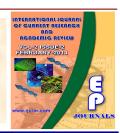


# International Journal of Current Research and Academic Review

ISSN: 2347-3215 Volume-2 Number 2 (February-2014) pp.01-16 www.ijcrar.com



## Measuring the Effects of Drivers' Organizational Commitment through the Mediation of Job Satisfaction – A Study in Ho Chi Minh City, Vietnam

Mai Ngoc Khuong\* and Phan Le Vu

School of Business Administration, International University, Vietnam National University – HCMC, Vietnam

\*Corresponding author

#### **KEYWORDS**

#### ABSTRACT

Job satisfaction; driver's organizational commitment; path analysis.

This research attempted to measure the effects of driver's organizational commitment in Ho Chi Minh City. Quantitative approach was the major method used, with statistical techniques applied, including factor, multiple regression, and path analyses. The unit of analysis was at individual level with the sample size of 300 drivers in Ho Chi Minh City. The findings of this research indicated that the higher levels of job satisfaction, fringe benefit, working environment, technology innovation, relationship with management and relationship with coworker were positively associated with the higher level of organizational commitment. In addition, this research argued that in order to achieve high organizational commitment, transportation companies in Ho Chi Minh City should achieve high level of driver job satisfaction, enhance relationship between drivers and supervisors and managers, relationship among drivers, and provide technology innovation for drivers, the better fringe benefits package.

#### Introduction

In the recently years, the state that drivers resigned from one company only after a few months of working to seek for another companies, happened against most of transportation companies in HCM City. That was known as the unsolvable problem which made many companies faced difficult situation in remaining production process. In addition, most

transportation companies had driver forces that come from different countryside in Vietnam. Therefore, the expectation of backing their home-town to work is high; salary may be a little less than what they got in HCM City, but they live in their own house and living cost would bereduced significantly or drivers work in temporary time to have high income. Most of them are

willing to quit their current job if they have job's better offer from transportation companies. This fact put companies in difficult situation that they have to spend a large amount of money and time to recruit and train new drivers. Especially in the service field, where driver considered the most important factor deciding the success of the company and the training cost is very high. In this actual situation, many companies try to find solutions to recover, but that was not longterm solution for the problem of lack of driver. If transportation companies want to survive in long term, they must think how to look after the standard living of their drivers, and they needed to have suitable changes to adapt to the change of current situation.

Therefore, it is crucial for transportation companies to satisfied their drivers and retain them. This research conducted to identify which are important factors that have most effect on driver satisfaction and organization commitment. This research also tried to explain the direct and indirect effects on organizational commitment through driver satisfaction. Finally, based on the empirical findings, improvement and development suggestions to transportation companies will provided as practical guidelines to enhance driver satisfaction and their organizational commitment.

#### Literature review

Job satisfaction is not a new concept in business. Many previous researchers mentioned and developedthis concept. According to Webster's Dictionary (1986), job satisfaction refers to how well a job provides fulfillment of a need or want of employee, or how well it serves as a source or means of enjoyment. Different authors have different definitions towards defining

job satisfaction.Locke (1976)developedthe most popular definition of job satisfaction. He defined employee job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience." This definition examined job satisfaction as the feeling and thinking that arouses from within one person and is not affected by outside impacts. Rice et al. (1989) proposed that "satisfaction is determined, in part, by the discrepancies from psychological resulting a comparison involving process appraisal of current job experiences against some personal standards of comparison", which showed out that job satisfaction depends mostly on the outside factor, which is other employee's job experiences. While there is still no agreement in the definition of employee job satisfaction, employee job satisfaction understand as the ability of an employee to give an opinion about general emotion and their thinking forms about their job and workplace as the result of the comparison to others. Therefore, job satisfaction does not fix, it is affected by other factors and changes when other factor changes. According to George et al. (2008), Job satisfaction is what feelings and beliefs that people have about their current job. People's levels of degrees of job satisfaction can range from extreme satisfaction to extreme dissatisfaction. Moreover, the attitudes of people toward their job were affected by many aspects of their jobs such as what type of work they do, their colleagues, their supervisors or their subordinates and their salary. Besides that, job satisfaction is a complex and multifaceted concept which can mean different things to different people. Job satisfaction usually linked with motivation, but the nature of this relationship is not clear. Satisfaction is not the same as motivation. Job satisfaction is more of an

attitude, an internal state. It could, for example, be associated with a personal feeling of achievement, either quantitative or qualitative.

In addition, according to Pearson (1991), the basic factors that have significant influences on employee motivation and job satisfaction are payment, promotion and autonomy. Since the turn of the 21th, together with the popularity of the concept of TQM practices, the set of factors expand rapidly. More factors are examined and provento have critical effects on employee job satisfaction. They suggested that top management commitment, employee empowerment, teamwork, job evaluation, employee compensation are critical factors of TQM practice that would positively affect employee job satisfaction. Another study that also used the concept of TQM practice is the study of Chang et al. (2010), according to the study, employee job satisfaction couldimprove through the inclusion of TQM practices associated with human resources. These practices are employee empowerment, employee compensation, team-work and management leadership. Beside the studies of the set of factor base on the TQM practices, other studies come up with the set of factors based on the related features of the job. Turkyilmaz et al. (2011) investigated various studies related to employee job satisfaction and identified 17 main groups. management; are: supervisor empowerment-participative management; salary, recognition, reward and promotion; cooperation; teamwork and training program, career development; working condition; communication; family-friendly policy; cooperate culture; compensation; job itself; organization as a whole; emotional exhaustion; performance management; recruitment; demographics; coworker relations.

Although different researches bring out different sets, there are still some main elements considered crucial factors that appeared on most of the researches. Those factors have greater impact on job satisfaction. They are associated with management, fringe benefits, relationship with coworker, working environment, technology innovation, and risk.

Employee relationship with management is the factor affect the job satisfaction. Manager support plays a significant role in creating employee motivation and autonomy. The relationship between supervisor support and job satisfaction has received a great deal of attention in past research. Previous research has examined relationships between supervisor support and job satisfaction and reported a positive relationship between supervisor support and job satisfaction (Chang et al., 2010). As supervisor take care and support employees and concern about their needs, these employees will feel more satisfied (Griffin, Patterson and West, 2001). Such supervisor supportive behavior found to relate to employee job satisfaction. If employees were supported, easy communication, resolve the employee's problem by supervisors in working and completing the tasks, it will have high level of job satisfaction. According to Aamodt (1999), the quality of the supervisorsubordinate relationship will have significant, positive influence on employee's overall level of job satisfaction. According to SHRM (2012),relationship an employee has with his or her supervisor is a central element to the employee's affiliation to the organization, and it argued that many employee behaviors are largely a function of the way they are managed by their supervisors. One of the components of a good relationship is effective communication. When there are

open lines of communication (e.g., encouraging an open-door policy), supervisors can respond more effectively to the needs and problems of their employees. Effective communication from senior management can provide the workforce with direction. In addition, management's recognition of employees' performance through praise (private or public), awards and incentives is a cost-effective way of increasing employee morale, productivity and competitiveness.

According to SHRM (2011) Benefits for employees can include a wide array of perks and other offerings; however, of primary importance to many employees are health care, paid time off, retirement and family-friendly benefits (e.g., domestic partner benefits, subsidized child care, elder care referral service, scholarships for family members, etc.). These benefits were further examined to learn about their importance to employee job satisfaction, and results showed that more than 50% of employees that were do survey rated benefit is very important and 40% of those rated for important. Fringe benefit includes three main parts: obvious benefits, foregone labor benefits and hidden benefits (Hayes and Gaskell, 2007). Among the three, obvious benefits is the most popular that are offered to employees by most companies. It is including social security, retirement, insurance, etc. Foregone labor benefits, which can be understand as the "released time", including personal days, paid maternity/paternity/parental leave, jury duty, bereavement time, and military service leave. The last one is the hidden benefits, which are extra benefits provide employee to help them perform the job better or helping with recruitment and retention employees. Hidden benefits is not stable, it varied across companies and could modified according to the company

policy and objectives. Fringe benefit was believed to have a profound impact on employee loyalty. It plays as a motivator factor that helps to improve employee performance and to reduce employee turnover (Kasper et al., 2012).

According to SHRM (2012), Employees' relationships with co-workers are important to their success at work. Building allies across the organization helps employees accomplish their work goals and their organization's goals. Forming positive relationships at work may make the workplace and work more enjoyable and increase job satisfaction and engagement. According to 40% of employees, this factor was very important to employee job satisfaction. and 79% of employees expressed satisfaction with their relationships with co-workers. Relationship with co-workers rated second on the list of engagement aspects and was a higher priority for female employees than for male employees. According to Morrison (2004), there is empirical evidence that co-worker relations are an antecedent of job satisfaction. Job satisfaction related to employees' opportunities for interaction with others on the job. It is clear to see that relationships co-workers are important in organizations. Many previous research have shown that the better the relationship, the greater the level of job satisfaction. According to Luddy (2005), the results that indicate that friendship opportunities were associated with increases iob satisfaction, iob involvement and organizational commitment, and with a significant decrease in intention to turnover showed the impact of friendship on workplace outcomes. According to Staudt (1997), such social relations constitute an important part of the "social climate" within the workplace and provide a setting within which employees can experience

meaning and identity. When cohesion is evident within a work group it usually leads to effectiveness within a group and the job becoming more enjoyable. However, if the opposite situation exists and colleagues are difficult to work with, this may have a negative impact on job satisfaction.

Technology innovation is a popular concept in the modern life when the technology changes and innovate everyday. According to Carlsson and Stankiewicz (1991), technology innovation developed within the scientific field of innovation studies which serves to explain the nature and rate of technological change and this concept can be defined as 'a dynamic network of agents interacting in a specific economic industrial area under a particular institutional infrastructure and involved the generation, diffusion, and utilization of technology. Besides technology that, innovation in the organization also has two faces for employees, some employees see new technology as a threat to their hard developed skills and knowledge, while others desire to learn new techniques, using this technology innovation to keep their talents, increase performances, and are supported effectively. Sometimes unwilling employees are forced to learn new ways, while others want to learn the technology innovation who believe that will have more changes developing in the their competences and more changes promotion. In this research, technology innovation included supported tools for drivers in order to have more convenient and advantages when working and it also help organizations increase the quality of services.

Working environment includes all the factors about the job such as all the facilities for doing the job, comfortable workplace and ventilation, safety

workspace, and the degree of noise. These factors influence employee job satisfaction employees want working a environment that provides more physical comfort (Ceylan, 1998). Whenthe firm provided this, employee job satisfaction relationship increases. The between working environment and job satisfaction had been proved by many researchers. It is shown that working environment is a critical factors in determined the level of employee job satisfaction (Chang et al., 2010; Jun et al.,2006). Hughes (2009) mentioned the role of working environment in organizations, it makes sense that people that are comfortable within their working environment will work far more effectively and will enjoy the working process more than those who are uncomfortable. Therefore, you should consider certain aspects of your employees'workplace quite carefully.

According to Rychetniket al. (2004)Risks reduced by primary be prevention actions that decrease early causes of illness or by secondary prevention actions after a person has clearly measured clinical signs or symptoms recognized as risk factors. Tertiary prevention reduces the impact of an already established disease by restoring function and reducing diseaserelated complications. Ethical medical practice requires careful discussion of risk factors with individual patients obtain informed consent for secondary and tertiary prevention efforts, whereas public health efforts in primary prevention require education of the entire population at risk. In each case, careful communication about risk factors, likely outcomes and certainty must distinguish between causal events that must be decreased and associated events that may be merely consequences rather than causes..' Risk management therefore seems to be value preserving rather than value creating. However, several interviewees

argued their utmost ambition was to 'create increased transparency and improve the quality of decision processes.' The head of risk management even said, 'the relation to decision processes has become more evident over time.' Pharma initially emphasized loss avoidance, but they have begun to develop the relation between risk management and decision processes more strongly by exploring the uncertainty within decisions, which suggests more of a value creating approach. Other definition of risk, it is a probability or threat of damage, injury, liability, loss, or any other negative occurrence that was caused by external or internal vulnerabilities, and that may be avoided through preemptive action (Hansson and Sven Ove, 2012). Moreover, risk is the interesting issue that can have positive and negative affect on the attitude productivity employees. of employees like adventure, they want to challenge their possibility limitations. It is the motive power in working. When employees pass the risky problem, they feel very happy satisfaction in job and the productivity will be increase highly. In contrast, employees are perfectionist, they try to avoid the risk to safe, see that risk is the barrier in working. In this case, Risk can create pressure for working and dissatisfaction on the job. Sothe productivity will decrease and it can lead to quit their organization in order to have new

According to Levy (2003), Organizational commitment defined as the strength of an identification individual's with, involvement in the organization. Besides that, According to Morrison (1997), Organizational commitment distinguished from iob satisfaction in which organizational commitment is "an effective response to the whole organization, while job satisfaction is an effective response to specific aspects of the job. Besides that, According to Mowday (1979), benefit of organizational commitment that increase employee tenure, limited turnover, reduced training costs, having greater job satisfaction, acceptance organization's demands, and the meeting of organizational goals such as high quality. According to Meyer and Allen (1997), identify three broad types of organizational commitment, which they term affective (employees stay because they want to), continuance (employees stay because they need to), and normative commitments (employees stay because they feel they should). Among three types organizational commitment, most research focuses on affective commitment that is the most desirable form and companies are most likely wanting to instill in employees. Moreover, when affective commitment achieved, it can lead to have positive effects on performance of employees.

In order to obtain all the objectives and further analyses, this study hypothesizes that:

**H**<sub>1</sub>: Factors (Technology Innovation, Relationship with Management, Fringe Benefits, Work Environment, Relationship with Coworker, Risk) positively affect Driver Satisfaction.

**H**<sub>2</sub>: Driver Satisfaction positive affect Organizational Commitment

H<sub>3</sub>: Factors of Technology Innovation, Relationship with Management, Fringe Benefits, Working Environment, Relationship with Coworker, Risk positively affect organizational commitment.

**H**<sub>4</sub>: Organizational Commitment isindirectly affected by the factors of Technology Innovation, Relationship with

Management, Fringe Benefits, Working Environment, Relationship with Coworker, Risk through Driver Satisfaction.

#### Methodology

Target population of this research was drivers who are working in HCMC. The structured questionnaires directly and conveniently delivered to 300 drivers who are working in different transportation companies in HCMC. The research focused on 6 categories of drivers (taxi driver, bus driver, coach driver, truck and container driver, tourist car driver, company car driver) in Ho Chi Minh City, each category needed 50 drivers to ensure reliability and validity. Therefore, the survey delivered conveniently to 300 drivers in Ho Chi Minh City. The main locations to conduct the survey are Mien Dong station, An Suong station, Tay Nam Station, and central districts of Ho Chi Minh City.

According to Gorsuch (1983),a minimum subject to item ratio of at least 5:1 in Exploration Factors Analysis (EFA), but they also have stringent guidelines for when this ratio is acceptable, and they both noted that higher ratios are generally better. Based on the number of items used to measure independent variables of job satisfaction organizational commitment (9 items) and dependent variables of relationship with management, fringe benefits, technology innovation, relationship with coworker working environment and risk (26 items) of the research model of this study, the ratio applied for EFA of dependent variables was 18:1 and the ratio for EFA of independent variables was Statistically, these ratios promise a better reliability and validity of this study.

#### Questionnaire design and data collection

The questionnaire designed basing on measured variables derived from the literaturereviews for six independent variables and two dependent variables. Most questions were set as statements on five-point Likert scale, ranging from 1 is "strongly disagreed" to 5 is "strongly agreed". The final questionnaire completed and delivered directly to drivers who are working in HCMC with directions and precise contents to help them give answer correctly.

#### **Factor Analysis and Reliability**

Two exploratory factory analyses, which used the principal component extraction methodand Varimax rotation of 9 items of the group of dependent variables including: job satisfaction, organizational commitment and 26 items of the group of independent variables; relationship with management, fringe benefits, technology innovation, coworker, working relationship with environment and risk, were conducted on the sample of 300 drivers who are working in HCMC. Prior to running the analysis with the SPSS, the data was screened by examining the descriptive statistics on each item, inter-item correlations, and possible univariate and multivariate assumption violations. From this initial assessment, all variables found to be continuous, variable pairs appeared to be bivariate normally distributed, and all cases were independent of one another. For this study, the factor analysis procedure was applied twice; once for the group of dependent variables, including two variables, and again for the group of six independent variables. The Kaiser-Meyer-Olkin measure of sampling adequacy was .852 for the dependent

**Table.1** Summary of Dependent Variables with Reliability Coefficients

Factors	Number of Items	Cronbach's Alpha (N=300)
Factor1: Organizational Commitment (ORGCOM)	5	.785
Factor2: Driver Satisfaction (DRISATIS)	4	.706

Table.2 Summary of Independent Variables with Reliability Coefficients

Factors	Number of Items	Cronbach's Alpha (N= 300)
Factor1: Fringe Benefit (FRINBEN)	6	.869
Factor2: Relationship With Management (REWIMA)	5	.855
Factor3:Risk (RISK)	5	.788
Factor4:Working Environment (WORENVI)	4	.796
Factor5: Relationship With Coworker (REWICO)	4	.696
Factor6:Technology Innovation (TECINNO)	2	.790

variables and .864 for the independent variables (according to Pallant, 2005, to be significant, the value has to be .60 or above), indicating that the present data was suitable for principal components analysis. Similarly, Bartlett's test sphericity(Bartlett, 1954) was significant (p<.001), indicating sufficient correlation between the variables to proceed with the analysis. Using the Kaiser-Guttman's retention criterion of Eigenvalues greater than 1.0, a two-factor solution provided the clearest extraction for the group of dependent variables, including 9items (Guttman, 1954; Kaiser, 1974). The two dependent factors of the variables accounted for 55.75% of the total variance and the Cronbach's coefficients ranged from .706 to .785 among the factors, indicating good subscale reliability.

In addition, a six-factor solution conducted for the group of independent variables consisting of 26 items. The six factors accounted for 63.8% of the total variance. The six factors considered appropriate and

retained for further analysis. The Cronbach's coefficients ranged from .696 to .869 among the six factors indicating good subscale reliability.

#### **Research findings**

### **Profile of Employees Involved in the Study**

Most of drivers in Ho Chi Minh City were male in which 292 male drivers in 300 total drivers was conducted the survey and it was equivalent to 97,3 percent whereas, it only had 3 female drivers and occupying very small ratio 2.7 percent. It interpreted clearly about the characters of this job in which men had suitable characters to be a driver more than women did.

Regarding to marital status, the single drivers were 98 drivers that was equivalent to 32.7 percent and the married drivers were 202 drivers and this percentage (67.3%) was higher than double the percent of single driver.

About job seniority, the group of working from 4-6 years that was the biggest group with 126 drivers and it was equivalent to 42% and the group of working less than 1 year was the smallest group with 8 drivers which occupied 2.7 %. Besides that, the group of working from 1 to 3 year included 64 drivers which occupied 21.3%, the group of working from 7 to 10 years included 77 drivers which occupied 25.7% and finally, the group of working over 10 years included 25 drivers which occupied 8.3%.

Regarding to age of drivers, the group of age from 31 to 45 years old that was the biggest group with 149 drivers and it dominated 49.7% and the group of age from 18 to 22 years old, was the smallest group with 8 drivers which occupied 2.7%. Besides that, the group of age from 23 to 30 years old included 111 drivers that occupied 37%, the group of age from 46 to 65 years old included 32 drivers which occupied 10.7%.

Next, 52 drivers of company's car were conducted the survey which occupied 17.3%, 51 taxi drivers were conducted the survey which occupied 17%, 48 truck and container drivers were conducted the survey which was equivalent to 16%, 49 bus drivers were conducted the survey which was equivalent to 16.3%. 50 coach drivers and 50 travelling car drivers were conducted the survey, each category occupied 16.7%. The number of drivers was conducted survey randomly and the categories of drivers had the different qualitative a little bit. So, it still ensures the variety and reliability.

About types of business, drivers of private company dominated in term of types of business with 227 drivers it was equivalent to 56%, drivers of foreign companies

occupied very small ratio 1.3 % with only 4 drivers. Next, drivers of state company were 48 drivers that occupied 16% and finally, drivers of company joint ventures with foreign companies also occupied 7% with 21 drivers.

### Factors Affecting the Organizational Commitment

A series of three multiple regression analyses conducted to test the hypotheses (H1, H2, and H3) of this research. The first hypothesis proposed to test the effects of the independent variables and to identify which factors significantly influence and predict job satisfaction. The second hypothesis employed to test effect of job satisfaction on organizational commitment. The third hypothesis conducted to test the effects of the independent variables and to identify which factors significantly play important roles in predicting organizational commitment.

The results of correlation coefficients as showed in Table 3 indicated that there were significant relationships between dependent variable, DRISATIS, and the independent variables: FRINBEN(r=.390,p<.0.5). REWIMA(*r*=.494, p < .05), WORENVI(*r*=.*121*, p < .001), p < .05) REWICO(r=.322. and TECINNO(r=.426, p<0.5). This meaned that the better were fringe benefits, relationship with managers, working environment, relationship with co-drivers, and technology innovation, the higher level of satisfaction the drivers felt.

The results of correlation coefficients as showed in Table 4 also indicated that there were significant relationships between the dependent variable, ORGCOM, and the independent variables: FRINBEN(r=.495, p<.05), REWIMA(r=.572, p<.001), RISK(r= -.191, p<.05), REWICO(r=.412, p<.05) and TECINNO(r=.370, p<.05). It

means that the better were the fringe benefits, relationship with managers, relationship with co-drivers, and technology innovation, the higher level of commitment the drivers promised with the transportation companies. On the contrary, the higher level of risk led to the lower level of organizational commitment of the drivers.

### Factors directly affecting driver satisfaction

According to the result in table 5, two out of six independent variables of this research had positively direct effect on driver satisfaction. Those are relationship with management and technology innovation. Besides that, in order to identify which factor in the two factors have most influence to driver satisfaction, this study based on standardized coefficient (Beta). Through that, it can be seen that relationship with management possessed the highest Beta with ( $\beta = .326$ , p < .05), followed by technology innovation with (β = .212, p < .05). This means that every 1standard deviation increase in relationship with management or technology innovation would yield an increase of score of .326 or .212 respectively in driver satisfaction when other factor kept unchanged.

From the result of coefficients showed in Table 6, it showed that the five out of six independent variables of this research indicated directly effects on Organizational Commitment. Those are fringe benefits with  $(\beta = .219, p < .05)$ , relationship with management with  $(\beta = .353, p < .05)$ , working environment with ( $\beta$  =.-112, p < .05), risk with  $(\beta = .-097, p<.05)$ , relationship with coworker ( $\beta$  =.132, p < .05). This means that every 1-standard deviation increase in fringe benefits, or relationship with management, or relationship with co-drivers would yield an increase of score of .219, or .353, or .132 respectively in driver organizational commitment when other factor kept unchanged. On the other hand, every 1-standard deviation in increase in working environment or risk would lead to a decrease of score of -.112 or -.097 respectively in driver organizational commitment.

The result of simple linear regression between driver satisfaction and organizational commitment, as showed in Table 7, indicated that driver satisfaction provided strong positive effect on organizational commitment with ( $\beta$  =.506, p < .001).

### **Indirect effects on organizational commitment**

The result of multiple regression analyses showed that the driver satisfaction was mainly affected by two important factors: relationship with management ( $\beta = .326$ ), technology innovation ( $\beta = .212$ ). These factors directly affected the intervening variable of driver satisfaction and then driver satisfaction directly caused an effect on Organizational Commitment ( $\beta = .506$ ). Therefore, through the intervening variable of driver satisfaction, the factors of relationship with managementand technology innovationcreated indirect effects on Organizational Commitment at (.165), (.107), respectively.

These findings indicated that the factors of relationship with management had significant positive effects on both driver satisfaction and Organizational Commitment. Thus, this study argues that employees who felt that they were satisfied with the relationship with management, they were more likely to be more satisfied with their job and commit to their current companies.

Table.3 Descriptions and Variables' Correlations of the Job Satisfaction

	DRISATIS	1	2	3	4	5	6
1. FRINBEN	.390**	1.000					
2. REWIMA	.494**	.588**	1.000				
3. RISK	009	069	164*	1.000			
4. WORENVI	.121*	.206**	.277**	.109*	1.000		
5. REWICO	.322**	.452**	.567**	042	.388**	1.000	
6. TECINNO	.426**	.427**	.511**	067	.128*	.338**	1.000
Mean	3.789	3.505	3.804	1.977	3.901	4.198	3.932
Std. Deviation	.5793	.8721	.6571	.7357	.7392	.4910	.6384

Table.4 Descriptions and Variables' Correlations of Organizational Commitment

	ORGCOM	1	2	3	4	5	6
1. FRINBEN	.495**	1.000					
2. REWIMA	.572**	.588**	1.000				
3. RISK	191**	069	164*	1.000			
4. WORENVI	.079	.206**	.277**	.109*	1.000		
5. REWICO	.412**	.452**	.567**	042	.388**	1.000	
6. TECINNO	.370**	.427**	.511**	067	.128*	.338**	1.000
Mean	5.019	3.505	3.804	1.977	3.901	4.198	3.932
Std.Deviation	.6593	.8721	.6571	.7357	.7392	.4910	.6384
<b>Note:</b> * Significantlevel at p < .05,** Significant level at p< .001							

Table.5 Coefficients between IVs and DRISATIS

Variables	StandardizedCoefficients	Sig.	Correlations (Part)
	(Beta)		
1. FRINBEN	.104	.097	.081
2. REWIMA	.326	.000	.224
3. RISK	.073	.150	.071
4. WORENVI	040	.453	037
5. REWICO	.038	.549	.029
6. TECINNO	.212	.000	.179

Note: Dependent Variable: DRISATIS: Driver Satisfaction

- Predictors: FRINBEN, REWIMA, RISK, WORENVI, REWICO, TECINNO
- ANOVA: F (6, 293) = 20.764, Sig. =000, p < .0005 Model summary:  $R^2 = .298$

Table.6 Coefficients between IVs and ORGCOM

Variables	Standardized Coefficients	Sig.	Correlations (Part)
	(Beta)		
1. FRINBEN	.219	.000	.172
2. REWIMA	.353	.000	.242
3. RISK	097	.039	094
4. WORENVI	112	.026	101
5. REWICO	.132	.025	.103
6. TECINNO	.059	.274	.050

Note: Dependent Variable: ORGCOM: Organizational Commitment

- Predictors: FRINBEN, REWIMA, RISK, WORENVI, REWICO, TECINNO
- ANOVA: F(6, 293) = 32.059, Sig. = 000, p < .0005
- Model summary:  $R^2$ = .396

Table.7 Coefficients between DRISATIS and ORGCOM

Variables	Standardized Coefficients	Sig.	Correlations (Part)	
DRISATIS	.506	.000	.506	
Note: Dependent Variable: ORGCOM: Organizational Commitment				

- Predictors: **DRISATIS**: Driver Satisfaction
- ANOVA: F(1, 298) = 102.514, Sig. = .000, p < .0005
- Model summary: R square = .256

**Figure.1** Path coefficients of the structural equation for hypothesis testing

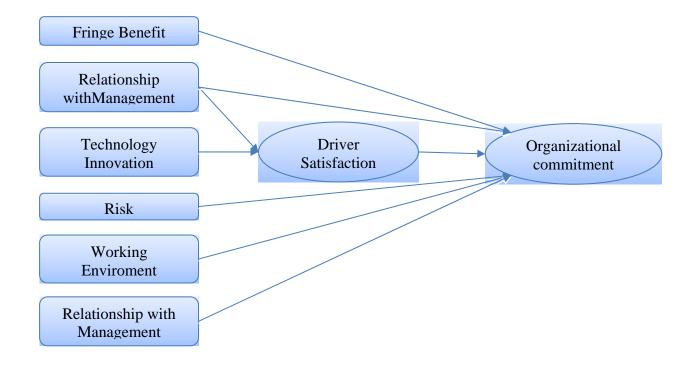


Table.8 Direct, Indirect, and Total Causal Effects

Variables	Causal effects			
	Direct	Direct Indirect		
1. FINGBEN	.219		.219	
2. REWIMA	.353	.165	.518	
3. TECINNO		.107	.107	
4. RISK	100		100	
5. WORENVI	112		112	
6. REWICO	.132		.132	
7. DRISATIS	.506		.506	
Total	.998	.272	1.270	

### Total Causal Effects of organizational commitment

Regarding the total effects, according to table 8, Relationship With Management factor was the strongest effect on Organizational Commitment with  $\beta = .518$ . Secondly, Driver Satisfaction had strong effect on Organizational Commitment with  $\beta$  = .506. The factor of Fringe Benefits ranked at third with  $\beta$  =.219, this means that Fringe Benefits had a moderate effect Organizational Commitment. the Relationship with Coworker Technology innovation were low effect on Organizational Commitment with  $\beta = .132$ and  $\beta = .107$  respectively. It means that those factors that had a low effect on Organizational Commitment.Besides that, the total effect of these factors on Organizational Commitment was 1.270.

Based on the degree of effects of those factors, this study concluded that Relationship with Management factor is the most important factor that affected to driver's organizational commitment in HCMC, followed by Driver Satisfaction, Fringe Benefits, relationship with coworker and Technology innovation. In other word, the result of this study pointed out that increasing job satisfaction in organization (Chang et al.,2010; Ellickson, M. and

drivers in **HCMC** estimated the Relationship with Management is most important and necessary in order to lead to commit to their current organizations, followed bv Driver Satisfaction, Fringe Benefits, Relationship with Coworker and Technology innovation. Regarding risk and to working environment, although, they negatively affected Organizational Commitment, but they regarded to have no effect on driver satisfaction.

#### **Discussions and recommendations**

This study presented empirical evidence regarding the factors affecting Organizational Commitment directly and indirectly, as well as provided reliable scales to measure theoretical dimensions such as Organizational Commitment, job satisfaction, Fringe Benefits, Relationship with Coworker. Relationship management, Technology innovation, risk and working environment. The study also tried measure Organizational to Commitment through job satisfaction. The findings of this study are not new in term of factors affects employee job satisfaction. The implementation of these factors had been proven to have potential benefits of Logsdon, K., 2001). In his study Chang et al. (2010) also found out that there is no

relationship between technology innovation and job satisfaction. However, those factors are not only affecting job satisfaction, they also have indirect effects on Organizational Commitment. The present study explores the role of those factors on Organizational Commitment by explaining the link between them and Organizational Commitment. The results of this study based on the significant correlations between the independent and dependent variable, indicated that employee job satisfaction is not the only one factor that lead to Organizational Commitment as findings of Morrison (1997), Meyer and Allen (1997).Organizational Commitmental so was determined by fringe benefits, Relationship Coworker, Relationship with management, Technology innovation, risk and working environment. Thus, this study theoretically building contributes in a more comprehensive research model for organizational commitment measuring directly and indirectly through mediation of job satisfaction and providing a better understanding of the causal relationships between factors of fringe benefits, Relationship with Coworker, Relationship with management, Technology innovation, risk and working environment. job satisfaction and Organizational Commitment, thereby contributing to the existing diversified literature in the field of organization management. In addition, basing on the empirical results, this study practically suggests that in order to achieve a high level of Organizational Commitment, managers in general and especially in HCMC should pay great attention and consideration to all factors that provide significant correlations and unique contributions to predict Organizational Commitment directly or indirectly. The higher Relationship level of with management, fringe benefits, Relationship with Coworker, Technology innovation and job satisfaction will lead to the higher level of organizational commitment. Besides that, companies also need to pay attention to working environment, reduce the possibility of risk in order to improve driver's organizational commitment.

#### Conclusion

All the objectives of this study successfully obtained. Firstly, to measure the effects of organizational commitment. driver's Secondly, identifying which factors are important (fringe benefits, Relationship with Coworker, Relationship management, Technology innovation, risk and working environment) that have related to driver satisfaction and which one had the most impact to driver satisfaction. Thirdly, the relationship between explain employee iob satisfaction organizational commitment. Fourthly, to explain the relationship between each independent variable and organizational commitment, and how well those factors can explain to organizational commitment, finally, to identify which are factors (including employee job satisfaction) that have the most effect and how much do these factors directly and indirectly affect organizational commitment. application of the multivariate statistical techniques with factor analysis, standard multiple regression analyses, simple linear regression and path analysis allowed the exertion of a causal relationship between the independent and intervening variables organizational commitment model. Explanations and suggestions given based on the review of the literature and the empirical findings of the study. In terms of significant relationships, bivariate correlations and Pearson product-moment coefficients correlation employed

explore the relationship and its strength between each independent variable and organizational commitment, as well as between each intervening variable and the dependent variable of the study. Discussing the direct and indirect effects of organizational commitment and explained in order to obtain clear answers and evidence for all research hypotheses. Thus, the implications of this study provide both theoretical and practical contributions to the field of organization management and development.

#### References

- Armstrong, M. 2006.A Handbook of Human resource Management Practice, Tenth Edition, Kogan Page Publishing, London.
- Aamodt, M.G. 1999. Applied Industrial/Organisational Psychology 3rd ed. Belmont: Wadsworth Publishing Company.
- Bartlett, M.S. 1954. A Note on the Multiplying Factors for Various Chisquare Approximations. Journal of the Royal Statistical Society, 16, 296-298.
- Carlsson, B. and Stankiewicz, R. 1991.On the Nature, Function, and Composition of Technological systems, Journal of Evolutionary Economics.1 1991 93-118.
- Chen, C. 2006. "Job satisfaction, organizational commitment, and flight attendants' turnover intentions: a note", Journal of Air Transport Management, Vol. 12, pp. 274-6.
- ChangC., ChiuC. and ChenA.C. 2010. The effect of TQM practices on employee satisfaction and loyalty in government, Total Quality Management & Business Excellence, 2112:1299-1314.
- Cronbach, L. J. 1951. Coefficient Alpha and the Internal Structure of Tests.Psycholometrik, 163, 297-334.
- Ceylan, A. 1998. "Orgu tsel Davranısın Bireysel Boyutu", GYTE Publishing No:2, GYTE Baskive Fotofilmmerkezi, Gebze.

- De Vaus, D. A. 2002. Surveys in Social Research 5th Ed.. Sydney: Allen &Unwin. Ellickson, M. and Logsdon, K. 2001, Fall. Determinants of job satisfaction of municipal government employees. State and Local Government Review, 33 3, 173-184.
- George, J.M. and Jones, G.R. 2008.Understanding and Managing Organizational behavior, Fifth Edition, Pearson/Prentice Hall, New Yersey, 459-489
- Gordon, V., Osgood, J., and Phillips, J. 2010.Municipal clerks: Examining a model of job satisfaction. Public Personnel Management, 394, 327-352.
- Gorsuch, R. L. 1983. Factor Analysis 2nd ed.. Hillsdale, NJ: Lawrence Erlbaum Associates.
- Griffin, M., Patterson, M., and West, M. 2001. Job satisfaction and teamwork: the role of supervisor support. Journal of Organizational Behavior, 22, 537-550.
- Guttman,L. 1954.SomeNecessaryConditionsforCom monFactorAnalysis.Psychometrik,192,49 -161.
- Hansson, Sven Ove, "Risk", The Stanford Encyclopedia of Philosophy Winter 2012 Edition, Edward N. Zalta ed., access in January, 2014. <a href="http://plato.stanford.edu/archives/win2012/entries/risk/">http://plato.stanford.edu/archives/win2012/entries/risk/</a>
- Hayes, S., and Gaskell, S. 2007. Fringe benefits: Obvious and hidden. The Bottom Line, 51, 33-35.
- Hughes, P. 2009. Introduction to Health and Safety at Work.Elvister Limited, Slovenia.Journal of Applied Psychology, Vol. 74, 591-8.
- Jun, M. and Cai, S., and Shin, H. 2006. TQM practice in maquiladora: Antecedents of employee satisfaction and loyalty. Journal of Operations Management, 242006, 791-812.
- Kasper, H., Muehlbacher, J., Kodydek, G., and Zhang, L. 2012. Fringe benefits and loyalty on the chinese labor market a trend towards higher individual and

- performance-orientation a case study focusing on technology companies in the shanghai region. Journal of Technology Management in China, 72, 164-176.
- Kim, W.G., Leong, J.K. and Lee, Y. 2005. Effect of service orientation on job satisfaction, organizational commitment, and intention of leaving in a casual dining chain restaurant. Hospitality Management, 24, 171-93.
- Locke, EA. 1976. The nature and causes of job satisfaction, Handbook of industrial and Organizational Psychology, Chicago, RandMcNally
- Levy, P. L. 2003.Industrial / organizational psychology. Understanding the workplace, Houghton Mifflin Company, Boston.
- Luddy, N. 2005. Job satisfaction amongst employees at a Public health institution in national sample of workers. Social Science Journal, 38 2, 233-251.
- Meyer, J.P. Allen N.J1997, Commitment in workplace: Theory, Research, and Application. Thousand Oaks, CA:Sage.
- Mowday 1979, The measurerement of organizational commitment. Journal of vocational Behavior,611, 20-52.
- Morrison, K.A. 1997. How franchise job satisfaction and personality affects performance, organizational commitment, franchisor relations, and intention toremain. Journal of Small Business Management.
- Noah Webster 1986. Webster's Dictionary. Retrieved October,2012, from:http://scholar.lib.vt.edu/theses/avail able/etd05252004122551/unrestricted/Tr avisdiss.pdf
- Pallant, Julie. 2005. SPSS survival manual: A step by step guide to data analysis using SPSS version 12 2nd Ed. Buckingham: Open University Press.
- Pearson, C.A. 1991. An assessment of extrinsic feedback on participation, role perceptions, motivation, and job satisfaction in a self-managed system for monitoring group achievement. Human Relations, 44 5, 517-37.

- Rice, R., McFarlin, D. and Bennett, D. 1989. Stan dards of comparison and job satisfaction. Journal of Applied Psychology, Vol. 74, 591-8.
- Rue, L.W. and Byars, L. 2003. Management, Skills and Application, 10 ed., McGraw Hill/Irwin, New York.
- Rychetnik L, Hawe P, Waters E, Barratt A, Frommer M 2004 July. "A glossary for evidence based public health". Journal of Epidemiol Community Health. 58 7: 538–45.
- Social Human Resource Management 2011. 2012 Employee Job Satisfaction and Employee Engagement: Gratification and Commitment at Work in Sluggish Economy. Accessed October,2012, from: http://www.shrm.org/research/surveyfind ings/articles/documents/110618%20job\_s atisfaction\_fnl.pdf.
- Social Human Resource Management 2012.2012 Employee Job Satisfaction and Employee **Engagement:** How **Employees** Are Dealing with Uncertainty. Accessed in January, 2013: http://www.shrm.org/legalissues/stateand localresources/stateandlocalstatutesandre gulations/documents/12-0537%202012 jobsatisfaction fnl online .pdf
- Staudt, M. 1997. Correlates of job satisfaction in school social work. Social Work in Education, 191 43-52.
- SusanM.Heathfield 2012. Definition of Compensation. Retrieved October, 2012, from:http://humanresources.about.com/o d/glossaryc/g/compensation.htm
- Turkyilmaz A., Akman. G., Ozkan, G., and Pastuszak, Z..2011. Empirical study of public sector employee loyalty and satisfaction, Industrial Management & Data System, 111 5,675-696.
- Yee, R., Yeung, A., and Cheng, E. 2009.An empirical study of employee loyalty, service quality and firm performance in the service industry.Internaitonal Journal of ProductionEconomics, 1242010, 109-120.