The relationship of work values and organisational climate with job satisfaction, job performance, and the commitment of the employee to an organisation have become a subject of considerable interest to the students and researchers in the field of industrial-organisational psychology. In fact, the significant role assigned to the public and private sector during the 1950s, which was a global phenomenon, kindled a keen interest in these topics among researchers, academicians, policy makers, and the public. As an upshot of this profound interest, plethora of literature has emerged on various aspects of industrial-organisational behaviour. In this chapter, the relationship of work values and organisational climate with employee's job satisfaction, job performance and organisation commitment have been reviewed. Though the significant studies carried out abroad have been given due importance, care has been taken to include the research done in India on the variables being studied.

3.1 RELATIONSHIP OF JOB SATISFACTION WITH JOB PERFORMANCE

For decades, the relationship between job satisfaction and job performance has been challenging the researchers, yet the issue has remained unresolved.

One area that has received considerable attention was the
question of causality between satisfaction and performance (Lawler and Porter, 1967; Organ, 1977; Schwab and Cummings, 1970; Siegel and Bowen, 1971). Satisfaction causes performance—this viewpoint has its roots in *Human Relations theory*, which emerged from the *Hawthorne* studies of the late 1920s and early 1930s (Schwab and Cummings, 1970). Based on these conclusions, managers began efforts to make their employees happier such as: *laissez-faire leadership, improving work conditions, expanding health and family benefits, providing family entertainment programmes*. The research reviews indicate low correlation ($r=.14$), which implies that no more than 2 percent of the variance in output can be accounted by employee satisfaction (Vroom, 1964; LaFaldano and Muchinsky, 1985). This leads to the questionable finding that if there exists a positive relationship between happiness (i.e., satisfaction) and performance. In the early 1970s, theoretical (Locke, 1970; Sutermeister, 1971) and empirical research (Cherrington, Reitz, and Scott, 1971; Siegel and Bowen, 1971; Slocum, 1970, 1971) was undertaken. Locke (1970) has suggested that satisfaction is primarily a result of performance and only indirectly a cause of performance.

Sutermister (1971) proposed a *cyclical model* of satisfaction and performance relationship. The cyclical model states that satisfaction and performance are interlinked, however the closer linkage runs from performance to satisfaction.

Slocum (1971) analysed the satisfaction/performance correlation for different managerial levels. Performance and satisfaction were found to be more highly correlated for upper level managers as opposed to lower level managers. Siegel and Bowen (1971) gathered longitudinal data from a classroom situation where performance and satisfaction measures were based on work routine. They found stronger support for performance as it provides
satisfaction.

Lawler and Porter (1967) presented a theoretical model which indicates that performance leads to rewards, which may in turn lead to satisfaction. They argue, that satisfaction, rather than causing performance, is caused by it. Their model distinguished between two types of rewards. Extrinsic rewards, such as pay, promotion, and security, may not have direct bearing on performance. Extrinsic rewards are the one which are most often associated with satisfaction of the lower order needs such as safety and security as discussed by Maslow (1943). He further elaborates that intrinsic rewards, i.e., the feeling of having accomplished something worth while, are more directly associated with performance. Thus, the model predicts a low but positive relationship between job satisfaction and performance.

On the other hand Jacobs and Soloman (1977) conducted a study wherein the respondents were 255 first level and second level managers. The basic purpose of the research was to test the relationships between job satisfaction and job performance. The study demonstrated that simple attempts to link satisfaction and performance can result in inconsistent findings. However, two variables such as, reward contingency and self-esteem, tended to moderate the satisfaction-performance relationship.

Korman (1971) predicted that high self-esteem persons would show a significant positive correlation between job satisfaction and performance, while low self-esteem persons would show a non-significant correlation between job satisfaction and performance. A prime component of Korman's (1976), theoretical framework is that "all other things being equal, individuals will engage in and find satisfying those behavioural roles which maximize their sense of cognitive balance or consistency" (p. 51).
The measure of performance used in the study also plays a part in portraying the weak relationship between performance and satisfaction. There is a difference in self-evaluation and evaluation by the others while evaluating an individual's performance.

Singh and Kumari (1988) have found that, people with a high order need strength, and are satisfied due to their higher performance. Higher performance is itself a kind of intrinsic reward for this group. As far as such reward meet an individual's level of expectations, the level of performance will be high and the workers will be satisfied. Individuals with low need strength are low in their level of performance due to their low level of expectations. Thus poor performance does not lead to job satisfaction.

Singh and Srivastava (1983) in an investigation found that high achievers were high performers and expressed high degrees of satisfaction than their counterparts. The high achiever group showed a significant relationship between job satisfaction and job performance.

A number of other reasons are given for the low relationship between the said variables such as: measurement problems (Fisher, 1980), research design characteristics (laffaldano and Muchinsky, 1985), the moderating effects of job characteristics (Ivancevich, 1978), constraints on performance (Bhagat, 1982; Herman, 1973), personality characteristics (Steers, 1975), and rewards (Porter and Lawler, 1968; Schwab and Cummings, 1970).

Many theorists (Mayo, 1933; McGregor,1960) implied that employee satisfaction and employee well being are related to performance but they have not hypothesized groups or organisation, to which their theories applied. Schneider and Schmitt (1986) stated that the satisfaction-performance relationship at the organisational
level might be stronger than the relationship at the individual level.

Writers in the areas of organisational theory and organisational effectiveness have also debated for satisfaction-performance relationships. They proposed that happiness and satisfaction of an individual largely depend on organisational effectiveness. Satisfied workers usually work harder and are more productive than the frustrated employees (Etzioni, 1964; Gross and Etzioni, 1985).

The empirical efforts related to unravel satisfaction/performance relationship, have diminished. No doubt it is not at its peak as it was in 1960s and 1970s, but the controversy is still alive. (Johns, 1983; Steers, 1975, Petty, Mcgee and Cavender, 1984). Jabri (1992) applied three criteria for individual performance. The respondents were ninety eight researchers and development scientists. Jabri's criteria were: (a) extent of collaboration of the individual team members with other team members, (b) amounts of effort the team members put forth on the job, and (c) all the team members innovativeness on the job. Job satisfaction was found to be positively related to job performance for these respondents when the allocation of tasks was appropriate. While on the other hand those respondents who judged appropriateness of task allocation as low, there was essentially no relationship.

However, from the above mentioned data it is clear that the satisfaction level of employees in general may relate to effectiveness at the organisational level. Organisational effectiveness measure can reflect, at least in part, the interplay and interaction between their satisfaction and performance. It can be interpreted in a way that satisfied and happy workers may not be more productive but they together may form happy organisations and happy organisations do lead to productivity (Ostroff, 1992;
Ryan, Schmit and Johnson, 1996). On the basis of foregoing, it can be hypothesised that:

There is a positive relationship between job satisfaction and job performance.

3.2 RELATIONSHIP OF JOB SATISFACTION WITH ORGANISATIONAL COMMITMENT

The concept of organisational commitment has received a greater deal of empirical study both as a consequence and an antecedent of other work-related variables of interest. Employees' level of commitment to an organisation may make them more eligible to receive both extrinsic as well as psychological rewards such as job satisfaction and employee relationship. Employee satisfaction is one of the most popular topics of organisational behavior among researchers in India (Khandwalla, 1988; Padaki, 1988; Sinha, 1972; Sinha 1981).

Employee attitudes related to job satisfaction and organisational commitment are of major interest to the researchers (Tett and Meyer, 1993). Job satisfaction focuses on employees' attitude toward their job and organisational commitment focuses on their attitudes toward the overall organisation. Recent studies indicate that commitment causes satisfaction. It has been found that organisational commitment attitude is a somewhat better predictor (absenteeism, turnover) than is job satisfaction.

Brooke, Russell, and Price (1988) found a high correlation between job satisfaction and organisational commitment. Mathieu and Zajac's (1990) meta-analysis exhibited a uniformly positive correlation between job satisfaction and organisational commitment. Attitudinal commitment is strongly related to overall job satisfaction.
and satisfaction with supervision, co-workers, and the job itself. Knoop (1995a) examined the relationships among participative decision-making, overall job satisfaction, various facets of job satisfaction, and organisational commitment among school administrators. The results revealed that correlations between commitment and overall job satisfaction and various dimensions of job satisfaction, i.e., work, promotions, supervisors and co-workers were significant.

It becomes clear that satisfaction and commitment are both, to a significant degree, outcome of the convergence between what people want from work structures, and their assessments of what they receive. Satisfaction, as many researchers have argued represents an outcome of the desirability between what people want from their jobs and the kind of rewards and benefits they actually receive in the form of earnings, challenge, security and many other incentives. Similarly people cannot become committed to a work structure if they feel that the structure can not provide them with what they want.

Bhattacharya and Bhattacharya (1989) found that job satisfaction and organisational commitment had a positive effect on motivation to work. It is also considered as an important factor in strengthening both the said variables. O'Driscoll (1987) carried out a study on one hundred and nineteen employees in New Guinea and found that organisational commitment develops within six months of joining the company and such commitment showed positive correlation with job satisfaction.

In another study Knoop (1995b) examined involvement in work and job, commitment to the employing organisation, and satisfaction with the job (overall and specific facets of the Job). Results indicated that involvement was not related to overall job
satisfaction but was related to satisfaction with work and promotion opportunities. The degree of relationship between overall and specific facets of satisfaction and commitment and between involvement and commitment was moderately high.

These studies reveal that organisational commitment can be taken as an important construct in understanding the work behavior of the employees.

Pattanayak (2000) conducted a study to find out the impact of shift work and hierarchical level in an organisation on four aspects of the employees' psychological work attitudes, i.e., job satisfaction, employee commitment, job stress, organisational climate. The inter-correlation, between organisational commitment and job satisfaction was found to be positively correlated in the hierarchical level, however the shift executives had lower satisfaction and lower commitment. For the non-shift executives the correlation was the highest. For the shift-employees, it had been suggested, that the changed time schedules might be creating some kind of cognitive dissonance and negative dispositions to their work and in turn this might be generating less satisfaction and less commitment.

O’ Driscoll and Randall (1999) studied the role of perceived organisational support and satisfaction with rewards in explaining job involvement and two forms of organisational commitment (affective and continuance commitment). Perceived organisational support was significantly linked with job involvement, and with affective and continuance commitment, although its relationship with continuance commitment was negative. Satisfaction with intrinsic and to a lesser extent, extrinsic rewards was also a salient predictor of job involvement and affective commitment, but not continuance commitment.
The literature shows that job satisfaction and organisational commitment share a strong bonding.

3.3 RELATIONSHIP OF JOB PERFORMANCE WITH ORGANISATIONAL COMMITMENT

Organisational commitment and job performance share a tenuous relationship. Limited research has been done to find the role of job involvement and organisational commitment in predicting job performance (Meyer, Paunonen, Gellatly, Goffin and Jackson, 1989).

Mathieu and Zajac (1990), noted that there was a need for longitudinal, cross-organisational research designs to advance the knowledge in this area.

Organisational commitment definitions generally have focused on an affective commitment, which refers to an identification with the employing organisation; continuance commitment is based on the costs of leaving the organisation; and a normative commitment whereby the employees feel an obligation to remain with the organisation (Meyer, Allen, and Gellatly, 1990).

Most of the studies, which are found to share relationship with performance and commitment, have shown two types of commitment, prevailing among the employees, i.e., affective commitment and continuance commitment. Meyer et al. (1989) examined the relationship between the performance of first level managers in a large food service company and their affective commitment, continuance commitment and job satisfaction. The results revealed that affective commitment correlated positively and continuance commitment correlated negatively with performance.

Shore, Barksdale and Shore (1995) found that affective
commitment was positively related to rating of promotability and potential but that continuance commitment was negatively related to promotability and potential.

In another study, Angle and Lawson (1993) examined the relationship between employees' commitment and performance in manufacturing organisation. The results revealed that affective commitment was related to performance but continuance commitment was unrelated to performance. Results suggested that the link between organisational commitment and performance depended to an extent, on the degree of motivational involvement rather than the ability to perform. Findings also supported the distinction between affective and continuance commitment as suggested by Meyer and Allen (1991).

Various types of the studies discussed as above, tend to confirm the relationship between organisational commitment and job performance. Employees with a strong affective commitment remain with an organisation because they want to, where as those with strong continuance commitment remain because they need to do so. Thus, there is a difference to be affectively committed to the organisation and the linkage to the organisation based on continuance commitment. Studies reveal that employees who show affective commitment to an organisation, perform better because these are the workers who value organisational goals and are willing to put in considerable effort on behalf of the organisation (Mowday et al., 1982). In contrast, those employees who are working under compulsion to overcome financial strains, may do little more than minimum but to retain their employment.

There is a unique study conducted in Nigeria, Okorie (1995) examined the existence of affective commitment in Nigerian organisations and ascertained the relationship between affective
and continuance commitment and performance. The study was conducted on 84 junior employees of two business and two service organisations with a view to determine which type of commitment correlated positively or negatively with performance. Affective commitment was negatively related and continuance commitment positively related to performance. Findings suggest that in Nigerian organisations, affective commitment is non-existent.

This study indicates that cultural factors also play as moderators in developing specific types of commitment and their performance level. Besides these two types of commitment, Bashaw and Grant (1994) explored personal characteristic as antecedents of three types of work commitment—job, organisational and career.

There is another study, which is focusing on the different types of commitment of the employees. Shore, Barksdale and Shore (1995) state that a manager may infer that an employee who performs the job well and also goes above and beyond its requirements thus demonstrating organisational citizenship behavior, has a high level of affective commitment, or emotional attachment to an organisation. In contrast, low level of job performance and organisational citizenship behavior may signify to the manager that an employee remains with the organisation only because he or she has little or no choice in that matter (continuance commitment).

Recent studies have identified moderating effects on the commitment performance relationship. Brett, Cron and Slocum, (1995) found a stronger relationship between organisational commitment and performance for those with low financial needs than those with high ones.
The foregoing studies demonstrate the relationship between performance and affective commitment and continuance commitment. Though, Mathieu and Zajac's (1990) meta-analysis indicated weak relationships \((r=.05)\) between organisational commitment and output measures of performance. These authors suggest that other variables such as economic conditions and family obligations might moderate the relationship between organisational commitments and performance.

Becker, Billings, Eveleth and Gilbert (1996) investigated the structure of employee commitment, using a large multi-organisational sample of 469 employees and 281 supervisors. They found that employee commitment and job performance were not related. Though, commitment by employees to supervisors was positively related to performance and was more strongly associated with performance than was commitment to organisations. It thus revealed that the directions of the relations between commitment and performance varied as a function of the nature of the commitment.

The traditional viewpoint that job performance shares a negligible relationship with organisational commitment, has been shaken by the findings of Meyer and his colleagues. All the same relationship between performance and commitment was found to be mixed and modest in some other studies (Mowday, Porter, and Dubin, 1974; Steers, 1977; Weiner and Vardi, 1980).

3.4 RELATIONSHIP OF JOB SATISFACTION WITH WORK VALUES

Satisfaction is a pleasant feeling which one gets while doing one's job. "An individual's judgment of what takes place at work would be expected to influence his/her satisfaction with the job"
The concept of satisfaction and values share a close relationship. An employee who gets his values satisfied at the place of work, is also satisfied with the job. Literature is full of studies where individuals are always locating the place of gratification of their work values. Even, the employees who share the same values at the place of work show high job satisfaction and commitment.

Meglino, Ravlin and Adkins (1989) assume that employees will experience more satisfaction and commitment when they have same value structure. They found that workers were more satisfied and committed when their values were congruent with the values of their supervisors.

Job satisfaction is known to consist of several components, the two major ones being intrinsic satisfaction or satisfaction with the work itself and extrinsic satisfaction, or satisfaction with the conditions of work (Campbell and Pritchard, 1976; Locke, 1976).

Values reflect an insight of an individual and relative relationship to intrinsic and extrinsic job satisfaction. This would depend on the type of job held by the respondents and the correlation with its importance and working conditions.

In many studies, values have been reported to correlate at a significant but low level, with degree of satisfaction (England and Lee, 1974; Kazanas, 1978; Munson and Posner, 1980). Many of these studies have been conducted on managers wherein money has been taken as the measure of satisfaction in most of them.

Money, as a value, has been recognised as one of the prime factors, which leads to job satisfaction. Sinha (1973) reported that, irrespective of their position or status, managers care more for
material benefits, salary, and physical facilities than they do for social, ego or self-actualisation needs. Ravi, Badrinath and Rao (1977) identified money, job satisfaction and status as the values of Indian managers. Tuch and Martin (1991) observe that employee job satisfaction is a function of intrinsic and extrinsic rewards offered by job. Cox and Nkomo (1991) found job satisfaction's association with status and job level. Intrinsic rewards include the achievement of the task whereas extrinsic rewards include pay, promotion and good relationships in the work place (Lambert, 1991).

Furthermore, literature reveals that task, status, monetary reward, and social relationships (or a team dimension) are four essential factors of job satisfaction (Furnham and Gunter, 1993; Neil and Snizek, 1987). Shukla, Sarna and Nigam (1989) also support the same as they are important dimensions of work values. Sinha (1998) stated that Indian employees were settled in their work settings and work groups. They attained satisfaction and dissatisfaction from the same set of contextual factors. Various studies conducted on the Indian managers, reveal that an Indian manager is influenced by Indian philosophy, religion, culture and tradition. Stability, productivity, job satisfaction, achievement, creativity are generally considered as core values by them.

Achievement is also considered as one of the important values, which are held by satisfied employees. The achievement value has been found to have a low but significant correlation with satisfaction (Cole and Miller, 1967).

Cheung and Scherling (1999) examined job satisfaction and sex differences with reference to work values. The results indicated that both job satisfaction and work values consisted of four common dimensions and they were: task, team, rewards, and status satisfaction. Subsequent analyses showed that male employees had
higher rank and higher task, team, and status satisfaction than did female employees. Placing higher values on the task and team dimensions and lower values on the reward dimension seemed to lead to greater job satisfaction.

Thus it emerges that financial package is considered as one of the prime value which forms a bridge between an individual and job satisfaction. Financial package in any form, whether salary, rewards, bonus, gifts, in the form of various perks like housing facilities, transport, children's school education, loans etc. is always a boon to the employees and thus they are somehow satisfied. The other important values are achievement, status and fulfillment of creative pursuits. Apart from money, today's employees look for conducive work culture.

Values based organisations are very particular about their employees' job satisfaction and overall well-being. They know the fact that man management is a two way process and lot of give and take is involved in it.

Chhokar (1995) opined that values, which foster recognition of employee contributions, and emphasised team work and cooperation were likely to relate positively to variables such as job involvement, job satisfaction and organisational commitment.

Boxx, Odom, and Dunn (1991) examined the impact of organisational values on satisfaction, commitment and cohesion and value congruence. Respondents indicated that the following values should exist within their work environment and they were: (a) belief in bringing the best, and a belief in the importance of details of execution; (b) a belief in the importance of people as individuals; (c) a belief in superior quality and service; (d) a belief in the importance of informality to enhance communication.
Drawing upon the plethora of empirical evidence, it is obvious that in spite of conceptual diversity, values can be a major contributor to job satisfaction. It has also been found that job related values like achievement, innovative performance, and social relations can induce binding among the employees toward organisational goals and values. It may, therefore be hypothesised that:

**Concern value is positively correlated with job satisfaction.**

### 3.5 RELATIONSHIP OF JOB PERFORMANCE WITH WORK VALUES

Values play a central role in an individual's life. Much of an individual's behaviour is guided by the values such as *honesty, loyalty, integrity* and the concern for others he holds. According to Connor and Becker (1994,1995); Posner and Munson (1979); Ravlin and Meglino (1987) values play an important role in decision-making.

Vora (1983) conducted a study on workers and executives, to find out the impact of value systems on performance and to identify the specific values related to performance. Results indicated that there was a significant positive correlation between work values and the level of performance of individual employees. Work values were more important to high performing individuals than to low performing individuals. According to the results, a higher performing worker gave importance to the values such as *progress, obedience, money, power and leadership* and a low performing worker was more concerned with knowledge, faith, truth, sociability and sacrifice.

Chatterjee's (1961) research is in support of Vora's findings,
and reported positive relationship between democratic leadership and productivity.

Bose (1955) also reported that employee-centred supervision was related to higher morale and employees’ pride in their work group, which in turn resulted in productivity. Dawis (1985) opined that of several values postulated, achievement was one of most frequently linked, conceptually to performance.

A significant body of research has emerged over the past two decades that examines the relationship between how employees describe their work environments and their relative performance. Studies reveal that security, achievement, confidence, hard-working abilities are positively associated with job performance. A productive worker is a confident employee and is secure with his job. Successful managers have pragmatic, dynamic and achievement-oriented values while less successful managers have more static and passive styles (England and Lee, 1974).

Khaleque (1992) in his study has assessed worker’s attitudes and values toward work, as well as relationships between work performance, attitudes, and values. The thrust in the questionnaire was on adult garment worker’s work ethic, mastery, and competitiveness scale, the achievement motivation scale, and work involvement. Results revealed that workers’ performance was positively related to work ethics, attitudes toward mastery, and competitiveness in work.

Sinha (1990) confirmed that Indian managers attach greater importance to achievement, advancement, ability utilisation, personal development, and peace of mind.

In a recent study conducted by Saxena (2000), it emerged that in well-performing organisation the gap between desirable and
actual values was narrower in comparison to turned around and sick organisations. In well performing organisations, people were proud of being associated with their organisations, which were, perceived as well established. People reported positively about the existing values in the well performing organisations. It came to fore that employees were well aware of those values and efforts made to ensure adherence to them. The three types of actual existing values were—mission and goal related values, work related values and values related to organisational styles.

Hence, it can be seen that the organisations performing better are highly concerned about their employees—seniors motivate subordinates and groups toward organisational goals, and incentives are given on the basis of an individual's performance. Workers share a cordial relationship and they work as a team toward achieving the higher goals. On the basis of above presented studies, it can be hypothesised as:

Achievement value is positively correlated with job performance.

3.6 RELATIONSHIP OF ORGANISATIONAL COMMITMENT WITH WORK VALUES

Mowday, Porter, and Steers (1982) have characterised commitment as involving belief in and acceptance of an organisation's goals and values, willingness to exert considerable effort on behalf of the organisation, and a strong desire in maintaining the membership with the organisation.

This definition clearly picturises a relationship between work values of an individual and organisational commitment. According to Hulin (1985) "...the referent of organisational values, for example,
is not clear—organisations do not have values; individuals do. Commitment based on internalisation of values; therefore must refer to agreements between the focal individual's values and those of some subset of the organisation's members" (p. 489).

Intrinsic values, according to Singh (1979) are freedom (freedom from supervision and subordinates), autonomy, challenges, adventurous experiences, use of special ability/talents, creativity and originality. On the other hand extrinsic values include desire for economic gains, and exercise of power.

Putti, Aryee and Liang (1989) investigated the association between work values and organisational commitment in the Asian context. They used Wollack, Goodale, Wijting and Smith's (1971) Survey of Work Values (SWV) scale and thus derived two major dimensions out of it after administering factor analysis, i.e., intrinsic work values and extrinsic work values. The analysis suggested that intrinsic work values relate more closely to organisational commitment than the extrinsic work values.

The findings of Putti et al. (1989) reveal that intrinsic work values show better correlation with commitment than the extrinsic one. This has been supported by Hall, Schneider and Nygren (1970). Butler and Vodanovich (1991) examined the relationships among intrinsic and extrinsic work values and normative (norm-based/internal) and instrumental (reward-based/external) organisational commitment on 97 clerical workers. The results indicated that employees who scored high for intrinsic work values had significantly higher normative (norm-based) commitment scores than those with low score for intrinsic work values. Employees who had high scores for extrinsic work values had significantly higher instrumental (rewards-based) commitment scores than those with low scores for extrinsic work values. Mottaz (1986, 1988) supported
that intrinsic work values might influence organisational commitment more than extrinsic work values.

Singh (1979) found that Indian managers show more preference for intrinsic occupational goals, such as creativity, prestige, security and comparatively low priorities to autonomy and concepts involving groups of people.

In the Japanese organisational culture employer-employee relationship is based on loyalty and duty. It includes a strong reciprocal set of obligations between the organisation and an employee. The company will not discharge the employee, and the employee will not leave the company for employment elsewhere. Dore (1973) and Vogel (1963) view this "shared obligation" commitment model as a most important factor in the very low rate of turnover in Japan.

Jayawardane (1995) in his study revealed that individuals who attached a greater importance to work values such as: prestige, participation, relationship with superiors, independence, variety, achievement, and a lower value on economic return. They would get highly involved when the organisations provided them with a meaningful job. This involvement led to greater commitment and it resulted in increased productivity. It was found that individuals who attach greater importance to work values such as participation, achievement, variety, prestige, in routine might not be looking forward to financial rewards.

England, Dhingra and Agarwal (1974) found that Indian managers valued stable organisations with steady growth and emphasised both notions namely organisational competence and organisational compliance.

The study of work values has highlighted that there are
individual differences among employees, which are influenced by the cultural and social pressures. Indian managers place more importance on dignity, prestige, security, and personal goals, whereas American managers are very high on profit making and productivity (England et al., 1974).

Oliver (1990) in his study has brought out that organisational rewards and work values shared significant relationships to commitment. Employees who are found to be having strong participatory values exhibited relatively high commitment, as compared to those with strong instrumental values. Thus, commitment can be perceived as an exchange process between an employee’s values, goals and the work rewards offered by the organisations.

Meglino, Ravlin and Adkins (1989, 1991) have defined the concept of strong work culture in terms of value congruence among organisational members. Such amalgamation of value structures at the organisational set up has long been thought to be a source of job satisfaction, commitment, job proficiency and long tenure for employees. Kidron (1978) measured internal work values, those based on the protestant work ethic and results revealed that work values were more associated with moral than calculative commitment.

Understanding employees' work values can be beneficial to organisations. They can put in a more desired culture in the company to enhance commitment.

3.7 RELATIONSHIP OF JOB SATISFACTION WITH ORGANISATIONAL CLIMATE

Literature related to organisational climate reveals that
organisational climate gets affected by both overall organisational policies, practices and the working conditions. These dimensions that best predict both effectiveness and job satisfaction vary with the organisation’s dominant technology. Employees achieve the greatest degree of job satisfaction under the democratic set up.

There are many studies, which have found that an individual’s position within the hierarchical structure moderates the relationship between employees' job satisfaction and the perception of an organisational climate.

Kline and Boyd (1992) surveyed one hundred and eighty three male and twenty seven female managers from the organisations in four Canadian cities to examine job satisfaction. Special aspects of job satisfaction were evaluated with reference to: satisfaction with industrial plant/corporate houses, emoluments, promotional opportunities, the job people, colleagues, immediate supervisor and subordinates. Subjects at the highest management level reported the maximum job satisfaction. For the head of the organisation, satisfaction was related to the organisation's structure and functioning as well as its climate, whereas for middle manager’s and vice president’s, job satisfaction was related more frequently to the organisation's climate and less frequently to its structure and functioning.

Ganguli, Goswami, and Ghosh (1957) found that employee–centred supervision was related to workers' job satisfaction. Singh and Pestonjee (1974) reported greater worker satisfaction under democratic leadership. Singh, Warrier and Das (1979) supported the findings of Singh and Pestonjee (1974) that the democratisation of leadership created an environment of satisfaction among workers. This suggests that employees are more satisfied when they have adequate freedom and authority to do their job. Sen (1981) found
that a climate of control—where people were told what they had to complete the work and strict procedures and rules were enforced to control their behavior—negatively affected job satisfaction, achievement motivation, role efficacy and effective role behavior.

Sharma and Sharma (1989) examined the relationship of organisational climate with job satisfaction and job anxiety. Groups of fifty officers and fifty subordinates (clerk/assistants) working in different units of an institution of higher studies were taken as respondents. From this study it has come to fore that organisational climate is positively related to job satisfaction and negatively related to job anxiety in both officers and their subordinates. These correlations were stronger for subordinates in the leadership and communication dimensions. At the same time these were stronger for officers in the interaction influence, decision-making and goal setting dimensions of organisational climate.

Organisational climate is the human environment within which an organisation’s employees do their work. It may extend from the environment within a unit or the entire organisation. It has a direct bearing on the quality or functioning of an organisation.

Repetti and Cosmas (1991) in their study had established the relation between social factors at work and job satisfaction by measuring two components of a Social Environment (SE) i.e., the social climate shared by employees in the same work setting and individual’s unique social space within that setting. Results of the data collection from two hundred and ninety nine bank workers indicated a moderate relation between the quality of social environment at work and individual job satisfaction. This finding held even when independent judges’ ratings were used to measure, the common social environment. Job satisfaction was more strongly linked to quality of supervisor relations than to
relationships with co–workers. Contrary to expectations, the common social environment at work was a better predictor of job satisfaction than the individual social environment. It emerged that the supervisors and workers contributed equally to perception of the common social environment.

Results indicate that organisational climate and job satisfaction represent operationally distinct and yet related constructs, and suggest that these constructs provide different sources of information about the work environment. Organisational climate provides information about an organization's attributes, while job satisfaction provides data regarding individuals.

Nicholas (1982) found in his study that employees who have higher regard for work are observed to achieve satisfaction in a friendly organisational climate where the emphasis is on getting things moving. “There appears to be no doubt that an individual's perception of organisational climate influence his job satisfaction…” (Nicholas, p.60).

A number of studies conducted on the subject reveal that there are low chances of employees attaining satisfaction, where bureaucratisation enforces too many rules and regulations (Virmani and Guptan, 1991), rigidity is visible (Singh, 1979) and where relationships take priority over task accomplishment (Dwivedi, 1980; Sharma, 1983a). Sharma (1983b) and Verma and Sinha (1983) supported this statement and also observed that employees can not utilise their skills and knowledge and there is lack of advancement under such prevailing conditions.

The portrait that emerges with respect to the impact of organisational climate on job satisfaction is that where the work climate is democratic, seniors extend their helpful hand for
suggestions, less political exploitation takes place and where more emphasis is on advancement of skill and technology, in such a climate, the employees tend to enjoy their working schedule and look forward for another day. This also suggests that employees are more satisfied when they have challenging opportunities at work. This includes chances to participate in interesting projects, and opportunities for increased responsibility. It may therefore, be hypothesised that: –

i) Achievement climate, expert influence climate and extension climate are positively correlated with job satisfaction.

ii) Affiliation climate, control climate and dependency climate are negatively correlated with job satisfaction.

3.8 RELATIONSHIP OF JOB PERFORMANCE WITH ORGANISATIONAL CLIMATE

Within the domain of organisational climate, linkage research represents one of the most organisationally relevant and scientifically competing avenues of study. An increasing understanding of how an employee comes to understand and view organisational performance touches upon the very center of what it means to be effective and how one is directed and motivated to participate. It is equally applicable when viewed in terms of a group of employees.

Saxena (2000) conducted a study to identify the similarities and variances in the culture of manufacturing organisation with difference in performance i.e., well performing organisations, turned-around organisations and sick organisations. The well performing organisations exhibited a highly positive internal environment with
an emphasis on employees’ survival, social, psychological, and achievement needs. In well-performing organisations people were found to be enabled, empowered and allowed to act, often being given the authority and power at the lower levels as well, to take direct decisions in their areas of work. Employees were found to be more willing to take risks and their efforts were directed toward accomplishing goals. This study brings out a direct link between organisational climate and performance. The power flowed from the higher level to lower level. Though, there was centralisation of power, but it was distributed equally among the employees wherein everybody was independent to take decisions.

In the utility industry, Thompson (1996) examined the hypotheses that those work units perceived by employees as being more progressive in their human resource practices, have superior performance. Progressive human resource practices were measured using the “Vision Progress Index”, such as: core values, customer commitment, business dimensions, communication, safety, business results, empowerment, innovation and risk taking, rewards and recognition, community involvement, environmental responsibility and team work. The findings of the research supported the hypotheses that the units with the most progressive human resource practices were also the units with customer commitment, customer satisfaction, and profit contribution margin. At the time, the above units also achieved significantly lower grievances, absenteeism, and safety incident rates.

Organisational climate may be defined as a set of widely held perceptions of the internal environment of an organisation which can potentially influence the behavior of employees. There is a considerable body of research on organisational climate, but the relationship between climate and job performance has not been given the due importance.
Pritchard and Karasick (1973) had examined the effects of organisational climate on job performance and satisfaction as well as the effects of interaction between climate and individual needs on organisations. The study revealed that climate was influenced by both the overall organisation and by subunits within the organisations. It was found that climate was fairly strongly related to subunit performance and to individual job satisfaction.

According to Likert (1961), the best performance climate involves openness, trust, sharing, two-way communication and participative leadership.

In light of the above, it is visible that climate and performance are interrelated. Organisational climate is “a snapshot of institutionalised value and practices.” (Khandwalla, 1988, p.173). In the Indian set-up, Sinha (1973) and Padaki (1982, 1983a, 1983b) have attempted to establish the linkage between organisational climate and various other correlates.

Number of studies have revealed that public sector undertaking have:

a) been perceived as having unfavourable organisational climate and do exhibit unsatisfactory performance (Ganesh, 1981; Khandwalla, 1988; Padaki, 1988 and Sinha, 1981).

b) performance is not satisfactory and the failure lies in the high bureaucratisation and rigidity (Virmani and Guptan, 1991).

Creating a productive climate in an organisation is very important. It means creating a work atmosphere where employees have direct participation and involvement in increasing the production. A participatory work creates the climate for team-work. When the team-work gets embedded in the organisational set-up,
the autocratic behaviour of functioning almost vanishes. In a country like India, awareness of certain functional regulations is not there in the middle level managers/supervisors. This is possibly due to fact that they have risen to the present position after a long tenure in the organisation. At such a place of work, employees remain busy in improving their status and enjoying the privileges attached to it. This may be responsible for causing stagnation and deterioration of the organisational climate.

Where the employees start taking initiative and get more involved in improving the performance of their organisation (Nakatani, 1986), it can further make the climate and performance relationship more cohesive. Hence, it can be hypothesised that:

1. Achievement climate, expert influence climate and extension climate are positively correlated with job performance.
2. Affiliation climate, control climate and dependency climate are negatively correlated with job performance.

3.9 RELATIONSHIP OF ORGANISATIONAL COMMITMENT WITH ORGANISATIONAL CLIMATE

According to Payne and Pugh (1976), organisational climate helps to understand how an organisation is psychologically meaningful for individual members of an organisation. According to Meyer and Allen (1987) organisational commitment is commonly understood as a psychological state of an individual. This defines that organisational commitment is one of the multiple commitments of the members of an organisation. The other commitment may be to top management, to profession, to external funding agencies, to union, and to client (Becker, 1992; Gordon, Philpot, Burt, Thompson
The relationship between organisational climate and organisational commitment has been explained in terms of need satisfaction, side-bet theory, and emotional attachment with the organisation.

Nagpal's (1999) study on bank managers indicates that in the middle level managers of nationalised banks, higher organisational commitment goes with higher perception of extension climate, and lower perception of dependency climate. In the junior level managers of nationalised banks, higher organisational commitment is accompanied by lower perception of dependency climate and control climate. In the junior level managers of cooperative banks organisational commitment is found to be positively correlated with extension climate. The level of managers and the nature of the organisation moderated the relationship between organisational climate variables and organisational commitment.

Singh and Das (1977), found that bureaucratic culture stagnates the normal development of human personality. Furthermore, the climate, which is based on direction and control, can never produce conducive environment for work-commitment. Here, employees cannot avail opportunities such as autonomy, responsibility, and status. Their reaction to work is not so positive and they develop resistance to change and lack of responsibility. The bureaucratic structure is unable to induce commitment.

Shrivastva (1976), has also suggested that bureaucratic culture lowers the development of normal human personality and is also unable to instill commitment to work. Kakabadse (1986) found that executives, and professionals experienced feelings of
powerlessness and self-estrangement in centralized and bureaucratic structures.

These findings suggest that negative aspects of climate induce the employees to perceive that the organisation does not care for their needs and well being, which in turn leads to low commitment to the organisation amongst the employees. Habibullah and Sinha (1980) after measuring six dimensions of motivational climate found that dependency climate and control climate were positively correlated and together form a feudal climate profile whereas, achievement climate, expert influence climate, and extension climate, results into dedicated professional climate profile. Jaiswal (1982) opined that organisational commitment is the highest in democratic organisations and the lowest in autocratic and benevolent-autocratic organisations.

There are many studies, which have found that organisational climate varies with the type of organisation. Negandhi and Prasad (1978) found that multinationals have more progressive climate structure than private companies. Jaggi (1978), confirmed that multinationals have more participative and democratic climate. Most of the studies reveal that managers perceive the public sector organisations as having less favourable climate than those in the private sector. This is due to high bureaucratic culture and rigidity and strictness in implementing the rules and regulations (Virmani and Guptan, 1991).

Though, the barrier line between the private and public organisations has been minimized, still, employees perceive the difference in their respective cultures in India. Employees who perceive the climate of their organisation as less participative and growth oriented, still continue working as they have many other side attractions.
The relationship between organisational climate and organisational commitment has been explained in terms of need satisfaction. Alvi and Ahmed (1987) carried out study on workers in Pakistan and reported that the organisation, which fulfils the psychological needs of the workers, enhances their commitment. Indiresan (1981) observed significant positive relationship between overall perception of organisational climate and overall need satisfaction.

Virtanen (2000) while discussing the relationship between organisational climate and organisational commitment stated "...the relationship of climate and commitments seen as external and the relationship of culture and commitment as internal. In this sense, commitments are instruments of climate but constituents of culture" (p. 349).

This relationship suggests that commitments are instruments in managing organisational climate. When the meanings become persistent and evident, they build the organisational reality and together they constitute an overall organisational culture.

When commitments understood as psychological in nature, it opens up vast research field where commitments can be approached more qualitatively, and as instruments of organisational climate. In other words it means that employees who are affectly committed with an organisation internalises the goals and values laid by an organisation. The employees in such an organisational culture, perceive positive organisational climate and also nurture the feeling of well being and commitment toward the organisation.

3.10 RELATIONSHIP OF JOB SATISFACTION WITH AGE

The baby–boom generation, which has emerged after world
war II, seems more promising in bringing a significant change in the age composition of the work force. This is significant and important because age and job satisfaction shows a high positive correlation (Doering, Rhodes and Schuster, 1983; Gordon and Johnson, 1982). The age–job satisfaction relationship can be extracted when all relevant variables related to tenure are controlled.

Theorists and researchers (Greenhaus, 1987; Hall and Nougiam, 1968; Levinson, Darrow, Klein, Levinson, and McKee, 1978; Miller and Form, 1951; Schein, 1978; Super, 1980) have developed Career stage and Development theory that has helped to establish a linkage between the relationship of job satisfaction and age. The main theme behind any career stage theory is the assumption that people’s careers follow a basic pattern/sequence. This sequence follows a young, middle, and old adult phase, with different challenges facing the individuals in each phase. Workers who are going through young adult phase try to fit into the adult working world while those workers passing through middle phase are highly productive, and workers in the old adult phase attempt to disengage themselves from work.

Levinson et al. (1978) advocated a close relationship between periods in a person’s career cycle and age. Greenhaus (1987) observed, that career stage models tend to view a person in his or her total life, which normally includes, work, family, and self-development concerns. Miller and Form (1951) suggest, that this model also indicates that high-level jobs are not open to young adults. This shows that increased power and status, which is often associated with upper level positions, are not available to young entrants. Thus, as one grows with the age, one attains positions, confidence and prestige. This has a bearing on the job satisfaction.
Pond and Geyer, (1987) found that age, organisational tenure and educational level correlates significantly with one another. Employee age correlated positively with organisational tenure and negatively with education. None of these variables correlated significantly with job satisfaction.

In a study pertaining to the white-collar employees working in a public sector concern, De (1977) revealed that whereas the job satisfaction of top level employees increased with age, a decline was visible with age amongst the middle-level employees. The study highlights that the level of organisational hierarchy influences the relationship between job satisfaction and age. Clark, Oswald and Warr (1996) investigated the relationship between age and job satisfaction and observed a significant U-shape for age, overall job satisfaction, satisfaction with pay and with work itself. Kacmar and Ferris (1989) also found a similar U-shaped curvilinear association between age and job satisfaction.

Though the popular view is that age shares a positive relationship with job satisfaction yet there are a number of studies which have found negative relationship of job satisfaction with age. Natraj and Hafeez (1964) have found job satisfaction to be related negatively with age.

Rhodes (1983) after an extensive review concluded that overall job satisfaction is positively related with age. This conclusion was based on the results of studies by Aldag and Brief (1975); Near, Rice and Hunt (1978), Ronen (1978), Stagner (1975), Staines and Quinn (1979), Weaver (1978, 1980). While on the other hand Handyside (1961), Herzberg, Mausner, Peterson, and Capwell, (1957) bring to fore a U-shaped relationship.
Thus, on the basis of above mentioned empirical evidence, it can be hypothesised that:

**Job satisfaction is positively related with age.**

### 3.11 RELATIONSHIP OF JOB PERFORMANCE WITH AGE

The relationship between age and job performance has not received much attention during the past few years. The belief that job performance declines with increasing age (Cascio, 1986; Rhodes, 1983) endured without support for more than thirty years. There is a little factual information available on negative aspect of age-job performance relationship. The *decremental theory of aging* does support the notion that job performance declines as the age increases (Giniger, Dispenzieri, and Eisenberg, 1983). The theory is based on the laboratory investigations and brings out that abilities such as dexterity, speed of response, agility, hearing, vision, decline with age. In this context, the findings of Salthouse (1979) also assist wherein it emerges that workers experience a certain decrease in their skills over a passage of time; all the same, their capability is still sufficient to meet the demands of normal activity. Birren, Robinson and Livingston (1986) have expressed that with age, speed is lost, but in those jobs where extreme speed is not an essential factor, older workers can perform similarly to younger workers (Welford, 1977).

Rhodes (1983) in his study has suggested that older workers actually have lower absenteeism, turnover, illness, and accident rate, higher job satisfaction and more positive work values than younger workers.

After having reviewed twenty-five studies, Rhodes (1983) found approximately equal support for each of the four possible
age–performance relations namely negative, positive, curvilinear (‘inverted U”) and non-significant. Such findings at times may create problems in interpreting the relationship.

Waldman and Avolio (1986) reviewed forty samples using meta–analytic methods and found that age was positively correlated with measures of productivity but negatively correlated with supervisory ratings. There was some evidence that the type of job, moderated the relationships and observed that performance ratings showed more positive relationships with the age of the professional as compared with non-professional. The above researchers suggest, that job performance improves with age, stabilises around midlife, and then goes on increasing or decreasing in accordance with certain moderating variables.

It is also noted that many workers older in age perform better than younger workers and they have shown a constant production. Older workers miss fewer work hours, although they can sometimes remain absent due to illness (Bartley, 1977). The older employees are generally more dependable and responsible, which means that they take care while using equipment and machinery.

Another meta-analysis conducted by McEvoy and Cascio (1989), showed that age and performance were generally unrelated. No evidence was found for moderators of relationship, either by type of job or performance measure.

In interpreting the finding, where low correlation between performance and age have been observed (Hunter and Hunter, 1984; Jacobs, Hofmann, and Kriska, 1990) two fold issues need to be addressed. In the first place, it is the usual problem concerning the potential unreliability and invalidity of the criteria. Secondly, job
performance is usually rated by a supervisor in most of the organisations. In both the cases, variance in scores is likely to be limited by the fact that clearly unacceptable performance may lead to the voluntary or involuntary departure of low-performing employees.

It therefore, emerges that performance ratings can be subject to several biases. There is likelihood that age stereo-types sometimes influence the results and it is disadvantageous to older people.

According to Rhodes (1983), the experience, which one gains with age is of paramount importance for performance in professional jobs. This finding represents a major difference between the results of McEvoy and Cascio (1989) and the one reported by Waldman and Avolio (1986).

On the basis of foregoing review it has been brought out that experienced and competent employees are few or are about to retire, so it is imperative that their valuable suggestions and experience are taken into account, as it can be useful. Thus, it has been hypothesised that:

**Age is positively related with job performance.**

### 3.12 RELATIONSHIP OF ORGANISATIONAL COMMITMENT WITH AGE

The relationship of organisational commitment with age has been reviewed by a number of researchers and most of them found the said relationship to be positive (Aranya, Kushnir, and Valency, 1986; Bluedorn, 1982, DeCotiis and Summers, 1987; Meyer and Allen, 1984; Morris and Sherman, 1981; Sandhu, 1991; Nagpal, 1999).
After conducting the meta-analysis recently, Mathieu and Zajac (1990) found a positive correlation between age and commitment. The results indicated that age was often more related to attitudinal than to calculative commitment. The popular belief is, that age should be highly related to calculative commitment. The rationale behind this is that there are limited alternative opportunities. Moreover it is viewed that greater sunk costs may accrue in later years.

This viewpoint is supported in Becker’s (1960) “Side Bet Theory,” wherein he states that if a person refuses to change his present job, despite the fact that the new job is offering him better emoluments and allied perks, it can be assumed that the decision has culminated out of commitment. The individual thinks of losing something, which he has already staked in the present organisation, this results in the form of side-bet.

Age is said to be a valuable side-bet. Age is considered as an investment. Sheldon (1971) has described the relationship of age and the side-bet notion as:

(i) Age binds an employee more highly to certain benefits, i.e., to one’s pension plans.
(ii) As the age advances, the opportunities for inter-organisational mobility are reduced.

Age and tenure, have been viewed as contributing to the development of continuance commitment (Allen and Meyer, 1990; Cohen and Lowenberg, 1990; Meyer and Allen, 1984). The assumption is that the older workers may feel tied up to the organisation by pension funds and company-specific training. Such accrual of side bets over the period make quitting more costly. This ultimately results in continuance commitment (Mathieu and Zajac,
Despite the mixed results emerging from the studies, Shore, Barksdale and Shore, (1995) revealed that there is a significant relationship between employee side-bets (represented by age, job, organisational tenure and education) and managerial perceptions of continuance commitment.

Stevens, Beyer and Trice (1978) named the process of getting committed to an organisation as an exchange approach. This implies that an employee is exchanging membership with an organisation for cumulative benefits, which accrue to him for being a part of the organisation.

Ritzer and Trice (1969) conducted an investigation, in which they studied the variables operationalising Becker's side-bet model.

Most of the studies reported that as age advances, chances of alternative employment becomes less feasible, there are many studies which bring to fore the negative relationship of both the proposed variables.

Singhal and Sood (1981) undertook a study to identify the relationship between age and commitment among 150 nurses and found that occupational commitment was negatively related to age. In another Asian study, Alvi and Ahmed (1987) studied Pakistani workers and found a negative relationship between the age and organisational commitment. Barling, Wade and Fullagar (1990) also found a non-significant relationship between organisational commitment and age.

After having reviewed the literature pertaining to age-commitment relationship, it emerges that most of the studies have shown a positive relationship between the two. Side-bet could be an
important explanation to the relationship. According to Meyer and Allen (1991), both affective and continuance commitment represent psychological states, that decides the employee's state of mind to continue or not continue working for an organisation.

This suggests that affective attachment to the place of work may be viewed as a psychological phenomenon. It can be resultant either due to post-actional justification or becoming committed due to emotional attachment. Apart from this, the location of place of work, settlement, children's schooling, and various other incentives also are important determinants. All of these factors (especially in the case of older workers) enhance their organisational commitment. On the basis of the foregoing review, it can be brought out that age is positively related to organisational commitment, the older employees being more committed.

3.13 RELATIONSHIP OF JOB SATISFACTION WITH EDUCATIONAL QUALIFICATION

There is ample room to investigate as this is a common feeling that employees who are more qualified are more satisfied with their job. Verma and Sinha (1983) conducted a study of job satisfaction among employees of private and public sectors. They found that the level of education was significantly associated with job satisfaction only in the case of respondents who were working in a public sector organisation. It suggests, that those who are more qualified have more satisfaction with their job.

There are other studies which have found inverse relationship between job satisfaction and level of education.

Saiyadain (1983) studied job satisfaction of Indian and Nigerian respondents. A negative relationship between the level of
education and job satisfaction amongst the respondents of both the countries was observed.

Mottaz (1984) conducted a study on workers representing a variety of different occupational groups. The study brings to fore that education had an indirect positive effect on overall work satisfaction. Results suggest that education may have increased work satisfaction by increasing work rewards. However, findings also indicate that education does not lead to greater intrinsic rewards.

Pathak (1977) observed that among public sector bank employees, job satisfaction increased with age and education. The positive relationship between education and job satisfaction was observed only among lower level employees.

Gosh and Shukla (1967) after conducting a study on fifty adult male telegraphists as respondents revealed that job satisfaction was more a function of the job conditions than of personal factors. The personal factors such as age, education, marital status, number of dependents, tenure, income do not seem to have any significant contribution toward job satisfaction.

Many other studies have found negative relation of job satisfaction with education (Kapoor, 1967; Carrell and Elbert, 1974; Campbell, Converse and Rodgers, 1976).

In simple words, satisfaction is a stable characteristic of individuals (Pulakos and Schmitt, 1983; Schneider and Dachler, 1978; Staw, Bell and Clausen, 1986; Staw and Ross, 1985). Satisfaction may result from the unique way, an individual views the world. Being highly educated or just simply moderately educated, add no difference in job satisfaction of employees. It is, therefore, hypothesised that:
Level of educational qualification is not related to job satisfaction.

3.14 THE RELATIONSHIP OF JOB PERFORMANCE WITH EDUCATIONAL QUALIFICATION

There are few studies which depict the relationship between the job performance and educational qualifications. The relationship can be elaborated on the ground of the turnover rate of the employees. The employees who are highly educated are open to other options. They have high marketability. On the other hand, individuals with higher skills and technical knowledge have increased opportunities for promotions, they add new and fresh ideas to the organisation (McEvoy and Cascio, 1987; Gilbertson, 1998). Spencer and Steers (1981) carried out a study on 295 employees working at varied occupational levels in a hospital. Some of the important results of their study revealed significant correlations between tenure and performance, education and performance. They found positive and significant relationship between education and performance. Pestonjee, Singh and Singh (1981), conducted a study on 45 individuals with professional qualification and 45 without qualification. The results indicated that the professional group was high on their rated performance.

This leads to the conclusion that education aids an individual to attain better job opportunities, such as promotions and increments. Added to it, they are considered to help in increasing the productivity. Thus, it can be hypothesised that:

Level of education is positively related to job performance.
3.15 THE RELATIONSHIP OF ORGANISATIONAL COMMITMENT WITH EDUCATIONAL QUALIFICATION

Educational qualifications, as a demographic variable, have been studied in many studies on organisational commitment. Most studies have depicted an inverse relationship between organisational commitment and educational level (Angle and Perry, 1981, 1983; Balaji, 1986; Dornstein and Matalon, 1989; Morris and Sherman, 1981; Morrow and McElroy, 1987; Sheldon, 1971; and Steers, 1977).

Mathieu and Zajac (1990) in their meta-analysis, found a negative correlation of education with commitment. They observed that although the magnitude of the relationship was small, it was higher for attitudinal as compared to calculative commitment. Age and tenure clubbed with education to some extent have been viewed as contributing to the development of continuance commitment (Allen and Meyer, 1990; Angle and Lawson, 1993; Cohen and Lowenberg, 1990; Meyer and Allen, 1984).

The assumption is that employees with low education levels may be unlikely to have skills transferable to other organisational settings (Allen and Meyer, 1990). Mowday et al. (1982) stated that "this inverse relationship may result from the fact that more educated individuals have higher expectations that the organisation may be unable to meet" (p. 30).

It can be concluded that more educated employees have greater number of job options and are less likely to become entrenched in any one position or company. Employees continue to stay with an organisation because of lack of better opportunities (i.e., continuance commitment). The other possibility may be that employees have greater sunk cost—are older, have high
organisational tenure and have a less education. Thus the inverse relationship between education and organisational commitment may be explained in a way that high education provides an employee with large number of alternatives and more opportunities. A greater number of job opportunities make him to look for better green pastures (Angle and Perry, 1981; Mathieu and Zajac, 1990; Ritzer and Trice, 1969).

Alutto, Hrebiniak, and Alonso (1971), Alvi and Ahmed (1987), Decotiis and Summers (1987), Pierce and Dunham (1987) are among many researchers who have not found a significant relationship of educational qualifications with organisational commitment. Aranya and Jacobson (1975) have not found in their results, a significant inverse relationship between organisational commitment and education, in their study.

Mathieu and Hamel (1989) found that education was a significant predictor for non-professionals and non-significant predictor for professionals. Studies revealed that educational level of an employee will normally influence his/her organisational commitment (Angle and Perry 1981; Morris and Sherman, 1981; Balaji, 1986; Mowday et al., 1982). Hence, it emerges that level of educational qualification is likely not to be related to organisational commitment, the more educated employees, the more job options they have and their commitment level is low.

3.16 RELATIONSHIP OF JOB SATISFACTION WITH SALARY

Financial rewards in the form of salary are important but they also are cognitively complex and are a multi-dimensional factor in the job satisfaction. Employees often see salary as a reflection of how management view their contribution in the organisation. Moreover, money also provides an upper level need satisfaction
(Luthans, 1998). Various studies have brought to fore the mixed results about the relationship between the salary and the job satisfaction.

Tang and Gilbert (1995) examined people’s attitudes towards money as related to intrinsic job satisfaction. Results indicated, that intrinsic job satisfaction was positively associated with the concept that money presents freedom and power. Young respondents viewed money more positively while older respondents budgeted their money more carefully. Bilgic (1998) also maintains that a good monthly income contributes to overall satisfaction.

Lawler (1971) emphasised that the discrepancy between the perceived pay and the expected pay as a major cause of pay dissatisfaction and he emphasised that:-

(i) A person in a higher grade or level will be less satisfied with his pay.
(ii) A person senior in age will be less satisfied with his pay.
(iii) A person with higher income will be more satisfied with his pay than the others with lesser income.
(iv) A person more qualified than others will be less satisfied with the pay.


An employee’s financial requirements are also influenced by the number of dependents one supports. It had been found, that male workers who were the sole support of households or who had many dependents were more attuned to the economic attributes of their jobs than those without dependents (George and Brief, 1990).
Das and Akhilesh (1993) found contradictory results. They argued that number of dependents in the family had no significant effect on pay satisfaction. Only age and salary had strong association with pay satisfaction. They also found that the grade or job level did not influence pay satisfaction. Furthermore, their results revealed that the attitude of employees toward compensation varied at different stages of career.

It is evident, that salary is one of the important motivators for executives, along with factors like recognition of work. It results into personal growth and accomplishment.

Putti and Ling (1987) in their study establish that general satisfaction is associated positively and significantly with the pay of the employees.

Despite the importance of financial rewards, there are many studies, which have also highlighted the importance of non-economic motivational factors among Indian managers (Laxmi Narain, 1971; Saiyadain, 1977). These studies suggest that there are few managers who choose their jobs for salary, whereas the remaining place higher value to advancement, stability, and opportunity to use skills.

From the above-mentioned studies, it emerges that pay is an important outcome of a job. Understanding pay satisfaction, therefore helps in overcoming negative reactions such as absenteeism, sick leave unionism and agitation in the place of work, psychological withdrawals and turnover. It may thus inculcate positive work behavior, and employees are more satisfied when they feel they are rewarded fairly for the work they do (Robinson, 2001). Hence, it has been hypothesised that:

**Salary is positively related to job satisfaction.**
3.17 THE RELATIONSHIP OF JOB PERFORMANCE WITH SALARY

In recent years there has been a tendency to downgrade the importance of money. There is ample evidence that if organisations reward with money, it can be positively reinforcing for most people. Particularly when the pay structure is designed properly to fit the strategies, it can have a positive impact on overall organisational performance (Buyniski, 1995; Lawler, 1995). Money is the main incentive to work motivation. Caudron (1993) conducted a study on nearly 2,500 employees and found that while these people disagreed over what was their number-one motivator, they unanimously chose money as their number-two motivator. This suggests that if pay is commensurate to performance, it will encourage workers to put effort to generate more.

Trevor, Gerhart and Boudreau (1997) have found a weak relationship between performance and salary growth. They argue that under such circumstances where the pattern of salary growth is not conducive, the tendency for high movements (tendency to change jobs) is visible on the part of top performers.

The weak relationship between pay and performance has been assumed by March and Simon’s (1958) perceived desirability of movements. It seems reasonable to an extent that pay growth and performance are not closely linked. That is, high performer turnover should tend to be high under the conditions where the pattern of salary growth is not adequate, because movement desirability should increase as reward inequity increases (e.g., Gerhart and Milkovich, 1992). Literature also indicates the prevalence of a weak pay performance link (e.g., Lawler, 1981, 1989; Milkovich and Newman, 1993).

Salary growth, in the organisations, seems to be largely a function of many factors. One such factor is average performance
rating. It is assumed that an increase in salary should minimise turnover. In the presence of performance based rewards, such as salary growth, should help to maintain consistency and lessen desirability of movement.

The second moderator is promotions which can be a major determinant in overall salary growth over a time (Gerhart and Milkovich, 1989). With a promotion, an employee gets an increase in pay and moves to relatively better position (Milkovich and Newman, 1993). Highly promoted employees experience greater salary growth and are unlikely to voluntarily leave the organisation. High performer who have been overlooked for promotions, and find themselves at the top of the salary range in that contingency with little opportunity for salary growth, may perceive pay inequity and entertain the possibility of leaving.

Number of studies have stated four methods of motivating employee performance: money, goal setting, participative decision-making, and redesigning jobs. This suggests that money is an important motivator for the employees as well as an important tool for the organisations to improve productivity.

On the basis of foregoing review, it is hypothesised that:

**An increase in salary motivates the employees to perform better.**

### 3.18 RELATIONSHIP OF ORGANISATIONAL COMMITMENT WITH SALARY

Salary is considered as a financial reward given to the employees, for their work. Shrivastva (1977) reported that material factor played an important role in the life of workers. Mehta (1978) found that because of the high cost of living, unemployment and
lack of economic development, workers attached greater importance to wages than to the type of their jobs. Maheshwari (1983) reported that middle and senior level managers of private and public sector organisations as well as government bureaucracies attached utmost importance to money. Number of investigators (Das, 1971; Kalro and Misra, 1973; Kulkarni, 1973; Roy, 1973) confirm that one of the powerful incentive is money. Thus it suggests that, irrespective of their positions, managers' care for material facilities, salary, and benefits.

There are many studies which have failed to establish a significant relationship between the two variables (Bluedorn, 1982; Curry, Wakefield, Price and Mueller, 1986; Flynn and Solomon, 1985) Mathieu and Zajac (1990) in their meta-analysis have found a fairly low positive correlation between salary and attitudinal commitment. Salary is most of the time considered to represent a side-bet and to thereby increase calculative commitment. An employee's level of pay boosts up their self-esteem and thereby accounts for the positive relationship with attitudinal commitment.

Mowday et al. (1982) have suggested that financial reward is positively related to commitment. Salary induces commitment within an employee to maintain membership with the organisation. They also found that there was little empirical evidence to support this statement and opined that, high pay packets were not necessarily associated with higher commitment to the organisation.

A number of studies on the other hand, have reported a significant positive relationship between pay and organisational commitments. (Alvi and Ahmed, 1987; Aranya and Jacobson, 1975; Brooke, Russell and Price, 1988; Bhagat and Chessie, 1981; Ogilvie, 1986).
3.19 THE RELATIONSHIP OF JOB SATISFACTION WITH NUMBER OF FAMILY MEMBERS

A number of studies have shown a positive correlation between job satisfaction and number of dependents a respondent has. Saiyadain (1983) has carried out a study—the impact of personal variables on the job satisfaction in the Indian and the Nigerian employees. The number of dependents were found to be positively correlated to job satisfaction.

Gould and Werbel (1983) stated that workers with more dependents comply with their work values to a greater extent than those employees having few number of dependents. Singh and Singh (1980) have studied job satisfaction of supervisory staff and found that married supervisors expressed more satisfaction than unmarried supervisors.

There are some studies, which have not been able to establish a positive relationship between job satisfaction and number of dependents. Bilgic (1998) found the negative contribution of number of dependents to job satisfaction. This might actually be related to insufficient monthly income, thus indirectly affecting job satisfaction.

It has been observed that people who are less paid generally have to support large families, than those people with good emoluments. In case of managerial cadre, it has been found that where the family members reside with them they tend to remain more satisfied as they have a support system at home. Hence, it has been hypothesised that:

Employees having more family members staying with them, are more satisfied with their jobs.
3.20 THE RELATIONSHIP OF JOB PERFORMANCE WITH NUMBER OF FAMILY MEMBERS

There are a few studies available on the relationship of job performance and number of dependents. Researchers, though consistently indicate that married employees have fewer absences (Keller, 1983) and undergo less turnover than their unmarried coworkers.

Joshi (1993) investigated the possible gender-related differences in the determinants of job performance. The results indicated that in both the groups, i.e., male and female workers, the larger the number of dependents the better the work performance. However, similar results were obtained with a sample of women managers where a negative correlation was found between number of children and poor work performance (Davidson and Cooper, 1983).

Married people have increased financial responsibility so they view their job as more valuable and important. Pathak (1982) examined the relationship between various demographic variables and job involvement and job performance on the employees working in banks. The supervisors of the participants completed the job performance evaluations. Results indicated that the demographic variables of age, education, marital status, background, and length of service, previous work experience, and number of dependents were significantly related to job performance.

Another important reason for the positive relationship between the two can be due to the fact that after a day's work, an employee goes back to a home, where he/she can talk to or share their experience. They have an emotional support system at home. Moreover, to keep the home running, they work hard at their place
of work, economic need may be contingent on family composition.

Thus, it can be hypothesized that:

**Job performance is positively related to the number of family members staying with the employee.**

### 3.21 THE RELATIONSHIP OF ORGANISATIONAL COMMITMENT WITH THE NUMBER OF FAMILY MEMBERS

Number of family members dependent on an employee is an extra-organisational responsibility and it enhances the organisational commitment of the employees. A number of studies have revealed a positive relationship between organisational commitment and number of dependents.

Lee and Mowday (1987) in their study have established a positive relationship between the two proposed variables. Sandhu (1991) has also found similar results in her study. Nagpal (1999) found positive relationship between organisational commitment and number of dependent amongst the junior level managers. Aranya and Jacobson (1975) have found a positive relationship, though not significant, between the number of children and commitment variables.

Mathieu and Zajac (1990) found a positive correlation between marital status and commitment. It has been argued that marital status may be more related to calculative commitment, because married employees are, in general, likely to have greater financial burdens.

Brooke, Russell and Price (1988), have brought out in their study that kinship responsibilities are significantly related to organisational commitment. Alonso (1970) and Hrebiniak (1971)
reported that unmarried respondents have lower organisational commitment than married ones.

The studies highlight the fact that employees who have more number of dependents are required to cater for more financial backup. Workers having more number of dependents have been found to identify with their organisations and comply with their work values to a greater extent than the employees having lesser dependents (Gould and Werbel, 1983). Thus, employees with larger family composition are found to be more committed to their organisations vis-à-vis those who have smaller family composition.

Hrebiniak and Alutto (1972) stated that single employees are more likely than married or separated ones to be positively disposed toward alternative employment. Marsh and Mannari (1977) found that employees were more likely to leave an organisation if they had none or fewer dependents. Pierce and Dunham (1987) also found that the number of dependents were significantly and positively related to commitment propensity. Thus, on the basis of above mentioned empirical evidence, it is clear that employees with more dependents have a stronger tendency to become committed.

3.22 RELATIONSHIP OF JOB SATISFACTION WITH WORK EXPERIENCE

It is an established fact that the period spent to acquire skills in a particular organisation is termed as tenure while work experience is the total sum of tenures that an employee has acquired.

Work experience is directly based on the ability of an individual to learn his professional skill and personal involvement. The pattern of growth becomes clearly evident when the tenure and
work experience are interlinked. As one grows in a particular field he/she gains experience to their entire satisfaction. Where the will to gain work experience is missing, the decline in professional capability begins to exhibit.

Shrivastava (1978) considered personal and personality factors as determinants of job satisfaction. Age and length of service were found to be positively related with job satisfaction.

Saiyadain (1983) examined the impact of work experience on the job satisfaction in samples of 778 Indians and 620 Nigerian employees. The results revealed that experience was positively correlated with job satisfaction.

An employee, who has the desire to grow would always be determined to gain the positive facets of workmanship. This makes it indicative that work experience adds to one's profile. Thus it can be hypothesised that:

**Total work experience is positively related to job satisfaction.**

### 3.23 RELATIONSHIP OF JOB PERFORMANCE WITH WORK EXPERIENCE

It is possible to calculate the number of years an individual has performed the job, and therefore a practical and less intrusive measure of experience than is counting the number of times a task is performed. For this reason, the number of years on the job is likely to continue to be an important measure of experience for practitioners in applied settings (Kolz, McFarlan, Silverman, 1998). Psychologists have recognised the influence of cognitive ability (Hunter and Hunter, 1984) and job experience (Gordon and Fitzgibbons, 1982; Quinones, Ford and Teachout, 1995) on work performance.
Schmidt, Hunter and Outerbridge (1986) argue that the effects of job experience may decrease over a period. Schmidt et al. (1986) noted, that although both cognitive ability and job experience influence work performance through their effects on job knowledge, yet experience differences between incumbents tend to decline. The result being that experience differences tend to have diminishing effects on performance.

Job experience is defined as the number of years an employee has worked in the same job for the same company. Quinnoes et al. (1995) noted that this is the most commonly used definition of job experience. However, Quinnoes et al. also argued that the number of times a person performs a job task or gains ground experience is more strongly correlated with work performance rather than the number of years on the job. The number of years on the job is probably highly related to the number of times each work task had been performed.

From the studies available on the said subjects it emerges that the more one gains ground experience in a particular field he/she would tend to perform better. This suggests that if seniority is defined as a time on a particular job, the more recent evidence demonstrates a positive relationship between seniority and job productivity. So work experience appears to be a good predictor of employee productivity (McDaniel, Schmidt and Hunter, 1988; Quinones, Ford and Teachout, 1995). The experience and the skills acquired add to one’s professional competence and this is bound to contribute directly to job performance. Thus, it can be hypothesised that:

**Job performance is positively related to work experience.**
3.24 RELATIONSHIP OF ORGANISATIONAL COMMITMENT WITH WORK EXPERIENCE

Tenure refers to a period spent with a particular organisation whereas total work experience gained is the total sum of cumulative of the tenures an employee has had during his/her career profile.

Bateman and Strasser (1984) carried out a study related to job and career tenure in relation to organisational commitment. In their analyses, they have established that, out of job and career tenure, only career tenure was significantly related to commitment.

Hrebiniak and Alutto (1972) maintain that as work experience increases, confidence and professional skills to lead to tension and ambiguity with the roles, which enhances commitment. Bray, Campbell and Grant (1974) and Buchanan (1974) have opined that organisations desirous to foster long term affective commitment in their employees should manage their early work experiences carefully.

Alutto, Hrebiniak and Alonso (1973) found that total work experience which perhaps even more than age implies the accrual of the side-bets and investments associated with seniority and experience was strongly correlated with organisational commitment.

An individual may have to forgo the benefits earned in one organisation so as to join another, this may act as detriment to commitment. In other words, this suggests that portable benefits, i.e., the effect of total work experience upon commitment begins to resemble that of tenure.

From the available literature it emerges that a positive relationship between organisational commitment and work experience prevails.
3.25 HYPOTHESES

All the hypotheses have been derived in the review. They are being given below:

1) Job satisfaction is positively related to job performance.

2) Job satisfaction is positively related with: (i) achievement climate, (ii) expert influence climate, (iii) extension climate, and (iv) concern value.

3) Job satisfaction is negatively related with: (i) control climate, (ii) dependency climate and (iii) affiliation climate.

4) Job satisfaction is positively related with personal-demographic variables, viz., (i) age, (ii) number of family members, (iii) salary and (iv) work experience.

5) Job satisfaction is negatively related with level of educational qualification.

6) Job performance is positively related with: (i) achievement climate, (ii) expert influence climate, (iii) extension climate, and (iv) achievement value.

7) Job performance is negatively related with: (i) dependency climate, (ii) control climate and (iii) affiliation climate.

8) Job performance is positively related with personal demographic variables, viz., (i) age, (ii) number of family members, (iii) level of educational qualification, (iv) work experience and (v) salary.

The hypotheses which could have been formulated with organisational commitment have been eliminated because of the fact that organisational commitment questionnaire yielded three
scores viz., *affective commitment*, *continuance commitment* and *'concern for organisation' commitment*, on the basis of factor analysis.

**OTHER OBJECTIVES**

The present investigation will provide an opportunity to examine the following relationships about which no hypotheses were formulated:

(a) The relationship of five dimensions of attitude toward manual work, viz., (i) attitude toward virtue of manual work; (ii) attitude toward status environment; (iii) attitude toward efficiency in work; (iv) attitude toward working class, and (v) attitude toward useful work/recreational activities with job satisfaction, organisational commitment and job performance.

(b) The relationship between affective commitment, control commitment and *'concern for organisation' commitment*

(c) The relationship of four measures of work values, viz., achievement value, concern value, fairness value, and honesty value with affective commitment, continuance commitment and *'concern for organisation' commitment* and personal-demographic variables.

(d) The relationship between six variables of organisational climate, viz., achievement climate, expert influence climate, extension climate, affiliation climate, dependency climate and control climate with affective commitment, continuance commitment and *'concern for organisation' commitment*; four measures of work values and personal demographic variables.
The relationship of personal demographic variables, such as: (i) distance from the residence to the place of work; (ii) number of organizations one has served in; (iii) mode of transport used in commuting between office and home; (iv) do the respondents feel fresh when they reach office in the morning; (v) do the respondents feel tired when they reach home in the evening; (vi) chances of changing the present job, with job satisfaction, affective commitment, continuance commitment, 'concern for organisation' commitment, and job performance.