

See discussions, stats, and author profiles for this publication at: <https://www.researchgate.net/publication/312553391>

# Effect of Organizational and Occupational Commitment on Satisfaction and Performance of Medical Representatives

Article · January 2016

CITATION

1

READS

423

2 authors:



**Swapnil Undale**

Dr. Vishwanath Karad MIT World Peace University, Pune

11 PUBLICATIONS 9 CITATIONS

[SEE PROFILE](#)



**Milind S Pande**

Dr. Vishwanath Karad MIT World Peace University

53 PUBLICATIONS 36 CITATIONS

[SEE PROFILE](#)

Some of the authors of this publication are also working on these related projects:



Problems of Pharmaceutical Sales Representatives [View project](#)



Case study on Cluster Analysis [View project](#)

---

## Effect of Organizational and Occupational Commitment on Satisfaction and Performance of Medical Representatives

### Mr. Swapnil Undale

Asst. Professor  
MIT School of Management,  
Pune, India - 411038  
Email: undaleswapnil@gmail.com

### Dr. Milind Pande

Project Director  
ME, Ph.D. (Engineering), MBA, Ph.D.  
(Management)  
Post Doctorate (Telecom Technology  
Transfer)  
MIT Group of Institutions, Pune  
Pune, India - 411038  
Email: milind.pande@mitpune.edu.in

### **ABSTRACT:**

*Pharmaceutical marketing is highly relied on personal selling. Sales representatives of Pharma companies are known as 'Pharmaceutical Sales Representatives (PSR)' or 'Medical Representatives (MR)'. The nature of pharma marketing is highly challenging and dynamic. Therefore, knowledgeable, skillful and committed sales force are asset for pharma companies. Companies strive to develop and retain them. This research attempts to access effect of effect of organizational and occupational commitment on satisfaction and performance of medical representatives. We found that occupational commitment has significant positive effect on both job performance and job satisfaction. However, organizational commitment did not show any effect on job performance and job satisfaction. Papers ends with discussion on results, limitations, and scope for future research.*

**Keywords :** Job Performance, Job Satisfaction, Medical Representatives, Occupational Commitment, Organizational Commitment, Pharmaceutical Marketing, Pharmaceutical Representatives, Pharmaceutical Selling

### **Introduction**

Pharmaceutical marketing is highly relied on personal selling. Pharma companies employee sales representatives to promote their drugs to physicians. These representatives are known as 'Pharmaceutical Sales Representatives (PSR)' or 'Medical Representatives (MR)'. MRs play a vital role in promoting pharma products. Their customers include primarily physicians, Chemists and Stockiest. Physicians are qualified and registered medical practitioners who treat the patients and prescribe drugs to them. Chemists are retailers of drugs whereas stockiest are wholesalers of drugs. The nature of work is highly challenging, with full of uncertainty and demands knowledge, communication, creativity, initiative, and flexibility. The representative who possess these skills become successful. There is ample research work available on Job Satisfaction, Job Performance, and Organizational commitment. Most of these studies were conducted outside India and very few significant studies included medical representatives. Therefore, purpose of this study is to access effect of organizational and professional commitment on satisfaction and performance of medical representatives in India.

---

### Literature Review

Organizational commitment is 'the degree to which an employee identifies with a particular organization and its goals and wishes to maintain membership in the organization' (Robbins & Judge 2013). 'Occupational commitment can be defined as identification and involvement in a particular occupation' (May et al. 2002). Job satisfaction is a positive feeling about one's job resulting from an evaluation of its characteristics. Job performance is the combination of effectiveness and efficiency at doing one's core job tasks. (Robbins & Judge 2013)

Mckay & Tate, (1999) found that higher levels of role conflict and work overload result in higher levels of family conflict. Job tension is a mediating construct linking role stressors and work-family conflict with work affective outcomes; job tension has a direct impact on organizational commitment and intent to turnover; and while conflicting work situations lead to job tension, ambiguous working conditions were conducive to job dissatisfaction.

Moideenkutty, Blau, Kumar, & Nalakath, (2001) observed that perceived organizational support has significant moderating role in the relationship between perceived situational variables and affective organizational commitment.

Moideenkutty, Blau, Kumar, & Nalakath, (2005) found that managerial assessment of employee performance were affected by both objective productivity and organizational citizenship behavior in Indian context.

Moideenkutty, Blau, Kumar, & Nalakath, (2006) postulated that procedural justice, distributive justice, perceived organizational support, and communication satisfaction with manager would have a stronger positive relationship to organizational citizenship behavior than to in-role behavior. They found that communication satisfaction with manager had a stronger relationship to organizational citizenship behavior.

Engle & Dimitriadi, (2007) compared the levels of role ambiguity (RA), role conflict(RC), work-life role strain (RS), job satisfaction (JS), job performance (JP), and life satisfaction (LS) on medical representatives in Russia and the United States. The study observed significant differences between the two groups in four of the six constructs including RA, RC, JS, and LS. The study concluded that the U.S. and Russia had very different "best fit" models.

Liu, (2007) examined the level of the organizational commitment construct and present an innovative perspective towards organizational commitment in initial phase of employment. The study revealed that Training satisfaction, perceived reward equity and Manager Commitment were significantly contributed to organizational commitment. Manger commitment amongst all three found to have major contribution. The author argued that developing strong relationship at front line manager level was important as organizational commitment partly due to commitment to the front line manager.

Purani & Sahadev, (2008) investigated moderating role of industrial experience in the relationship between different facets of a sales person's satisfaction with the job and his/her intention to quit the job. They noted that industry experience moderates the job satisfaction, disinclination to quit relationship for most of the job satisfaction dimensions. Researcher observed that Industry experience has a moderating effect when the effect of a salesperson's satisfaction with the organizational HR policies, supervisor satisfaction, compensation policies and career development and disinclination to quit, are considered.

Ali & Baloch, (2009) investigated the influence of role ambiguity, role conflict and work-family conflict on organizational commitment and turnover intention of medical representatives. They observed a significant negative association between Role Ambiguity and Commitment, Role Conflict and Commitment, Work-Family Conflict and Commitment. They found a significant positive correlation between Role Ambiguity and Turnover Intention, Role Conflict and Turnover Intention and Work-Family Conflict and Turnover Intention. Authors argued that work-family conflict, role ambiguity and role conflict highly contributes to turnover intention.

Ahmad, Akhtar, Ibrahim, & Murtaza, (2010) listed factors associated with job satisfaction and dissatisfaction. The objective of this extensive study was to analyze the motivational problems of medical representatives (MRs) and to examine the effects of environment, job characteristics and personality variables on job satisfaction. The study identified the factors associated with feeling of job dissatisfaction for Medical Representatives, like: inequitable policy and administration, poor supervision, job insecurity, tedious work itself, unfavorable interpersonal relationship, strict environment, lengthy communication channels, low profile of company, pressure targets, infiltration of stocks, and unethical demands of customers. The study also identified the factors associated with feeling of job satisfaction for Medical Representatives, like: handsome salary package, sense of achievement, favorable recognition, responsibility, growth opportunity, stimulating work itself, cordial interpersonal relations, job security, good working conditions, and other fringe benefits.

Hawass, (2012) investigated whether affective and continuance dimensions of organizational commitment are deliberately influenced by a defined set of personality traits. They found that sales person's personality traits influence organizational commitment, while cultural differences may have moderating effect on the way personality traits influence organizational commitment.

Ali & Jan, (2012) studied the relationship between organizational justice, organizational commitment and turnover intention. They observed that both distributive justice perception and procedural justice perception had a significant relationship with organizational commitment and turnover intentions amongst Medical Representatives of Pharmaceuticals Companies operating in Pakistan.

Ali & Kakakhel, (2013) tested the relationship between occupational stress and organizational commitment. They found that physiological and psychological stress had inversely correlated with organizational commitment.

Sohn, Seung, Seo, & Kim, (2013) argued that the nature of B2B marketing in healthcare segment is different from that of other B2B marketing areas. The study examined the structural association among commitment, satisfaction, and dependence.

From literature review, it is evident that most of the studies conducted outside India and focused on non-pharmaceutical representatives. This study is an attempt to bridge this gap. This research specifically studied medical representatives' organizational and occupational commitment and its effect on their job satisfaction and job performance.

## **Methodology**

Data were collected by on-field survey. During the survey, representatives were interviewed and a structured questionnaire were filled. Samples were selected from Pune city

of India. Pune is one of the emerging metro city of India. Metro cities are characterized by high density of population and migrants from majority of other states (of India). Most of the national pharma companies have their representatives working in metro cities. These features makes metro cities representative samples of India. Therefore, samples were collected from Pune city. Three hundred and eight out of five hundred questionnaires distributed found to be filled completely and usable. This yielded response rate of 61.6%.

**Table No. 1 : Distribution of the survey respondents by gender, work experience, education level, marital status, and age**

<b>Demographics</b>	<b>Frequency</b>	<b>Percent</b>
<b>Gender</b>		
Male	293	95.1
Female	15	4.9
<b>Work Experience</b>		
<= 6 months	21	6.8
6 months - 1 year	30	9.7
1 - 2 years	50	16.2
2 - 5 years	117	38
5 - 10 years	63	20.5
> 10 years	27	8.8
<b>Education</b>		
Pharmacy	170	55.2
Science	113	36.7
Arts	11	3.6
Commerce	14	4.5
<b>Marital Status</b>		
Married	165	53.6
Unmarried	143	46.4
<b>Age Group</b>		
21 yrs - 25 yrs	98	31.8
26 yrs - 30 yrs	147	47.7
31 yrs - 35 yrs	43	14
36 yrs - 40 yrs	9	2.9
> 40 yrs	11	3.6
<b>Total</b>	<b>308</b>	<b>100</b>

Table No. 1 shows some basic demographic characteristics of survey respondents. Pharmaceutical sales profession is dominated by males (95.1%). Most of the respondents have more than one year of work experience. Majority of the representatives held pharmacy or science degree. Half of the respondents were married. Many of them were in the age group of 21 to 30 years.

### Measures

Organizational commitment scale (four items) was adopted from Mowday, Steers, & Porter, (1982). Three items Occupational Commitment scale was adopted from McCloskey & McCain, (1987). Self-Perceived performance and Job satisfaction scales were adopted from AL-Dmour & Awamleh (2002) and Al-Rabayah, Al-Dmour, & El-Samen (2011). One item 'company's appreciation for achievement' from original Self-Perceived performance scale was deleted to achieve desired threshold Cronbach's alpha value of 0.7 (Nunnally 1978). Original scale of five items reduced to four-item scale after deletion of one original item.

All above scales uses five point Likert scale. Five point Likert scale has a mid-point, which usually labelled as 'Neutral or Neither agree nor disagree'. If respondents have to answer long survey, they resort to simplification and tend to choose the mid-point. Instrument used for this study comprises of four scales. Considering length of instrument there was high probability that more respondents would choose the mid-point. Matell & Jacoby (1972) recommended minimizing usage of mid-point by either removing midpoint or increasing scale points to seven or more. Increasing scale points increases time to complete the survey. Therefore, four point forced Likert scale was used.

### Reliability and Validity

Table No. 2 shows values of mean and standard deviation of each item on the scales. It also shows Cornbach's alpha value for all the scales. All the values are above expected 0.7 (Nunnally 1978). Therefore, reliability of all scales are established.

Table No. 2 Definitions of variables, descriptive statistics and results of reliability tests

Scale (1= Strongly agree to 4=Strongly disagree)	Mean	Std. Deviation	Cornbach's alpha
Organisational Commitment			0.826
I am willing to work harder than I have to in order to help this company succeed	2.00	.729	
I am proud to tell others that I work for this company	2.22	.805	
I feel much loyalty to this company	2.58	.777	
I would turn down a job at comparable pay and prospects in another company to stay with this company	2.72	.786	
Occupational Commitment			0.789
I plan to continue to be active in the occupation I am in now	1.88	.621	
I am proud to work in this occupation	2.30	.755	
Pursuing a career in this occupation is important to	2.43	.734	

Scale (1= Strongly agree to 4=Strongly disagree)	Mean	Std. Deviation	Cornbach's alpha
me			
Job Satisfaction			0.815
I feel that my Manager and co-MRs care about me as I represent an important person to them	1.87	.728	
My work offers me the chance to get financial rewards and recognitions	1.82	.652	
My immediate manager discusses with me, about my career development	1.95	.747	
Objectively speaking, I think that my salary is suitable for me	2.38	.750	
I am able to save sufficiently from my earnings	2.51	.789	
I think that my company takes my career needs into consideration	2.16	.719	
I think I have a fair chance to be promoted in my company	1.88	.625	
Self-perceived Performance			0.763
I consider my selling performance better than the average performance of my co-MRs	1.93	.647	
I always achieve my sales target	1.96	.632	
My average sales is better than competitor company's sale in my HQ	2.06	.625	
I am satisfied with my selling performance	1.93	.607	

Factor analysis for each scale was conducted. It showed that there was only single factor underlying for each of the scales. This confirms uni-dimensionality of the scales. Face validity and content validity of scale were established by showing it to the industry and academic experts. Modified hetero-trait mono-trait correlation matrix was used to access convergent and discriminant validity (Trochim n.d.). The matrix showed that for all the scales inter-item correlations in mono-trait matrix were greater than that of inter-item correlations in hetero-trait matrix. Therefore, convergent and discriminant validity for all scales were established.

### Results and Discussion

Based on the literature review we hypothesised

1. Organisational commitment has positive effect on self-perceived job performance and job satisfaction
2. Occupational commitment has positive effect on self-perceived job performance and job satisfaction
3. Demographic variables have effect on self-perceived job performance and job satisfaction.

To test these hypotheses regression analysis was conducted. Table No. 3 shows result of regression analysis. We found that occupational commitment has significant positive effect on

both job performance and job satisfaction. However, we did not find any support for our hypothesis that organisational commitment has positive effect on performance and satisfaction. We further observed that none of the demographic variable has effect on self-perceived job performance. Nevertheless, work experience and age has significant positive effect on job satisfaction.

**Table No. 3 Regression results for Self-Perceived Performance and Job Satisfaction**

Independent Variable	Performance	Satisfaction
	B (s.e.)	B (s.e.)
Organisational Commitment	0.029(0.029)	-0.051(0.036)
Occupational Commitment	0.521(0.035)*	0.594(0.044)*
Gender	-0.117(0.08)	-0.031(0.101)
Work Experience	-0.03(0.021)	0.065(0.027)**
Education	0(0.023)	0.054(0.029)
Marital Status	-0.049(0.043)	-0.001(0.054)
Age Group	0.009(0.027)	-0.089(0.033)**
(Constant)	1.083(0.184)	0.816(0.231)
R2	0.44	0.401

Note: B = unstandardized regression coefficient; s.e. = standard error; \*p < 0.001; \*\*p < 0.05.

The study had several limitations. Samples were selected from single metro city. Though metro cities have population from majority of states (migrants from other states), it may not be true representative of national population. This is because majority of the migrants are from nearby states. Further, metro cities offer representation for urban areas. Moreover, metro cities are usually treated as pool territories (more than one representatives are assigned same geographical area) by pharma companies. Sampling frame was not available. Hence, non-probability sampling technique was used. Non-probability sampling does not guaranty representative samples. The study has not included sales representatives from non-pharmaceutical industry. Therefore, findings of this study has limited generalizability. Further research including other urban and rural territories and representatives from other industry in India as well as from other countries is recommended to increase the generalizability.

### Conclusions:

This research reported effect of organizational and occupational commitment on performance and satisfaction of medical representatives. Occupational commitment has shown positive effect on job satisfaction of medical representatives. More the occupational commitment more the job satisfaction. A comparison of coefficient values indicated that occupational commitment has strongest effect followed by age (negative effect) and work experience. It suggested that more the work experience more the job satisfaction and lesser the age more the job satisfaction. Our findings about effect of occupational commitment on satisfaction supports the findings of May et al.(2002). According Alvesson, (2000) nature of work (challenging and uncertainty) enhances occupational commitment. We noted that



occupational commitment also has positive effect on self-perceived job performance. However, organizational commitment did not show any effect on performance and satisfaction. This finding indicate that representatives are not committed to their organization. Therefore it is not surprising that the attrition rate in pharma industry is in double digit (Pharma Express 2012). Organizational commitment also indicates loyalty of employees. Skillful, well-qualified and knowledgeable medical representatives are asset to pharma companies. Companies are facing problem in retaining them. These problems can be overcome by working on improving organizational commitment. However, it is imperative to identify the reasons for organizational non-commitment so that organizational commitment can be enhanced. A separate study is required to investigate the causes.

**REFERENCES:**

- Ahmad, M. et al., 2010. Factors influencing job satisfaction of medical representatives in Pakistan. *Journal of Chinese Pharmaceutical Sciences*, 19, pp.235–238.
- AL-Dmour, H. & Awamleh, R.A., 2002. Effect of Transactional and Transformational Leadership Styles of Sales Managers on Job Satisfaction and Self- Perceived Performance: A Study of Jordanian Manufacturing Public Shareholding Companies. *Dirasat: Administrative Sciences Series*, 29(1), pp.247–261.
- Ali, N. & Baloch, Q.B., 2009. Predictors of Organizational Commitment and Turnover Intention of Medical Representatives ( An Empirical Evidence of Pakistani Companies ). *Journal of Managerial Sciences*, 3(2), pp.262–273.
- Ali, N. & Jan, S., 2012. Relationship between Organizational Justice and Organizational Commitment and Turnover Intentions amongst Medical Representatives of Pharmaceuticals Companies of Pakistan. *Journal of Managerial Sciences*, 6(2), pp.201–212. Available at: <http://ezp.waldenulibrary.org/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=82459253&site=eds-live&scope=site&scope=cite>.
- Ali, N. & Kakakhel, S., 2013. Relationship between Occupational Stress and Organizational Commitment (Empirical Evidence from Pharmaceuticals Industry). *Journal of Managerial Sciences*, 7(2), pp.291–298. Available at: [http://www.qurtuba.edu.pk/jms/default\\_files/JMS/7\\_2/JMS\\_July\\_December2013\\_291-298.pdf](http://www.qurtuba.edu.pk/jms/default_files/JMS/7_2/JMS_July_December2013_291-298.pdf).
- Al-Rabayah, A.A., Al-Dmour, H.H. & El-Samen, A.A.A., 2011. The Influence of Medical Sales Representatives ' Work Engagement on Job Satisfaction and Self-Perceived Performance at The Jordanian Pharmaceutical Industry A Structural Equation Modeling Perspective. *Jordan Journal of Business Administration*, 7(4), pp.681–698.
- Alvesson, M., 2000. Social identity and the problem of loyalty in knowledge-intensive companies. *Journal of Management Studies*, 37(8), pp.1101–23.
- Engle, R.L. & Dimitriadi, N.A., 2007. Antecedents and Impacts of Work-Life Role Strain: Model Development and Cross-cultural Comparison. *Journal of Management Science.*, 1(2), pp.p87–97. 11p.
- Hawass, H.H., 2012. Committed Salesforce: An Investigation into Personality Traits. *International Journal of Business and Management*, 7(6), pp.147–160. Available at: <http://dx.doi.org/10.5539/ijbm.v7n6p147>.

- Liu, C.-M., 2007. The early employment influences of sales representatives on the development of organizational commitment. *Employee Relations*, 29(1), pp.5–15.
- Matell, M. & Jacoby, J., 1972. Is there an optimal number of alternatives for Likert scale items? Effects of testing time and scale properties. *Journal of Applied Psychology*, 56(6), pp.506–509.
- May, T.Y.-M., Korczynski, M. & Frenkel, S.J., 2002. Organizational and occupational commitment: knowledge workers in large corporations. *Journal of Management Studies*, (September).
- McCloskey, J.C. & McCain, B.E., 1987. Satisfaction, commitment and professionalism of newly employed nurses. *Image: Journal of Nursing Scholarship*, 19, pp.20–4.
- McKay, S. & Tate, U., 1999. A Path Analytic Investigation of Job-Related Tension: A Case For Sales Management. *The Journal of Marketing Management*, 9(3), pp.106–113.
- Moideenkutty, U. et al., 2006. Comparing correlates of organizational citizenship versus in-role behavior of sales representatives in India. *International Journal of Commerce and Management*, 16(1), pp.15–28.
- Moideenkutty, U. et al., 2001. Perceived Organisational Support as a Mediator of the Relationship of Perceived Situational Factors to Affective Organisational Commitment. *Applied Psychology: An International Review*, 50(4), pp.615–634.
- Moideenkutty, U. et al., 2005. Relationship Of Organizational Citizenship Behavior And Objective Productivity To Managerial Evaluations Of Performance In India. *International Journal of Commerce & Management*, 15(3/4), pp.221–229.
- Mowday, R.T., Steers, R. M. & Porter, L., 1982. *Employee-Organization Linkages: the Psychology of Commitment, Absenteeism and Turnover*, New York: Academic Press.
- Nunnally, J.C., 1978. *Psychometric Theory* 2nd ed., New York: McGraw-Hill.
- Pharma Express, 2012. Talent Hunt. Pharma Express. Available at: <http://archivepharma.financialexpress.com/sections/pharma-life-2/340-talent-hunt-the-race-intensifies> [Accessed June 24, 2012].
- Purani, K. & Sahadev, S., 2008. The moderating role of industrial experience in the job satisfaction, intention to leave relationship: an empirical study among salesmen in India. *Journal of Business & Industrial Marketing*, Vol. 23(Iss: 7), pp.475 – 485. Available at: 10.1108/08858620810901239.
- Robbins, S.P. & Judge, T.A., 2013. *Organizational Behaviour* 15th ed., Prentice Hall.
- Sohn, Y.S. et al., 2013. The mediating role of commitment in healthcare B2B marketing. *The Service Industries Journal*, 33(13-14), pp.1381–1401. Available at: <http://www.tandfonline.com/doi/abs/10.1080/02642069.2013.763930> [Accessed June 12, 2015].
- Trochim, W.M., the Multitrait-Multimethod Matrix. Available at: <http://www.socialresearchmethods.net/kb/mtmmmat.php>.

