CHAPTER – II

REVIEW OF LITERATURE
CHAPTER - II

REVIEW OF LITERATURE

This chapter presents literature relating to -

- Employees’ perception on organisational climate variables.
- Relationship among the variables of organisation climate under study.
- Relationship between demographic variables and organisational climate variables.

2.1 Employees Perception on Organisational Climate Variables

Organisational climate is similar to the moods of individuals, which are subject to change at any given time. The climate in an organisation is affected by events and characteristics relevant to the organisation, which in turn exert a strong influence on the behavior of the organisation’s members.

Organisational climate plays a critical role in organisations and influences employees’ perceptions, which impacts on their behaviors. Organisational climate is viewed as the sum total of perceptions based on the interaction between the individual perceptions and organisational environment. Schneider and Hall (2010) presented organisational climate as a set of global perceptions held by individuals about their organisational environment. The sets of perceptions are basically the result of interactions between personal and organisational characteristics.

According to Newman (2010), Joyce and Slocum (2010), the structure of the organisation can influence employees’ perceptions of their climate. Steven P. Brown and Thomas W. Leigh (1996) stated that perceptions of motivating and involving psychological climate were related to job
involvement, which in turn was related to effort. Effort was also related to work performance.

The perceptions of organisational climate and organisational change on the part of 10 senior business leaders in the life insurance industry who self-identify as exhibiting transformational leadership style is discussed and suggests that how to prepare for and adapt to their rapidly changing competitive environment and providing new or alternative strategies for identifying and developing business leaders (Willett, Scott R., Ph.D., 2009). The employees perceived the organisational climate of their organisation to be at a moderate level and Continuance commitment to organisation appears to be the lowest of the three components of the organisational commitment (Fauziah Noordin, Safiah Omar, Syakirarohan Sehan, Shukriah Idrus, 2010).

The relation between the dimensions of organisational climate, perceptions of support for innovation and performance is moderated by organisational slack and a strong connection exists between the different dimensions of organisational climate and perceptions of support for innovation (Antonia Ruiz-Moreno Víctor J. Garcia-Morales, Francisco Javier Llorens-Montes, 2008). There is a positive and strong relationship between diversity management and organisational climate dimensions: policies and procedures, discrimination, gender issues, equality in conditions of employment, discrimination and employment equity (Tjale, Tsedile Ethel, 2005).
Peter Kangis, and D. Gordon and S. Williams (2000) showed a consistent association between climate and performance, independently of sector, companies performing above average showed higher values on climate dimensions than those performing below average. Mark A. Shadur Rene Kienzle, John J. Rodwell (1999) collected data from 269 employees of an information technology company and examined the relationship between employee perceptions of involvement and organisational climate. The authors stated that employee involvement is composed of three essential variables, namely, participation in decision making, teamwork, and communications.

Mathis Schulte, Cheri Ostroff, Angelo J Kinicki (2006) used a sample of 1,076 employees from 120 branches of a US-based bank indicated that individuals' perceptions of the climate accounted for a large percentage of variance in individuals' satisfaction. The results suggest that the overall climate in a work unit has some influence on individual attitudes, after accounting for individuals' idiosyncratic perceptions of the climate. Patterson M, Warr P, West M (2004) stated that company productivity was more strongly correlated with those aspects of climate that had stronger satisfaction loadings. Managers' perceptions of climate would be positive and linked to company productivity than non-managers.

Zhang Zhen, Ma Li, Ma Wenjing (2003) explored the relationship between organisational climate and employee involvement in organisations in Mainland China. After clarifying the constructs of organisational climate and employee involvement, the study conducted one way ANOVA and regression
analyses to examine how organisational climate influenced employee involvement in organisations. The results showed that significant geographical difference was found in employee involvement. Non bureaucratic, supportive and communicative climates were the strongest predictors of the employee involvement.

**Victoria Bellou, Andreas I. Andronikidis (2009)** showed that efficiency, reflexivity, innovation and flexibility, supervisory support and quality were among the most prominent characteristics affected by organisational climate, whereas outward focus and pressure to produce were least affected. Moreover, the only differences revealed between managerial and non-managerial employees were in the areas of involvement and efficiency.

**Tengku Marini (2007)** revealed that male staff perceived organisational climate more favorable as compared to females. Meanwhile the friendly, precise and attentive style was found to be the predominant communication styles among the staff and the predominant organisational climate was achievement oriented climate. Male and female officers are influenced in a similar manner by organisational climate variables, although the magnitude of that influence varies by gender and suggest that climate variables have a greater impact on job satisfaction than individual level variables (**Marie L. Griffin, 2001**).

**Young, Scott Alan (2000)** found that agreement within work groups with respect to climate perceptions may not be as critical as agreement in organisational values and goals. **Ali Dastmalchian (1986)** stated in his study
that different environmental characteristics have different associations with organisational climate and the relationships between organisational environments and climate are not similar to those found between environments and structure.

Lawrence R. James and Allan P. Jones (1974) focus on the extent to which organisational climate duplicates other organisational and individual domains. Descriptive measures of organisational climate have organisation-specific variance and constitute organisational attributes (John A. Drexler 1976) several organisational process variables (but no structural variables) were significantly related to the climate of the organisation as perceived by scientists. Perceived climate in turn was shown to be significantly related to measures of organisational performance and to job satisfaction (Edward E. Lawler, III, Douglas T. Hall and Greg R. Oldham 1974).

Johnson, Joyce J. (2000) used a sample of 8,126 employees in a large government service agency using an anonymous survey measuring nine aspects of quality culture and ten aspects of organisational climate. Results show that supervisors perceived all nineteen aspects of the culture and climate measured on the survey significantly more positively than did non-supervisors. Cooper, Michelle A. (1997) discussed the impact of participation in decision making on staff perception of organisational climate/culture, commitment, and influence on work. There was no statistically significant difference for perception of climate/culture compared to results from the same questionnaire administered
one year before but commitment and influence on work were significantly lower.

Schnake, M. E. (2011) used a sample size of 269 employees of an information technology company and revealed that affective response affects the dimensionality of perceptual measures of organisational climate. James F. Gavin (1975) conducted a study of 140 managerial level bank employees to determine the extent to which climate perceptions could be accounted for by measures of personal and organisational variables. Findings fail to support the expected interaction of personal and organisational measures but do indicate that personal and organisational variables alone accounted for significant amounts of variance in climate perceptions.

Benjamin Schneider (2010) indicated across agencies that (a) new agent expectations have low significant correlations with the climate of the particular life insurance agency they join, and (b) new agent preferences are not significantly related to this climate. Average climate expectations are consistently less positive than average climate preferences. Russell E. Johannesson (2011) used 90 organisational climate items to measure organisational climate and stated that organisational climate can be measured by asking questions through questionnaire.

Forehand, G.A., & Glimer, B.H. (2009) outlined three features of organisational climate: firstly, it varies among different organisations; secondly, it is persistent; lastly, it can affect the behavior of organisation members. Filipe Jorge Coelho, Mário Gomes Augusto, Arnaldo Fernandes
Coelho, Patrícia Moura Sa (2010) developed a structural equations model and empirically tested, indicating that perceptions of customer, ethical, and innovation climates exert an indirect effect on the adoption of customer-oriented behaviors by frontline employees.

James F. Gavin and John G. Howe (2007) distinguished Psychological climate from organisational climate, findings indicate that psychological climate seems to be affected by the organisational setting and to a lesser degree, by the employee’s echelon in the organisation. Victoria Bello, Andreas I Andronikidis (2009) stated that from both private and public sector organisations, with emphasis on service, indicate that climates for diversity do impact significantly on a range of career and organisational attitudes and perceptions.

Bruce Cooil, Lerzan Aksoy Timothy L. Keiningham and Kiersten M. Maryott (2009) developed a model through the data collected from a large, multinational retail grocery superstore based in continental Western Europe and illustrated how multivariate partial least squares (MPLS) models can be used to relate The Relationship of Employee Perceptions of Organisational Climate to Business-Unit Outcomes.

The effectiveness of participation from social psychological view point could be explained by the interaction of perceived organisational climate on one hand and work values of the employees on the other hand and participation effectiveness could bear some fruits on productivity and absenteeism. (Dr. N. Usman Khansherwani & Mishra, Ganesh PD).
Zhang, Jianwei, Liu, Yuxin (2010) explored that organisational climate had significant main effects on human resources management effectiveness such as turnover intention, job satisfaction and work efficacy; organisational climate also had significant main effects on organisation effectiveness like staff members' organisation commitment and collective identity.

Davidson, Michael Cameron Gordon (2000) gathered data from 14 four to five-star hotels in South-East Queensland, Australia, in an attempt to examine the nature and degree of influence organisational climate has upon the performance of hotels. Employee perception of customer satisfaction was studied both as an index of performance and as an intervening variable between organisational climate and financial performance.

Frank Friedlander and Newton Margulies (2004) explored the multiple impact of organisational climate components and individual job values upon worker’s satisfactions and the combinations of different climate components which maximize work satisfactions are moderated by the work values held by the employee.

Michael W. Grojean, Christian J. Resick, Marcus W. Dickson, D. Brent Smith (2004) examines the critical role that organisational leaders play in establishing a values based climate. He discusses seven mechanisms by which leaders convey the importance of ethical values to members, and establish the expectations regarding ethical conduct that become engrained in the organisation’s climate. He also suggests that leaders at different
organisational levels rely on different mechanisms to transmit values and expectations. These mechanisms then influence members’ practices and expectations, further increase the salience of ethical values and result in the shared perceptions that form the organisation’s climate.

Peterson (2004) presented a theoretical two period model of employee persistence, which posited that employee expectations, motivation, and satisfaction in Time 1 and Time 2 were mediated by organisational experiences, while expectations, motivation, and satisfaction in Time 2 were proposed to link directly to Employees’ turnover decisions. Generally, empirical research has also verified that there is a positive link between positive employees Perceptions of climate and employee retention. Ryan and et al. (1996) examined the relationship between positive job associations and employee retention for a large automobile finance company, finding a positive correlation.

In a pharmaceutical personal selling context, Mulki, and et al. (2006) found that a salesperson’s perceptions of ethical climate are a significant predictor of trust in supervisor and turnover intentions. In another study, Hemingway, and et al. (1999) examined the withdrawal behaviors (turnover and absenteeism) of nurses and found that specific dimensions of organisational climate were related to turnover and absenteeism. Furthermore, specifically in the services context, support was found for the relationship between service climate and voluntary turnover (Sowinski, Fortmann, and Lezotte, 2008).
Schneider, White, and Paul (1998) examined how service oriented behaviors by employees can promote reporting of positive customer service experiences. Heskett and et al. (1997) focus specifically on the relationship between positive employee perceptions and customer satisfaction and suggest that the satisfaction of employees reflects on customers and vice versa. The ultimate result of this chain of effects is increased profitability. Nonetheless, the majority of employee perception research appears to show a positive relationship with customer satisfaction (Crotts, Dickson, and Ford 2005; Dean and Alison 2004; Payne and Webber 2006; Schneider and White 2004). Research that specifically examines aspects of service climate, however, almost always finds a positive relationship with customer satisfaction (Gelade and Young 2005; Johnson 1996; Liao and Chuang 2004; Rogg et al. 2001; Schneider et al. 2005; Solnet 2006).

There has also been a range of studies that examine the links between organisational climate and firm performance, including financial outcomes such as growth, revenue, and profitability. For example, Schneider et al. (2005) proposed a framework that ultimately links organisational climate to sales. Numerous researchers have similarly found a positive relationship between organisational climate and firm financial performance (Borucki and Burke 1999; Collins and Smith 2006; Gelade and Young 2005; Harter, Schmidt, and Hayes 2002; Ozcelik, Langton, and Aldrich 2008; Schneider et al. 2003). These findings are not, however, universal. In particular, research by Paradise- Tornow (1991) found a strong negative correlation between
management culture (including service climate) and financial performance. Despite the contradictory findings of Paradise-Tornow (1991), positive employee perceptions of organisational climate are expected to be positively linked to unit revenue, since large-scale longitudinal studies report a positive relationship between employee perceptions and firm financial performance.

2.2 EMPLOYEES PERCEPTIONS ON ORGANISATIONAL CLIMATE VARIABLES UNDER STUDY

2.2.1 Motivation

Sanford E DeVoe, Sheena S Iyengar (2004) identified in his study that North American managers perceived their employees as being more extrinsically than intrinsically motivated, perceptions of intrinsic motivation proved to be a more robust predictor of performance appraisal. Asian managers perceived their subordinates as equally motivated by intrinsic and extrinsic factors, and their perceptions of both motivations proved to be comparable predictors of performance appraisal. Latin American managers perceived their employees as being more intrinsically than extrinsically motivated, and accordingly, only their perceptions of intrinsic motivation proved to be significantly correlated with performance appraisal.

Bassous, Michael G (2010) revealed that positive significant correlation between workers' motivation level and nonmonetary incentives, leadership style, and organisational culture, but no significant relationship between workers' motivation level and monetary incentives. Jackson-Palmer, Jacqueline (2010) demonstrated that leaders' emotional intelligence as related
to employee motivation may help to support the emotional abilities in building quality relationships that may influence employees' level of motivation.

**Ishfag Ahmed et al. (2010)** found that intrinsic motivational factors are having significant relationship with employee’s job satisfaction whereas hygiene (extrinsic) factors are not having any significant relationship with the employees’ job satisfaction. **Sanford E DeVoe, Sheena S Iyengar (2004)** examined North American managers perceived their employees as being more extrinsically than intrinsically motivated, perceptions of intrinsic motivation proved to be a more robust predictor of performance appraisal. Asian managers exhibited a holistic tendency in that they perceived their subordinates as equally motivated by intrinsic and extrinsic factors, and their perceptions of both motivations proved to be comparable predictors of performance appraisal. Latin American managers perceived their employees as being more intrinsically than extrinsically motivated, and accordingly, only their perceptions of intrinsic motivation proved to be significantly correlated with performance appraisal.

### 2.2.2 Work Environment

Meta-analytic findings of Christopher P. Parker, Boris B. Baltes, Scott A. Young, Joseph W. Huff, Robert A. Altmann, Heather A. LaCost, Joanne E. Roberts (2003) indicate that psychological climate, operationalized as individuals’ perceptions of their work environment, does have significant relationships with individuals’ work attitudes, motivation, and performance. Another study by A.K. Srivastava (2008) revealed that
participants who perceived their work environment as to be adequate and favorable scored comparatively higher on the measures of job satisfaction, performance, and perceived organisational effectiveness and that among the various components of work environment, working condition, welfare provisions, interpersonal relations, and trust and support predominantly contribute to employees’ job behavior and organisational effectiveness.

Hrobowski-Culbreath, Gladys (2010) examined the relationship between flexible work arrangement programs, job satisfaction, productivity and work-life balance and stated that Flexible work arrangements are tied to turnover, absenteeism, job satisfaction, productivity and work-life balance. Bikash Bhadury (1991) discussed the effects of leadership, work innovation, organisational structure and other elements of the organisational climate on work culture. Barksdale, William Kevin, (1994) found that organisational climate mediated the relationship between human resource practices and aggregate work attitudes. In addition, work attitudes completely mediated the relationship between organisational climate and organisational turnover.

William F. Joyce and John W. Slocum, Jr. and Michael Abelson (1977) stated that Individual perceptions of the work environment, or psychological climates, have been shown to be important determinants of work attitudes such as satisfaction, job involvement and leader behavior. Marjorie L. Randall, Russell Cropanzano, Carol A. Bormann, Andrej Birjulin (1999) investigated the relationship of organisational politics and organisational support to various work attitudes and behaviors among a field sample of 128
participants. Politics and support were related to job satisfaction, commitment, turnover intentions, and supervisor ratings of organisational citizenship behaviors. However, only support was related to job performance.

Kenneth P De Meuse, Todd J Hostager (2001) found that a multidimensional framework for conceptualizing perceptions of attitudes toward workplace diversity was constructed, an instrument was developed to measure them, and the instrument was administered in three research settings. Initial results suggest that it offers a valid, useful assessment of diversity attitudes and perceptions. Schneider and Bowen (1985) found that climate interpretations differ between work groups in the same organisation performing different tasks. The basic theoretical rationale underlying these studies is that departmental affiliation provides a frame of reference for individuals to describe the characteristics of their work environment.

Newman (1975) found that employees in different departments (accounting, service, underwriting) described their climate differently. His data indicate that the employee’s experience within his/ her functional work group had a strong influence on his/ her descriptions of the organisation’s climate and affective reactions to the work situation.

2.2.3 Job Satisfaction

According to Esther E. Solomon (1986) climate was influenced by both the overall organisation and by subunits within the organisation. Climate was fairly strongly related to subunit performance and to individual job satisfaction.

Ellen F. Jackofsky and John W. Slocum, J. R (1988) stated that climates
were traced longitudinally to understand the bases of perceptual agreement and collective climates were shown to vary in stability over time and affect employees’ job satisfactions. Soumendu Biswas (2010) presented that psychological climate is seen to have a positive influence on job satisfaction and job involvement, which in turn have a negative effect on turnover intention. Turnover intentions, in turn, have a negative consequence on organisational effectiveness.

Federal employees of Wietzel, Robert J (2009) believe that pay, employee development, feedback, and motivation from supervisor are key items that effect performance and rewards are not such an effective tool to increase job satisfaction. Johnson, William Arthur (1984) revealed that organisation structure was significantly related to both job satisfaction and work climate and that climate was also highly associated with job satisfaction and there was relatively little agreement among employees within groups regarding climate perceptions.

Nick C. Batlis (1980) examined the prediction of job-related attitudes from organisational climate dimensions. The dimension of "Performance-reward dependence" contributed significantly to the prediction of job satisfaction and propensity to leave, but not to the prediction of job-related anxiety. Robert D. Pritchard and Bernard W. Karasick (1973) found that climate was influenced by both the overall organisation and by subunits within the organisation. Climate was fairly strongly related to subunit performance and to individual job satisfaction. There was some limited
evidence for climate and individual needs interacting to influence performance and satisfaction.

**Esther E. Solomon (1986)** through his empirical research compared job characteristics and organisational climate in the private and public sectors. The hypotheses tested were that (a) performance-based rewards and (b) policies that promote efficiency would be significantly more prevalent in private sector organisations and (c) that higher levels of satisfaction would be expressed by managers in the private sector. **Indian Journal of Industrial Relations (2008)** investigated the relationship between organisational climate and job satisfaction. The results of this study reported a strong positive relationship between the two variables.

**Monia L. Castro and Nico Martins (2010)** explored that a strong positive correlation between organisational climate and job satisfaction and also found that employees perceptions of the work environment influence their level of job satisfaction. **Otoum, Mysoon A (2010)** described that there is a significant relationship between IT professionals' job satisfaction and monetary compensation, involvement in strategic management and continuous training and development and also found that there is no significant relationship between IT professionals' job satisfaction and career plateau and management and social support.

**Nihat Kaya (2010)** examined the influence of six factors of organisational climate such as (i) support for innovation; (ii) managerial competence and consistency; (iii) workload pressure; (iv) cohesion; (v)
organisational boundaries; and (vi) organisational ethics on job satisfaction through interviews from 346 employees from 19 banks and concluded that organisational climate makes a significant contribution to job satisfaction.

2.2.4 Training

According to Paul Moxnes and Dag-Erik Eilertsen (1991) the most process-oriented training program did change the organisational climate, as perceived by the supervisors, but paradoxically in an apparently negative direction, especially as far as interpersonal conflicts and supervisory skills were concerned. Another study by Elizabeth Magdalena and Smuts (1996) showed that educational managers should be trained and granted development opportunities with reference to the creation of organisational climate. Management principles, management style, leadership and cultural sensitivity should be addressed to equip them for their difficult task.

Scott, LaNettae (2010) finds that transfer of learning occurred when an organisation's culture and climate encouraged managers and supervisors to support learning, retention, and application. Bartlett (2001) examined the relationship between employee attitudes toward training and organisational commitment among registered nurses from five hospitals. Results showed that perceived access to training had a higher commitment to the hospital if they were satisfied with their jobs.

Based on the correlational analysis performed Neves, Joao Adamor Dias (1988) indicate that favorable and positive organisational climate as perceived by workers, does account for training effectiveness, in terms of
results of workers’ training, as assessed by themselves, supervisors and managers alike. Also the findings of the research indicate that a favourable and positive organisational climate greatly accounts for business performance, as assessed by managers only.

Cagri Bulut, and Osman Culha (2010) through his empirical study investigated the impact of organisational training on employee commitment focusing on employees' emotional and affective responses towards their organisation. Organisational training is conceptualized within a multidimensional framework consisting of motivation for training, access to training, benefits from training and support for training and the results revealed that all dimensions of training positively affected employee commitment.

2.2.5 Career Development

Rory Donnelly and Orlando (2009) highlight the role that inter-organisational relations and/or national institutional context play in shaping career patterns in knowledge forms of work. Bolton, Shantay (2010) showed that there were significant differences in career motivation and career decisions between cohorts. Bigliardi et al. (2005) emphasized that having a variety of career opportunities within an organisation is important to reduce levels of turnover intent.

Austin, Charlene (2009) identified that vital friends have a positive influence on perception of job satisfaction, and vital friends influence career advancement. The data suggested that vital friendship is important, friendship
matters in the workplace, and vital friends influence job satisfaction and career advancement.

2.2.6 Organisational Commitment

Dr. Abdulkadir Kırmızı, Orkun Deniz (2009) showed that affective commitment is higher among IT professionals than the other types of commitment. Normative commitment is at the lowest level. IT professionals are working in organizations because they want to, rather than they need to or being compelled to by a moral obligation. Madlock, Paul E. (2009) developed a model that would serve to assist scholars, business professionals, and employees manage the influence of computer technology in the workplace. The attitudes employees hold toward computer technology in the workplace positively related to their work related attitudes of job satisfaction and organisational commitment.

According to Rideout, Latrice H (2010) commitment to one’s occupation is a stronger predictor of behavior than is commitment to the organisation. Why people work is more important than where they work. Furthermore, meaning, not money is a better predictor of citizenship behaviors. Caroline Aubé, Vincent Rousseau, Estelle M. Morin (2007) used a sample of 249 prison employees and found that perceived organisational support is positively and significantly correlated with affective and normative commitment.

Steven M. Sommer, Seung-Hyun Bae, Fred Luthans (1996) stated by taking 1192 employees in 27 large Korean firms that as organisation size
increased, commitment decreased; as the structure became more employee focused, commitment increased; and the more positive the organisational climate perceptions, the more the commitment. Pasch, James R (2008) identified those factors such as job satisfaction and job relevance, work-life balance and job stability were contributed to the highest level of commitment from their employees. Patriotism was found to play no role in engendering organisational commitment.

Adela J. McMurray, D. R. Scott, R. Wayne Pace (2004) explored a significant relationship between organisational commitment and organisational climate by administering a sample of 1,413 employees from 42 countries of origin. Hassan Rangriz and Javad Mehraby (2010) stated that there is a significant relationship between employees ‘Emotional Intelligence, organisational commitment and employees’ performance. Mark A. Shadur Rene Kienzle John J. Rodwell (1999) found that employee involvement depends on supportive climate and commitment.

2.2.7 Communication

Dilek Yılmaz Börekçi (2009) revealed that information and communication usage by leader affects follower’s perceptions related to his or her relation with his or her leader, which in turn influence follower’s positive work attitudes such as loyalty, trust, satisfaction, and perceived distributive justice. Zinta S. Byrne, Elaine Lemay (2006) explored that rich media (e.g., face-to-face) was most related to satisfaction and in perceived quality of information from the supervisor; lean media (e.g., company newsletter) from
top management, while moderate media (e.g., e-mail) was only significantly related to perceived quality of urgent news.

   Tengku Marini (2007) identified that male staff perceived organisational climate more favorable as compared to females. Meanwhile the friendly, precise and attentive style was found to be the predominant communication styles among the staff and the predominant organisational climate was achievement oriented climate. Patricia A. Martin, RN (2005) explored that there is a relationship between organisational climate and communication satisfaction among acute care nurses. Barbara Piscopo EdD, RN (1994) found that there was a significant positive correlation between organisational climate, communication and reported role strain in clinical nursing faculty.

   Paul M. Muchinsky (1977) indicated that certain dimensions of organisational communication were highly related to both organisational climate and job satisfaction. When supervisors communicate with their employees, there is a mutual understanding of goals and the direction of the company, and those employees whose supervisors provide information are satisfied with their jobs than employees whose supervisors do not communicate with them (Pincus, 1986).

2.2.8 Leadership Style

   Michael W. Grojean, Christian J. Resick, Marcus W. Dickson and D. Brent Smith (2004) examines the critical role that organisational leaders play in establishing a values based climate. James C.
Sarros, Brian K. Cooper, Joseph C. Santora (2008) explores the relationship between transformational leadership and climate for organisational innovation and the extent to which a competitive, performance-oriented organisational culture mediates this relationship through the survey of 1158 managers.

Samuels, Joseph Roger indicated that all respondents, regardless of hierarchical level or function group, tended to perceive the organisation similarly in terms of supervisory leadership, organisational climate and end results, and somewhat similarly in terms of peer relationships. Pardo Linares, Pedro Juan (2011) provided a baseline measurement of employees’ perceptions of their first-line manager and/or supervisor leadership style and data was obtained from 178 employees, the predominant first-line manager leadership styles reported by all participants were pace setting and coercive both, known to act negatively towards the climate of the organisation. Seaver, David S (2010) evaluated the leadership of a U.S. based organisation acquired by a German conglomerate and will focus on the implementation of transformational leadership by a host country manager in a multicultural organisation with a recent history of expatriate management. Adnan Iqbal (2009) explored that top management exercises initiating structure styles in their organisation while literature has highlighted that consideration style of leadership is most favourable and influential style of leadership on organisational effectiveness. Joseph Wallace: James Hunt; and Christopher Richards (1999) stated that a strong link between specific organisational
climate items and a number of managerial values dimensions and also found that additional relationships between particular dimensions of culture, climate and managerial values are reported.

2.3 RELATIONSHIP AMONG THE VARIABLES OF ORGANISATIONAL CLIMATE

Markham, Leann Mills (2009) determined that IT employees were most satisfied with the work itself, with their job in general, and the number of years of work experience did not make a significant difference in regards to overall job satisfaction. Parker Ayers, Jennifer (2010) revealed that there is a significant relationship between job satisfaction, job involvement, and organisational commitment among educators. Jagusztyn, Nicole Ellis (2010) stated that poorer environmental conditions related to increased perceived discrimination contributed to more negative workplace attitudes and health outcomes.

Madlock, Paul E (2009) develops a model that would serve to assist scholars, business professionals, and employees manage the influence of computer technology in the workplace. Natalie Govaerts, Eva Kyndt, Filip Dochy, Herman Baert (2011) showed that when organisation want to retain their employees it is important to pay attention to the learning of employees. Regarding the intention to stay, there exists a positive relationship between age and retention.

Austin, Charlene (2009) identified that vital friends have a positive influence on perception of job satisfaction, and vital friends influence career
advancement. The data suggested that vital friendship is important, friendship matters in the workplace, and vital friends influence job satisfaction and career advancement. **Lootens, Philip C (2009)** stated that there are significant differences in job satisfaction between full- and part-time faculty and greatest levels of dissatisfaction of full-time faculty in workload and of part-time faculty with benefits.

**Kamarul Zaman Ahmad and Raida Abu Bakar (2003)** investigated that there is an association between five training variables (availability of training, support for training, motivation to learn, training environment and perceived benefits of training), and various aspects of organisational commitment (affective commitment, normative commitment, continuance commitment and overall organisational commitment). **Choi, Woojae (2010)** showed that formal learning significantly affects informal learning, personal characteristics significantly affect informal learning, work environments do not directly affect informal learning, but they indirectly affect through formal learning, and both personal and work environment characteristics affect formal learning.

**Handlon, Russell L (2009)** determined that the five strongest factors affecting intent to leave in the short-term for those organisationally employed were affective commitment, continuance commitment, contingent rewards, pay and fringe benefits and the five strongest factors affecting intent to leave in the long-term for those organisationally employed were affective
commitment, nature of work, promotion opportunity, continuance commitment, and organisational communication.

**Eunmi Chang (1999)** used a sample of 225 researchers from eight business-related research institutes in Korea and found that career commitment was perceived as distinct from the dimensions of organisational commitment (affective and continuance), career commitment moderated the effect of employees’ perception of supervisory support on affective commitment, and career commitment also moderated the effect of affective commitment on turnover intention. **Robert L. Minter (1974)** found that the interpersonal dynamics of organisational communication in superior-subordinate relationships involved in organisational effectiveness.

**John J. Trombetta and Donald P. Rogers (1988)** have attempted to investigate 521 nurses in four general care hospitals and suggest that communication affects organisational commitment, and job satisfaction (employee morale), but job satisfaction does not affect organisational commitment. **Ozbaran, Yavuz (2010)** suggested that when officers perceive that their immediate managers demonstrate transformational leadership behavior, they are more likely to be satisfied with supervision, present work, and their overall jobs. Another important finding of the study was that laissez-faire leadership style decreases job satisfaction of the officers.

**Handsome, Joseph Dewayne (2009)** determined that job satisfaction increased with transformational leadership styles and decreased with laissez-faire leadership styles. **Ryan, Jane L (2009)** indicated that there is no
significant relationship between generational cohort and employee perception of satisfaction with job opportunities and a weakly significant relationship between generational cohort and satisfaction with work environment. Wim J.L. Elving (2005) found that a distinction between the informative function of communication and communication as a means to create a community was made. In the suggested model communication has an effect not only on readiness for change, but also on uncertainty.

Maryle’Ne Gagne and Edward L. Deci (2005) described self-determination theory as a theory of work motivation and shows its relevance to theories of organisational behavior. Sergio Fernandez and Sergio Fernandez (2008) measures three types of leadership behavior: task-oriented, relations-oriented and development-oriented and analyzes that all three types of leadership behavior are positively related to perceptions of performance, while relations-oriented and development-oriented behavior are positively related to job satisfaction.

Tinne Vander E’st., et al., (2010) showed that organisational communication and participation were negatively related to job insecurity. Aida Nasirah Binti Abdullah; and Hazmilah Binti Hasan revealed that the more favorable the perceived communication climate and organisational climate, are the higher the level of organisational commitment.

Lowhorn, Greg L. (2009) explored that (a) organisational socialization and satisfaction with supervision predicted organisational commitment, (b) tenure and organisational socialization predicted job satisfaction, and (c)
organisational commitment and job satisfaction predicted turnover intent. Supportive organisational leadership was not a predictor of either organisational commitment or job satisfaction. In addition, tenure was the only demographic characteristic studied that predicted any of the dependent variables, and it only predicted job satisfaction.

**Shoman, Amani (2009)** examined that leadership/top management communication with subordinates (except for one department surveyed), career opportunities within the company, and teamwork or cooperation among employees contributed most to the prediction of job satisfaction for all the departments each of these predictors was significantly related to job satisfaction. **Hester-Smith, LaVonne V. (2010)** indicated that workers, telecommuters and non-telecommuters, experienced job satisfaction and perceived less isolation, as organisation continue to implement telecommuting programs and workers pursue workplace flexibility.

**Wietzel, Robert J. (2009)** applied Pearson correlation, Chi-square testing, and multiple-regression analysis and indicated that federal employees believe that job satisfaction, education level, and management styles are related to improved performance and the organisational culture. Based on the study, federal employees believe that pay, employee development, feedback, and motivation from supervisor are key items that effect performance. Although impact can be made through training, the data indicates that rewards are not such an effective tool to increase job satisfaction. A more effective tool is for managers to take an active interest in their workers’ careers. The interest relates
to an improved performance of both workers and the organisation as a whole. Pincus, J. D. (1986), revealed that communication satisfaction was strongly related to job satisfaction, and job performance at the superior and sub-ordinate level.

Glisson, Charles; Durick, Mark (1988) showed that skill variety and role ambiguity are the best predictors of satisfaction, while leadership and the organisation’s age are the best predictors of commitment. Pathak R. D: Dhamani A.N; Pestonjee D. M (1993) studied the relationship of managerial effectiveness with motivational climate and leadership effectiveness and found that an effective manager is likely to be an effective leader but an effective leader may not be an effective manager. Joseph Wallace; James Hunt; and Christopher Richards (1999) stated that a strong link between specific organisational climate items and a number of managerial values dimensions and also found that additional relationships between particular dimensions of culture, climate and managerial values are reported.

2.4 RELATIONSHIP BETWEEN DEMOGRAPHIC AND ORGANISATIONAL CLIMATE VARIABLES

Some studies have shown that there is a link between gender, tenure (i.e., time of employment) age, and organisational commitment (Bilimoria et al., 2006; Marchiori & Henkin, 2004; Oshagbemi, 2000) and linked these demographic variables with job satisfaction. Males are shown to be more satisfied and committed in general and women tend to be more satisfied if more importance is given to social factors. Glisson & Durick (1988) stated that
employees who were on the job longer and older tend to be more satisfied than less tenured and younger employees. **Markham, Leann Mills (2009)** revealed that IT employees were most satisfied with the work itself and highly satisfied with their job in general. The number of years of work experience did not make a significant difference in regards to overall job satisfaction.

According to **Edwards Buckingham, Cheryl Demetria (2010)** the existence of workplace diversity, within an organisation or workplace, indicates that the organisation or workplace is heterogeneous in terms of gender, race, and ethnicity, in which employees possess distinct elements and qualities, differing from one another. The results indicated that a moderate relationship exists between diversity awareness and employee job satisfaction and that diversity characteristic (demographics) can potentially impact diversity awareness.

**Malcolm Patterson, Peter Warr, Michael West (2004)** explored that managers’ perceptions of climate would be more closely linked to company productivity than would those of non-managers, was not supported. However, managers’ assessments of most aspects of their company’s climate were significantly more positive than those of non-managers. **Zulfqar Ahmad, et al., (2010)** reveals significant difference in perceptions of middle managers in respect of political climate, professional development opportunities and regard for personal concerns when local and multinational organisation are compared.
2.5 Conclusion

This literature review presented and assimilated an abundance of information, articles, peer-reviewed journals, and other published works that reviewed and explored organisational climate variables. A wealth of written information highlighting the potential relationships between organisational climate variables is found. The present descriptive research study explored, in a systematic way, to measure the employees perception of organisational climate variables and if there is a relation between organisational climate variables. The results are based on the literature presented within this literature review and the research conducted on the chosen organisation.

REFERENCE


➢ Young, Scott Alan, Ph.D., (2000) A multilevel investigation of the relationship between agreement in organisational climate perceptions and group and individual outcomes - Proquest Dissertations and Theses.


- **Cooper, Michelle A., (1997)** Impact of participation in decision-making on staff perception of organisational climate/culture, commitment, and influence on work., Pro Quest - Thesis And Dissertation.


- Dr. N. Usman Khansherwani & Mishra, Ganesh Pd Leadership style through employee participation in Organisational Effectiveness - A study of select Public and Private Firms in the Indian Context.


- **Barksdale, William Kevin.**, (1994) Human resource practices, organisational climate, work attitudes and organisational performance, Pro Quest Dissertations and Theses.


➢ **Scott, LaNett ae., (2010)** A study on the relationship between ability, motivational, and work environmental influences and the degree of transfer of learning of new trainers - Pro quest Dissertations And Theses 2010. [Ph.D. dissertation].


Rideout, Latrice H., (2010) Employee commitment: An examination of the relationships among organisational commitment, occupational commitment, and
organisational citizenship behavior in human resource professionals Proquest Dissertations and Theses 2010.


➢ **pasch, james r. (2008).** organisational commitment in a technology-focused organisation: an investigation of military, government service, and contracted personnel proquest dissertations and theses 2008.


- **Samuels, Joseph Roger.** (2009) A survey and analysis of employee perceptions of supervisory leadership, peer relationships, organisational climate, and end results of an educational service organisation.

- **Pardo Linares, Pedro Juan.** (2011) Job satisfaction, organisation commitment, occupational commitment, turnover intent and leadership style of tissue bank employees. Pro Quest Dissertation and Theses.


- **Parker Ayers, Jennifer.** (2010) Job satisfaction, job involvement, and perceived organisational support as predictors of organisational commitment Pro quest Dissertations and Theses 2010.


Tinne Vander E’st., Elfi Baithen., Nele De Cuyper., Hansde Writle., (2010) the role of organisational communication and participation in reducing job insecurity and
its negative association with work related wellbeing.- Economic and Industrial Democracy Volume 31, No 2, pages 249-264.

- **Aida Nasirah Binti Abdullah ; and Hazmilah Binti Hasan** - Relationship between the communication climate and organisational climate with commitment – the case of Kolej University Teknikal Kebangsaan Malaysia.


