



The Effect of Emotional Labour on Organizational Commitment: An Empirical Evidence in Indian Banking Sector

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Abstract

Emotional labour is a concept increasingly studied in those industries where job requires interpersonal contact. The employees have to achieve individual targets, interact with the clientele within the organization's culture, goals, norms and vision. It refers to management of feelings for both emotional, individual and organisation growth. Emotional labour has also been found to be associated with important outcomes including job satisfaction, organizational commitment, organisation citizenship behaviour and attrition rate. The aim of the study is to assess the effect of emotional labour on organizational commitment in Indian Banking sector. The research study is based on data collected from 200 managers working in public and private sector banks in India. The study will help the managers to exhibit better job performance, effective interpersonal interactions and manage diverse person-environment relationships.

Key words: Emotional Labour, Organizational Commitment, Banking Sector, India

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Introduction

Emotions have deep effect on more or less everything we do in the place of work. Emotions are referred to as psychological, behavioural, and physiological predispositions toward objects, persons or events that create a state of willingness. It is also considered a form of regulation wherein employees are expected to exhibit emotions related to their work, so as to achieve organizational goals and objectives. Employees' in service occupations manage their attitude with clients, and so he/she represents the organization and creates image and advertises the name of the organization (Vidic et al., 2009). Emotional labour can be practiced by individuals but past studies indicate that women are more likely to "manage their feelings" than men. Women were found to perform more emotional labour (Mann, 2005). Emotional labour can turn out to be very

stressful for employees and could lead to negative consequences in the lives of the employees. Some of the repercussions are emotional dissonance (Seery et al., 2009; Kinman, 2009; Chu, 2005), emotive consonance (Wegge et al., 2010), less job satisfaction (Erickson, 2008; Kruml et.al., 2004), emotional exhaustion (Constanti, 2004; and Salman, 2010), burnout and intention to leave the organization. Employees need to suppress their actual felt emotions. Not just suppression but sometimes emotional dissonance occurs which means employees perform the task but their inner conscious does not allow them to do so. For example in bank, if a client has borrowed money (loan) for buying a new car, bank will confiscate the car from the client on non- payment of two instalments. Employee may not be interested to do so but due to organization policies he has to do so. This type of task will influence job satisfaction and organizational commitment of the employees. Commitment refers to attachment and trustworthiness towards one's organization. In other words, employee's emotional attachment and involvement with his/her organization can also be referred to as organizational commitment. It can be contrasted with other work-related attitudes, such as Job Satisfaction, and Organizational identification. Meyer and Allen (1991) and Dunham et al., (1994) acknowledged that commitment can be categorized as affective commitment, continuance commitment, and normative commitment. Normative commitment is comparatively new facet of organizational commitment which was defined by Bolon in 1992. Past studies indicate that there is a negative correlation between emotional labour and organizational commitment (Keithley and Koskina 2010; Zemblas et al., 2009).

Banks play a decisive role in the economic development of country. In developing economies like India, banks play a special role in developing other financial institutions and markets, catering to the needs of a diverse number of saving account holders from the household sectors by acting as safe deposits of their money and providing different financial investments such as insurance policies, mutual funds, etc. Finally, banking sector employs high percentage of educational population for banking work performance. The Indian banking has seen crucial changes in the post-independence era. It has witnessed an outstanding move in its operating setting during the last decade. Various reforms were introduced with an objective to restructure the Indian banking sector and enable it to meet the potential challenges. The restructuring of banking system has been brought about by deregulation, liberalization and globalization as a result of Industrial Policy, 1991. The banks have expanded into areas which were traditionally banking to market-oriented consumer banking. Indian banks have the opportunity to reach to end customers through a range of delivery channels for products / services. These include branch officer network, automated teller machines, telephone banking, mobile banking, home banking, and Internet banking. The banking organizations have different human resource practices for their work environment. Employees are employed on contract basis, sharing of information is incomplete, pay packages are less, duty hours are long, relationship of trust and unity is absent in few organizations, parity between authority and responsibility is not present and many other factors which sometimes lead to exploitation of employees and further affect employees' organizational commitment. The challenge of increasing organizational commitment also presents a challenge of a more in-depth understanding of the complex relationship between the above stated constructs. Therefore, it is important that the service organizations need to have more satisfied and committed employees so that the performance of organizations can be improved many folds. Steps need to be taken to monitor and enhance organizational commitment. Hence, a close examination of the impact of emotional labour on organizational commitment among employees of banking service organizations is a worthwhile exercise.

Review of Literature

According to Huan et al., 2004; Zapf, 2000; March, 2000; Chen, 2000; Wang, Hsieh, and Yamamoto, 1999; and Gill, 1998; "Emotional Labour refers to the rules regarding appropriate emotional display. These exhibited rules are norms and principles of action signifying what emotions are suitable in given circumstances and how these emotions should be widely articulated. The anticipated effects of these emotional displays are on other targeted people, who can be clients, customers, subordinates, or co-workers". Organizational commitment has been extensively attracting the attention of the organizational behaviour researchers, the concern with organization is understandable as it has utility as a predictor of important behavioural outcomes like performance (Mowday et al., 1974), absenteeism (Steers, 1977), turnover (Porter et al., 1974) and job satisfaction (Bateman and Strasser, 1984). Employees who are devoted to the organizations are less likely to leave their job than those who are uncommitted. Individuals who are committed to an organization tend to perform better and also tend to remain in the organization, thus decreasing the turnover. Sebastijanovic (2010), developed and tested an emotional labour model that identified certain antecedents, moderator and consequences of emotional labour measure. Results indicated that employees level of intelligence was negatively related to the amount of efforts invested in both expression of positive display and suppression of negative displays and vice versa with employees who had low job satisfaction. Also, the result indicated that extrovert employees put fewer efforts in expressing positive displays. Finally, employees who had exerted high level of efforts in suppressing negative emotions lead to high level of emotional exhaustion and high turnover intentions. Myung and Guy (2009) examined employees of a state agency with main objective to resolve consumer complaint. This paper had analyzed the condition under which emotional labour influenced three work outcomes that affect performance: job satisfaction, pride in work and burst. The results found that the emotional labour leads to self motivation and contribute towards increase in job satisfaction. The paper concluded that managing affect (emotional labour) is central to program of state agency; employees must interact with citizens regardless of the emotional intensity of the work. Seery et al., (2009), investigated the link between emotional labour and job satisfaction, commitment, and attrition rate in North-eastern USA. Results found positive relationship with job satisfaction and organisational commitment and negative relationship with attrition rate and emotional exhaustion. Slatten (2009) in his study found significant positive association between "emotional satisfaction" and "employee perceived service quality". Findings showed the negative impact of role stressors and emotional satisfaction. Stiffer et al., (2008), showed expectation of employer and employees from catering business. Findings show that employers realize the significance of emotional labour since their business depends upon customers' behavior, whereas waiters result showed that they represent essential part of the company's success so they need to manage their emotions such as temperament, anger, excitement, etc., which leads to low job satisfaction among them. The paper gave a solution that is psychological contact between employer and employee. Granday, et al., (2004) investigated broadly the relationship between employees' emotional labour management and its impact on customer satisfaction, as a more satisfied customer will return to service provider again. Othman et al., (2004), had drawn together literature on emotion intelligence and emotional labour and had examined the influence on work effectiveness in different service organizations professional services. Emotional Intelligence was not significantly contributing to high work

effective emotional labour. Instead, results revealed that emotional labour plays an effective role in practicing high work effectiveness. Therefore, the findings indicated the role of emotional intelligence and emotional labour on service quality and work effectiveness is dependent on the types of service organization. Goserend (2003), found that emotional labour has positive impact on organisational commitment. The study also showed that employees having high affectivity, low affectivity are highly satisfied with job. Morris et al. (1991), aimed to study the emotional labour among select service organizations. Qualitative interviews were conducted on teachers, doctors and nurses. The study found a negative relationship between expressed emotions and emotional dissonance. On other hand, a positive relationship was measured between emotional expression and attentiveness to required display rules. Further, paper had identified eight antecedents which affect four dimensions of emotional labour i.e explicitness of display rules, closeness of monitoring, gender, task routines.

The review of literature has doubtlessly provided considerable knowledge on emotional labour context, and impact on organizational commitment in banking service organizations located in different countries of World. The bulk of the research has been done in USA, UK, and China. Generalisation of related findings from developed countries is not necessarily appropriate.

Objectives of the Study

- 1) To investigate the relationship between emotional labour and organizational commitment among employees in Indian Banking sector.
- 2) To assess employee's perception of emotional labour and organizational commitment across public and private banks in India.

Hypothesis of the Study

- H¹: Emotional labour has significant influence on organizational commitment in Indian Banking sector.
- H²: Perception of employees about emotional labour and organizational commitment does not differ significantly in Indian Banking sector.

Research Methodology

The descriptive research was carried out to achieve the objectives. For data collection, simple random sampling was employed to obtain data from employees across all levels of the private and public sector banks. The sample size is 200 with an equal number of respondents from each of the two organizations. To analyze the data collected, statistical techniques of Correlation and Regression and independent t test were used. Emotional Labour was measured using fourteen question items adopted to the service organizations by employing the standardised version of the Dutch Questionnaire on Emotional Labour (Naringet al.,(2005)). In total, fifteen statements were selected to measure Organizational Commitment including items that represent the Organizational commitment proposed by using scale developed by Mowday et al., (1979)).

A. Respondent Profile

Table 1: Socio- demographic Profile

	Banks	
	Frequency	Percentage (%)
Gender		
Male	114	57%
Female	86	43%
AGE		
Below 20 yrs	-	-
Between 20-34	77	38.5%
Between 35-54	81	40.5%
35 and above	42	21%
Education		
10th -12th	08	04%
Under-graduates	04	02%
Graduates	127	63%
Post graduates	61	31%
Experience		
Less than 5 years	60	30%
5 years-10 years	51	25.5%
10 years and above	89	44.5%
Income		
Less than 3 lakh	69	34.5%
Between 3lakh- 6 lakh	73	36.5%
6 lakh and above	58	29%
n=	200	100%

In banks, as can be seen from the Table 1, male respondents were 57% whereas there were 43% female respondents. About 40.5% of respondents were in the age bracket of 35-54 years. In banks, 63% respondents were Graduates, 31% were post graduates. Around 44.5% respondents have more than 10 years experience, and 30% respondents have experience below 5 years whereas 25.5% respondents have experience between 5-10 years. Table 1 confirms that in banks, out of 200 respondents, 73(36.5%) have income between Rs 3 Lakh- Rs 6 Lakhs, 69(34.5%) respondents earn less than Rs 3 lakhs while 29% of the employees are earning above Rs 6,00,000.

Analysis of Objective 1

Relationship between Emotional Labour and Organizational commitment in Indian Banking sector

To diagnose the relationship between emotional labour and organizational commitment, the four dimensions of emotional labour have been transformed into four independent variables in this study. Organizational commitment is single dimensional scale.

The proposed model for in mathematical term is as:

$$Y = \alpha + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3 + \beta_4 x_4 + \text{error term}$$

Where Y= organizational commitment

x1, x2, x3 and x4 = dimensions of emotional labour

$\beta_1, \beta_2, \beta_3, \beta_4$ = coefficients of the dimensions of emotional labour.

Before employing regression analysis, the link between emotional labour dimensions and organizational commitment is examined with Pearson correlation. As shown in Table 2, all associations are established to be significant at 95 percent level of significance, with strongest association between organizational commitment and deep acting with deep acting ($r=0.348, p \leq 0.05$), followed by suppression ($r=0.345, p \leq 0.05$). The result tells that employee in the bank when actually feels the reason for particular behaviour of the customer or supervisor, are found to manage their emotions well and also found to be highly correlated with the organizational commitment. They feel proud not only on themselves but also on the bank they are serving.

Table 2: Correlation analysis - Emotional Labour and Organizational Commitment

	Surface acting	Deep acting	Emotional Consonance	Suppression
Organizational commitment	0.323*	0.348*	0.340*	0.345*

*Correlation significant at .05 level

To examine the predictors of organizational commitment, step wise regression has been employed with the dimensions of emotional labour as the predictors. In terms of relationship between four dimensions of emotional labour (i.e. surface acting, deep acting, emotional consonance and suppression) and organizational commitment, the adjusted $R^2 = 0.150$ and is established to be statistically significant. The Table 3 also indicates that the multiple regression model embodies a bad model fit with the data ($F=18.52, p \leq 0.05$). Out of four dimensions, as shown in the Table 3, two dimensions, namely, deep acting ($\beta=0.232, p \leq 0.05$) and suppression ($\beta=0.225, p \leq 0.05$), respectively are significant predictor of organizational commitment in Indian Banking Sector. It can be deduced that bank employees feel committed when they feel that the emotions that they need to perform do not match the situation. At this time, employees make use of their past experiences to articulate the proper emotions. As indicated in Table 3, the value of VIF, is 1.363, which is far below the cut-off value of 10. In addition, it can be seen that the tolerance value is nearer to one which suggests that there is no proof of multicollinearity problem in the regression model as proposed.

Table 3: Multiple Regression Model Summary

Independent Variable		Standardized Regression Coefficients	t-value	Sig.	Tolerance value	Variance inflation factor
Constant			13.108	0.000		
Deep acting		0.232	3.037	0.003	0.734	1.363
Suppression		0.225	2.951	0.004	0.734	1.363
Multiple R	0.398					
R^2	0.158					
Adjusted R^2	0.150					
F	18.519			0.000		
Sample Size	200					

The study was found to be supported with the results revealed by Yang et al., 2007, which revealed that relationship exists between emotional labour and commitment of an employee towards banking service organization. But the results contradict the study also. It was disclosed in Yang et al., 2007 that negative relationship exists between suppression, dimensions of emotional labour and organizational commitment. But the current study revealed positive relationship between the two variables. It can be learnt from the study that as more and more employees learn management of their emotions or perform the emotions which are required to attract customers and are based on organizations policies it leads to organizational commitment among employees.

Analysis of Objective 2

To assess employee's perception for emotional labour and organizational commitment across public and private banks in India

Independent t-test has been employed to scrutinize the perception of employees for emotional labour and organizational commitment across public and private bank employees. As illustrated in Table 4, public and private bank employees have dissimilar perception on emotional labour and organizational commitment. Also, it has been noticed that in three out of four dimensions, the difference is found to be statistically significant at 95% level of significance. The three dimensions of emotional labour, are surface acting ($p=0.000$), deep acting ($p=0.000$) and suppression ($p=0.000$). The employees of public bank perceive emotional labour differently from their counterparts in private banks. Also, it can be seen that the employees of public banks perceive organizational commitment differently from private banks.

Table 4: Perception of employees' across Public and Private Banks

S. No	Construct	Public Banks	Private Banks	F- Value	p value (95% level of significance)
		Mean value	Mean value		
	Emotional Labour				
1	Surface acting	3.93	3.68	21.69	0.000
2	Deep acting	3.95	3.79	13.00	0.000
3	Emotional consonance	3.99	4.05	2.909	0.090
4	Suppression	3.98	3.90	15.63	0.000
	Organizational Commitment				
5	Overall commitment	3.97	4.10	6.59	0.011

Hypotheses Testing for H1

It can be concluded that hypothesis H1 is rejected. The analysis also reveals that deep acting and suppression are the best predictors of organizational commitment. Also, results reveal that Hypothesis H2 is not supported. It has been found that a significant difference exists between the perception of the employees across public sector banks and private sector banks for construct of emotional labour and organizational commitment.

Implications for the Managers

The observed findings of the present study have also realistic implications for the managers of Indian banking sector who endeavor to organize their products / service to achieve their

business objectives. It is imperative that banks should identify various type of emotional labour strategies that are appropriate in-service interactions with customers. The employees' perception of these strategies will have impact on the behavior and help in managing their expressions. Also, banks should take steps to recognize and reward employees for their contribution and desired behaviour.

Limitation and Directions for Future Research

The present research study has its limitations. The first limitation concerns the two measures used for conducting the study. The measures included in this study were influenced by the perceptions of the employees. Therefore, there is possibility with regard to data collected that may arise due to misapprehension or tendency to interpret responses on the part of the participant. The present study is conducted in selected banks in India. In future, research studies can be carried across India exhaustively.

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