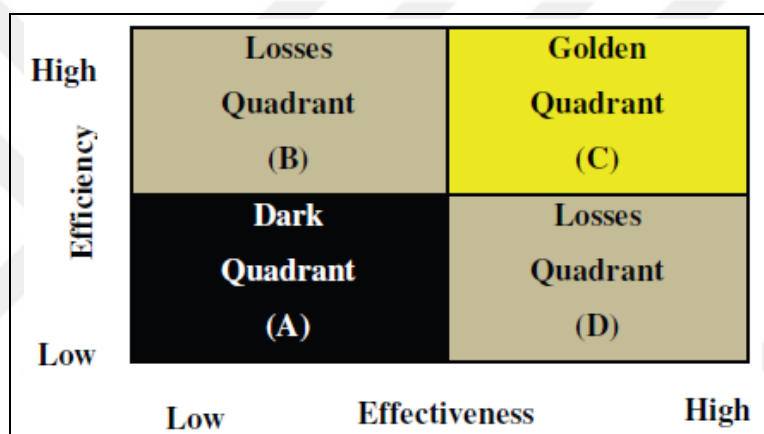
**Figure 3.6:** The Relation between Input, Output and Outcome

**Source:** (Mandle et al . 32)

Modifications in effectiveness express themselves particularly as changes in outcomes. Final outcomes estimation, according to Fullard, 2010, focuses on the advertising campaign's efficacy. Similarly, effectiveness establishes a link between input and output and the desired outcomes, i.e. stop goals. So, make clear the final results as properly as enter or output relies upon at the targets and techniques of the organization that is investigated. For example, Kumar and Gulati take into account the “net-hobby income” and “non-hobby income ” as consequences of their study.

In the alternative studies with the aid of using Achabal et al,1984, the most of ROI fee is taken into consideration as final results. Achieving the productiveness in carrier agencies is tough due to the fact of a few capabilities which carrier is worried including heterogeneity, perish ability, intangibility and simultaneity which turns into the difficult subject matter nowadays .Due to be tough quantifying the productiveness with inside the economic agencies, maximum research degree performance as opposed to productiveness Since Eighties and early 1990s, the hobby of educational research on this subject matter changed into growing due to the fact of financial institution disasters and liberalization. However, the vast majority of these studies on banking performance during the last half-century have been conducted in the United States( Avery, R. 2004,109).

and a disproportionately small number of studies have been carried out in poor nations. In the banking sector, X-performance and scale economies are referred to as critical aspects influencing productivity. The majority of research in this topic uses a parametric or non-parametric methodology to measure productiveness rather than alternative methodologies. As a result, there are only a few studies that operate along the lines of productiveness definitions that provide productivity measurements based on both effectiveness and performance at the same time. Similarly, the concept of advertising productivity is a combination of effectiveness and performance. Achieving high levels of effectiveness and performance helps a company to function with cheap advertising costs and a higher level of client satisfaction (Acharya, V. 2009, 54).



**Figure 3.7:** Effectiveness –Efficiency Matrix

**Source:** (Stewart Kowalski, 13)

As shown in Figure 3.7, the location of an organization's productivity may be divided into four quadrants: dark (A), grey (B), grey (D), and golden (E) (C). Quadrant (A) is where banks are concerned about poor effectiveness and inconsistent performance, which implies that neither the offerings that banks give to clients nor the bank's desires can be met. Therefore, that is the quit of hobby of banks. But, in Losses Quadrant (B) due to disorder in certainly considered one among necessity element' of productiveness, effectiveness, and clients aren't happy with the banks performance (Kwast, 2002, 77).

This hassle is regarded in quick time and due to the best performance and terrible effectiveness; this view brings the quick-lived profitability. Also, with the aid of using contrary, emphasizing on effectiveness and dismissing performance might also additionally lead to “unprofitable increase” that takes place in Loses Quadrant (B). In

addition, in 2d Losses Quadrant (B), the desires of banks are received however now no longer with the identical assets ,then banks with a view to obtain their desires, must allocate extra assets and budgets which leads to “slowly dying” .Although, how lengthy the banks may be continue to exist relies upon on they are governmental, private, small, or big size (Oztekin, O., 2008,56 ).

As a result, if banks do not endeavor to flee as quickly as possible from their cutting-edge role, they may find themselves in the Dark Quadrant. Golden Quadrant, on the other hand, is the proper function that any bank would want to find in it. As a result, it's critical that businesses pay equal attention to efficiency and performance, rather than focusing on the most sustainable growth in earnings. Consequently, it's so vast that the banks degree their effectiveness and performance and discover in which they stand (Rosen, 2007, 167).

## **4. RESEARCH METHOD**

The methodology section describes the research design, participants, procedures, survey instruments, and analytical techniques used to test the hypotheses. It will divide into sampling, measures, reliability test, data collection as well as data analysis.

### **4.1. Sample and Data Collection**

In this study, a total of 213 questionnaires have been distributed, 8 cases were dropped because of lack of answers. As a result, 205 responses were retained for data analysis. Employees working in the AK bank in turkey represent the target population. However, 213 employees randomly be chose as the sample respondents in this study.

The questionnaire consisted of two sections; the first section in questionnaire presents general personal information about a respondent, the gender, age, academic rank, and years of experience. The second section will include questions to measure the independent and dependent variables based on their operational definitions.

Face to face survey has been chosen to increase the chance to reach the target respondents. The questionnaire in this research can be divided into five sections: section A from the questionnaire contained social-demographic questions. Section B of the questionnaire contained questions about affective commitment, section C of the questionnaire contained questions about continuance commitment, section D of the questionnaire contained questions about normative commitment, section E of the questionnaire contained questions about organizational effectiveness. In order to make sure the content of the questionnaire is reliable and valid, all the measurement items were adapted from prior studies related to this research.

Organizational commitment items was derived from the scale developed by Alaaldin Alrowwad, Dmaithan Almajali, Ra'Ed Masa'deh, and Bader Obeidat (2019) and organizational effectiveness items was derived from the scale developed by Gold et al. (2001) measured using 10 items. In order to explore the impact of organizational



commitment on organizational effectiveness, in which these variables have been measured using 5-points Likert scale that varies between not agree at all =1 and totally agree=5; reliability and validity analyses were conducted, descriptive analysis used to describe the characteristic of sample and the respondent to the questionnaires besides the independent and dependent variables. Also, multiple regression analysis was employed to test the research hypotheses.

#### 4.2. Analyses Findings

In order to explore the impact of organizational commitment on organizational effectiveness, in which these variables have been measured using 5-points Likert scale that varies between not agree at all =1 and totally agree =5; demographic analyses, factor analyses, reliability and validity analyses were conducted, descriptive analysis was used to describe the characteristic of sample and the respondent to the questionnaires besides the independent and dependent variables. Also, correlation and multiple regression analysis was employed to test the research hypotheses

**Table 4.1:** Demographic Summary of Survey Responses

<b>Variable</b>	<b>Classification</b>	<b>Frequency</b>	<b>Percent %</b>
Gender	Male	109	53.2
	Female	96	46.8
	total	205	100
Education level	less than College	154	35.6
	College	113	26.1
	Bachelor's degrees	97	22.4
	postgraduate degrees	87	15.9
	total	432	100
Age	18-24	21	10.2
	25-34	67	32.7
	35-44	54	26.3
	45-54	40	19.5
	55-65	23	11.2
	total	205	100
Education	less than College	39	19.0
	College	67	32.7
	bachelor degrees	78	38.0
	postgraduate degree	21	10.2
	Total	205	100.0

**Table 4.1:** (Cont.) Demographic Summary of Survey Responses

<b>Variable</b>	<b>Classification</b>	<b>Frequency</b>	<b>Percent %</b>
Experience	Less than 5 years	78	38.0
	5- 10 years	19	9.3
	10-15 years	67	32.7
	More than 15 years	41	20.0
	Total	205	100.0
Department	Human Resource	147	71.7
	Marketing	10	4.9
	Financial	16	7.8
	Research And Development	32	15.6
	Total	205	100.0

By looking to the Table 4.1. we can see that the percent of the female in the sample is about 47 % (96 from the sample 205) and male 53% (109 from 205) , and more than 38% from the respondents have bachelor degrees, approximately 10 % have a postgraduate degree and approximately 30% have college degree ,also about 38% of respondents have less than 5 years' experience , approximately 33% have between 10-15 years' experience and 20% of the respondents have more than 15 years' experience. Furthermore by looking to the obtained results in table 4.1 we can notice that about 70 % of respondents works in human resource management department, 15,6% in the research and development department and about 8 % working in the financial department and by looking to the age of the respondents we can see from table 4.1.that the big percent from the respondents' age is between 25-34 years old (32.7%) and approximately 26.3% between 35 and 44 years old.

**Table 4.2:** Mean , Std. Deviation, Skewness and Kurtosis Analyzes

<b>Affective Commitment</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Skewness</b>	<b>Kurtosis</b>
AC1	3.0829	1.39606	-.149	-1.256
AC2	2.8146	1.35935	-.014	-1.287
AC3	3.3756	1.18421	-.138	-.934
AC4	2.8878	1.38695	-.075	-1.310
AC5	3.1951	1.13370	-.187	-.585
AC6	3.2293	1.29521	-.353	-.888
AC7	3.0439	1.26531	-.200	-1.056
AC8	3.0049	1.31543	-.324	-.985
<b>Continuance Commitment</b>				
CC1	2.6878	1.35766	-.076	-1.314
CC2	2.8878	1.34751	.143	-1.228
CC3	1.9366	1.08956	-.049	1.628
CC4	1.6732	.89963	1.436	2.155

**Table 4.2:** (Cont.) Mean, Std. Deviation, Skewness and Kurtosis Analyzes

<b>Affective Commitment</b>	<b>Mean</b>	<b>Std. Deviation</b>	<b>Skewness</b>	<b>Kurtosis</b>
CC5	2.3220	1.12187	.264	-1.147
CC6	2.2634	1.19594	.850	-.127
CC7	2.8244	1.35342	.072	-1.257
CC8	2.8488	1.29916	-.068	-1.224
<b>Normative Commitment</b>				
NC1	2.8683	1.34209	.071	-1.191
NC2	3.0195	1.29464	-.132	-1.065
NC3	3.3024	1.25879	-.365	-.888
NC4	3.0976	1.30619	-.089	-1.134
NC5	3.1610	1.33521	-.186	-1.104
NC6	3.0341	1.22226	.081	-.984
NC7	2.9707	1.34772	.026	-.632
NC8	3.1561	1.25991	-.124	-1.098
<b>Organizational Effectiveness</b>				
OE1	3.0195	1.35387	-.024	-1.202
OE2	3.0341	1.28101	-.022	-1.091
OE3	2.9122	1.23753	-.067	-1.050
OE4	3.0293	1.25991	.078	-1.084
OE5	3.0000	1.31358	-.079	-1.146
OE6	3.2341	1.29623	-.294	-1.046
OE7	3.0976	1.35409	-.071	-1.212
OE8	3.0780	1.31870	-.158	-1.092
OE9	3.0000	1.25636	.060	-1.079
OE10	2.9171	1.30908	.009	-1.164

The table 4.2 shows the Mean, Std. Deviation, Skewness and Kurtosis Analyzes for the 34 items .The median informs us where the data are located; it's a measure of location. The standard deviation (SD) is a summary assessment of how much it deviates from the mean. Positive and negative disparities would equal zero if they were put together.

The skewness of a distribution is a measure of its symmetry, and the data have high or low kurtosis if they are heavy-tailed or light-tailed in relation to a normal distribution.

The permissible range for kurtosis and skewness must be between -3 and +3. Based on the findings in table 4.2, where all of the acquired skewness and kurtosis values are between -3 and +3, we may conclude that the distribution is normal and no skewness or kurtosis exists.

**Table 4.3: Factor Loading and Cronbach's Reliability Analyzes**

Factor's Name	Variables	Factor Loading	Eigen-value	Variance Explained	KMO	Cronbach's Reliability Coefficients
Affective Commitment	AC1	.702	3.131	59.138	.813	.832
	AC2	.618				
	AC3	.612				
	AC4	.672				
	AC5	.775				
	AC6	.733				
	AC7	.602				
Continuance Commitment	CC1	.553	3.035	50.933	.740	.849
	CC2	.662				
	CC3	.697				
	CC4	.755				
	CC5	.704				
	CC6	.573				
	CC7	.618				
	CC8	.779				
Normative Commitment	NC1	.642	3.123	59.037	.826	.825
	NC2	.647				
	NC3	.643				
	NC4	.767				
	NC5	.616				
	NC6	.627				
	NC7	.629				
	NC8	.662				
Organizational Effectiveness	OE1	.781	3.533	55.331	.796	.826
	OE2	.691				
	OE3	.633				
	OE4	.581				
	OE5	.657				
	OE6	.682				
	OE7	.728				
	OE8	.691				
	OE9	.669				

Analyze of Factors for Validity the 34 items were subjected to an exploratory factor analysis using SPSS., and to examines the presence of links between organizational commitment and organizational effectiveness we used correlations between items and factors when dimensionality is restricted (Netemeyer, Bearden, & Sharma, 2003).

Preliminary four-Factor Structure An initial analysis was run to obtain eigenvalues for each factor in the data. The The Kaiser-Meyer Olkin Measure confirmed the study' sample adequacy; KMO is more than 0.5 for all factors, four factors had

eigenvalues greater than one, and the percentages explained by each component were greater than 50%, as shown in table 4.3.

Furthermore, based on the results of Cronbach's Reliability Coefficients, we can see that the reliability between items in each factor is good (more than 70 percent)

**Table 4.4:** Mean, Std. Deviation and Correlations between Factors

	Mean	Std. Deviation	Affective Commitment	Continuance Commitment	Normative Commitment	Organizational Effectiveness	Organizational Commitment
Affective Commitment	3.0793	.80514	1				
Continuance Commitment	2.4305	.72901	.683(**)	1			
Normative Commitment	3.0762	.79611	.607(**)	.552(**)	1		
Organizational Effectiveness	3.0322	.76903	.597(**)	.555(**)	.755(**)	1	
Organizational Commitment	2.8620	.66946	.789(**)	.756(**)	.740(**)	.740(**)	1

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

The degree and direction of the relationship between the two variables organizational commitment (Continuance Commitment, Affective Commitment and Normative Commitment) and organizational effectiveness determined via correlation, two-dimensional research. The correlation value between two variables has to be less than 0.80 .The direction of the correlation is indicated by the sign of the coefficient; a positive sign indicates a positive relationship, while a negative sign indicates a negative relationship. The Correlations between all the variables in our study are put in Table 4.

By looking to the results in the table 4.4 we can see that the correlation value between affective commitment and organizational effectiveness is (.597) continuance commitment and organizational effectiveness is (.555), normative commitment and organizational effectiveness is (.755)and these values are less than 0.85, furthermore the correlation value between organizational commitment and organizational effectiveness is .740 and this value is acceptable and the results support hypothesis H1, H2 , H3 and H4.

**Table 4.5: Regression Analyze Results**

<i>Dependent Variables</i>	<i>Independent Variables</i>	$\beta$	<i>t</i>	<i>P Değeri</i>	$R^2$	<i>F</i>
<b>Organizational Effectiveness</b>	(Constant)	.127	3.338	.001	0.607	103.684
	<b>Affective Commitment</b>	.152	2.333	.021		
	<b>Continuance Commitment</b>	.122	1.963	.050		
	<b>Normative Commitment</b>	.595	10.393	.000		
<i>Dependent Variables</i>	<i>Independent Variables</i>	$\beta$	<i>t</i>	<i>P Değeri</i>	$R^2$	<i>F</i>
<b>Organizational Effectiveness</b>	(Constant)		3.766	.000	.547	245.136
	<b>Organizational Commitment</b>	.740	15.657			

A linear regression analysis is a method of determining the cause-and-effect relationships between one or more independent variables and a dependent variable. Despite the fact that just one independent variable was proposed to affect several dependent variables in this study, control factors were also labeled as independent variables. As a consequence, a compound regression analysis was carried out to see how the independent variable (organizational commitment) affected the dependent variables (organizational effectiveness). The R<sup>2</sup>, F-test, and Beta values were investigated to round out the regression analysis findings. The R<sup>2</sup> coefficient of determination reflects how much of the dependent variable is clarified by the independent variables of the model. The F value shows whether or not the regression model is statistically significant.

Depending on the obtained results in table 4.5 With respect to the effects of affective commitment, continuance commitment, normative commitment organizational commitment on organizational effectiveness ( $p < 0,05$ ), H1, H2 , H3 and H4 respectively, the results support hypothesis H1, H2 , H3 and H4 . Thus, the higher affective commitment, continuance commitment, normative commitment and in results the higher organizational commitment the higher organizational effectiveness are likely to be. Depending on the obtained results the employees of AK bank in turkey showed emotionally attach and loyalty to their departments and bank , in other words , they have a satisfaction about what they do and what they take from the bank that they works in.

By looking to the obtained results in table 4.5 we can notice that workers feel a strong sense of belonging to their department who and have a high level of emotional commitment for it. The findings of this study revealed that continual commitment have less impact on organizational success from other factors. Members of the bank who had a higher level of emotional commitment were more motivated to act on behalf of their departments and the bank. They offered more frequently than their coworkers to help with jobs that were not related to their occupations. Their study performance was harmed by the increase of tasks, which took up time, effort, and resources that might have been spent on their research.



## **5. CONCLUSION**

### **5.1. Discussion**

This study aimed to explore the role of organizational commitment (affective commitment, continuance commitment, and normative commitment) in enhancing organizational effectiveness at banking sector turkey for this purpose this research applied on Akbank as acommerical bank in Turkey.

Regarding H1, H2, H3 and H4; the results of the analysis showed that there is a positive correlation between organizational commitment (affective commitment, continuance commitment, and normative commitment) and organizational effectiveness. Indicating that there is a statistically significant effect of organizational commitment on organizational effectiveness.

The results obtained from this study are consistent with the results obtained from studies conducted by different researchers such as Angle and Perry (1981), Ussahawanitchakit (2008), and Budihardjo (2013). Affective commitment is the most significant component in many research, however this is not the case in this study. Individuals with a high level of emotional commitment, will identify with the organization's aims and vision. To put it another way, people are dedicated to the organisation because it is something they want to do. Affective commitment, it is further stated, appears to have a tight link with job happiness and performance since it emphasises the congruence between the individual's vision and goal and those of the company.

The normative commitment was likewise shown to be the most important factor in organisational success in this study. Jing and Zhang (2014) showed that normative and ideal commitment served to enhance performance and effectiveness in Chinese institutions, but emotional and choice commitment were shown to be dysfunctional in the workplace. Bank employees with a higher level of normative commitment were more likely to believe that it was their obligation to be productive workers both individually and as part of a team. This sense of responsibility encouraged



individuals to set greater self-expectations than the minimum work requirements, and to devote more time and effort to completing their duties in order to fulfil those expectations. In addition, in order to increase effectiveness, they were willing to take initiative and address difficulties. When numerous activities competed for time, effort, and attention, they tended to prioritise their occupations first, all in an effort to improve performance (Jing and Zhang, 2014).

In terms of perseverance commitment, it has been suggested that it should be independent to performance or negatively related to performance. This concept arises from the reality that people who are tied to an organisation because the financial costs of quitting are too great may have little motivation to participate beyond the bare minimum (Moynihan et al., 2000). The outcomes of this study, on the other hand, revealed that continued commitment is the second most significant factor impacting organisational success. This implies that AK bank workers are driven to stay in the organisation since other options for quitting are limited, pushing individuals to go above and above the call of duty in order to keep their membership in the group.

Although the study's findings indicated a favourable link between organisational commitment and effectiveness, the findings of other research contradict this conclusion. According to Willis (2013), organisational commitment has little bearing on total job effectiveness. Lower levels of job effectiveness and organisational commitment were linked to a lack of empowerment and support from supervisors, according to Laschinger et al. (2001). Employees tend to want to be given the ability to accomplish things that are potentially creative and can help them enhance their present work performance.

Employees who feel more empowered are more likely to take risks. Employee dedication and overall performance are negatively impacted by a lack of reinforcement and attention from senior management. This lack of reinforcement and attention may be felt by employees at all levels of management, making them feel abandoned. Employees may lack the drive to be devoted to the company in these conditions. As a result, work effectiveness is reduced (Fu et al., 2009).

## **5.2. Limitations**

This research will be conducted at AK bank in turkey with small sample size (205) but future studies can be conducted on large samples and other organizations of turkey and other countries for generalization of results. Moreover, this model can be tested on other industries and cultural settings

Because workers' needs vary depending on their culture, economy, and area, it's impossible to generalise the findings because this study only looks at one industry (banking) and one country. Different variables related to organisational commitment, such as successful planning and job security, might be explored and compared in addition to doing study in other industries.

## **5.3. Recommendations**

This study does not take into account demographic and socio-psychographic characteristics in order to evaluate and enhance our understanding of the relationships between variables and their impact on organisational performance and commitment.

This study focuses on AK Bank, a well-known Turkish commercial bank. Due to the nature of the chosen issue, the conclusions of this study have limited application other banks with similar features and operations.

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## **APPENDICES**

### **Appendices A: Questionnaire**

#### **Declaration**

Dear Sir / Madam

I am student of business administration at Istanbul Gedik University. As part of master my thesis named **“The Organizational Commitment And Its Role In Achieving Organizational Effectiveness In The Banking Sector”** under the supervision of Dr. Ahmet Erkasap I kindly ask you to fill the questionnaire below.

All responses given by you will be strictly kept confidential and used only for academic purposes.

Dr. Ahmet Erkasap  
**Istanbul Gedik University**  
**Management and Information**  
**Systems Department**

Karrar Sameer  
**Istanbul Gedik University**  
**MBA Student**

## **PART A**

### **1. Gender**

- a) Male [ ]
- b) Female [ ]

### **2. Education**

- a) Less than University Graduate [ ]
- b) University Graduate [ ]
- c) postgraduate degree [ ]

### **3. Age**

- a) 18-24 [ ]
- b) 25-34 [ ]
- c) 35-44 [ ]
- d) 45-54 [ ]
- e) 55-65 [ ]

### **4. Experience**

- a) Less than 5 years [ ]
- b) 5- less than 10 years [ ]
- c) 10 - less than 15 years [ ]
- d) More than 15 years [ ]

### **5. Marital status**

- a) Married [ ]
- b) Widowed [ ]
- c) Divorced [ ]
- d) Separated [ ]
- e) Never Married [ ]

### **6. Department**

- a) Human Resource [ ]
- b) Trade [ ]
- c) Production [ ]
- d) Research And Development [ ]
- e) Public Relations [ ]
- f) Information Technologies (IT) [ ]
- g) Finance [ ]
- h) Sales [ ]
- i) Marketing [ ]
- j) Other [ ]





**PART B**

(Please choose as appropriate)

	Statement	Scale				
		Absolutely I disagree	I disagree	I am undecided	I agree	Absolutely I agree
	<b>Organizational Commitment</b>					
1	I am very happy being a member of this organization.					
2	I enjoy discussing different issues about my department with people outside it.					
3	I really feel as if this department's problems are my own.					
4	I want to stay in the department that I do, whatever I have had other alternative opportunities.					
5	I do feel like 'part of the family' at my department.					
6	I do feel 'emotionally attached' to this department.					
7	This department has a great deal of personal meaning for me.					
8	I do feel a strong sense of belonging to my department.					
9	I worry about the loss of investments I have made in this organization					
10	If I wasn't a member of this organization, I would be sad because my life would be disrupted					
11	I am loyal to this organization because I have invested a lot in it, emotionally, socially, and economically					
12	I often feel anxious about what I have to lose with this organization					
13	Sometimes I worry about what might happen if something was to happen to this organization and I was no longer a member".					
14	I am dedicated to this organization because I fear what I have to lose in it					
15	I feel that I owe this organization quite a bit because of what it has done for me					
16	My organization deserves my loyalty because of its treatment towards me					
17	I feel I would be letting my co-workers down if I wasn't a member of this organization					
18	I am loyal to this organization because my values are largely its values					
19	This organization has a mission that I believe in and am committed to					
20	I feel it is 'morally correct' to dedicate myself to this organization					

**PART C**

(Please choose as appropriate)

		Strongly Disagree	Disagree	Somewhat Disagree	Neither agree nor disagree	Somewhat agree	Agree	Strongly Agree
	<b>ORGANIZATIONAL EFFECTIVENESS</b>							
21	Over the past two years, the organization has improved its ability to innovate new services.							
22	Over the past two years, the organization has improved its ability to identify new business opportunities.							
23	Over the past two years, the organization has improved its ability to coordinate the development efforts of different units.							
24	Over the past two years, the department has improved its ability to anticipate potential market opportunities for new services.							
25	Over the past two years, the organization has improved its ability to rapidly commercialize new innovations.							
26	Over the past two years, the organization has improved its ability to adapt quickly to unanticipated changes.							
27	Over the past two years, the organization has improved its ability to anticipate new market surprises and crises.							
28	Over the past two years, the organization has improved its ability to quickly adapt its goals and objectives to industry/market changes.							
29	Over the past two years, the organization has improved its ability to decrease market response times.							
30	Over the past two years, the organization has improved its ability to react to new information about the industry or market.							
31	Over the past two years, the organization has improved its ability to be responsive to new market demands.							
32	Over the past two years, the organization has improved its ability to avoid overlapping development of corporate initiatives.							
33	Over the past two years, the organization has improved its ability to streamline its internal processes.							
34	Over the past two years, the organization has improved its ability to reduce redundancy of information and knowledge.							

## **RESUME**

### **EDUCATION:**

Bachelor of Business Administration of Al\_Qadisiyah University, in Iraq. also I got master in business administration from Gedik University in Turkey

### **EXPERINCE:**

I worked as marketng maneger for PepsiCo in Karbala city in Iraq.

Sales manager in one of the malls in Babylon city as will as in Iraq.

I worked as a technical supervisor at Karbala refinery for the extraction of oil derivatives

### **LANGUAGES:**

Naitive Languages: Arabic

English

Turkish

### **CERTEFICATION:**

Bachelor

MBA