IMPACT OF EMPLOYEE COMMITMENT ON JOB PERFORMANCE: BASED ON LEASING COMPANIES IN SRI LANKA

P.M.K.U. Bandula
Treasury Executive,
Alliance Finance Company PLC,
Sri Lanka
E-mail: kavishabandula@gmail.com

Dr. Lakmini V.K. Jayatilake *
Senior Lecturer,
Department of Commerce and Financial Management,
Faculty of Commerce and Management Studies,
University of Kelaniya, Sri Lanka
E-mail: lakminij@kln.ac.lk

* Corresponding Author

1. Abstract
Employee commitment has become one of the popular work attitude of studying by the researchers of the modern era. Therefore, in this research it has focused on how the employee commitment influence on the job performance based on leasing companies in Sri Lanka.

Totally 115 employees were surveyed and its representing employees of Licensed finance companies (LFCs) and specialized Leasing companies (SLCs). The tool used for measuring employee commitment in terms of affective commitment, normative commitment, and continuance commitment has been developed by Allen and Meyer (1991) and the tool used for measuring job performance has been developed by the Williams and Anderson (1991).

The Data was analyzed by using the SPSS software package and it shows the result of the research which is primary and secondary research findings. The primary finding was express about the relationship between employee commitment and the job performance of the employees. According to the correlation test employee commitment was the influence of the employee job performance and hence it is proved that employee commitment is significantly correlated with the job performance.

Furthermore, the analysis of data describes that employee commitment has significantly impacted on job performance. Furthermore, in this study continuance commitment is the most affected element of employee commitment to job performance.

Finally, this study can be concluded that employee commitment has significantly impacted on job performance and it has a positive relationship between employee commitment and job performance of the employees.

Keywords: Employee commitment, Job Performance, Affective Commitment, Normative Commitment, Continuance Commitment.
2. Introduction
Presently, the business world has a big competition and in the competitive world, every organization is facing new challenges regarding creating a committed workforce into the organization. Human Resources are the greatest assets to face this business world competition in an organization. Because the employees behaviour at work contributes either positively or negatively to the success of their organization. While some employees behave, in ways that may be described as constructive and helpful, others embark on acts that may be described as destructive and harmful to their organization. The employee’s Constructive, Workplace behaviors can view the employee’s Organizational Commitment, Which is defined by Mowdray (1974), as consisting of three components; “an identification with the goal’s and values of the organization, a desire to belong to the organization and a willingness to display effort on behalf of the organization. Committed employees are characterized as loyal, productive members of work organization (Porter, et.al.1974).

Employee Commitment is highly valuable. Studies have highlighted that Commitment has a great impact on the successful performance of an organization. This is because a highly committed employee will identify with the goals and values of the organization, has a stronger desire to belong to the organization and it’s willing to display greater organizational citizenship behavior i.e., willingness to go over and beyond their required job duties and if human resources are said to be an organization’s greatest assets, then committed human resources should be regarded as an organization’s competitive advantage (Mowdray et.al, 1974). In fact, a vast number of studies have found positive relationships between organizational commitment and employee behaviors such as a greater effort exerted by the employee in performing tasks, better work attendance, increased willingness to engage in citizenship behavior and higher delivery of service qualities. Hence this shows an all-round higher employee performance is effective. Because of, above mentioned matters need to be found out how to effect by employee Commitment on job performance.

3. Background of the research problem
Human Resources are the greatest assets to face this business world competition in an organization because how the employees behave at work contributes either positively or negatively to the success of their organization. This is especially true for Service organization. In service sector organization’s employees, which really influences on their behavior to provide friendly and trustworthy service to their customers in a competitive environment. According to the Shiffman and Kanuk (1999) “An attitude is relatively consistent, learned, predisposition to behave in a certain way in response to a given objective”.

According to the above mentioned definition employees have thousands of attitudes, but the organizational setup our attention goes on a very few number of job related attitudes. Most of the researchers explain that organizational behavior has been concerned with three major job related attitudes, namely; Job Satisfaction, job involvement, and organizational commitment.

This research focuses on employee commitment on job performance of Leasing Sector. Leasing Industry in Sri Lanka commenced its operation during 1977. The year 1977 will go down in history as an eventful year to Sri Lanka. It was in the 1977 year that the government in power introduced liberalized economic policies to Sri Lanka and also the paving the way for free enterprise. That situation created the new business opportunities in the market. The large number of firms did not have the necessary financial resources to face this. The government wasted no time in identifying this critical issue that was hampering the growth of the country and quickly enlisted the support of the World Bank for assistance.

In 1980, The World Bank made recommendation intending to increase the level of capital formation in the country. One of the World Bank recommendations was that steps should be taken to promote the setting up of a leading industry in Sri Lanka. New Leasing companies were started and even conventional lenders
recognizing the value of leasing, either offered leasing as part of their services or subsidiary companies to engage in leasing and leasing became a common form of financing resorted to by every type of business. “The Finance company Plc” is the pioneer of the Leasing Industry of Sri Lanka and today 56 Leasing companies have been established in Sri Lanka. (http://www.businessstoday.lk).

According to the central bank rating there are two types of leasing companies, named; Licensed finance companies (LFCs) and specialized Leasing companies (SLCs). However, in the 2014 Leasing sector, which represents 7% of the Sri Lankan Financial system and it has played a great role in the financial sector also. This Sector including 48 LFCs and 8 SLCs by the end of the 2014. During the last year, the LFCs & SLCs sector branch network expanded by 72 to 1132 and 47 were opened outside the western province.

The total Assets of Leasing sector grew by 18.9% in 2014 to Rs.853 billion, compared to the growth of 20.3% in 2013. The Main contribution factor for the expansion of the assets based. The assets based were grown in product wise accommodation portfolio & Liquidity Assets. Liabilities: The share of deposits among the funding sources of the sector increased to 48.5% in 2014 from 47% recorded in 2013, while the share of borrowings decreased to 25.4% in 2014 from 26.8% in 2013 indicating the shift towards lower cost of short term deposits from borrowings. The Accommodation recorded a measurable growth of 16% to Rs.641 billion at the end of 2014 compared to a growth rate of 17.3% during the 2013.

The Finance Leases, Hire Purchases, Secured Advance were the major source of product portfolio for 43%, 27%, 19% respectively. During 2014, leasing, sector, profits recorded an increased, posted a profit after tax 13.9 billion in 2014 compared with 7.7 billion during 2013.

The above mentioned statistical review represents the employee’s performance of the leasing sector. Companies cannot build their sustainability without the contribution of their employees. Therefore, employees are the main resource that affect the organizational sustainability. In that manner Bank administration institute of the United States (BAI) describes that the “Truly superior bank performance depends on developing a highly organizationally committed, engaged and customer-focused workforce”. (http://www.bai.org)

Some Leading Leasing companies reported regarding their employees' commitment in various ways. Few statements adduced from their annual reports are as follows,

Alliance Finance Co.Plc- AFC considers human capital to be one of its vital resources which plays a key role in navigating the Company towards its vision. By creating of a diverse and a strong pool of talent, the Company thrives to foster its human capital to be one of its key competitive advantages.

LB Finance Plc – Our values underpin our corporate culture and support grate employee experience. Our employees contribute significantly to the company’s shared vision to create a more connected environment.

LOLC- With the implementation of a new strategic plan and corporate vision, the company's human resource has been a key success factor with employees being considered as the most valuable asset of the company.

According to their perception, their employees are well committed to their organizations. But they do not express any clear idea about the real situation and most of the time organization is not much concerned about their employee behaviors that’s why employee turnover, absenteeism, punctuality are increasing of the leasing sectors.

However, studying an employee’s job related attitudes; especially employee commitment of such an important sector within the leasing sector as well as in the economy are a highly essential thing in present context.
4. Problem Statement
The relationship between employees and their job performance is becoming ever clearer and many organizations talk about the importance of employee commitment. According to the Ashkanasy et.al (2000), commitment is not a straightforward concept-it is the end product of a complex set of psychological relationship between employer and employee. The effectiveness of the organization depends on contribution of people who work in them which is a key factor of the organizational performance (Patterson et.al, 2003). Employee commitment is a positive psychological contract between employer and employee are fundamental to improving performance (Patterson et.al, 2003). But objections of this, “many organizations still neglect to invest resources and creativity in the management of a person's commitment within organizations. (West et.al, 1996)

Lack of employee commitment gave negative effect on the organizational performance; hence it is forced to failure of an organization not achieving the organizational goals & objectives. Highly employee commitment can be positively influenced on job performance of the organization. However, it is not an easy task for the company management due to some problems based on the fact. Currently, Leasing industry is very highly competitive because other financial industries; namely Commercial Banks, Merchant Banks began offering finance Leasing facilities. Therefore, most of the employees turn to the other financial industries for enjoying the highest value added beneficiary. Most of this industry's employees are agree to working with well reputed and beneficiary organizing, if not in any organizing employee turnover will continually increase and it will mostly effect to the efficiency of any organization, (lack of experienced employees). With other hand leasing companies, there is a major problem of financial stability because of misleading investment and borrowings, companies are facing this, most employees are taking decisions without thinking of the company and using misleading guidance when taking decisions. In addition to that, finance companies make business development plan for the every year, but most companies are facing problems when those plans are implemented, the reason is most employees do not work in their work place for a long period and there is lack of term work and they are not obligated to their work place. Based on this discussed, the problem of the study is to examine to what extent employee commitment has the impact on employee job performance in the Sri Lankan leasing sector.

5. Research Questions
This research will argue that employee commitment is influenced on job performance of the employees and it may be positive or negative. However the following questions, provide the basement of this research.
1) How does the employee commitment affect employee performance?
2) What is the most affecting element of employee commitment toward the employee Performance?

6. Objectives of the Research
The Study will achieve the following objectives:

Main objective
➢ To find the relationship between employee commitment and job performance of the employees

Specific objectives
To examine the degree of the employee commitment.
To identify the most affecting elements of employee commitment towards job performance.

7. Review of Literature
Commitment is the knowledge, skills, abilities and experience of the workforce, which is useful to the organization only if the employees are willing to apply it to the achievement of the goals of the organization.
Commitment is the measure of the strength of the employee’s identification with and involvement in a particular Organization (Matheus & Zajac, 1990). Today Employees are increasingly self-assured of their value to employers, and would consciously choose to work for those organizations that meet the above workplace expectations. Organizations that demonstrate commitment to employees will attract and retain the desired workforce and will ultimately win the battle for the workforce share (Madigan et al., 1999:1)

Employee Commitment is important for higher level of commitment which lead to several favorable organizational outcomes, such as employees identify the organization and also there motive to commit to its goals. Biljana (2004) stated that the commitment of employees is an important issue because it may be used to predict employee’s performance, absenteeism and other behaviors. Employees who are committed to their respective organization are more likely not only to remain with the organization, but also likely to exert more efforts on behalf of the organization and work towards its success and therefore are also likely to exhibit better performance that the uncommitted employees.

Hellriegel et al. (2001:54) argue that, as with job satisfaction, the sources of commitment may vary from person to person. Employees’ initial commitment to an organization is determined largely by their personal attributes and how well their early job experiences match their expectations. Later, employee commitment continues to be influenced by job experiences, with many of the same factors that lead to job satisfaction are also contributing to employee commitment or lack of commitment: pay, relationships with supervisors and co-workers, working conditions, and opportunities for advancement. Over time, employee commitment tends to become stronger because individuals develop deeper ties with the organization and their co-workers as they spend more time with them; seniority often brings advantages that tend to develop more positive attitudes; and opportunities in the job market may decrease with age, causing workers to become more strongly attached to their current job (Hellriegel et al., 2001:55).

Employee commitment of fourteen British organizations, including Jaguar, Royal Bank of Scotland, British Steel, Pilkington’s, Rothmans, Raleigh, and Schweppes, Martins and Nicholls (in Mullins, 1999:813) formulated a model of commitment based on three major pillars. The pillars are:

- **Sense of belonging to the organization**
  This builds upon the loyalty essential to successful industrial relations. The sense of belonging is created by managers through ensuring the workforce is informed, involved and sharing in success.

- **A sense of excitement in the job**
  Improved results will not be achieved unless workers can also feel a sense of excitement about their work which results in the motivation to perform well. This sense of excitement can be achieved by appealing to the higher-level needs of pride, trust and accountability for results.

- **Confidence in management**
  The senses of belonging and excitement can be frustrated if workers do not have respect for, and confidence in, the management leadership. This respect is enhanced through attention to authority, dedication and competence. A large measure of the success of the organizations studied derives from their management of people and from creating a climate for commitment. For example, if people feel trusted, they will make extraordinary efforts to show the trust to be warranted. However, creating commitment is hard. It takes time, the path is not always smooth and it requires dedicated managers (Mullins, 1999:813).

Increase in commitment level of employees in organization ultimately increases the performance of their employees. In the past organizations provide job security to its employees to improve their commitment level in the organization and to improve their productivity (Abelson.1976). Higher level of employee commitment in the organization for individual projects or business is assumed as a major reason for better
employee performance that leads to organizational success. The employee performance can be increased and the employees are more satisfied with their jobs and duties as well (Mowday et.al., 1982). Simpson (2006:1), in an article for the Mansis Development Corporation, emphasizes that employee behaviour on the job is influenced directly positively or negatively by his or her immediate supervisor. Positive influences are essential to strengthen employee commitment. Nelson (1999:1) further indicates that while money certainly plays a part in building employee commitment, it is clearly not enough in today’s work environment. Compensation is important, but most employees consider it a right and exchange for the work one does. He further emphasises that people want to feel that what they do, make a difference and money alone does not Meyer and Alien (1991) in the previous studies of the concept commitment have illustrated that employee commitment to the organization has a positive influence on job performance.

Khan (2010) studied the impact of employee commitment on employee job performance from a sample of 153 employee of oil gas sector in Pakistan. The result revealed a positive relationship between employee commitment and employees’ job performance. Therefore job performance emerged as a determinant of employee commitment.

Where there is a high level of employee commitment, there will be low turnover and that employee will perform better with less absenteeism (Price & Mueller, 1981). There are certain things that really affect employee commitment like: Work load, less acknowledgement and less compensation. Dorgan (1994) defines commitment as the enhanced functional and operational performance, including quality as the main principle.

Rajendran Muthurveloo and Raduan Che rose (2005) opined that the organizational commitment is the subset of employee commitment, which comprised of work commitment, career commitment and organizational commitment and also added the great organizational commitment can aid higher performance.

8. Conceptual Framework of the Study

<table>
<thead>
<tr>
<th>INDEPENDENT VARIABLES</th>
<th>DEPENDENT VARIABLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMPLOYEE COMMITMENT</td>
<td>AFFECTIVE COMMITMENT</td>
</tr>
<tr>
<td>AFFECTIVE COMMITMENT</td>
<td>AFFECTIVE COMMITMENT</td>
</tr>
<tr>
<td>AFFECTIVE COMMITMENT</td>
<td>AFFECTIVE COMMITMENT</td>
</tr>
<tr>
<td>AFFECTIVE COMMITMENT</td>
<td>AFFECTIVE COMMITMENT</td>
</tr>
</tbody>
</table>
9. Hypothesis
The objective of the research is to find the relationship between employee commitment and job performance of the employees. Employee commitment is an independent variable and employee job performance is dependent variable. The idea behind the research is to check the impact of employee commitment on job performance of the employees.
From the above mentioned Conceptual Framework, the following hypothesizes is developed.
H1. There is a significant relationship between Employee commitment and job performance.
H2. Affective Commitment is significantly related to Employee Job performance.
H3. Continuance commitment is significantly related to Employee Job performance.
H4. Normative Commitment is significantly related to Employee Job performance.

10. Methodology Overview
Initially two types of data are used in this project. However, data collection will mainly base on primary data. Primary data collection will be carried out by using the survey methods. Unstructured interviewed will be conducted and a set of questionnaire format will be used to collect primary data.
Secondary data sources such as, text documents, books and internet websites are used to get the literature reviewed and observing similar case studies of this Employee commitment.
Distribute the 150 questionnaire papers to the employees of leasing companies in Sri Lanka. Leasing Companies are selected for studying these researchers because of the comparatively high competition sector in the financial field and convenience in collecting data and also six companies are selected to collect data and its base on core capital of the organization & below mentioned the summary of the sample,
   Base in Core Capital - Top Level (> 50 Billion Assets Base) Companies 02
   - Middle Level (50>30 Billion Assets Base) Companies 02
   - Bottom Level (<30 Billion Assets Base) Companies 02
Population of categorized by companies – Back office employees
   - Front office employees
Categorized employees of the research- Manager, senior executive, Executive,
   Junior Executive, Trainee Executive.
Sample Size – 25 employees in each company.

11. Testing of Hypotheses
The hypothesis testing was conducted by using the result of bivariate analysis. The bivariate analysis includes the correlation analysis and the simple regression analysis, which are used to examine the relationship between each of the independent variable and dependent variable.

Table 1. The relationship between Affective Commitment, Continuance Commitment, Normative Commitment and Job Performance.

<table>
<thead>
<tr>
<th>Description</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective Commitment</td>
<td>0.185*</td>
</tr>
<tr>
<td>Continuance Commitment</td>
<td>0.393**</td>
</tr>
<tr>
<td>Normative Commitment</td>
<td>0.342**</td>
</tr>
</tbody>
</table>

Source; Compute by researcher using SPSS.
**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).
Table 2. Result of correlation between employee commitment and job performance

<table>
<thead>
<tr>
<th></th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective Commitment</td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>0.185*</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>.049</td>
</tr>
<tr>
<td>N</td>
<td>114</td>
</tr>
<tr>
<td>Continuance Commitment</td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>0.393**</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>114</td>
</tr>
<tr>
<td>Normative Commitment</td>
<td></td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>0.342**</td>
</tr>
<tr>
<td>Sig (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>114</td>
</tr>
</tbody>
</table>

Source: Compute by researcher using SPSS.

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

A Correlation test is conducted in order to analyse the relationship between employee commitment and job performance. Job performance is positively and significantly correlated to continuance commitment (0.393**). The relationship between Affective commitment and job performance and also the Normative commitment and Job performance were also positive (0.185*, 0.342**).

In order to test the impact of each dimensions of commitment (Affective Commitment, Continuance Commitment, and Normative Commitment) on job performance, a correlation test was conducted. Table 3 shows the results of the relationship between employee commitment and job performance and it can accept the hypotheses one (H1) and below mentioned table 3 present that employee commitment and job performance is correlated is 0.365** at a significant level of 0.01 (two tailed test.)

H1. There is a significant relationship between Employee commitment and job performance
Table 3. The relationship between Affective Commitment, Continuance Commitment, Normative Commitment and Job Performance.

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Affective commitment</th>
<th>Continuance commitment</th>
<th>Normative commitment</th>
<th>Employee commitment</th>
<th>Job performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affective commitment</td>
<td>Pearson Correlation</td>
<td>.424**</td>
<td>.465**</td>
<td>.756**</td>
<td>.185*</td>
</tr>
<tr>
<td>N</td>
<td>115</td>
<td>115</td>
<td>115</td>
<td>115</td>
<td>114</td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>Pearson Correlation</td>
<td>.424**</td>
<td>1</td>
<td>.613**</td>
<td>.820**</td>
</tr>
<tr>
<td>N</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Normative commitment</td>
<td>Pearson Correlation</td>
<td>.465**</td>
<td>.613**</td>
<td>1</td>
<td>.861**</td>
</tr>
<tr>
<td>N</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Employee commitment</td>
<td>Pearson Correlation</td>
<td>.756**</td>
<td>.820**</td>
<td>.861**</td>
<td>1</td>
</tr>
<tr>
<td>N</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
<tr>
<td>Job performance</td>
<td>Pearson Correlation</td>
<td>.185*</td>
<td>.393**</td>
<td>.342**</td>
<td>.365**</td>
</tr>
<tr>
<td>N</td>
<td>.049</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
</tr>
</tbody>
</table>

Source: Compute by researcher using SPSS.

**. Correlation is significant at the 0.01 level (2-tailed).
*. Correlation is significant at the 0.05 level (2-tailed).

The relationship between Affective Commitment, Continuance Commitment, Normative Commitment and Job Performance.

H2. Affective Commitment is significantly related to Employee Job performance.

Table 4. The relationship between Affective Commitment and Job Performance

<table>
<thead>
<tr>
<th>Correlations</th>
<th>Affective Commitment</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>1</td>
<td>.185*</td>
</tr>
<tr>
<td>Sig.(2-tailed)</td>
<td>.049</td>
<td>.049</td>
</tr>
<tr>
<td>N</td>
<td>115</td>
<td>114</td>
</tr>
<tr>
<td>Job Performance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pearson correlation</td>
<td>.185*</td>
<td>1</td>
</tr>
<tr>
<td>Sig.(2-tailed)</td>
<td>.049</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>114</td>
<td>114</td>
</tr>
</tbody>
</table>

Source: Compute by researcher using SPSS.

*.Correlation is significant at the level 0.05 Level (2-tailed)
For this Analysis the Affective Commitment is correlated against is the job performance, according to the correlation analysis it is 0.185 at significant level of 0.05 (Two tailed test). So there is a positive relationship between Affective commitment and job performance and statistically significant at 95%. Therefore, Hypotheses two (H2) are accepted.

H3. Continuance Commitment is significantly related to Employee Job performance

Table 5. The relationship between Continuance Commitment and Job Performance.

<table>
<thead>
<tr>
<th>Continuance Commitment</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>.393**</td>
</tr>
<tr>
<td>Sig.(2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>115</td>
</tr>
<tr>
<td>N</td>
<td>114</td>
</tr>
</tbody>
</table>

For this analysis the Continuance Commitment is correlated against the job performance. According to the analysis, it has been shown that the correlation coefficient is 0.393 at significant level of 0.01 (two tailed test). Thus, there is a positive relationship between Continuance Commitment and Job performance at 99% significant level. Therefore it can be accepted that the Hypothesis three (H3), Continuance Commitment is significantly related to Employee Job performance.

H4. Normative Commitment is significantly related to Employee Job performance

Table 6. The relationship between Normative Commitment and Job Performance.

<table>
<thead>
<tr>
<th>Normative Commitment</th>
<th>Job Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson correlation</td>
<td>.342**</td>
</tr>
<tr>
<td>Sig.(2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>115</td>
</tr>
<tr>
<td>N</td>
<td>114</td>
</tr>
</tbody>
</table>

For this analysis the Normative Commitment is correlated against the job performance. According to the analysis, it has been shown that the correlation coefficient is 0.342 at significant level of 0.01 (two tailed test). Thus, there is a positive relationship between Normative Commitment and Job performance at 99% significance level. Therefore it can be accepted that the Hypothesis three (H4), Normative Commitment is significantly related to Employee Job performance.
12. Regression Analysis

The previous analysis, which is correlation analysis used in the measure of the relationship between the independent variable and the dependent variable. Regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables (or ‘predictors’). In this research, simple linear regression was used to investigate the impact of employee commitment on job performance.

The impact of employee commitment on job performance

Table 7. Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>14.850</td>
<td>2.303</td>
<td>6.448</td>
</tr>
<tr>
<td></td>
<td>Employee Commitment</td>
<td>.127</td>
<td>.038</td>
<td>.305</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Job Performance

The data of simple linear regression shows the combined effect of employee commitment on job performance.

Table 8. Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R Square Change</td>
<td>F Change</td>
<td>df1</td>
<td>df2</td>
<td>Sig. Change</td>
</tr>
<tr>
<td>1</td>
<td>.414a</td>
<td>.171</td>
<td>.149</td>
<td>2.66813</td>
<td>.171</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Normative commitment, Affective commitment, Continuance commitment
b. Dependent Variable: job performance

Source; Compute by researcher using SPSS.

Table 8 Result of Multiple Regression Analysis

The data of simple linear regression show the combined effect of employee commitment on job performance. In this research, the R is 0.414 and R^2 (Coefficient of determination) of the regression model is 0.171 (P=0.000) indicating that 17.1% of variance in job performance and which suggests employee commitment has significantly explained 17.1% of the variance in the job performance. (F= 7.581, P< 0.05)
Table 9 Coefficients

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>t</th>
<th>Std. Error</th>
<th>Beta</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>15.728</td>
<td>1.795</td>
<td>8.761</td>
<td>.000</td>
</tr>
<tr>
<td>Affective commitment</td>
<td>-.015</td>
<td>.088</td>
<td>-.017</td>
<td>-.172</td>
</tr>
<tr>
<td>Continuance commitment</td>
<td>.269</td>
<td>.101</td>
<td>.298</td>
<td>2.666</td>
</tr>
<tr>
<td>Normative commitment</td>
<td>.130</td>
<td>.089</td>
<td>.167</td>
<td>1.462</td>
</tr>
</tbody>
</table>

a. Dependent Variable: job performance

Source: Compute by researcher using SPSS.

Based on the regression analysis, the results show that Continuance Commitment and Normative Commitment had a significant effect (P<0.1) on Job performance. This figure shows a positive relationship between Continuance Commitment and Job performance and also the Normative Commitment and job performance. On the other hand figure show a negative relationship between Affective Commitment and Job performance.

According to the available literature it has been discussed about that relationship between employee commitment and job performance. Shore, et al. (1995), studies in multinational firms in the United States are finding that Affective commitment and job performance are positively correlated. Many studies have proved that affective commitment is positively connected with employee commitment. (Whitener & Walz, 1993; Somers, 1995; Jaros, 1997).

(Somers & Birnbaum, 1998) Studied the relationship of work related commitment and input on employee job performance and their findings described that employee commitment is positively related to job performance. Both affective and normative commitment was found unrelated to job performance.

(Clarke, 2006) studied in United Kingdom based on health care units is found that statistically both affective and normative commitment has significant impact on job performance. But found that continuance commitment was negatively related to the job performance. accordance to the Suliman and Lies (2000) it is found that there is a positive association between organizational performance and continuance commitment. Result found by Rotenberry & Moberg (2007) indicated that “employees that were more involved in their job were good performance as compared to the employees whose attitude towards work is not good. In other words, better attitude towards work resulted in enhanced performance.”

Varsha and Monika, 2012, studied about the employee commitment and its impact on sustained productivity in Indian Auto-component industry, they describe that employee commitment (Affective, Normative, Continuance) is significantly related to the sustained productivity in Indian Auto-components industry. (Perry, 1997; Meyer and Allen, 1997) said that government employees have higher level of continuance commitment than the other sectors.

The above mentioned literature review explains that there is some definite relationship that exists between employee commitment and job performance. But in this study, Continuance Commitment is the most related employee commitment component with the job performance and also a normative and Affective commitment also correlated with job performance. However, According to the regression analysis Normative and Affective commitments are not impact to the job performance.
13. Conclusion

The Leasing sector employees play greater role of Sri Lankan economy which can be considered a major part of Sri Lankan Financial System of Sri Lanka. This Research focused on one of the work related attitude called as employee commitment and investigate that employee commitment is influenced to the job performance of employees.

The purpose of this research carried out to identify and analyse the “impact of employee commitment on job performance; with special reference to the leasing sector in Sri Lanka. According to the research, the majority of the population is male and its percentage is 60% and according to the research figures, the majority of respondents were from 25-34 years of age category and its getting 46% percentage and the experience of the employees reveal the 1-3 years’ experience in their organization.

The main objective of this research was to examine the relationship between the employee commitment and job performance. According to correlation test it is proved that employee commitment was the influence of the employee job performance and hence it is proved that employee commitment is significantly correlated with the job performance.

According to the analysis of data collection of survey, describe that employee commitment has significantly impacted on job performance. Furthermore, in this study continuance commitment is the most affected element of employee commitment toward job performance and it answered the second specific objective of the study. Khan, (2010) advises the managers to pay special attention to employee satisfaction

Finally, this study can be concluded from the above discussion that employee commitment has significantly impacted on job performance and it has a positive relationship between employee commitment and job performance of the employees.

14. References


- Ashkanasy, N, Wilderom, P & Peterson, M 2000, Organizational Culture and Climate, Sage, Thousand Oaks, CA


• Mark ,J.S & Dee Birnbaum (1998), Work related commitment and job performance ; it’s also the performance that counts, Journal of organizational behavior, 19(6),621-634


• Clarke, N. (2006), The relationships between network commitment, its antecedents and network performance, Management Decision, 44 (9), 1183-1205.


