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SCHOOL OF GRADUATE STUDIES

**EFFECT OF EMPLOYEE COMMITMENT ON EMPLOYEE
PERFORMANCE THE CASE OF ADDIS ABABA CITY ROAD
AUTHORITY (AACRA)**

**BY
ETSEGENET DEBEBE**

**JUNE, 2021
SMU**

ADDIS ABABA, ETHIOPIA

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BY

ETSEGENET DEBEBE

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**A THESIS SUBMITTED TO ST. MARY'S UNIVERSITY
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
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ADMINISTRATION
(MBA)**

JUNE, 2021

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DECLARATION

I, declare that the project entitled “**EFFECT OF EMPLOYEE COMMITMENT ON EMPLOYEE PERFORMANCE IN THE CASE OF ADDIS ABABA CITY ROAD AUTHORITY (AACRA)**” is my own work. I have carried out the research work independently with the guidance and support of my research adviser. This study had not been submitted to any degree/diploma in this or any other institution. It is done in partial fulfillment of the requirements for the Award of the Master Degree of Business Administration (MBA).

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LIST OF ACRONYMS/ABBRIATIONS

AACRA-----Addis Ababa City Road Authority

SPSS -----Statistical Software Package for Social Science Version.

ABSTRACT

the purpose of this study was to identify the effect of Employees' Commitment on Employee Performance in Addis Ababa City Road Authority. Employee Commitment has been taken as independent variables and Employee Performance as the dependent variable. It adopted descriptive research methodologies and it has both qualitative and quantitative research approach. A five point Likert-Type scaled questionnaire was constructed and administered among in Addis Ababa City Road Authority. The results of the study indicate that the Employees' Commitment is significantly related to Employee Performance in Addis Ababa City Road Authority. The research findings reveal that there exists positive relationship between the Employee commitments and employee Performance. It has also been proved from the results that there exists strong correlation between the four independent variables and employee performance. These outcomes in turn are associated with guiding the top management for working towards increasing employees' commitment and the management should hire employees who are likely to become linked to the organization, this shall have a great effect and take the organization towards promising competitive edge.

Key words: Employee commitment, AACRA Employees.

CHAPTER-ONE

1. Introduction

This chapter presents the introductory part of the study. It embrace about background of the study, statement of the problem, research questions, objective of the study, , significance of the study, scope of the study and organization of the study.

1.1 Background of the study

Organizations are facing new challenge regarding creating a committed workforce into the organization. Human Resource is the greatest assets of a given organization. That means the employees' work behavior contributes either positively or negatively. While employees behave, in ways that may be described as 'constructive' and 'helpful', others may embark on acts that can be described as 'destructive' and 'harmful' to their organization. The employees' constructive work behaviors can show their commitment in to the organizational. Mowdray (1974) describes three components; "an identification with the goals 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 defined as "a state in which the employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization (Robbins, 2001). Newstrom (2007) calls it employee loyalty. Schultz and Schultz (2002) say it is manifested in the employees' acceptance of organizational values and goals and his loyalty to the organization reflected by his continual desire to remain in the organization. McMahan (2007) claimed that it is what binds an employee to the organization. Liou (2008) attributes the success of an organization to the employees' commitment and participation. She said that a high-commitment environment improves employee retention rate, reduces operating costs and promotes employee performance and efficiency.

Employee's performance is one of the most important dependent variables and has been studies for a long decade. Borman and Motowidlo (1993) identified two types of employee behavior that are necessary for organizational effectiveness: task performance and contextual performance. Task performance refers to behaviors that are directly involved in producing goods or service, or activities that provide indirect support for the organization's core technical processes (Borman and Motowidlo, 1997; Werner, 2000). These behaviors directly relate to the formal organization reward system. On the other hand, contextual performance is defined as individual efforts that

are not directly related to their main task functions. However, these behaviors are important because they shape the organizational, social, and psychological contexts serving as the critical catalyst for task activities and processes (Werner, 2000). Therefore, this study will investigate secondary data in order to construct a conceptual framework for implementation of structural equation model that affects employees' performance.

Many studies highlighted that Commitment has a great impact on the successful performance of an organization or vice versa. 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 again their willingness to display greater organizational citizenship behavior i.e., willingness to go over and beyond the required job duties. If human resource is said to be the organization's greatest assets, then committed human resources should be regarded as an organization's competitive advantage (Mowday et.al, 1974). Positive relationships between organizational commitment and employees' behavior 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 us all-rounded employee performance is important. Because of above mentioned matters need to be found out how to effect by employee Commitment on job performance.

1.2 Statement of the problem

The relationship between employees' commitment and their job performance has its own positive or negative effect. According to the Ashkanasy et.al (2000), work commitment is not a straight forward concept-it is the end product of a complex set of psychological relationship between employer and employee. The effectiveness of the organization depends on the contribution of people who is working with (Patterson et.al, 2003). Positive employee commitment's is a positive psychological contract between employer and employee. (Patterson et.al, 2003). But in contrary "many organizations still neglect to invest resources and creativity in the management of a person's commitment within organizations. (West et.al, 1996).

By understanding when and how commitments develop and how they shape attitude and behavior, organizations would be in a better position to anticipate the impact that change will have and to manage it more effectively (Meyer & Allen, 1997). By knowing what drives the

commitment of employees, positive environment can be created to deliver tangible results quickly. Committed employees develop a bond with an organization and that creates better employee performance. If that emotional connection to their career, relationships with other employees and the organization are present, they perform better and serve the organization better. Successful organizations depend on the high performance of their employees to meet their objectives. In order to achieve their strategic aims and keep their competitive advantage, their employees must perform at high levels. Organizational behavior philosophers believe that it is also crucial to have the right employees for the right jobs. The person-job fit is important because it determines whether or not the employee is well suited for the job. Organizations need to understand that employees have their own requirements and personal wishes that need to be considered. This can determine if the employee feels positive or negative about the organization and needs to be treated individually. Organizations must meet their strategic aims and advantage in the marketplace by employing and keeping high performing employees.

Moreover, recent studies have shown that high commitment practices can work well synergistically and a reflective of a general commitment strategy [10]. Furthermore, high commitment work practices do improve performance, labour productivity and the quality of service.

Researches in the past have examined a number of elements that can affect employee performance. Jaramillo et al. and Al Ahmadi showed that a crucial element is employees' commitment to their job.

Lack of employee's commitment gave negative effect on the organizational performance; hence it may result failure of the organization. High employee commitment can be positive influence on productivity of the organization. However, it is not that much easy task for the company to manage. The reason is most employees do not work in their work place for a long period. Based on this discussion, the problem of the study is to examine to what extent employee commitment has the impact on employee job performance in the Addis Ababa City Road Authority.

1.3 Research Questions

This research would argue that employee commitment influences job performance of the employees' in a positive or negative manner. However, the following questions provide the basement of this research.

- 1) Is there significant relationship between employee commitment and Employee performance?
- 2) Whether Gender, age and years of experience have impact on Employee performance in the Addis Ababa City Road Authority?
- 3) What are the major problems underlying the employee commitment and performance system of the Addis Ababa City Road Authority?
- 4) What are effects of employee commitment on employees' performance in the Addis Ababa City Road Authority?

The Study would achieve the following objectives:

1.4 Objective of the study

1.4.1 Main objective

Here is the main objective; to find the relationship between employee commitment and job performance of the employees.

Under the general objective, this research has the following specific objectives.

1.4.2 Specific objectives

- ✓ Analyzing the significant relationship between employee commitment and employee performances.
- ✓ Identifying Gender, age and years of experience have impact on employee commitment and employee performance.
- ✓ To examine major problems underlying the employee commitment and performance
- ✓ To examine effects of employee commitment on employees' performance
- ✓ To investigate the current commitment practice and performance of Addis Ababa City

1.5 Significance of the study

The level of employee's commitment matters both employee's performance and organizational productivity. Addis Ababa city is a set of Africa Union and other diplomatic organization. This means the provision of quality road infrastructure is basic need in the city.

Based on this employee's commitment is critical to Addis Ababa city road authority. Due to this fact the organization has to recognize the level of employee commitment, the impacts of commitment and to assess the employee benefit policies, and again to incorporate those policies on both annual and strategic plan of the organization.

The researcher has a benefit to understand the subject deeply. Accordingly, it aims to be the partial accomplishment of MBA degree. Moreover; this study is believed to provide an insight and will be used as a stepping stone to other individual researchers who would like to carry out research works on the same area of the study and the findings would also be applicable to other similar organizations in country.

1.6 Scope of the study

The study is intended to brief the human side of the employees to know the commitment prevailing in the employee performance. It attempts to evaluate their individual perception and its influence on their performance. This study includes both male and female workers of Addis Ababa City Road Authority. According to different scholars, commitment is about giving your staff the right mixture of guidance, direction, and resources and rewards so that they are inspired and keen to work in the way that you want them to. So, a large portion behind these difficulties can easily be solved by imparting proper commitment. This research would address the employee commitment and its effect on the employee level of accomplishment based on organizational rating system.

This study carried out Addis Ababa City Road Authority office assessing the effect of employee commitment by considering an organization commitment is affected by rewards, benefits, supervision, co-workers, work, not recognizing employee job performance, fewer opportunities for growth/promotion, low salaries, and employees not receiving praise from their superiors for good performance. The study has focused on employees from the entire various departments in

Addis Ababa City Road Authority in the present time and carried out from February to June 2021 G.C due to time constraint face by the researcher to cover the whole study. And it also adopted descriptive research methodologies and it has both qualitative and quantitative research approach. This study was conducted on Addis Ababa City Road Authority and targets on five directorates. Among the selected directorates, four directorates are set on the head office around *Sarbet* area and the equipment maintenance and administration directorate found around *Mesekel Flower* in the city.

1.7 Limitation of the study

There are several limitations in the study. First, since the study focus is AACRA, the results to other may not have implication on other organization. Future studies may test the relationship between commitment and employee performance in other area on the same sector. Second, cross-sectional design of the research could be another limitation. Additional research using a longitudinal methodology addresses the relationship between commitment and employee performance through mediator variable.

1.8 Organization of the study

This study is organized in five chapters. The first chapter is the introductory part of the study which consists of background of the study, statement of the problem, research question, and objectives of the study, significance of the study, scope of the study, limitation of the study and organization of the study. The second chapter would deal with review of related literature. The third chapter will discuss on the research method. The fourth chapter will be data analysis and the final is conclusion and recommendation.

CHAPTER-TWO

2. Review of related literature

This Chapter aimed at presenting relevant literature pertaining to the study which includes theoretical literature, empirical literature and summary of the conceptual literature.

2.1 Theoretical literature

The theoretical literature review consists by defining the most known definition of Commitment, why Commitment helps in an organization based on the different research finding. The types of Commitment and the different types of Commitment theories also discussed based on early theories of Commitment and Contemporary theories of Commitment.

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 their 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 than 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 has been defined as the degree to which the employee feels devoted to their organization (Akintayo,2010). Moreover, Ongori (2007) describes employee commitment as an effective response to the whole organization and the degree of attachment or loyalty employees feel towards the organization. Meyer and Herscovitch (2001) and Reetta(2018) sees it as a psychological state that binds an employee to an organization thereby reducing the problem of employee turnover and as a mind-set that takes different forms and binds an individual to a course of action that is of important to a particular target. It is therefore, important to note that all these definitions take into cognizance employees' loyalty and affection.

Early researchers of employee commitment (Becker, 1960; Kanter, 1968) identified that commitment is primarily a function of individual behavior and willingness of individuals to give their energy to the organization through actions and choices over time. In other words, Becker (1960) described commitment as the tendency to engage in consistent lines of activity, such as intent to stay in the organization. Schneider et al (1970) demonstrated that when the goals of the organizations and the members of the organizations integrated or congruent, attitudinal commitment occurs. Therefore, attitudinal commitment represents a state in which an individual identifies with a particular organization and its goals, and maintains membership in order to facilitate these goals (Mowday et al, 1979).

There are three types of employee commitment. These are Affective, Normative and Continuance commitment.

2.1.1 Affective commitment

Affective commitment measures employees' emotional attachment and participation in the organization. This means that employees love their organization with all their heart. It shows the extent to which the individual identifies with the organization in terms of identification, involvement and emotional attachment.

2.1.2 Normative commitment

Normative commitment is a feeling of normal obligation to an organization. Employees with high levels of normative commitment feel that they are obliged to remain in the organization. (Radosavljevic, Cilerdzic & Dragic, 2017; Yildirim, Acar, Bayraktar & Akova, 2015, Umar, 2013).

2.1.3 Continuance commitment

Continuance commitment refers to the awareness of the costs associated with leaving the organization. The potential costs of leaving the organization involve the threat of wasting time and effort spent on the acquisition of non-communicable skills, loss of attractive benefits, waiver of privilege that brings long years of service, and the collapse of family and personal partnerships (Radosavljevic et al., 2017). In addition to costs related to leaving the organization, Continuance commitment will also develop in the absence of alternative employment opportunities.

2.2 Empirical Review

Empirical studies have shown that turnover intentions are functions of several variables such as motivation, organizational support, financial reward, communication promotion prospect and leadership styles (Brown, McHardy, McNabb and Taylor, 2011). Jordan (2012) suggests that most of the theoretical literature contends that before individuals leave an organization, they progress through a series of stages of psychological and behavioral withdrawal. (Scott, 2007) for example, asserted that absence is a miniature form of turnover. He states that the position of leaving a job is the outcome of a chain of experiences building up to the final break events on a smaller scale. Signs such as high absenteeism tend to manifest earlier as turnover becomes the dying state of a lively process of leaving. However, with the changing nature of jobs, more study

has to be done focusing on the effect or impact of turnover intentions on employees' commitment (Bin, 2011).

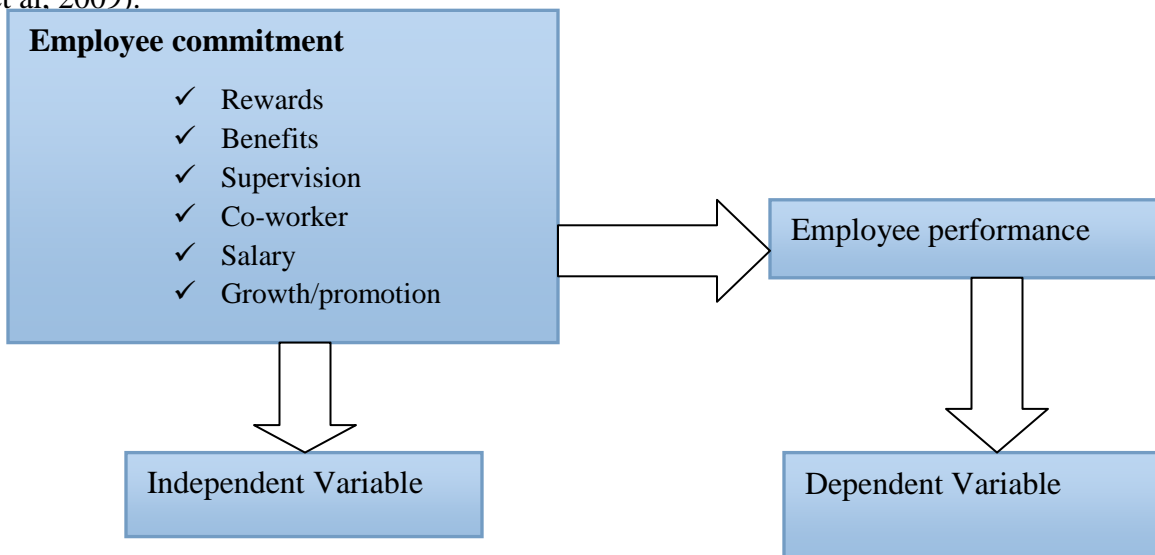
The purpose of the research conducted by researchers is to be able to explain how the direct relationship between commitment and employee performance. According to some previous researches, it is seen that factors that affect the employees of different organizations in a negative way are- insufficient wage and job insecurity, limited training programs, lack of new opportunities etc. Moreover, with the pace of time several other factors have been revealed which negatively affect employee motivation and performance. That's why there are different researches made by researchers to determine the factors that motivate the employees in a positive way and as a result of these researches too many factors have been found Mak & Sockel, (2001); Velo & Mitta, (2006). A study of industrial employees, conducted by Kovach (1987), yielded the following ranked order of motivational factors: (a) interesting work, (b) full appreciation of work done, and (c) feeling of being in on things.

2.3 Conceptual frame work review

As discussed in the theoretical literature of this chapter, the theoretical framework refers by the theory that researcher decide them in their research. Therefore, the theoretical framework is the theoretical use, or concepts that are derived from the theory, it refers to the justification in the event or in the particular research problem. Commitment factors and employee performance are intricately connected because every worker has to have some degree of commitment just to go to work in the first place. Many people believe that the most highly commitment employees are the employees who would reach the highest level of employee performance.

The objective of the research is to find the relationship between employee commitment and performance of the employees. Conceptual framework was developed based on literature survey. This conceptual framework depicts the independent variables and the dependent variable. In this paper Employee commitment is an independent variable and employee performance is dependent variable. The idea behind the research is to check the impact of employee commitment on job performance. Employee commitment is conceptualized in varies forms and tried to be measured. Researchers suggest that Employee commitment forms in two ways in the organizations. The first is the attitudinal commitment and the other is the behavior commitment. The attitudinal

commitment emerges from the relationships between the employee and the organization centers on what the employees think about their organization. According to Grusky (1966), attitudinal commitment represents the individual's identification with a specific organization and the organizations goals, his/her willingness to continue to work in the organization to facilitate reaching these goals and the employees' emotional commitment to a social system. Allen and Meyer's (1990) work revealed the differences in the attitudinal commitment definitions, developed a measure for each and showed that each and every one of these measures has different relationships with the previous works. Meyer and Allen (1991) treat Employee commitment in three groups; affective-emotional, continuance and normative commitment. This mode of classification is still valid today and is still considered to be fundamental in the commitment studies. Today's employees are better educated, increasingly mobile and are constantly seeking empowerment. The ever-changing technology, increased competition and globalization have created a new workplace that bears little resemblance to the businesses of the past. In the workplace of the future, many employers are realizing that the only constant advantage that they will have is their people is their intellectual capital. However, the employee commitment to an organization is affected by rewards, benefits, supervision, co-workers, work, not recognizing employee job performance, fewer opportunities for growth/promotion, low salaries, and employees not receiving praise from their superiors for good performance (Robbins et al, 2009).



2.4 Research Hypothesis,

The purpose of the research conducted by researchers is to be able to explain how the direct relationship between employee commitment and employee performance. Direct relationship between employee commitment and employee performance. Below is an explanation for building the hypothesis in this study as follows.

Based on the theoretical framework the hypothesis was formulated

H1: There is the significant relationship between the employee commitment and benefits/reward.

H2: There is the significant relationship between the employee commitment and coworkers.

H3: There is the significant relationship between the employee commitment supervision.

H4: There is the significant relationship between the employee commitment and growth/Promotion.

H5: There is the positive relationship between the employee commitment and their performance

CHAPTER-THREE

3. RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter of the study include outline of the research methodology applied with the following summary:

- Description of the study area
- Research design and Approach
- Data type and Source
- Data Collection Methods and Instruments
- Target population
- Unit of analysis
- Sample size and sampling techniques
- Sampling frame
- Method of data analysis
- Ethical Consideration

This research would be conducted in AACRA (Addis Ababa City Road Authority). The research work would employ a descriptive survey through questionnaire with the sample size of 230 from 5 directorates in the organization. The research would be using both primary and secondary data source. The data would be coded and captured into the computer for analysis using Statistical Package for Social Sciences (SPSS) version 23 and would be present in a convenient and informative way includes frequency tables, graphs and charts for easier analysis and interpretation. Descriptive analysis would be used to determine the proportions and frequency of the variables.

3.2 Description of the study area

Addis Ababa city was founded by Minellik the second and Empress Taitu in 1887. The history of the city's road development also begin from the inception of the city. He constructed the first

ever two roads in the city as well as in the country that stretch from Addis Ababa to Addis Alem and from his palace to British embassy in 1902.

During the reign of Emperor Haile sellase the modern road construction began and resume during the Derge regime under the “Road and building works” department in the city administration.

Addis Ababa city roads Authority was established in March 15,1998 by regulation no 7/1998 to be administrated by board of directors to construct, maintain and administer the road infrastructure in Addis Ababa.

3.3 Research Design and Approach

The descriptive research was adoptive in this research. The research design is based on both qualitative and quantitative approach to asses’ effect of employee’s commitment on employees’ performance among the employees of different department of Addis Ababa City Road Authority.

A research design is a procedural plan that is adopted by the researcher to answer questions validly, objectively, accurately and economically (Kumar, 2011).The research design for this study would employe a descriptive survey through questionnaire. The purpose of using descriptive surveys would help to collect detailed information that describes an existing phenomenon. From a review of literature, a survey questionnaire would be developed to collect data for the study.

The research approach applied for this study is descriptive research method. The objective of a descriptive research is to study the who, when, where and how of topic and concerns a univariate question or hypothesis in which, we ask about, or state some things about the size, form, distribution, or existence of a variable (Donald and Cooper 1995).The research designed to investigate the existing impact of commitment on employees performance at the Addis Ababa City Road Authority. The major purpose of descriptive research is to describe a certain phenomenon; the descriptive research design describes the characteristics of objects people or organization (Zikimund, Babin,Carr& Griffin, and 2012:15).The researcher adopted descriptive research design with 5 Point Likert scale and a cross sectional study, and used both research

approaches (qualitative and quantitative) to assess employees perception towards commitment factors of employee in Addis Ababa City Road Authority.

3.4 Data type and Source

To examine the effect of employee commitment on employee's performance, the researcher will use both primary and secondary data to effectively achieve the objectives of the study. The primary data are gathered from respondents; employees about the subject using questionnaire. The researcher will gather the secondary data which has relationship with the subject, from books, journals, and online references to understand the issue clearly and be able to build a comprehensive background of the study.

3.5 Data Collection Methods and Instruments

The research would use structural and non-structural questionnaires to measure the effect of employee commitment on employee's performance. The questions will mean to be answered by all respondent employees. Where the respondents would be asked to rate the level of their agreements towards a given statement based on their experience in the organization Data collection instrument is the tools used by the researcher. The research instrument was used as the questionnaire. The questionnaire had to collect the information. Demographic questions and Likert scale questions. The question is modified from the previous research. There are various ways of researchers to collect data. The purpose of collecting data is to answer questions in which the answers are necessary for the research. There are different types of data collection instrument that the researchers to use for improve research. These data collection instruments are questionnaire, interview, observation and documents and other source data collection instruments to use for to accomplish the research. But in this research papers use questionnaire, interview and observation data collection instrument for accomplish this research paper.

3.6 Target population

The target population for this research will employees who are working in five directorates of Addis Ababa City Road Authority Namely Human resource and facility management directorate, Construction contract administration directorate, Own force road construction directorate, Equipment maintenance and administration directorate and Finance administration directorates.

The reason behind is the fact that the research focuses on these directorates are the performance of the organization is usually measured through the execution of annual plane on the bases of construction of the road and the utilization of annual authorized budget are directly related with those directorates primarily. For this study, employees with different designation and experience level will be select as target population over 5 directorates.

3.7 Unit of analysis

The unit of analysis refers to “the level of aggregation of the data collected during the subsequent data analysis stage” (Cavana et al., 2001). In this study the unit of analysis will be the individual employees in Addis Ababa city road authority. In other words, the unit of analysis is individual. This study will be focuses on the effect of employee commitment on their performance in the organization on the selected directorates. The target respondents in the study included based on the plenty of contribution for organizational performance.

3.8 Sample size and sampling techniques

A sample is defined as a subset or subgroup of the population and therefore comprises some members who are selected from it (Sekaran and Bougie, 2013). Decisions as to “whether to work with an entire population or a sample of the population are made based on the size of the population, the time available for the research, and the requirements of the research” (Quinlan 2011, p. 208). If the researcher decides to use a sample, it is important that the sample selected and the sampling method that is used are clearly described (Quinlan). Based on the information from the data, for the population of 506 at 5% margin of error and 95% confidence level the sample size is 230.

$$n = N/1+N (e)^2$$

Where n= sample size, N = population size, e = level of precision given that 95% confidence level and p = ±5% are assumed.

$$n = 506/1+ 506(0.05)^2$$

$$n = 230$$

Accordingly, the population parameter of 506 yields a sample size of 230 including 5% contingency and a stratified random sampling technique will be used. In this technique the

number of sampling unit drawn from each stratum (directorate) in proportion to the population size of each stratum. Participants from each stratum would be then select randomly.

3.9 Sampling frame

A sampling frame is a resource from which you can select your smaller sample. It would help you in filling quota targets if the sampling frame contains some information about the sampling categories which is relevant to those quotas. Whatever frame you choose, your sampling practice will thenceforward be influenced by the parameters and characteristics of that frame (Mason, 2002).This study will cover every professional staff working in each directorate.

Table 3.1:-Proportional distribution of sample to each stratum.

Title	Mode of Employment	Contract	Own force	Finance	HRM	Equipment	Total
Population	Permanent	23	180	30	68	95	396
	Contractual				65	45	110
Total		23	180	30	133	140	506
Proportional %		4	36	6	26	28	100
Sample distribution		9	82	14	60	65	230

Source;-Human resource updated record (Feb 2019)

3.10 Method of data analysis

The term analysis refers to the computation of certain measures along with searching for patterns of relationship that exist among data-groups. Thus, “in the process of analysis, relationships or differences supporting or conflicting with original or new hypotheses should be subjected to statistical tests of significance to determine with what validity data can be said to indicate any conclusions” (Kothari 2004 P:122).The data will be coded and captured into the computer for analysis using Statistical Package for Social Sciences (SPSS) version 23 and would be present in a convenient and informative way including frequency tables, for easier analysis and interpretation. Descriptive analysis would be used to determine the proportions and frequency of variables.

3.11 Ethical Consideration

Research, as a scientific process and activity, has get its own basic ethical conducts that shouldn't be compromising at all levels. For instance, any source that is quoting and use as essential part of the study was cited. That means, acknowledging the authors of books and articles is necessary. Moreover, the data was gathered from the appropriate and relevant sources. Therefore, with respect to the current study, the researcher was respect and complied with existing ethical principles to make the research credible and acceptable by the academic communities and users of the result. The confidentiality of participants" (managers, union leaders and employees) maintained in that their names; addresses, signature and their roles in company not appeared and filled in the questionnaire. In addition, respondents fully volunteered to participate in the study and the irrigates/privacy was respected. The researcher presented the findings of the study without any distortion of the reality or data gathered in process of the study was kept confidential and would not be used for any personal interest and the whole process of the study was controlled to be within acceptable professional Ethic.

CHAPTER-FOUR

3. DATA ANALYSIS AND PRESENTATION

4.1 Response Rate

Table 4.1 Response rate

Gender	Number of respondents	Response rate
Male	105	48.4%
Female	112	51.6%
Total	217	100%

4.2 Characteristics of the Respondents

This chapter discusses the presentation, analysis and interpretation of the data gathered through questionnaires, interviews, and personal observation made by the researcher. It includes the characteristics of the respondents and data presentation, analysis and interpretation.

This study examined the effect of employee commitment on employee's performance in Addis Ababa City Road Authority. Data were collected through the administration of self-completion questionnaire on the employees in the company by the researchers. The questionnaire sought information on the demographic data of respondents and also requesting them to provide responses to issues as it relates to the research. Respondents were required to tick a response from each statement as was applicable to them. A period of two weeks was given to enable respondents complete the questionnaires upon which the researchers returned to collect completed questionnaires. Out of 230 questionnaires administered, 217 questionnaires were completed and returned which represents a response rate of 94.3%. The measures for this research study were employee commitment on employee performance. This questionnaire has different items each measuring affective, continuance and normative commitment. The responses to the questionnaire ranged from strongly disagree to strongly agree. To measure employee performance, the researchers developed a questionnaire to measure performance indicators in the organization. The scale also ranged from strongly disagrees to strongly agree from which

respondents were expected to tick. The data was collected through questionnaires are then entered in statistical package for social science (SPSS.) by using this software to obtain the result below.

4.2.1 Correlation and Regression Analyses

The data are examined using the frequency method. The hypothesis testing was tested by regression and person correlation coefficients. At the data was gathered and tested with the reliability. The reliability was measured by using Cronbach Alpha. The method was done by using SPSS Version 23. The correlation alpha for this research was shown in the reliability Statistics table.

Table 4.2 Reliability Testing (Cronbach Alpha)

Variable	Cronbach's Alpha
Employee commitment	0.756
Reward	0.624
Co-worker	0.743
Supervision	0.854
Promotion	0.687
Employee performance	0.654
Overall reliability	0.734

In the above table the reliability measured in Cronbach Alpha the value was 0.734 which is greater than 0.5 therefore the research standard is being accepted level. Therefore the hypothesis testing is as follows in the case of Person Correlation between Variable in the following table.

Table 4.3 Correlation coefficient (r) value and hypothesis

Relationship	Correlation Coefficient(r)	Hypothesis support
Employee commitment-reward	0.423	Yes
Employee commitment-co-worker	0.357	Yes
Employee commitment-supervision	0.562	Yes
Employee commitment-promotion	0.471	Yes
Employee commitment-employee performance	0.578	Yes

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

From the above table the paper is to find the relationship between the employee commitment and employee performance, and also how the reward, coworker, supervision and promotion related with employee commitment. The hypothesis was tested with person correlation which shows the direction of a relationship. The tested result was shows in the above table. The result show that there is positive relationship between job Employee commitment-reward ($r=0.423$, $p=0.01$), there is the positive relationship between Employee commitment-co-worker ($r=0.357$, $p=0.01$), there is the positive relationship between the Employee commitment-supervision ($r=0.562$, $p=0.01$) there is the positive relationship between the Employee commitment-promotion ($r=0.471$, $p=0.01$), hence the result show that there is the positive relationship between the employee commitment and Employee performance which is 0.578 of correlation coefficient(r).

This paper is to believe the employee commitments and employee performances relationship. And also find the bond between reward, coworker, supervision and promotion with employee commitment. Therefore the hypothesis was tested to achieve in this paper. The aim of this paper to identified the relation between Employee Commitment and employee Performance the result show they have positive relationship. Therefore when the employee has the greater commitment it will maximize the employee performance. It believed that commitment would make the performance efficiency.

Table 4.4: General Profile of Respondents.

	Frequencies	Percentage (%)
Gender of respondent		
Male	105	48.4
Female	112	51.6
Total	217	100
Age of respondent		
25-35 years	109	50.2
36-45 years	83	38.3
More than 46 years	25	11.5
Total	217	100
Position of respondent		
Hand skill	3	1.4
Office assistant	25	11.5
Officer	138	63.6
Expert	46	21.2
Director	5	2.3
Total	217	100
Salary of the respondent		
Less than 5000 birr	10	4.6
5001-7000 birr	30	13.8
7001-10000 birr	74	34.1
10001-15000 birr	94	43.3
Greater than 15000 birr	9	4.2
Total	217	100
Experience of the respondent		
Less than 1 year	11	5.1
2-4 years	39	18
5-7 years	63	29
More than 7 years	104	47.9
Total	217	100

Source: own survey, (2021),

The table above indicates that analyzing the gender of respondents, the table further reveals that 105 respondents representing 48.4% were male while 112 respondents representing 51.6% were female employees. 109 respondents 50.2% were between the ages of 25-35 years, 83 respondents representing 38.2% falls between the ages of 36-45 years, 25 respondents representing 11.5% were the ages of above 46 years old. Also, the above table the statics Position of respondents, the reveals that 3 respondents representing 1.4% were hand skill, 25 respondents representing 11.5%

were office assistant, 138 respondents representing 63.5% were officer, 46 respondents representing 21.2% were expert and 5 respondents representing 2.3% were directors. And also analyzing the salary of the respondents, 10 respondents representing 4.6% the salary of less than 5,000 birr, 30 respondents representing 13.8% were salary of 5,001 to 7,000 birr, 74 respondents representing 34.1% were salary of 7,001-10,000 birr, 94 respondents representing 43.3% were between salary of 10,001-15,000 birr and 9 respondents representing 4.1% were salary of greater than 15,000 birr. Finally, analyzing the Experience of respondents that 11 respondents representing 5.1% have worked less than 1 year, 39 respondents representing 18% have worked between 2-4 years, and 63 respondents representing 29% have worked between 5-7 years. While 104 respondents representing 47.9% have worked above 7 years. This indicates that the employees are more experience, this leads to the company is to be successful.

4.3. Analysis and Presentation of Data pertaining to the study.

Questionnaire was designed and distributed by the researcher to AACRA. Out of the total 230 questionnaires distributed 217 respondents were filled out and returned which accounts to 94.3%. Questionnaire was designed and distributed by the researcher for AACRA employees and Out of the total 230 questionnaires distributed 217 respondents were filled out and returned which accounts to 94.3%. This indicates the majority of the employees participated on this research.

Table 4.5 Employees Response on employee commitment Related Issues.

Level of commitment at work		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
I am committed at current job	Frequency	0	2	13	141	61	217
	Percent	0	0.9	6	65	28.1	100
The level of commitment can affect my performance	Frequency	4	12	33	106	62	217
	Percent	1.8	5.5	15.2	48.8	28.6	100
I am inspired to meet my goal at work	Frequency	1	11	26	100	79	217
	Percent	0.5	5.1	12	46.1	36.4	100
I am determined to give my best	Frequency	4	5	29	103	76	217

effort at work each day	Percent	1.8	2.3	13.4	47.5	35	100
I have clear view on goals, priorities and objectives of my work	Frequency	3	6	13	111	84	100
	Percent	1.4	2.8	6	51.2	38.7	100

Source: own survey, (2021)

As presented on table 4.2 none of strongly disagree and 2(0.9%) disagree, the respondents indicated that they are committed at current job. The respondents of 13(6%) were neutral to the statement and 141(65%) and 61(28.1%) of the respondents were agree and strongly agree respectively to the statement that they are committed with the current job they are working. The question asked whether “the level of commitment can affect my performance”. Where 4(1.8%) and 12(5.5%) of the respondents were strongly disagree and disagree respectively. The respondents of 33(15.2%) were neutral to the statement and 106(48.8%) and 62(28.6%) of the respondents are agree and strongly agree respectively that is the level of commitment can affect their performance. On the question “I am inspired to meet my goal at work”. The respondents of 1(0.5) and 11(5.1) strongly disagree and disagree respectively. 26 (12.0%) are neutral or stays in different 100(46.1%) and 79(36.4) of the respondent are agree and strongly agree respectively in the statement. From this the researcher can conclude majority of the respondents agree with the level of commitment at work influence their commitment and the organization works well in this point.

On the question “I am determined to give my best effort at work each day” With this survey, 4(1.8%) strongly disagree and 5(2.8%) disagree, where as 103(47.5%) are agree and 76(35%) are strongly agree with in the given statement the rest 29(13.4%) of respondents replied to be neutral. this indicates majority of the respondents are agreed this statement affects organization positively. In addition to this on the question “I have clear view on goals, priorities and objectives of my work” only 3(1.4%) and 6(2.8%) strongly disagreed and disagreed, respectively, unlike the majority 111(51.2%) are agree and strongly agree 84(38.7), the other 13(6.0%) respondents are neutral from this survey AACRA indicates that it has clear view goal and priority for employees.

Table 4.6: Employees Response on financial incentive Related Issues.

Financial Incentives Factors		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
I am satisfied with my income.	Frequency	1	18	36	108	54	217
	Percent	0.5	8.3	16.6	49.8	24.9	100
The pay offered by the organization is competitive with other organizations in the city	Frequency	6	28	46	98	39	217
	Percent	2.8	12.9	21.2	45.2	18	100
Our organization maintains competitive benefits (e.g. medical , insurance)	Frequency	6	17	60	83	51	217
	Percent	2.8	7.8	27.6	38.2	23.5	100
I would be satisfied if I received a monthly allowance.(e.g. fuel and telephone)	Frequency	21	29	88	57	31	217
	Percent	5.5	13.4	40.6	26.3	14.3	100
Does the organization use monetary rewards? (Like base pay, commission, bonus, incentives and healthy allowances to commitments).	Frequency	10	28	75	71	33	217
	Percent	4.6	12.9	34.6	32.7	15.2	100
I believe that money is a crucial for basic needs	Frequency	9	23	61	81	43	217
	Percent	4.1	10.6	28.1	37.3	19.8	100
Our organization pay policy helps attract and retain high performing employees.	Frequency	11	32	37	93	44	217
	Percent	5.1	14.7	17.1	42.9	20.3	100

Source: own survey, (2021)

As presented on table 4.3 1(0.5%) and 18(8.3%) disagree and strongly disagree respectively, the respondents indicated they are satisfied with the payment provided by the company. 36(16.6%) were neutral to the statement and 108(49.8%) and 54(24.9%) of the respondents agree and strongly agree to the statement that they are satisfied with the payment they are receiving.

When asked to rate whether “The pay offered by the organization is competitive with other organizations in the city” Addis Ababa City Road Authority (AACRA) 6(2.8%) and 28 (12.9%) the respondents strongly disagree and disagree respectively that there is no competitive with other organizations and 98(45.2%) and 39(18%) of the respondents agree and strongly agree respectively that there competitive with other organizations based on performance. The remaining 46(21.2%) are neutral. The table also shows 6(2.8%) and 17 (7.8%) of the respondents

strongly disagree and disagree with “Our organization maintains competitive benefits (e.g. medical, insurance” in office, 60(27.6%) and 83 (38.2%) of the respondents agree and strongly agree respectively. The remaining 51(23.5%) are neutral. Here, we can observe that the respondents believe that “Our organization maintains competitive benefits (e.g. medical, insurance.)” indicates important for to commit employee in the organization. The next question also shows which means“ I would be satisfied if I received a monthly allowance.(e.g. fuel and telephone)” this statement presented that 12(5.5%) and 29 (13.4%) the respondents are strongly disagree and disagree with the question “I would be satisfied if I received a monthly allowance.(e.g. fuel and telephone)” in Addis Ababa City Road Authority (AACRA) office, 57(26.3%) and 31 (14.3%) of the respondents are agree and strongly agree respectively that the remaining 88(40.6%) are neutral. Here, we can observe that the respondents believe that more of the organization employees are satisfied by a monthly allowance (e.g. fuel and telephone) therefore the organization would be work hardly on the employees satisfaction base allowance. As table indicated, that the statement that “Does the organization uses monetary rewards?(like base pay, commission ,bonus, incentives and healthy allowances to commitments.)”the respondents believe that 10(4.6%) and28(12.9%)respondents are strongly disagree and disagree with organization uses monetary rewards. On the other hand 71(32.7%) and33(15.2%) of the respondents are agree and strongly agree respectively in addition to this 75 (34.6%) of the respondents are neutral to it. This indicates that the majority of the respondents are agreed with organization uses monetary rewards. Additionally “I believe that money is a crucial for basic needs”. The respondents respond to 9(4.1) and 23(10.6) strongly disagree and disagree respectively. From these respondent 61(28.1) are neutral and the remaining 81(37.3) and 43(19.8) respondents are agree and strongly agree respectively. In this case Addis Ababa City Road Authority (AACRA) office is indicates to fulfill the majority basic needs of the employee. Finally, organization pay policy helps attract and retain high performing employee’s factor in Addis Ababa City Road Authority (AACRA) office.

Table 4.7 Employees Response on Recognition and Reward Programs Related Issues

Effect of employee commitment on performance		Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Total
Our organization uses non-monetary rewards like recognition, inclusive decision making and flexible working hours to commit us.	Frequency	19	40	60	75	23	217
	Percent	8.8	18.4	27.6	34.6	10.6	100
It is important to me to be formally recognized by management /supervisor for a job well done.	Frequency	5	16	71	104	21	217
	Percent	2.3	7.4	32.7	47.9	9.7	100
It is important to me to be recognized by my peers and co-workers for a job well done.	Frequency	7	21	64	99	26	217
	Percent	3.2	9.7	29.5	45.6	12.0	100
If our organization had a wellness club or benefit program e.g., mass sport gym or sports club membership, I will be committed.	Frequency	18	38	56	79	26	217
	Percent	8.3	17.5	25.8	36.4	12.0	100
In our organization, rewards are viewed as goals that employees generally strive for and an instrument that provides valued outcomes.	Frequency	11	32	66	80	28	217
	Percent	5.1	14.7	30.4	36.9	12.9	100
Our organization uses training and development (e.g. short and long term training, sponsorship) as a way to motivate us.	Frequency	8	29	58	95	27	217
	Percent	3.7	13.4	26.7	43.8	12.4	100
Our organization has a fair and equitable reward scheme.	Frequency	7	22	65	83	39	217
	Percent	3.2	10.1	30.0	38.2	18.0	100
Our current recognition and reward program commitments me to perform better.	Frequency	4	24	65	98	26	217
	Percent	1.8	11.1	30.0	45.2	12.0	100
Our organization has observed a long term-improvement of the quality of work as result of the reward system in place.	Frequency	6	32	68	90	21	217
	Percent	2.8	14.7	31.3	41.5	9.7	100

Source: own survey, (2021)

As presented on table 4.4 19(8.8%) and 40(18.4%) disagree and strongly disagree respectively, the respondents indicated they are not satisfied with the none monetary reward provided by the company. 60(27.6%) were neutral to the statement and 75(34.6%) and 23(10.6%) of the respondents agree and strongly agree to the statement that they are satisfied with the payment they are receiving. When asked the respondents “It is important to me to be formally recognized by management /supervisor for a job well done.” Addis Ababa City Road Authority (AACRA) office, 19(8.8%) and 40 (18.4%) the respondents strongly disagree and disagree respectively that there is no recognized by management /supervisor for a job well done and 75(34.6%) and 23(10.6%) of the respondents agree and strongly agree respectively that there is recognized by management /supervisor for a job well done. The remaining 60(27.6%) are neutral. Here, we can observe that the majority of the respondents don’t believe there is recognized by management /supervisor for a job well done on performance system.

The above table 4.4 also shows 7(3.2%) and 21 (9.7%) the respondents strongly disagree and disagree with “It is important to me to be recognized by my peers and co-workers for a job well done.” In Addis Ababa City Road Authority (AACRA) office, 99(45.6%) and 26 (12%) of the respondents agree and strongly agree respectively that the peers and co-workers for a job well done. The remaining 64(29.5%) are neutral. Here, we can observe that the respondents believe the “It is important to me to be recognized by my peers and co-workers for a job well done.” is big advantage. The above table also shows 18(8.3%) and 38 (25.8%) the respondents strongly disagree and disagree with the question “If our organization had a wellness club or benefit program e.g., mass sport gym or sports club membership, I will be committed.” in Addis Ababa City Road Authority (AACRA)office, 79(36.4%) and 26 (12%) of the respondents agree and strongly agree respectively. The remaining 56(25.8%) are neutral. Here, we can observe that the respondents believe that the organization have moderately monetary compensation salary our organization had a wellness club or benefit program e.g., mass sport gym or sports club membership, I will be committed structure for company. As table 4.4 indicated, 11(5.1%), 32(14.7%) strongly disagree and disagree with the organization, 95(43.8%) 27(12.4%) of the respondents agree and strongly agree respectively for the statement in organization has attractive work. 58(26.7%) of the respondents are neutral to it. This indicates majority of the respondents are agreed in the statement.

It also presented on table 4.4 11(5.1%) and 32(14.7%) disagree and strongly disagree respectively, the respondents indicated they are not satisfied with the statement. 66(30.4%)

were neutral to the statement and 80(36.9%) and 28(12.9%) of the respondents agree and strongly agree to the statement that they are satisfied in the company. The above table also shows 8(3.7%) and 29 (13.4%) the respondents strongly disagree and disagree respectively, the respondents indicated they are not satisfied with the statement. 58(26.7%) were neutral to the statement and 95(43.8%) and 27(12.4%) of the respondents agree and strongly agree to the statement. In this case organization should evaluate the uses training and development structure and take the necessary action to improve the practice. When asked whether they believe that the organization provides “Our organization has a fair and equitable reward scheme” the majority 7(3.2%) strongly disagree 22(10.1%) disagree

of the respondents to the organization has a fair and equitable reward scheme. 65(30%) neutral to the opportunities to advance to a better a fair and equitable reward while 83(38.2%) agree and 39(18%) strongly agree.

CHAPTER-FIVE

5. SUMMARY, CONCLUSION AND RECOMMENDATIONS

In this chapter the major findings Conclusions and the researcher suggested solutions i.e. recommendations is presented.

5.1 SUMMARY OF THE FINDING

The section summarizes the results and the findings based on the analysis done on the data collected from respondents. The show that there is the positive relationship between the employee commitment and Employee performance which is 0.578 of correlation coefficient(r). In this case the study is designed to investigate the effect of employee commitment on employees' performance at Addis Ababa City Road Authority. In this regard an attempt has been made to see different commitment practices in the selected office employee's attitude towards commitment practices and the performance. The summaries of findings are presented as follows. Limitation of the study is also one of the emphases of this chapter from which future research insights are conceived.

- Above half of respondents agree that the pay matches their responsibility.
- 108(49.8%) of the respondents are agree to the statement that they are satisfied with the payment they are receiving.
- The general attitude of the respondents reveals that there is a positive relationship between performance and level of commitment practice.
- 81(37.3) of the respondents are agree with the statements that money is a crucial for basic needs. Therefore, (AACRA) office is indicates to fulfill the majority basic needs of the employee.
- 71(32.7)of the respondents are agree with the statement their organization uses monetary rewards? (Like base pay, commission, bonus, incentives and healthy allowances to commitments. This is better to continue this activity.
- 75(34.6%) of the respondents were agree with the statement that none monetary reward provided by the company. this indicated that the company had low monetary reward.

- 98(45.2%) of the respondents are agree to the statement that there competitive with other organizations based on performance.
- From majority of the organization respondents don't believe that there is recognized by management /supervisor for a job well done on performance system.
- The organization have moderately monetary compensation salary and wellness club or benefit program. In addition to this to the organization has a fair and equitable reward scheme.
- 83 (38.2%) of the respondents are strongly agree with the statement their organization maintains competitive benefits (e.g. medical, insurance”).
- From listed variable, interesting work, fair profit distribution, job security, promotions, growth opportunity and feeling of belongingness are to commit the employee's and make profitability for (AACRA).
- 88(40.6%) of the respondents are neutral with the statement they would be satisfied if they received a monthly allowance (e.g. fuel and telephone). This indicates that the organization want more works the employee come to their interest.
- More of respondents were on the fairness of the job evaluations.
- From 217 respondents 112 respondents representing 51.6% were female employees this indicates that more of the respondents are female.
- More of the respondents feel that the organization leadership makes changes favorable to their work performance positively.
- From 217 respondents 109 respondents 50.2% were between the ages of 25-35 years this believe that the organization has more power to make changes.
- 138 respondents representing 63.5% were officer; this indicates that the officers are the majority part of the organization and 5 respondents representing 2.3 % were directors.
- 94 respondents representing 43.3% were between salaries of 10,001-15,000 birr indicate that most of the respondents are happy with their current salary.
- While 104 respondents representing 47.9 % have worked above 7 years. This indicates that the employees are more experncied, this leads to the company is to be successful.
- From 217 respondents answer agree 141(65%) of respondents are committed with the current job they are working.

- 62(28.6%) of the respondents are strongly agree that is the level of commitment can affect their performance. Therefore the organization more works on the level of commitment.
- 100(46.1%) of the respondent are agree in the statement with the inspired the goal at work this indicates that the organization works well in inspired the goal at work.
- Majority of the respondents are agreed determined to give their best effort at work each day affects organization positively.
- Majority 111(51.2%) are agree with clear view on goals, priorities and objectives of their work.

5.2. CONCLUSIONS

In the table the effect of Employee Commitment on Employee Performance is checked. The table shows that there is a moderate level interdependence between Employee Commitment and Employee Performance. Here is 0.578 of correlation coefficient(r), which is greater than zero or we can say that it is non-zero .In the table the effect of Employee commitment on employee performance is checked. This Research focused on one of the work related attitude called as employee commitment and investigate that employee commitment is influenced to the performance of employees. The purpose of this research carried out to identify and analyses the “effect of employee commitment on employee performance; with special reference to the AACRA.

According to the research, the majority of the respondent is female and its percentage is 51.6% and according to the research figures, the majority of respondents were from 25-35 years of age category and its getting 50.2% percentage and the experience of the employees reveal the more than 7 years’ experience in the organization it representing 47.9%. The main objective of this research was to examine the relationship between the employee commitment and employee performance. According to the research it is proved that employee commitment was the influence of the employee performance and hence it is proved that employee commitment is significantly interdependent with the employee performance. According to the analysis of data collection of survey, describe that employee commitment has significantly impacted on employee performance.

In general from the above discussion, the general working condition, including good and healthy issues are adequately addressed by the company and employees are happy with it the company creates smooth relationships with employees and working condition. The recognition are appreciation for good work which committed employees. Employees are more committed in interesting work. The company has no identified and planned commitment practices in place from which the company could generate significant amount of profit. Majority of the respondents perceived that the job evaluation as fair but the overall reward practices as defective and as satisfactory. Commitment plays a significant role in shaping behavior and specially in influencing work performance in organization. Over the year's various factors that are considered to play an important role in performance have been suggested. The respondents of this study are satisfied with the overall job security. This is one of importance parameters to commit employees and a way to get best out of them. Commitment is important to organization because it increase the performance level of employees, decreasing employee's turnover and absenteeism, and help in accepting of organization changes so good Commitment need to for all. Specially, there is no clear, standardized and adequate commitment practices in AACRA that can address different elements of Commitment it affect the employee's performance. The general attitude of employees towards the current commitment practice is partly good, i.e. they are happy with the working conditions, growth opportunity but are not happy with regard to bonus. The reward practice also lacks.

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

5.3 RECOMMENDATION

Based on the findings, the following recommendations are hereby suggested: Since it was found that there is fairly a high relationship between employee commitment and organizational performance, the top management of the organization are advised to recruit employees who are likely to become linked to the organizational objective. The organization must exhibit a high level of commitment to its employees. If employees are concerned about losing their jobs, there is very little likelihood of high level of employees' commitment. The employees should be given adequate resources, facilities, training autonomy, and responsibility to strengthen the

commitment of employees with their organization, performance. Further to make the employees of all age group and different years of experience towards increasing organizational performance, a fair and transparent treatment should be exercised throughout the organization.

After analyzing the outcome of the survey analysis, the study has recommended some of the strategies which might be effective in building positive employees' commitment towards the commitment factors. Since all variables show high commitment for employees the activities takes place cooperatively then the researcher recommend the following prospects to better committed employees based on the findings and conclusion the researcher recommends the following which will be helpful for Addis Ababa City Road Authority (AACRA).

- The researcher suggests that the organization should focus on giving appropriate forward Program relating to their jobs and providing opportunities for position relating to their position.
- The organization should give importance to moral incentives like appreciation, respect, and compensation as well as physical incentives, recognize all the time success of the organization concerned individual, and making recognition as their organizational culture. The AACRA must not only believe in the importance of adequate, proper commitment issues but also practices them as well.
- AACRA has to recognize in order to good accommodate human resource activities, like clear guide line, manual and procedure as to how the human resource to be managed commitment practice and in addition to reward.
- AACRA as well as close the gap between the practice of commitment and performance in addition to create awareness of the importance of planned and adequate commitment techniques like training should be arrangement of employee's issues and align the human resource requirements and to estimate the level of commitment required from the existing employees and the means to attract new individuals.
- The annual awarding ceremony of recognizing best employees of the year should be necessary and the selection process for such award must be clear, fair and transparent to meaningful in addition to employees perceiving that their salary payment and profit sharing can commit employees significantly to increase profitability, to increase the level of commitment and retain the workforce.

- The company should give emphasis for working time to make flexible to improve work condition and favorable and ordering employees to do voluntary part-time work to improve job security in order to motivate them to the highest level

Generally, recommend that to create win the stiff business competition which yet to come; Addis Ababa City Road Authority (AACRA) must work hard to commit and retain its work force as the human resource capital creates the high competency resource. The growth of the organization is the result of the cooperative work of the employees. From starting of this one of the attitudes employee commitment is big factor for growth of organization.

5.4. LIMITATION OF THE STUDY

Financial, time, information and materials are the major limitations of this study. The research samples were taking from the staff's member of organization by using simple random sampling. It was bring limitation to complete a deeper research about the relationship of commitment on employees and their performance in the organization.

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Appendix



St. Mary's University ት.ድ.ሰ.ት ማርያም
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Committed to Excellence

SCHOOL OF GRADUATE STUDIES

QUESTIONNAIRE

DEAR RESPONDENT

SIANT MARY UNIVERSITSY

SCHOOL OF POST -GRADUATE STUDY (MBA)

Questionnaire on :-THE EFFECT OF EMPLOYEE COMMITMENT ON EMPLOYEES PERFORMANCE

This questionnaire is for an academic purpose - for a partial fulfillment of Master's Degree on Business Administration. The study is intended to assess the effect of employee commitment on employees' performance in the case of Addis Ababa City Road Authority.

This questionnaire is prepared to gather opinion of employees regarding the subject matter and your genuine response is of high importance for the research success. Therefore, I kindly request you to respond to all of the below listed questions after proper reading of the instructions provided.

Your Responses are Confidential and you will not be held responsible for the research outcome. Your genuine and timely responses are valued for this research paper.

Section – A: General Profile of Respondents:

1. Gender: Male Female
2. Age group: 25-35 36-45 46+

3. Put a tick mark (√) in your position

- Hand skill _____
- Office assistant _____
- Officer _____
- Expert _____
- Director _____

4. Salary

- A. < 5,000
- B. 5,001 to 7,000
- C. 7,001 to 10,000
- D. 10,001 to 15,000
- E. > 15,000

5. Experience:

- a. Less than 1 year b. 2-4 years c. 5-7 years d. More than 7 year

Section –B:-Questions to Measure the level of employee commitment currently in the organization.

Instruction: This part of the questionnaire will provide clear information on the level of employee commitment in the organization. Hence, it will help me to understand the level of employee commitment from different perspective.

Please carefully read the listed points and put a tick mark (√) in the box that best expresses your view.

Rating scales

1 = Strongly Disagree (SD)

2 = Disagree (D)

3 = Neutral (N)

4 = Agree (A)

5 = Strongly Agree (SA)

Level of commitment at work	1	2	3	4	5
I am committed at current job.					
The level of commitment can affect my performance					
I am inspired to meet my goal at work.					
I am determined to give my best effort at work each day.					
I have clear view on goals, priorities and objectives of my work.					

Section –C: Questions to Measure the effect of financial/monetary incentive on employee commitment and performance in AACRA’S Staffs;

Instruction: This part of the questionnaire would provide clear information on how committed and satisfied you are with the current commitment factor of the Addis Ababa City Road Authority (AACRA). Hence, it would help me to understand the level of employee commitment from financial incentive perspectives.

Please carefully read the listed points and put a tick mark (√) in the box that best expresses your view.

Rating scales

1 = Strongly Disagree (SD)

2 = Disagree (D)

3 = Neutral (N)

4 = Agree (A)

5 = Strongly Agree (SA)

Financial Incentives/ Monetary Factors	1	2	3	4	5
I am satisfied with my income					
The pay offered by the organization is competitive with other organizations in the city.					
Our organization maintains competitive benefits (e.g. medical insurance).					
I would be satisfied if I received a monthly allowance (e.g. fuel and telephone).					
Does the organization use monetary rewards? (like base pay, commission, bonus, incentives and healthy allowances to commitment us).					
I believe that money is a crucial incentive to work commitment because it is what I use to purchase the things I need and desire					
I believe money is crucial for basic needs.					
Our organization pay policy helps attract and retain high performing employees.					

Section C: - Questions to measure how the effect of Recognition and Reward Programs on employee commitment and performance in the organization.

The questions in this section concern the level and characteristic related to Recognition and reward factors and their effect on employee commitment and performance. Using the key below, please indicate the extent to which you agree with each statement.

Rating scales

1 = Strongly Disagree (SD)

2 = Disagree (D)

3 = Neutral (N)

4 = Agree (A)

5 = Strongly Agree (SA)

Effect of employee commitment on performance	1	2	3	4	5
Our organization uses non-monetary rewards like recognition, inclusive decision-making and flexible working hours to commit us					
It is important to me to be formally recognized by management/supervisor for a job well done					
It is important to me to be recognized by my peers and co-workers for a job well done					
If our organization had a wellness club or benefit program e.g. mass sport, gym or sports club membership, I will be committed					

In our organization, rewards are viewed as goals that employees generally strive for, and an instrument that provides valued outcomes					
Our organization uses training and development (e.g. short and long term training , sponsorship) as a way to motivate us					
Our organization has a fair and equitable reward scheme					
Our current recognition and reward program commitments me to perform better					
Our organization has observed a long-term improvement of the quality of work as a result of the reward system in place					
I am providing good service in any time					
I have good attendance accomplishment in my job					
I feel I am secure in my job.					
I am good problem solver in my work place.					
I am noticed when I done good job					

Last but not least:-

**What do you recommend to increase the level of employee commitment in the organization?

Thank you for your cooperation in advance!