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## EFFECT OF EMPLOYEE COMMITMENT ON THE PERFORMANCE OF VINOKURE PETROLEUM NIGERIA LTD. PORT HARCOURT.

By

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### Abstract

*The study examined the effect of employee commitment on the performance of Vinokure Petroleum Nigeria Ltd. Port Harcourt. Specifically, the study examined the effect of affective commitment on the profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt; the effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt; the effect of Normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt. The research employed a survey research design. The population of this study consisted of 125 management and staff of 5 branches of Vinokure Petroleum with at least an OND certificate. Since the population is not large, the entire population completed a structured questionnaire. The result showed that there was a significant positive effect of affective commitment on profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt ( $Z = 7.80$ ); there was significant positive effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt ( $Z = 9.00$ ); there was significant positive effect of Normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt ( $Z = 8.00$ ). The study concluded that Managers should prioritize and concentrate more on those factors that will increase the employees' normative commitment levels such as pension, long service awards, and recognition so as to maintain a competitive standard in the market through customer satisfaction.*

**Keywords:** Commitment Effect, Employee, Performance

### **1.1 Introduction**

Most organizations have realized that the performance of their workers plays a vital role in determining the success of the organization (Irefin & Mechanic, 2014). As such, it is important for employers and managers alike to know how to get the best out of their workers. One of the antecedent determinants of workers' performance is believed to be employee commitment (Ali, Rehman, Ali, Yousaf, and Zia, 2010).

Employee commitment has become one of the most popular work attitudes studied by practitioners and researchers. Akintayo (2010) noted that one of the reasons why commitment has attracted research attention is that organizations depend on committed employees to create and maintain competitive advantage and achieve superior performance. Committed employees who are highly motivated to contribute their time and energy to the pursuit of organizational goals are increasingly acknowledged to be the primary asset available to an organization (Hunjra, Ali, Chani, Khan, and Rehman, 2010). They provide the intellectual capital that, for many organizations, has become their most critical asset (Hunjra, et al, 2010). Furthermore, employees who share a commitment to the organization and their collective well-being are more suitable to generate the social capital that facilitates organizational learning. According to Timothy (2020), employee commitment is a key element in achieving organizational performance. Various organizations are now resorting to promoting commitment in their capacity to increase their efficiency in order to achieve strategic goals through developmental programs that provide opportunities for career growth and promotion (Gul, 2015). According to Mathotaarachchi, Indikasampathh, & Pereraaknj (2018), low levels of employee commitment are found in employees who are not committed to organizational goals and objectives but to personal success. They search for alternative jobs and once they get it, they resign. Unlike low-level committed employees, highly committed employees view themselves as an integral component of the organization, these employees are aligned with the organization (Mathotaarachchi et al. 2018). Andrew, (2017) argues that maximum effort exerted by employees with high levels of organizational commitment leads to high levels of performance and efficiency at both the individual and the organizational levels.

### **1.2 Statement of the Problem**

Employee commitment is now an indispensable element in organizations. Employee commitment has attracted research attention over the years primarily because organizations rely on committed employees to create and maintain competitive advantage and achieve superior performance. The consequences of less commitment from employees are devastating to an organization. They include underperformance, resulting from absenteeism, lateness, poor attitude to work, and resignation. Lack of commitment by employees leads to poor performance as they do not work to their full potential, and this has affected the performance of several organizations. It can be costly if employees are not committed to their jobs and lack the motivation to exercise their full potential. This study, therefore, examined the effect of employee commitment on the performance of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

### **1.3 Objectives of the Study**

The general objective of the study was to evaluate the effect of employee commitment on the performance of Vinokure Petroleum Nigeria Ltd. Port Harcourt

Specific objectives include to:

- i. Examine the effect of affective commitment on the profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

- ii. Evaluate the effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt.
- iii. Assess the effect of normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

#### **1.4 Statement of Hypotheses**

The following hypotheses were postulated:

- i. There is no significant effect of affective commitment on the profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt.
- ii. There is no significant effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt
- iii. There is no significant effect of normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt

#### **Review of Related Literature**

##### **2.1 Conceptual Review**

###### **2.1.1 Employee Commitment**

According to Akintayo (2010), employee commitment can be defined as the degree to which the employee feels devoted to the organization. Ongori (2007) described employee commitment as an effective response to the whole organization and the degree of attachment or loyalty employees feel toward the organization. According to Princy & Rebeka (2019), employee commitment is an attachment that the employee has to their own organization from their experiences. It will indicate the level of satisfaction and engagement among employees. It is also crucial to assess employee commitment since it is a key element in organizational success.

##### **Model of Commitment**

Meyer & Allen's three-part organizational commitment model (1997) has been the central framework for organizational commitment. The model provides a more complete and clear understanding of organizational commitment and these components include affective commitment, continuance commitment & normative commitment (Noraazian & Khalip, 2016).

##### **Affective commitment**

This is when an individual is emotionally attached, identifies with, and is more involved in the organization. In simple terms, affective commitment is the employee's emotional bond to the organization (Andrew 2017). Employees with affective commitment traits are highly committed to the organization mainly because they want to link closely with the same organization and they are willing to stay with the same organization on the basis that their personal employment relationship is consistent with the objectives and values of the organization (Gelaidan & Ahmad 2013). Andrew (2017) further emphasized that employees with strong affective commitment continue to do work with their organization because they are willing to do so. According to Mathotaarachchi (2018), the commitment model of Meyer and Allen clearly outlines factors that influence affective commitment which is job challenge, goal clarity & goal difficulty, role clarity, and goal clarity, receptiveness by management, peer cohesion, equity, personal importance, feedback, participation, and dependability.

##### **Continuance commitment**

Continuance commitment is when an individual decides to stay with the organization because of the already utilized time and resources devoted to the organization and also weighing the

costs of changing jobs (Umoh 2014). The costs that influence continuance commitment include tenure, pay, benefits, vesting of pensions, and family commitment connected in relation to leaving the organization (Nalip 2016). Employees based on continuance commitment remain because they need to do so (Andrew (2017). They also remain with the organization due to a lack of alternatives (Abdeljalil, Alsiewi, Gaith, & Khaled, 2016). The individual on continuance commitment assesses the monetary benefits attached to the organization.

### **Normative commitment**

Normative commitment is defined as a feeling of obligation to continue employment (Nalip 2016). According to Meyer and Allen (1997), employees with normative commitment feel that they ought to remain with the organization (Mathotaarachchi, 2018). Employees in this category mainly stay because they feel they should stay and also that it is the proper thing to do. Andrew (2017) found that employee commitment gradually increases when they feel an affiliation with the organization and factors such as recognition, and individual and organizational productivity tend to increase normative commitment (Andrew, 2017).

### **2.1.2 Organizational Performance**

Andrew (2017) defines organizational performance as the attained outcome of actions with the skills of employees who perform in some situations. According to Prasetya & Kato (2011), organizational performance is commonly defined as the outcome of activities undertaken by employees that result from their efforts, abilities, and perceptions of the tasks delegated to them. They reflect the degree of achievement in each job and the fulfillment of organizational regulations, expectations, or requirements arising from the task assigned to them (Folorunso, Adewale, & Abodunde, 2014). Performance is often defined in the context of the quantity, quality, and contribution that employees make to the achievement of organizational goals. They are also viewed as an overall outcome of work including efficiency and effectiveness (Hsu, 2005).

Because employees are the ones who make up organizations, the performances they achieve in their workplaces are also reflected in their performances on the organizational level (Zheng, Sharan, & Wei, 2010). Starting from that fact, employers and managers need to know how they can get the best out of their employees. The study will measure organizational performance using profitability, employee productivity, and customer satisfaction.

### **Profitability**

Profitability refers to money that a firm can generate with the resources it has. The goal of most organizations is profit maximization (Niresh & Velnampy, 2014). Profitability involves the capacity to make benefits from all the business operations of an organization, firm or company (Muya & Gathogo, 2016). Profit usually acts as the entrepreneur's reward for his/her investment. As a matter of fact, profit is the main motivator of an entrepreneur for doing business. Profit is also used as an index for performance measuring of a business (Ogbadu, 2009). Profit is the difference between the revenue received from sales and total costs which includes material costs, labor, and so on. Profitability can be expressed as either accounting profits or economic profits and it is the main goal of a business venture (Anene, 2014). Profitability portrays the efficiency of the management in converting the firm's resources to profits (Muya & Gathogo, 2016). Thus, firms are likely to gain a lot of benefits related to increased profitability (Niresh & Velnampy, 2014). One important precondition for any long-term survival and success of a firm is profitability. It is profitability that attracts

investors and the business is likely to survive for a long period of time. Many firms strive to improve their profitability and they do spend countless hours on meetings trying to strategize on modalities of reducing operating costs as well as on how to increase their sales.

### **Employee Productivity**

According to Agarwal, Chanda, and Gupta, (2020), productivity refers to the output relative to the inputs per individual or device on a point-of-time basis. More clearly stated, productivity refers to the quantity of goods and services produced using the available resources. Productivity is the efficiency that a given set of inputs to produce output. In general, efficiency is calculated by the ratio of output and input. An increase in the ratio indicates a productivity increase. Conversely, a decrease in the ratio of output or input indicates a decrease in productivity time. For example, labour productivity is typically measured as a ratio of the output of labour per into account both the monetary value of what is produced and the cost of inputs used, and also distinct from metrics of profitability, Productivity is the relationship between the production of output to one or more or all of the resources inputs used in accomplishing the assigned task. It is measured as a ratio of output per unit of input over time. It is a measure of efficiency and time. Productivity is the amount of work generated within a given timeframe. Productivity is related to the capacity of the individual to generate the standard quantity or number of products, services, or results as defined in a job description. It is regarded not in isolation but based on the interrelationship with, efficiency and profitability.

### **Customer satisfaction**

The most popular view of customer satisfaction in academia is that customer satisfaction is the judgment borne out of the comparison of pre-purchase expectations with a post-purchase evaluation of the product or service experience (Kirubel 2018). Customer satisfaction occurs when the perception of product performance matches expectations that are at, or above, the minimum desired performance level. According to Hague & Hague (2016), satisfaction reduces the level of decision-making the next time the problem is recognized. For instance, a satisfactory purchase is rewarding and encourages one to repeat the same behavior in the future. Satisfied customers are likely to engage in positive word-of-mouth communication about the brand. Customer satisfaction can also be described as the meeting of a set of parameters that the customers associate with satisfaction (Sabir, Irfan, Akhtar, Pervez, & Rehman, 2014).

Satisfied customers usually rebound and buy more. Besides buying more they also work as a network to reach other potential customers by sharing experiences (Hague & Hague 2016.) The value of keeping a customer is only one-tenth of winning a new one. Therefore, when the organization wins a customer it should continue to build up a good relationship with the client.

Customer satisfaction continues to play a significant role in the success of every business whether it providing products or services. A company works at retaining its already existing customers and also expands its client base through sustained customer satisfaction. An organization's customers can therefore be said to be the best agents for ascertaining the success of a product or service. Apuke (2016) said that the most strategic factor in a company achieving a competitive advantage is found in customer satisfaction. Apuke (2016) added to this by linking customer satisfaction to long-term customer retention due to the high switching rate associated with unsatisfied customers (Sabir et al, 2014). Customer satisfaction can be said to be influenced by a comparison of what they expect from the product or service

and what they experience as deriving from the consumption of said product or service (Al-Hersh, Aburoub, & Saaty, 2014).

## 2.2 Theoretical Review

### Middle Affective-Dependence Period Theory

The second period of employee commitment was advanced by Porter, Steers Mowday, and Boulian (1974). The focus of commitment shifted from tangible side-bets to the psychological attachment one had to the organization. The effective dependence school attempted to describe commitment as a kind of attitude-centered but “economic contract”. Employee retention does not only come from economic factors but also affective influence and the latter may be more significant. Accordingly, a commitment was defined by Porter and his followers as “...the relative strength of an individual’s identification with and involvement in a particular organization...” (Mowday, Steers, and Porter, 1979). Then they claimed employee commitment was combined with three parts: “Strong Acceptance”, “Participation” and “Loyalty”. The exchange theory was established as the main explanation for the process of commitment (Mowday, Porter, and Steers, 1982). They advanced commitment as an alternative construct to job satisfaction and argued that commitment can sometimes predict turnover better than job satisfaction.

The commitment was characterized by 3 related factors (Mowday, et al 1979):

- a. A strong belief in and acceptance of the organization’s goals and values.
- b. A willingness to exert considerable effort on behalf of the organization.
- c. A strong desire to maintain membership in the organization.

However, although Porter and his colleagues had contributed to commitment’s evolution, they still continued with one of the basic assumptions of Becker’s theory, namely, the strong ties between commitment and turnover and following the one-dimensional guidance. Based on the approach of Porter, Steers, and Mowday, Boulian operated the famous OCQ (Employee Commitment Questionnaire) which combined 15 items. It followed the three-dimensional definition and met satisfied reliability. In addition to the items that reflect the attitudinal notion of commitment, the OCQ included items that refer to what O’Reilly and Chatman (1986) termed the consequences of commitment. Critics of the OCQ would argue that some of the items of the scale deal with turnover intentions or with performance intentions and that all of the statements are more reflective of behavioral intentions than attitudes (O’Reilly and Chatman, 1986).

To overcome the limitation of OCQ, O’Reilly and Chatman (1986), and Meyer and Allen (1984) extend it into a multi-dimension model respectively. Due to the criticism of the scale, whether justifiable or not, the need for an alternative to the OCQ became evident, with the call coming from two sources. One of them was the O’Reilly and Chatman (1986) approach has specifically advanced as a conceptual and operational alternative to the OCQ. The second one, of Meyer and Allen (1984), started first as a methodological paper aimed at an improved examination of the side-bet approach using scales more appropriate for this goal.

## 2.3 Empirical Review

Nwankwo, Orga, & Ugwu, (2019) evaluated the effects of Employee Commitment on Organizational Performance (A Study of Innoson Technical and Industrial Company Ltd). The objective of the study includes: identifying the relationship between employee commitments and organizational profitability and examining the extent to which employee commitment affects employee turnover. The research method used was the survey research method. The sources of data were primary and secondary sources of data. The major

instrument of data collection was the questionnaire. The population of the study was 225 while the sample size of 144 was determined using 'Taro Yamane's formula. The data collected were presented in tables using frequencies and simple percentages and analyzed using inferential statistics. The hypotheses were tested using the chi-square distribution formula. The findings include that there was a positive and significant relationship between employee commitment and organizational profitability, with the hypothesis one testing result showing  $\chi^2 = 52.46 > \chi^2_{tab} = (5.99)$ . There was a significant effect of employee commitment on employee turnover with the hypothesis testing result showing thus:  $\chi^2 = 62.36 > \chi^2_{tab} = (5.99)$ .

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Ezeanolue, Okoye, & Nwankwo (2021) examined employee Commitment and Organizational Performance Among in Nigeria Breweries Company in The South-East, Nigeria. The study investigates the effect of affective commitment, continuance commitment, and normative commitment on organizational performance in Nigeria Breweries Company in the South-East, Nigeria. The researcher adopted a survey research design. The area of study was carried out in Nigeria brewing companies in South-East, Nigeria. The population of the study was 1752 employees of Nigeria Breweries Company in the South-East, Nigerian Breweries plc, Onitsha, Nigerian Breweries plc, Owerri, Nigerian Breweries plc, Enugu and Nigerian Breweries plc, Aba. The sample size of the study was 337. This study used primary source data. The instrument employed for data collection is a questionnaire. Multiple regression analysis was used variable in testing the hypotheses. The result of multiple regression analysis shows that affective commitment has a significant positive influence on organizational performance. Continuance commitment has a significant positive effect on organizational performance in Nigeria Breweries Company and Normative commitment has no significant positive effect on organizational performance in manufacturing firms in Nigeria Breweries Company in the South-East.

Đorđević, Ivanović-Đukić, Lepojević, & Milanović, (2020) examined the impact of employees' commitment on organizational performance. This paper examines the impact of each type of organizational commitment on the productivity of organizations in Serbia, as well as the impact of the overall commitment. The aim of the paper was to identify the types of organizational commitment that have the greatest impact on the performance of organizations in Serbia and to propose measures to HR managers whose implementation can improve the operations of domestic organizations. The starting point of the paper was that

employees' commitment has a statistically significant effect on organizational performance. To verify the validity of this assumption, a primary survey was conducted. 169 employees of 17 organizations in Serbia were surveyed. By applying correlation and regression analysis methods, it has been proven that overall organizational commitment, as well as its certain types, have a positive impact on the productivity of organizations in Serbia, with the impact of normative commitment on performance greater than other types of commitment. At the same time, the contribution of continuous commitment to the performance of organizations in Serbia is negligible (statistically insignificant).

Agyeiwaah, Dayour, & Zhou (2021) examined how employee commitment impacts customers' attitudinal loyalty. This study examines the impact of employee commitment on customers' attitude-based loyalty. The study contributes to knowledge of how employees' affective attitude (i.e. employee commitment) impacts and mediates the relationships within this model by considering service quality attributes separately in the context of China's Greater Bay Area. Using a quantitative approach, 664 customers visiting hotels and tourist attractions within three cities of Hong Kong, Macau, and Zhuhai were surveyed. A convenience sampling technique was employed to administer questionnaires within these contexts. A structural equation modeling (SEM) using AMOS software was used to test the relationships in the proposed model. The results suggest that while service quality attributes have a different impact on employee commitment, employee commitment plays a response-predictor-mediator role in the attitudinal loyalty framework. For instance, personal interactions and technical quality are significant predictors of employee commitment. Employee commitment influences customer satisfaction and behavioral intentions. Moreover, employee commitment fully mediates the relationship between technical quality and customer satisfaction and partially mediates the association between personal interaction and customer satisfaction.

Majid & Mohammad (2018) investigated the Impact of Commitment, Satisfaction, and Loyalty of Employees on Providing High-Quality Service to Customers. This research is applied in terms of objective and correlational types of descriptive surveys in terms of data collection. The population of the research includes two groups. The first group included employees providing service to customers of the Ports and Maritime Organization of Bushehr (Iran) and the second group included customers receiving the services of the organization. From both groups, 250 people were selected using the available sampling method to respond to questions of the research. To test the research conceptual model and research hypotheses, structural equation modeling was used. The results showed that job satisfaction of employees has a significant positive effect on the organizational commitment of employees. Also, job satisfaction and organizational commitment of employees have significant positive effects on their loyalty to the organization. In addition, organizational loyalty of employees has a positive and significant impact on improving the quality of customer service. Therefore, organizations should make an effort to recruit employees who are suitable for their activities.

### **3. Methodology**

The research design employed in this research was survey research design. This is a survey research design because it used the questionnaire to get data from field respondents. The study needed to reach a number of respondents to elicit their opinion on the subject thereby justifying the use of survey research design. The main source of primary data was the structured questionnaire. The population of this study consists of management and all staff of 5 branches of Vinokure Petroleum with at least an OND certificate. A five-point scale was used, of Strongly agree, agree, Undecided, Disagree, and Strongly Disagree.



Two methods of analysis shall be adopted for the data analysis. One method will consist in the use of simple descriptive analytical tools such as simple percentages. The hypotheses were tested using the sample proportion test (Z test). The procedure is as follows;

$$Z = \frac{P - P_0}{\sqrt{\frac{P_0(1 - P_0)}{N}}}$$

Where P = Proportion of respondents who responded positively to the variable of interest

P<sub>0</sub> = probability of rejecting null hypothesis (0.05)

1 = A constant

N = Total number of respondents

The computed value of Z is then compared with its critical value at 95% confidence level which is 1.96

Decision Rule

Accept H<sub>0</sub> and reject H<sub>1</sub>, if the computed of Z is less than the critical value and vice versa.

## DATA PRESENTATION AND ANALYSIS

### 4.1 Questionnaire Response Rate

Questionnaire was distributed to 125 respondents, out of which 100 returned, representing a response rate of 80%. The response rate table is given below.

**Table 4.1: Questionnaire Response Rate**

Respondents	Distributed 125	Returned 100	% Returned 80	Not Returned 25	% Not Returned 20
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Source: Field Survey, 2022

### 4.2 Analysis of Biographic Data

**Table 4.2: Distribution of Gender of Respondents**

GENDER	RESPONSE	% RESPONSE
MALE	62	62
FEMALE	38	38
TOTAL	100	100

Source: Field Survey, 2022

Table 4.2 showed that 162 respondents (62%) are male, while 38 (38%) are female.

**TABLE 4.3 Distribution of Age Bracket of respondents**

Age Bracket	Response	% response
30 and under	10	10
31 - 40 years	42	42
41 - 50years	38	38
51 years and above	10	10
Total	100	100

Source: Field Survey, 2022

Table 4.3 showed that 10 (10) respondents were 30 years and under, 42 (42%) are between 31 – 40 years, 38 (38%) are between 41 – 50 years, while 10 (10%) are 51 years and above.

**TABLE 4.4 Distribution of Educational Qualification of respondents**

<b>Educational Qualification</b>	<b>Response</b>	<b>% response</b>
OND	22	12
HND/BSC	62	62
M.Sc /MBA	16	16
PhD/DBA	-	-
Total	100	100

**Source: Field Survey, 2022**

Table 4.4 showed that 22 (22%) have OND, 62(62%) have HND/B.SC certificate, 16 (16%) have M.Sc/MBA, while none have PhD/DBA certificates.

**TABLE 4.5 Distribution of Length of service of respondents**

<b>Length of service</b>	<b>Response</b>	<b>% response</b>
0-5 years	30	30
6-10 years	40	40
11years and above	30	30
Total	100	100

**Source: Field Survey, 2022**

Table 4.5 showed that 30 respondents (30%) have worked between 0 - 5 years, 40 (40%) are between 6 - 10 years, while 30 (30%) have worked for 11years and above.

### 4.3 Data Analyses

**4.3.1:** Effect of affective commitment on profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

**TABLE 4.6:** Effect of affective commitment on profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt

<b>Responses</b>	<b>Frequency</b>	<b>%</b>
Strongly Agree	46	46
Agree	43	43
Undecided	-	-
Disagree	7	7
Strongly Disagree	4	4
Total	100	100

**Source: Field Survey, 2022**

Table 4.6 showed that 46 respondents (46%) strongly agreed that affective commitment has effect on profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt, 43 respondents (43%) agreed, no respondents (0%) was undecided, 7 respondents (7%) disagreed while 4 respondents (4%) strongly disagreed. Since more than 50% agreed, it showed that affective commitment have effect on profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

**TABLE 4.7:** Effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt

Responses	Frequency	%
Strongly Agree	50	50
Agree	45	45
Undecided	-	-
Disagree	5	5
Strongly Disagree	-	-
Total	100	100

Source: Field Survey, 2022

Table 4.7 showed that 50 respondents (50%) strongly agreed that continuance commitment has effect on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt, 45 respondents (45%) agreed, no respondents (0%) was undecided, 5 respondents (5%) disagreed while no respondents (0%) strongly disagreed. Since more than 50% agreed, it showed that continuance commitment have effect on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

**TABLE 4.8:** Effect of Normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt

Responses	Frequency	%
Strongly Agree	40	40
Agree	50	50
Undecided	-	-
Disagree	5	5
Strongly Disagree	5	5
Total	100	100

Source: Field Survey, 2022

Table 4.8 showed that 40 respondents (40%) strongly agreed that Normative commitment has effect on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt, 50 respondents (50%) agreed, no respondents (0%) was undecided, 5 respondents (5%) disagreed while 5 respondents (5%) strongly disagreed. Since more than 50% agreed, it showed that Normative commitment has effect on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

#### 4.4 Hypotheses Testing

**4.4.1 Ho1:** There is no significant effect of affective commitment on profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

##### Using sample proportion statistics:

$$Z = \frac{P - P_0}{\sqrt{\frac{P_0(1 - P_0)}{N}}}$$

Where P = Proportion of respondents who responded positively to the Variable of interest

P<sub>0</sub> = probability of rejecting null hypothesis (0.5)

1 = A constant

N = Total number of respondents

Using table 4.6

$$P = 46\% + 43\% = 89\% = 0.89$$

$$\begin{aligned}
 P &= 0.89 \\
 N &= 100 \\
 Z &= \frac{P - P_0}{\sqrt{\frac{P_0(1 - P_0)}{N}}} \\
 Z &= \frac{0.89 - 0.5}{\sqrt{\frac{0.5(1 - 0.5)}{100}}} \\
 Z &= \frac{0.39}{\sqrt{0.5 \times 0.5}} \\
 Z &= \frac{0.39}{\sqrt{0.25}} \\
 Z &= \frac{0.39}{0.5} \\
 Z &= 7.80
 \end{aligned}$$

Since the computed value of 7.80 is more than the critical value of 1.96, we reject the null hypothesis (Ho) and accept the alternate hypothesis (H1) indicating that there was significant positive effect of affective commitment on profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

**4.4.2 Ho2:** There is no significant effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

**Using sample proportion statistics:**

$$Z = \frac{P - P_0}{\sqrt{\frac{P_0(1 - P_0)}{N}}}$$

Where P = Proportion of respondents who responded positively to the Variable of interest

P<sub>0</sub> = probability of rejecting null hypothesis (0.5)

1 = A constant

N = Total number of respondents

Using table 4.7

$$P = 50\% + 45\% = 95\% = 0.95$$

$$\begin{aligned}
 P &= 0.95 \\
 N &= 100 \\
 Z &= \frac{P - P_0}{\sqrt{\frac{P_0(1 - P_0)}{N}}} \\
 Z &= \frac{0.95 - 0.5}{\sqrt{\frac{0.5(1 - 0.5)}{100}}} \\
 Z &= \frac{0.45}{\sqrt{0.5 \times 0.5}} \\
 Z &= \frac{0.45}{\sqrt{0.25}} \\
 Z &= \frac{0.45}{0.5} \\
 Z &= 9.00
 \end{aligned}$$

Since the computed value of 9.00 is more than the critical value of 1.96, we reject the null hypothesis (Ho) and accept the alternate hypothesis (H1) indicating that there was significant positive effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

**4.4.3 Ho3:** There is no significant effect of Normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

**Using sample proportion statistics:**

$$Z = \frac{P - P_0}{\sqrt{\frac{P_0(1 - P_0)}{N}}}$$

Where P = Proportion of respondents who responded positively to the Variable of interest

P<sub>0</sub> = probability of rejecting null hypothesis (0.5)

1 = A constant

N = Total number of respondents

Using table 4.8

$$P = 40\% + 50\% = 90\% = 0.90$$

$$P = 0.90$$

$$N = 100$$

$$Z = \frac{P - P_0}{\sqrt{\frac{P_0(1 - P_0)}{N}}}$$

$$Z = \frac{0.90 - 0.5}{\sqrt{0.5(1 - 0.5)}}$$

$$Z = \frac{0.40}{\sqrt{0.5 \times 0.5}}$$

$$Z = \frac{0.40}{\sqrt{0.25}}$$

$$Z = \frac{0.40}{\sqrt{0.0025}}$$

$$Z = \frac{0.40}{0.05}$$

$$Z = 8.00$$

Since the computed value of 8.00 is more than the critical value of 1.96, we reject the null hypothesis (Ho) and accept the alternate hypothesis (H1) indicating that there was significant positive effect of Normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt.

#### 4.5 Discussion of the Findings

This study has been designed to investigate effect of employee commitment on performance of Vinokure Petroleum Nigeria Ltd. Port Harcourt. The dimensions of employee commitment (Affective Commitment, Continuance commitment Normative commitment) have significant positive effects on measures of organizational performance (Profitability; employee productivity; and customer satisfaction). The positive effect of Affective Commitment, Continuance commitment Normative commitment on measures of organizational performance are consistent with previous research conducted to investigate such effects (Otuohere, 2021; Ezeanolue, Okoye, & Nwankwo, 2021; Nwankwo, Orga, & Ugwu, 2019).

The implication of the result of this study is that organizations can look into area of employee commitment to achieve desired performance for organization.

### 5.1 Summary of Findings

From the analyses, the following findings were made:

- i. There was a significant positive effect of affective commitment on the profitability of Vinokure Petroleum Nigeria Ltd. Port Harcourt ( $Z = 7.80$ )
- ii. There was a significant positive effect of continuance commitment on employee productivity of Vinokure Petroleum Nigeria Ltd. Port Harcourt ( $Z = 9.00$ )
- iii. There was significant positive effect of Normative commitment on customer satisfaction of Vinokure Petroleum Nigeria Ltd. Port Harcourt ( $Z = 8.00$ )

### 5.2 Conclusion

The study evaluated the effect of employee commitment on performance of Vinokure Petroleum Nigeria Ltd. Port Harcourt. The study found significant positive effect of dimensions of employee commitment like affective, continuance and normative commitment on measures of organizational performance such as profitability, employee productivity and customer satisfaction. The study, therefore, concluded that there is a significant positive effect of employee commitment on the performance of Vinokure Petroleum Nigeria Ltd. Port Harcourt. Individuals with low levels of commitment do not put their hearts into the work and mission of the organization. They seem to be more concerned with personal success than with the success of the organization as a whole. People who are less committed are also more likely to look at themselves as outsiders and not as long-term members of the organization. An attractive job offer elsewhere is very likely to result in their departure. By contrast, employees with high commitment to an organization see themselves as an integral part of the organization. Anything that threatens the organization is an imminent danger to them as well.

### 5.3 Recommendations

From the findings and conclusion, the following recommendations were made:

- i. The management should establish a cohesive relationship with the employee so that employees should see themselves as an integral part of the organization as this will lead to affective commitment, superior performance that will lead to profitability.
- ii. Management need to consider the staff and their job assignment to knowledge accessibility in order to improve organizational performance through compulsory training programmes for all employees in order to improve continuance commitment and productivity.
- iii. Managers should prioritize and concentrate more on those factors that will increase the employees' normative commitment levels such as a pension, long service awards, and recognition so as to maintain a competitive standard in the market through customer satisfaction.

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