

The Impact of Relational Contract Fulfillment on Organizational Commitment in Selected Banks in Puttlam District

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Abstract

The most important part of each organization is its human resource. The way employers behave and treat staff would affect their attitudes and working behaviors. When people have a positive attitude toward their job, their manager, department or organization they work in, they become much more committed to work efficiently. Relational Contract Fulfillment has been considered as one of the most important predictors of Organizational Commitment. in Sri Lankan context, a few empirical studies have been conducted with the relationship between Relational Contract Fulfillment and Organizational Commitment of employees. So, there is a need to do more research in this field. Therefore, this research is tried to identify the impact of Relational Contract Fulfillment on Organizational Commitment. This research is limited to the 12 Licensed Commercial Banks (LCBs) main branches in Puttlam district. Total of 197 questionnaires were distributed to employees in banking sector in Puttlam district. Only 150 questionnaires were received and used for analysis. The data are analyzed using by descriptive analyses, Pearson correlation and regression analyses with the support of Statistical Package for Social Science (SPSS 19.0). The results show that, the level of Relational Contract Fulfillment and Organizational Commitment are in high levels and there is a strong positive relationship between Relational Contract Fulfillment and Organizational Commitment in selected banks in Puttlam district. Lastly, the regression analysis is indicated that 27.5% of total variance of Organizational Commitment is explained by Relational Contract Fulfillment in selected banks in Puttlam district.

Keywords: Affective Commitment, Continuance Commitment, Normative Commitment, Relational Contract Fulfillment.