

## The Differences of Job Satisfaction and Organizational Commitment among Public and Private Employees in the Electrical Sector

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### Abstract

In the present study, job satisfaction and organizational commitment were investigated. The data was gathered from a total of 142 working employees in the public (N = 71) and private (N=71) electrical sector in North Albania and in Tirana. Of them, 55.6% were male (N= 79) and 44.4% were females (N= 65). The sample age varied from 19 to 64 years. Two factor analyses were conducted. The first factor analysis was done to check whether Spector’s job satisfaction scale could be divided into 9 facets as the author suggested. Another factor analysis was conducted to look into at whether the short form of organizational commitment did distinguish among different types of commitment namely, affective, normative, and continuance commitment. Reliability analyses were conducted with all the above-mentioned scales. Also correlation analysis was conducted; all the investigated variables were related to each other and had shared variance. Results supported both hypotheses that were stated if private employees of the electrical sector are more satisfied with their jobs compared to their colleagues working in the public sector?(h1) and if public employees of the electrical sector are more committed to their jobs compared to their colleagues working in the private sector?(h2)

Job satisfaction was found to be in higher levels in private sector as compared to the public sector.

In the present study findings, public sector employees resulted more committed to their work, this is related to the fact that initially the public sector employees have a longer stay in the public company than the private company employees. Second, although public sector employees resulted less satisfied than private sector employees, they exhibit higher levels of commitment at work because this is related to the cognitive dissonance theory (Leon Festinger 1957).

**KEYWORDS:** Public – private sector differences, job satisfaction, organizational commitment

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### Introduction

Organizations are dominant components of our contemporary society (Hall, 2002), which are found surrounding and leading our everyday life, more than one can imagine at the first thought. Barnard (1938) defined organizations as “a system of consciously coordinated activities or forces of two or more persons”. Weber (1947) extended this definition and inserted some new concepts.

Comeo and Rob (2003) state that the differences between these sectors lie in their

priorities. While, public firms try to maximize welfare, the private ones try to maximize their profits. The former is interested to the community in general and tries to increase its workers' profits and utilities, whereas the latter is more concerned with its own profits and its own welfare as a firm.

Job satisfaction is understood to be one's affective response to the job viewed either in its entirety (global satisfaction) or with regard to particular aspects (facet satisfaction) i.e. pay, supervision etc. (Tett, Meyer, & John, 1993) As mentioned above, one of the most important factors that determine the employee satisfaction with respect to particular aspects (facets) is the satisfaction with pay as found by Wallace and Schwab (1974) who reported that pay satisfaction was positively related to pay level.

Organizational commitment has become one of the most fashionable variables studied in the last three or four decades. Like every other psychological construct it is quite hard to have a universally accepted definition. However, it has been defined and measured in several different fashions. The various definitions and measures have the common point that organizational commitment is considered to be a bond or a linkage of the individual to the organization (Mathieu & Zajac, 1990).

Organizational commitment may be defined as relative strength of an individual's identification with and involvement in a specific organization. It can be characterized by three factors: 1) a strong belief in and acceptance of organization's goals and values; 2) a willingness to exert considerable effort on the behalf of the organization; and 3) a strong desire to maintain membership in the organization. (Porter, et al., 1974). Much of the interest about organizational commitment is the belief that highly organizationally committed employees are theorized to engage in more citizenship activities, display higher job performance etc (Jaros, 1997) and other similar desirable behaviors. Privatization is not new in education, and it has become a global trend, not merely an American anomaly (Lignos & Richards, 2003). However, in the Eastern Europe Countries during the communist regimes, the private sector was an unknown concept. Albania was one of those countries, which after living for half a century under communism regime and coming out, it started striving for an open market economy. As many other Eastern Europe Countries, it was categorized as a developing country, and it was treated like one. It was only after the collapse of the communist regime that private sector emerged and consequently the terminology public-private started to have a meaning. Moreover, the present study intended to further investigate the distinction public-private and the differences in job attitudes that come along with this distinction.

### **Hypothesis**

The main hypotheses of the present study are as follows:

Some of the individual components of job satisfaction are: satisfaction with pay, promotion, supervision, co-workers, and the work itself (Porter et al. 1974). A widely accepted crucial factor for job satisfaction is satisfaction with pay (Wallace & Schwab, 1974; Bordia & Blau, 1998). Private sector managers scored higher in overall job satisfaction as compared to their public sector counterparts (Rainey, 1979; Solomon,

1996). Also, according to Barrows and Wesson (2001), individual respondents' satisfaction levels tend to be fairly uniform across subscales of satisfaction, therefore it can be implied that employees that are more satisfied with pay are generally more satisfied with their job in overall. A very recent longitudinal study conducted in Thailand among public and private hospital nurses, revealed that nurses working in the private hospitals were more satisfied with their job in general when compared to the nurses working in the public hospitals (Tyson & Pongruengphant, 2004). Following these findings: Are private employees of the electrical sector more satisfied with their jobs compared to their colleagues working in the public sector?

Job tenure is relatively higher in the U. S. Postal Service than in private industrial jobs (Staw, 1980). Also longer tenure correlated positively with intention to stay, which may result from higher commitment (Gerhart, 1990). Wasti (2003) conducted a study in Turkey and looked at the organizational commitment and influence of cultural values. Turkey is categorized as a collectivistic culture by Hofstede's study in 1980 so the findings of this country may show a similar pattern to the Albanian sample. Wasti (2003) found that normative commitment was significantly more important to the employees who endorsed allocentric values (collectivistic values measured in the individual levels) as compared to the employees who were idiocentric (individualistic values measured in individual levels) and valued their personal goals and achievements. It was considered that the individual pattern would be the same for the cultural values as well. The organizational commitment would be higher in public sector as compared to private sector.

The second hypothesis: Are public employees of the electrical sector more committed to their jobs compared to their colleagues working in the private sector?

The results are discussed along with the limitations of the study and suggestions for future research.

## **METHOD**

### **Participants**

The data was gathered from a total of 142 working employees in the public (N = 71) and private (N=71) electrical sector in North Albania and in Tirana. Of them, 55.6% were male (N= 79) and 44.4% were females (N= 65). The sample age varied from 19 to 64 years.

### **Job Satisfaction Instrument**

To measure job satisfaction, Job Satisfaction Survey (JSS; Spector, 1997) was used. JSS (see Appendix A) has 36 items assessing 9 facets of job satisfaction, namely: pay, promotion, supervision, fringe benefits, contingent rewards, operating conditions, coworkers, nature of work, and commitment. The response options ranged on 6–point scale, from disagree very much to agree very much.

### **Organizational Commitment Instrument**

In different studies it has been found that affective commitment and normative commitment are similar to each other.

The revised form of Organizational Commitment Scale was used (Meyer & Allen,

1993; see Appendix C). The response items ranged from 1–strongly disagree to 7–strongly agree. The responses to the items were coded such that high scores reflect greater commitment to the organization. Some of the items were reversed, so that the same pattern response is eliminated.

### Factor Analysis

Two factor analyses were conducted. The first factor analysis was done to check whether

			Institution		Total
			Public	Privat	
Satisfaction in levels	Low satisfaction	Nr	0	1	1
		% level of satisfaction	.0%	100.0%	100.0%
		% institution	.0%	1.4%	.7%
		% total	.0%	.7%	.7%
	Medium satisfaction	Nr	58	39	97
		% level of satisfaction	59.8%	40.2%	100.0%
		% institution	81.7%	54.9%	68.3%
		% total	40.8%	27.5%	68.3%
	High satisfaction	Nr	13	31	44
		% level of satisfaction	29.5%	70.5%	100.0%
		% institution	18.3%	43.7%	31.0%
		% total	9.2%	21.8%	31.0%
Total	Nr	71	71	142	
	% level of satisfaction	50.0%	50.0%	100.0%	
	% institution	100.0%	100.0%	100.0%	
	% total	50.0%	50.0%	100.0%	

Spector's job satisfaction scale could be divided into 9 facets as the author suggested. Thirty-six job satisfaction scale items were factor analyzed. In fact, it did not seem to form the 9 subscales of job satisfaction. However, later on when they were forced into 3 factors with Varimax rotation, it seemed that the 3 factors distinguished between job satisfactions related to pay and other benefits, nature of the work and work surroundings and communication. Despite these three factors, there were still few items that were wrongly assigned among facets. In the main analysis job satisfaction was calculated by the mean of its items as a representative of overall job satisfaction after taking the approval of its developer, Paul Spector (personal communication, March 2005), as well. Since the scope of the present study was not the adaptation of Spector's job satisfaction scale to Albanian culture, no more analysis were conducted with respect to forming a revised scale of job satisfaction and the other analysis were conducted with the subscales as proposed by the developer, Paul Spector. However, in the future studies in this field, this study can be used as a useful data source to adapt Spector's job satisfaction scale measurement and to derive a revised form of it, more applicable to the Albanian sample. Reliability analyses were conducted with all the above-mentioned scales. According McIntire and Miller (2000), Cronbach's alpha coefficient over 0.70 is sufficient for a good reliability. The reliability Cronbach's alpha for the used scales and the subscales of job satisfaction and organizational commitment, and their means, standard deviations,

Correlation Analysis was conducted; all the investigated variables were related to each other and had shared variance. The job satisfaction and organizational commitment variables were all positively and significantly related to each other.

## Results

Job satisfaction was found to be in higher levels in private sector as compared to the public sector. Buchanan (1974) found that public sector employees scored lower in overall job satisfaction. The results of another study conducted by Bourantas and Papalexandris (1993) in Greece showed that general satisfaction was significantly higher in the private organizations as compared to public organizations. A similar finding was reported from Turkey by Ergin (1997). She found that private sector employees scored significantly higher in the Job Descriptive Index (job satisfaction instrument) than the public sector employees. See the tables below:

The present study showed that not only pay satisfaction was related to higher levels of overall job satisfaction (Bordia & Blau, 1998) in the private sector, but the other facets which were supervision, promotion, fringe benefits, rewards, conditions of work, coworkers, and communication were related as well. These dimensions did significantly contribute to the distinction of public and private sector.

The other hypothesis had to do with the organizational commitment. Comparisons of public and private employees in their levels of organizational commitment are important because studies often describe public organizations as having more "public" and diffused goals compared to their counterparts in many private firms (Cho & Lee, 2001). It was hypothesized that public sector employees would display higher levels of organizational commitment than the private sector employees. There was a significant

difference between these two sectors, public sector employees were found to be more organizationally committed than the private sector employees.

In the present study findings, public sector employees resulted more committed to their work, this is related to the fact that initially the public sector employees have longer stay in the public company than the private company employees. Second, although public sector employees resulted less satisfied than private sector employees, they exhibit higher levels of commitment at work because this is related to the cognitive dissonance theory (Leon Festinger 1957).

			Institution		
			Public	Privat	Total
Commitment levels	Low commitment	Nr	0	3	3
		% level of commitment	0.0%	100.0%	100.0%
		% institution	0.0%	4.2%	2.1%
		% total	0.0%	2.1%	2.1%
	Medium commitment	Nr	22	43	65
		% level of commitment	33.8%	66.2%	100.0%
		% institution	31.0%	60.6%	45.8%
		% total	15.5%	30.3%	45.8%
	high commitment	Nr	49	25	74
		% level of commitment	66.2%	33.8%	100.0%
		% institution	69.0%	35.2%	52.1%
		% total	34.5%	17.6%	52.1%
Total		Nr	71	71	142

	% level of commitment	50.0%	50.0%	100.0%
	% institution	100.0%	100.0%	100.0%
	% total	50.0%	50.0%	100.0%

## Discussions

The aim of the study was to look at the differences in job satisfaction and organizational commitment among employees in public and private sector in Albania. Following the collection of the data, hypothesis of the study were tested and results were presented. In the subsequent section, firstly the results of the study are discussed, and then the limitations and the strengths of the study are put forward, and lastly suggestions for future research are stated.

## Limitations of the Study

One of the problems might have been the scales. They were translated from English to Albanian very accurately, but the language differences may have been a serious problem. One such problem was the reversed items, and the participants were not sure how to answer them. In English the use of two negatives in one sentence makes the sentence positive in meaning. But in Albanian language the use of two negatives strengthens its negative connotation. So, during the translation process, something might have escaped from the eye of the researcher and made that few of the items were mistakenly understood and answered, such as in job satisfaction scale. A different problem in the study was the lack of literature in Albania. Not having any previous academic background where to ground the hypotheses, it proved to be very difficult for the researcher to make good hypothesis.

## Strengths of the Present Study

To the knowledge of the author there is no similar study in Albania, so it brings a lot of new things. As previously stated the lack of similar literature makes it difficult to make good hypotheses and to conduct a close-to-perfect study. However, as a first step study, this has brought new findings and the coming researchers will have the chance of improving.

Despite the fact that different organizational subscales did not significantly contribute to the public and private distinction, the classification of organizational subscales was found to be the same as presented by its developers Meyer and Allen (1990).

Although the original job satisfaction scale was found to have 9 subscales, this study suggested that the 9 facets of Spector's scale might not work outside USA border. A similar finding was reported in Singapore as well (personal contact, March 2005).

Overall, this study added some more information about a collectivistic culture and opened wide opportunities to further ameliorate the present researcher's study and her method.

### **Suggestions for Future Research**

Inclusion of more employees from other cities would ensure a more robust sample and more representative data.

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