1.1. Review of Literature

The nature of study prompted the researcher to do an extensive review of literature under following separate heads to cover wide array of issues. A review of previous relevant literature is an important feature of any research study. There are good numbers of literature available with regard to Person organization fit. However, the available literature is more useful in understanding the theory of Person organization fit rather than the association between person organization fit with an employee’s job satisfaction and job performance.

This review examines the conceptual and empirical developments in organizational culture, individual values, and the interactional Person organization fit literature. The researcher found that there are very few studies done in the manufacturing industry and its operations.

Review of literature helps the researcher to understand the existing literature in the field of his research. The review of literature gives the researcher an insight through published information in the area of his own research and hence provides the researcher with the direction to carry out proposed study with the identification of research gap. New interpretations of the old information could be developed or the new interpretation could be combined with the existing ones. It also traces the intellectual progression of the field of ongoing research including major debates.

Developing a new argument is the main purpose of an academic research. Being an important part of the research, the review of literature is used as a foundation for a new insight that a researcher contributes.

1.2. Introduction to the construct of Person-organization fit

The success and effectiveness of an organization depends upon many factors and one of the factor is Person Organization fit. There is no exaggeration to say that the destiny of an organization lies in the hands of the individuals working in it. Person Organization fit is generally defined as the compatibility between individuals and the organizations where
they work. Specifically, Person Organization fit refers to the state of resemblance between the individual’s values and the perceived organizational values.

The stream of ideas that person-organization fit belongs to its theoretical roots back almost one hundred years to the emergence of person environment psychology (PEP). This literature is built on the notion that environmental factors influence people's behavior, attitudes, and moods. Kantor (1924), for example, was able to distinguish between the physical environment, which he termed the 'biological environment', and the psychological environment as different factors influencing individual behavior. Kantor did not specify the precise nature of the relationship between the physical and psychological factors, merely stating that there was a reciprocal interplay at work.

The construct of person-organization fit is part of the hierarchy that Person Environment Psychology sits atop. Just as person-environment fit is a part of the more generic world of Person Environment Psychology, person-organization fit is a part of the more generic domain of person-environment fit. It differs from the more generic person-environment fit in two main ways. First, the person factors are those related to work. Second, the environment factors are those concerned with organizational level influences on the individual.

There are other aspects of the work environment that might influence the employee, such as interactions with other employees (person-people fit; P-P fit), membership of teams (person-group fit; P-G fit), and fit to the job (person-job fit; P-J fit). However, these are usually assigned as other subdivisions of person-environment fit (Kristof, 1996; Kristof-Brown, Jansen & Colbert, 2001; 'Schneider, et al., 1997) allowing person organization (P-O) fit to focus on the individual's fit with organizational level factors.

Person Organization fit can help managers select employees whose values and beliefs match those of the organization and configure socialization experiences to strengthen that match. Thus, research into P-O fit may provide insight into improving fit and retaining employees over the long term.

The following literature review suggests the contribution P-O fit research could make to both research and manufacturing industry operations. This review examines the conceptual and empirical developments in organizational culture, individual values, and
the interactional Person organization fit literature, and concludes with a review of the outcome and variables used in the study presented here.

1.3. Person-organization fit and innovative climate

The literature has also highlighted on the different types of fit within work environments and the likely impact of each type of fit on organizational outcomes. In addition, the evidence in the extant literature reveals the challenges association with the conceptualization and measurement of fit. At the same time many of the studies acknowledged the challenges associated with conceptualization, and measurement of the fit. The subject of P-0 fit gained momentum in the late 1980s with the theoretical contributions of Schneider (1987) and Chatman (1989).

Brown and Leigh (1996) develop an operational definition of a psychological climate adjustment based upon how employees perceive the organizational environment and interpret it in relation to their own well-being. A psychological climate adjustment may reveal important aspects of the relationship between the employee and the organization’s requirements which relate to greater involvement, effort, and performance.

American organizational psychologist Ben Schneider delivered the 1985 Presidential Address to the Society for Industrial and Organizational Psychology, American Psychological Association Convention in Los Angeles. His talk, entitled 'The People Make the Place', advocated a framework for understanding the etiology of organizational behavior. The central thesis of his framework was that organizations are functions of the kinds of people they contain.

He argued that the people who are attracted to an organization, those selected by it, and those that chose to remain share the values of the organization to create a homogeneous workforce. He drew attention to the disproportionate concentration of researchers on a situational view of behavior. In this situational paradigm, researchers view behavior, both organizational and individual, as being driven from environmental factors, such as the organization’s structure or culture, the nature of a job, or the influence of a leader.
According to such a stance, employees do little to determine their own behavior. Instead, it is argued, behavior is determined by environmental factors. Schneider wrote up his speech and it appeared in Personnel Psychology two years later. The last two paragraphs of this article colourfully summarise his position.

‘In short, we have been seduced into thinking that organizational processes and structures are the causes of the attitudes, feelings, experiences, meanings, and behaviors that we observe there. We attribute cause not to the people attracted to, selected by, and remaining with organizations, but to the signs of their existence in the organization: to structure, process, and technology. Enough is enough. We are psychologists and behavioral scientists; let us seek explanation in people not in the results of their behavior. The people make the place.’ (Schneider, 1987, p. 451).

Attraction-Selection-Attrition (ASA) framework can be regarded as a milestone in the beginning of P-O fit research. According to this framework, individuals are not randomly assigned to situations, but rather they seek out situations that are attractive to them. Finally individuals will be selected to be a part of that situation and help to determine the situation by remaining in that situation. Schneider uses this framework in explaining the functioning of an organization. He argues that organizations are one situation that people are attracted to, selected to be a part of and remain with, if they are a good fit with the organization, or leave, if they are not a good fit with the organization. ASA framework can be placed within supplementary fit since it proposes that people and organization are attracted to each other based on similarity.

Schneider was able to extrapolate from these studies using the idea that similarity leads to attraction. He argues that people want to work with people whom they are similar to and that this effect can be found when people look for jobs (attraction), are selected for jobs (selection), and during employment (attrition). The overall effect of this cycle is that the people within the organization increasingly become more like one another and that this leads to homogeneity in the workforce.

Schneider is one of the most influential models in the person–organization (P–O) fit literature. Yet, despite the centrality of the cycle in the P–O fit literature, and its proposed
dire consequences for organizations, there have been relatively few studies of it or its separate propositions (Schneider et al, 1998).

**Bretz, Ash and Dreher** (1988) opines that people are attracted to environments that would allow them to address their need to achieve, but not for their need to affiliate. These researchers conducted a laboratory experiment that measured personality and then presented the participants with descriptions of organizations with reward systems that had been manipulated. They found that people with a high need for achievement disproportionally chose organizations with individually-focused reward systems.

**Karakurum Müge** (2005) studied the effects of person-organization fit on employee job satisfaction, performance and organizational commitment in a Turkish public organization. The main purpose of the study was to examine the effects of P-O fit operationalized as value congruence between the employee and the organization, on job satisfaction, organizational commitment and performance of employees working in a public organization at both individual-level and cross-level analysis by utilizing multiple measures of fit. The secondary purpose of the study was to compare multiple measures of fit in terms of their power in predicting individual outcome variables and investigate the level of association between direct and indirect fit and whether direct fit contributed to prediction over and above indirect fit measures.

One hundred and eighty employees of a public organization filled out the questionnaire. Cross-level analysis could not be performed because of inadequate level of agreement between respondents.

Results revealed that both direct and indirect fit measures were significant predictors of individual outcome variables at individual-level analysis except for supervisor ratings of task performance and overall Performance, which were solely predicted by direct fit. Direct fit was the most consistent and effective predictor of individual outcome variables and made a consistent unique contribution to prediction of outcome variables over and above indirect fit measures. The definition of P-O fit is a somewhat problematic issue due to multiple conceptualizations and operationalizations. P-O fit is broadly defined as the compatibility between individuals and organizations by most researchers.
Supplementary fit occurs when a person supplements, embellishes, or possesses characteristics which are similar to other individuals in an environment and complementary fit occurs when a person’s characteristics make whole the environment. Muchinsky and Monahan. (1987).

Judge and Bretz (1992) surveyed students in two American universities. The students were asked for their values and then presented with a number of work scenarios in which eleven organizational and value variables were manipulated. They were asked the probability of whether or not they would accept a job offer from the organization in each scenario. As predicted by the researchers, value alignment between students and the manipulated scenarios was positively related to the students’ job choice decisions.

Turban and Keon (1993) asked 260 management students to indicate their attraction to paper descriptions of organizations in which various characteristics were manipulated. They found that people with a high need to achieve were more attracted to organizations that offered a merit-based reward structure (i.e. those that rewarded performance over seniority) than people with a low need to achieve. They also showed that people with low self-esteem were more attracted to decentralized organizational structures (and larger firms) than people with high self-esteem. These results suggest that people are attracted to organizations that mirror their personality.

Cable and Judge (2011) examined whether congruence of one aspect of the organizational environment, the pay and compensation system, with individual personality traits influenced the job search decisions of engineering and hotel administration students approaching graduation. The researchers asked engineering and hotel administration students to evaluate thirty-two different pay and compensation scenarios. They found that the attractiveness of the pay policies of organizations was heightened by greater levels of ‘fit’ between individual personality traits and the characteristics of the compensation system. If pay and compensation systems are structured according to the values, goals and culture of the organization, then the fit of individuals to the pay systems is an indication of their fit to the organization as a whole.

According to Kristof (2005) P-O fit occurs when an organization satisfies individuals’ needs, desires or preferences. In contrast, the demands-abilities perspective suggests that
fit occurs when an individual has the abilities required to meet organizational demands. Specifically, four different operationalizations of P-O fit were identified as a result of Kristof’s review of P-O fit literature.

First operationalization focuses on measuring similarity between fundamental characteristics of people and organizations such as values and personality, and congruence between individual and organization is the most frequently used measure in this type of operationalization. The second operationalization of P-O fit focuses on goal congruence with organizational leaders or peers (Vancouver, Millsap and Peters, 1994; Vancouver and Scmitt, 1991). The third operationalization concerns the match between individual preferences or needs and organizational systems and structures (Bretz, Ash and Dreher, 1989; Cable and Judge, 1994; Turban and Keon, 1993). The fourth operationalization of P-O fit is a comprehensive definition is needed to integrate the variety of conceptualizations.

Kristof proposed a model in order to generate a comprehensive definition. In the model, the relationship between the fundamental characteristics of a person such as values, goals, personality and attitudes and fundamental characteristics of an organization such as culture, climate, values, goals and norms represents “supplementary fit”. On the other hand, the relationship between demands and supplies of person and organization represents “complementary fit”. Specifically, organizations supply financial, physical, psychological resources and task-related and interpersonal growth opportunities that are demanded by employees. As a result, P-O fit is defined comprehensively as the compatibility between people and organizations that occurs when at least one entity provides what other needs, or, when they share similar fundamental characteristic or both, in the model. By this way, both the supplementary and complementary perspectives are incorporated into this definition.

Organizational culture is the behavior of humans within an organization and the meaning that people attach to those behaviors. Culture includes the organization's vision, values, norms, systems, symbols, language, assumptions, beliefs, and habits.

It is also the pattern of such collective behaviors and assumptions that are taught to new organizational members as a way of perceiving, and even thinking and feeling.
Organizational culture affects the way people and groups interact with each other, with clients, and with stakeholders. Person-organization fit is a useful predictor of job satisfaction and organizational commitment, which in turn affect performance. The OCP is considered an important instrument to measure the fit between individual’s preferences and organizational cultures.

O’Reilly, Chatman and Caldwell (1990) developed the Organizational Culture Profile (OCP) which was used for measuring P-O fit. It is one of the major measures of organizational culture in use today. Ashkanasy, Broadfoot and Falkus (2000) reported that the OCP was one of only a few instruments to provide details concerning reliability and validity based on a review of 18 organizational culture measures published between 1975 and 1992.

The original version of the OCP consisting of 54 value statements was developed by using exploratory factor analysis to establish eight dimensions of organizational culture, namely: innovation, attention to detail, outcome orientation, aggressiveness, and supportiveness, emphasis on rewards, team orientation and decisiveness. The new version of the OCP consisted of 28 items and had a new factor structure with seven factors, namely; supportiveness, innovation, competitiveness, performance orientation, stability, emphasis on rewards, and social responsibility. Two new factors, stability and social responsibility were added. The results established internal reliability and validity of the new version.

Downey et al. (1998) studied in which he tested the proposition that organizational climate interacts with individual personality in influencing job satisfaction and performance. Data was collected from 92 managers from one industrial firm who work at different hierarchical levels and functional areas of an organization. Job performance was measured in terms of job movements within the past four years and percent salary increases from 1971 to 1973.

Tziner (1984) investigated the effect of P-O fit on work performance of industrial employees by using self-reports. Results indicated that employees reporting low discrepancies between their organization’s climate for achievement and their preferences
for such a climate had higher self-appraised work performance than those reporting high discrepancies.

**Meglino et al.** (2000) investigated the fit between supervisors and subordinates on the basis of work value congruence. Value congruence was assessed using the Comparative Emphasis Scale, which is a 24-item forced-choice instrument yielding positive rankings of the four work values; achievement, fairness, honesty and helping and concern. Results indicated that congruence in values was associated with job satisfaction, organizational commitment and reporting to work on time.

**Adkins, Ravlin and Meglino** (1989) also investigated fit between co-workers on the basis of work value congruence. It was hypothesized that employees with higher value congruence would experience greater satisfaction and organizational commitment and exhibit higher levels of performance.

**Porter and Smith** (1970) Commitment Scale was assessed by the short version of Hackman and Oldham scale and finally, data on performance of employees was obtained from company records at the time the survey was conducted. Data were collected from 191 production workers. Results indicated that the extent to which job required the individual to work closely with others moderated the relationship between work value congruence and performance.

The research into the person-organization fit (values congruency) phenomenon by investigating the impact of demographic factors, such as age, gender, ethnic background, organizational level, management position, length of service, and functional area, on work attitudes was extended by **Posner** (1992). The study was conducted in a large multinational manufacturing company and the survey was mailed to all domestic management and professional employees making a total of 1634 employees. A 3-item scale was used assessing work attitudes. Specifically, one item measured motivation, one item measured commitment and one item measured the esprit the corps (teamwork) of company employees. There were two hypotheses in the study.

The first postulated a positive relationship between person-organization values congruency and work attitudes. The second, in the form of a null hypothesis, proposed that individual differences would have no impact on relationships between person-
organization values congruency and work attitudes. Person-organization values congruency was assessed in relationship to alignment with the organization’s six core principles.

Ostroff (2007) investigated the relative, combined and interactive effects of organizational climates and personal orientations on individual’s attitudes and behaviors in organizations, which are satisfaction, commitment, involvement in work, adjustment to work, performance, stress, turnover intent and absenteeism.

Bretz and Judge (1994) conducted one of the few studies that examine the effects of multiple conceptualizations of fit on work attitudes. Fit was operationalized in four ways, which are value congruence (supplementary), individual personality and organizational image similarity (supplementary), the degree to which organizational reinforcement systems met individuals’ needs (needs-supplies), and the extent to which individual KSAs meet job requirements (more related with P-J fit). Results showed a powerful direct effect of P-O fit on organizational satisfaction and organizational tenure, and an indirect effect of fit on job promotions, and salary level, to a lesser extent.

A P-O fit framework was adopted in examining the relationship between the provision of feedback to individuals regarding their potential P-O fit with the organization and attraction according to Ash, Dineen and Noe (2002).

It is the first study to adopt a theoretically grounded approach to issues of P-O fit and applicant attraction in the context of Web based recruitment. The relationship between attraction on the one hand, and objective and subjective P-O fit, agreement with fit feedback and self-esteem were also investigated. Results indicated that both feedback level and objective P-O fit were positively related to the attraction. And, subjective P-O fit fully mediated these relationships. Also, attraction was related to the interaction of objective fit, feedback and agreement, and objective fit, feedback and self-esteem. This study emphasizes that the provision of P-O fit feedback through organizational Web sites can result in higher attraction of potential employees.

Vandenberghe (2007) replicated the earlier study of O’Reilly et al. on the effect of level of congruence between an organizations’ culture and its new employees’ value
preferences on turnover. However, the study was conducted in a different organizational setting and country; in the health care industry of Belgium. Data was collected from 630 respondents working in hospitals. OCP was used for assessing personal and organizational values. Results revealed that recruits having value profiles similar to their employing organizations were more likely to stay with the organization during the early employment period. Also, the study demonstrated a cross-cultural generalizability of the structure of the OCP by providing preliminary evidence that the OCP can be used in another country with different language.

**Goodman and Svyantek** (1999) examined the influence of P-O fit on employees task and contextual performance in their study. It was hypothesized that the fit between employees’ desired organizational cultures and their actual organizational cultures would predict contextual performance such as helping behaviors toward other employees or the organization.

**Mustafa Tepeci** (2009) investigated whether P-O fit contributed to explanations of employee job satisfaction, intent to quit, and willingness to recommend the organization beyond that explained by organizational culture and individual values and the relationship between direct and indirect fit. He developed an instrument called Hospitality Industry Culture Profile (HICP) for measuring individual and organizational values. 10 employees from 34 table-service restaurants in the US except fast food restaurants participated in the study. Results indicated that perceived fit explained the most outcome variance, followed by culture, calculated fit and individual values. In both individual-level and cross-level analyses, perceived P-O fit explained additional variance in employee job satisfaction, intent to remain, and willingness to recommend beyond the effects accounted for by organizational culture and individual values. At the individual-level, results indicated that calculated P-O fit did not add to the explanation for any of the outcome variables.

According to **Jones Stephanie Ann** (2010) person-organization fit has been defined in a number of ways including value congruence, goal congruence, and the match between
For the purpose of this study, person-organization fit is defined as the congruence of values of a person and an organization. Person-organization fit is a meaningful way of assessing person-situation interaction because values are fundamental and relatively enduring and individual and organizational values can be directly compared. Person-organization fit starts by measuring an organization’s characteristics based on values and norms. Individuals in the organization are measured and their individual scores are combined to make an organizational profile. The individual scores are used to find crystallization (how widely shared the values are), intensity (how strongly held values are relative to other values), and content (which values are important to the organization). Intense and crystallized values make for strong organizational situations.

Autry and Wheeler (2005) suggest that, Organizations must choose the best training programs to fit the strategic goals of the organization that will differentially influence employee perceptions of person organization fit. Training takes many forms. Some training is quite informal in nature, consisting of having experience employees take new employees under their wings to show them how to do the job in question. Training is used not only to prepare new employees to meet the challenges of the jobs they will face, but also to upgrade and refine the skills of existing employees.

Bélén Bande Vilela (2008) proposes and tests a model that considers several affective factors that might influence the development of OCB by the salespeople; as well as the influence of this extra-role behavior on the supervisor’s rating of the salesperson’s performance. Data collected from 122 sales agents and their managers from 35 firms confirmed that person-organization fit has a positive effect on OCB through the impact on the salesperson’s job satisfaction. In addition, organizational commitment and job satisfaction are confirmed as two important affective antecedents of OCB.

The results also supported the positive effect of this type of extra-role behaviour on the supervisor’s rating of the sales agent’s performance, both directly and indirectly through the impact on supervisor’s affect towards the seller. Some implications of this study and directions for future research are also addressed.
Saleem, Adnan & Ambreen (2011) examines the relationship between Person Organization fit, Organizational Commitment and Knowledge sharing attitude by using data collected from 315 academic managers of public sector institutions of higher education. The authors found a positive and significant relationship between person organization fit and organizational commitment. A positive relationship between person organization fit and knowledge sharing attitude was also found.

Hamid and Yahya (2011) conducted a study to examine the relationship between person-job fit and person organization fit on employees’ work engagement. Work engagement was reported to have a positive significant impact on individual performance, organizational performance and success. It focused on how employees’ knowledge, skills, and abilities (KSAs) fit the demands of the job (person-job fit) and the organization (person-organization fit) that could be used in enhancing employees’ work engagement. Data was collected from engineers in seven semiconductor companies in Malaysia. The results of this study revealed significant positive correlation between person-job fit and person-organization fit with employees’ work engagement. This suggested that employees who fit with their job and organization, in terms of possessing KSAs could influence employees work engagement that could in turn benefit the organization.

1.4. The importance of person-organization fit

Anna K. Tikanmaki, (2001) study examines how the degree of person-organization fit and the perceptions of the fairness of the change processes and outcomes of those processes can help to predict employees’ organizational commitment, job satisfaction, and trust towards management in an acquisition event. Hypothesized is that the higher the person organization fit and perceptions of justice, the more organizational commitment job satisfaction, and trust towards management the employees have. The data was gathered from a sample of full time employees of the Scandic Hotel Continental in Helsinki, Finland.
This study shows how person-organization fit and perceptions of justice can help predict employee organizational commitment, job satisfaction, and trust towards management. The hypotheses that the higher the person-organization fit and perceptions of justice, the more organizational commitment, job satisfaction, and trust towards management the employees have, are partially supported. This study suggests that the perceptions of justice are a better predictor of employee organizational commitment, job satisfaction, and trust towards management than person-organization fit in a changing, non-fixed environment.

O'Reilly's et al. (1991) measured person-organization fit in terms of value congruence between the employees and Scandic Hotel Continental. The instrument consists of 33 value statements that can be used to assess the extent to which certain values describe a certain organization as perceived by the employees, and individual's preference for his her central values in an organization.

As per Jennifer Chatman (1991) in order to understand and predict behavior, one must consider both person and situation factors and how these factors interact. Even though organization researchers have developed interactional models, many have overemphasized either person or situation components, or most have failed to consider the effects that persons have on situations. It presents criteria for improving interactional models and a model of person-organization fit, which satisfies these criteria. Using a Q-sort methodology, individual value profiles are compared to organizational value profiles to determine fit and to predict changes in values, norms, and behaviors.

Person-organization fit is defined here as the congruence between the norms and values of organizations and the values of persons. In order to determine the effects that organizational membership will have on an individual's values and behaviors and the effects that an individual will have on an organization's norms and values, we must first assess the extent of agreement between the person's values and the organization's values. Additionally, much of the interactional research discussed previously has examined personality traits as important determinants of behaviors. However, as mentioned above, if personality traits are compared directly to organization contexts, there is a risk of misrepresenting (anthropomorphizing) organizations. Therefore, particular traits (e.g.,
self-monitoring) are seen here as determinants of the particular behavioral manifestation of person-organization fit.

Ashley Tull and Medrano’s (2008) study examined the frequency of chosen character values deemed important for work in student affairs administration by 953 members of the National Association of Student Personnel Administrators. Demographic characteristics of gender, graduate curriculum, institutional type and functional area of employment were examined to determine the level of congruence for the purposes of studying person-organization fit. Person-Organization Fit has previously been studied through the examination of employees’ values congruence because the matches between people’s values and the values of their organizations have been conceived as fundamental and relatively enduring. P-O fit and values congruence has been associated with work related outcomes such as motivation.

Measuring Person-Organization Fit according to the conceptual requirements for interactional research listed above, the assessment of individual and organizational values should be both idiographic, so that the relevance of particular values and the uniqueness of patterns of values across people and organizations are represented, and nomothetic, so that person and situation factors can be compared. In addition, the situation should be assessed in terms of how strong or weak it is. The Q-sort method is one viable method for developing a simultaneously idiographic and nomothetic instrument to assess values and for determining whether an organization's value system presents a strong or weak situation to individuals. Although the Q-sort method traditionally has been used to assess personality characteristics (Block, 1978), organizational researchers have developed two Q-sort item sets.

The only differences between the individual profile and the member profiles are that the anchors are labeled most characteristic to most uncharacteristic (as opposed to most desirable and most undesirable) and the question they are asked is, "How much does this attribute characterize your organization's values?" Member profiles are then combined by averaging each item to form an organization profile.'
Person-organization fit is measured by first comparing the organization profile to the individual profile and then calculating the correlation between them. Two cautions should be noted. First, if organizational values are not highly crystallized (e.g., the alpha is below .70), the organization profile will not be reliable. Low crystallization is equated with a weak situation; therefore, the organizational values cannot be represented with a single profile. Of course, low crystallization at the organization level may indicate that strong factions exist within the organization.

To determine this, member crystallization could be calculated according to various subgroups, such as departments, job levels, or divisions. Second, an overall high correlation between an organizational value profile and an individual profile would indicate a general congruence between the person and the organization. However, an item-by-item comparison of the top and bottom 12 items also is warranted. Large disparities (e.g., greater than 3 categories) between top firm values and top individual values should be noted—these may be the ones in which the most individual or organizational change occurs over time.

Muhammad Tahir Iqbal, Waqas Latif and Wahab Naseer (2012) opines that Humans Resource is considered to be a vital source of growth for the companies, for best utilization of human resource it is indispensable to align the knowledge, skills and abilities possessed by the employees with the assigned roles in the organization. The study reveals the relationship between person job fit, job satisfaction and job performance. There study studied and analyzed the responses of 251 respondents from various universities in twin cities i.e. Islamabad and Rawalpindi. Results indicated that there exists relationship between person job fit and job satisfaction and job performance and the result was positive. Further, the relationship between job satisfaction and job performance was also positive.

Similarly, Weiss found that people aligned their values with the values of their leaders if they perceived their leader to be considerate, competent, and successful. Calibrating person-organization fit also allows us to determine the likelihood of particular individuals’ causing an organization's values to change.
1.5. Person Job Fit and Job Satisfaction

Job satisfaction indicates the extent to which people like their jobs. Some people really like their jobs while others thoroughly dislike their jobs. The extent of liking people has for their jobs affects not only the concerned individuals, but also affects their work teams and their organizations. Therefore this attitudinal variable has been a major object of study in management research.

Boxx, Odom and Dunn (1991) found that employees were more satisfied with their jobs and had higher commitment to the organization when excellent fit existed between employees and organization.

According to Smith et al (2001) Job satisfaction is powerfully inclined by employees’ assessment of the job and assignments they execute, which are the vital components of P-J fit. Researchers concluded in their researches that p-O fit and P-J fit should co-relate to evaluate job satisfaction.

Griffin (2010) incorporated the following explanations in social action approach:
1- The employees fill the targeted nature for the jobs (e.g. job feature, Structural job and its extent of control).
2- Motivation of the employees and the subjective analysis of job feature.
3- Job rewards and values are major independent (self-governed) variables of job satisfaction, which directly related to satisfaction. Nevertheless, when remuneration or rewards are controlled job values will relate indirectly to the job satisfaction. Employees who have high value assured then they feel more dissatisfied with job, then, those do not think the characteristics more important.

Therefore, it is concluded that there is no only definite job characteristics but also the perceptions of employee, which is, connected with the satisfaction levels. Rewards for employees (job rewards) for example, pay, promotion, and job security etc. are directly inter-associated with job satisfaction.
Feng-Hui Lee and Wann-Yih Wu (2011) study had the primary objective to integrate basic theoretical background to define and develop a new research framework in order to investigate the relationships between person-organization fit, psychological climate adjustment, personality traits, and innovative climate. This study surveyed 432 Taiwanese high-tech expatriate managers in Asian countries. The results of this study are summarized as follows: (1) POF, individual perception of psychological climate adjustment and individual employee’s personality traits will be positively related to an organization’s innovative climate; and (2) Psychological climate adjustment and personality traits will positively moderate the relationship between POF and an organization’s innovative climate.

1.6. The five-factor model of personality

In psychology, the Big Five personality traits are five broad domains or dimensions of personality that are used to describe human personality. The theory based on the Big Five factors is called the five-factor model. The Big Five model is able to account for different traits in personality without overlapping. Empirical research has shown that the Big Five personality traits show consistency in interviews, self-descriptions and observations. Moreover, this five-factor structure seems to be found across a wide range of participants of different ages and of different cultures. Cabrera et al (2012) suggests that virtually all personality measures can be reduced or categorized under the umbrella of a 5-factor model of personality, labeled the “Big Five”. The “Big Five” or five-factor model of personality represents a taxonomy which parsimoniously and comprehensively describes the human personality, and the validity of which is strongly supported by empirical evidence (e.g. Digman, 1990; Goldberg, 1993; McCrae and Costa, 1996; O’Connor, 2002). The study used the five-factor model of personality to represent a normal range personality (Goldberg, 1992).

The Big Five provides a well-accepted taxonomy which enhances an understanding of the relationship between personality constructs and important organizational criteria. The construct labels and representative traits of the Big Five are as follows:
1. Extroversion (extroverted, energetic, talkative, bold, active, assertive, adventurous, etc.)
2. Agreeableness (warm, kind, cooperative, unselfish, agreeable, trustful, generous, etc.)
3. Conscientiousness (organized, responsible, conscientious, practical, thorough, hard working, thrifty, etc.)
4. Emotional stability (calm, relaxed, at ease, not envious, stable, contented, unemotional, etc.)
5. Openness to experience (intelligent, analytical, reflective, curious, imaginative, creative, sophisticated, etc.).

Figure 5: Chatman’s person-organization fit model

1.7. Person-Organization Fit in Organizational Selection Decisions
In light of the potential positive outcomes of P-O fit, researchers have suggested that organizations proactively hire employees based on their fit with organizations' cultures. 

**Cable and Timothy Judge** (1996) tests a theoretical model of person-organization fit and organizational selection decisions using data from 35 organizations making hiring decisions. Results suggested that:

a) Interviewers were able to assess applicants' values with above-chance levels of accuracy,

b) Interviewers compare their perceptions of applicants' values with their organizations' values to assess person-organization fit, and

c) It is perceived values congruence and not actual values congruence between applicants and organizations that predicted interviewers' person-organization fit perceptions. Results also suggested that interviewers' person-organization fit assessments had the largest effect on their hiring recommendations even after controlling for competing applicant characteristics (e.g., demographics, human capital), and that interviewers' hiring recommendations had large and significant effects on organizations' hiring decisions.

One selection device that may be critical in establishing P-O fit is the employment interview. The interview enables organizations and job applicants to interact through organizational representatives, presumably allowing each party to determine the degree to which the other demonstrates congruent values and interests.

**Bowen** (1991) examines a new approach to selection in which employees are hired to fit the characteristics of an organization, not just the requirements of a particular job. Diverse firms—high and low-tech, U.S. and Japanese-owned—are using the approach to build cultures that rely heavily on self-motivated, committed people for corporate success. New, often expensive, hiring practices are changing the traditional selection model.

An organizational analysis supplements a job analysis, and personality attributes are screened in addition to skills, knowledge, and abilities. They outline the basic steps of the new selection model and present a case description of a manufacturing company that used the model in hiring employees to work in its high-involvement organization. The
new model works to its fullest advantage in organizations that allow employees enough freedom to use their unique attributes to influence job performance.

1.8. The Relationship between Person-job Fit and Job Performance

Person-job fit is an important antecedent of performance. Job performance of employees plays a crucial factor in determining an organization performance. Person Job fit is defined as the degree to which individual’s knowledge, preferences, activities and skills match the job requirements.

Sethela June and Mahmood (2012) examines the relationship between person-job fit and the job performance of employees in the service sector of the small and medium size enterprises (SMEs). It was previously reported that person-job fit to have a significant relationship with the job performance of employees in various business sector. In view of the importance of the SMEs in the economic development of Malaysia, hence the focus of this study is to discover whether similar relationships exist among the employees of the service sector SMEs. A quantitative method was employed and data were collected using mail survey. There were 1500 questionnaires distributed and 300 returned survey were deemed usable for further analysis resulted in 20 percent response rate. The result revealed significant relationships exist between person-job fit with the job performance of employees.

1.9. The Relationship between Person-job Fit and job satisfaction

Mohammed Issah (2013) opines that there has been growing recognition among organizational behavior practitioners and researchers of the importance of the different types of fit in a work environment. Previous research established relationships between fit and job satisfaction in professional fields including education. However, fit research in the higher education context has tended to focus on students and faculty.
An important and understudied stakeholder in higher education is administrative staff members. Higher education is going through substantial changes in the face of increased demand for accountability, increased diversity, and budget cuts among other issues. As such the responds by public universities like Midwestern universities affects not only academic programs, faculty, and students but also the administrative structure. The few research on perceived fit and job satisfaction among administrative staff members in higher education lack either breadth or depth. Therefore, the purpose of the study was to determine the relationship between perceived fit (Person-Job (P-J) Fit, Person-Organization (P-O) Fit) and Job satisfaction among administrative staff members in a Midwestern public university, as well as the subscales of the primary variables. The study used a correlation design to examine the relationship between the primary variables and their subscales. Accordingly, the research study addressed administrative staff members’ level of perceived fit with the university environment and job satisfaction; the ability of perceived person-environment fit to predict job satisfaction among administrative staff members; the relationships among characteristics of administrative staff members (e.g., level of education, age, gender, and years of service) with job satisfaction and perceived fit with the university environment.

The results of the study support the relationship between Perceived Fit and Job Satisfaction, and the notion that the different types of fit have unique impacts on Job Satisfaction. The findings have implications for leaders in post-secondary educational institutions as well as other organizations. Supervisors can increase the level of satisfaction among administrative staff members with a clear understanding of employee perceptions as well as the facets likely to influence overall job satisfaction. The implications for future research and leadership practice are discussed.

1.10. Job satisfaction and performance

Job satisfaction or employee satisfaction has been defined in many different ways. Some believe it is simply how content an individual is with his or her job, in other words,
whether or not they like the job or individual aspects or facets of jobs, such as nature of work or supervision.

One of the most widely used definitions in organizational research is that of Locke (1976), who defines job satisfaction as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences". Job satisfaction can also be seen within the broader context of the range of issues which affect an individual's experience of work or their quality of working life. Job satisfaction can be understood in terms of its relationships with other key factors, such as general well-being, stress at work, control at work, home-work interface, and working conditions.

Zhang, DE Michele and Connaughton (2004) noted that satisfied employees are more likely to remain committed to the organization, set higher performance goals, maintain a better performance level, accept more responsibilities, and take leadership roles. However, if employees have low levels of job satisfaction, they are less likely to engage in extra duties, endorse, support or defend the organizations’ objectives, or engage in any contextual behaviors.

Samad (2001) found that both the motivator factors (work itself, achievement, possibility for growth, responsibility, advancement, and recognition for advancement) and hygiene factors (job security, working condition, policy and administration, quality of supervision, relationship with peers, relationship with supervisors and status) facets of job satisfaction have significant and positive effect on job performance.

Alibegovic, Hawkins and Parmar (2009) examine the relationship between job satisfaction among hotel employees as well as the relationship between employee empowerment and contextual performance behaviours. It has been argued that success within the hotel industry lies with customer satisfaction, of which the result of overall job satisfaction of the employee is. Most hotels strive to empower their employees in order to deliver better quality service. In addition, contextual performance behaviours are also common practice in such places where employees have a broad range of duties and tasks. Both empowerment and contextual performance behaviours are thus seen to provide overall job satisfaction.
The research approach used was that of a single case study, using a survey instrument to collect data on facets empowerment and contextual performance behaviours. The Scandic Hotels of Jonkoping were used for this purpose. The data collected were then analysed by way of factor analysis and multiple regression methods to validate the hypotheses formed in the theoretical framework. Based on the results of the analysis, the majority of the hypotheses were supported. Training and rewards showed a significant relationship with overall job satisfaction. Job dedication behaviours also showed similar results. In addition, information sharing and trust and training and rewards proved to have interrelationships as facets of empowerment. Interpersonal facilitation and job dedication behaviours were also proved to be distinct behaviours within contextual performance.

The study of job satisfaction within the service industry has generated a great deal of research interest in modern human resource circles around the world and is an underlying motivation factor for employee performance. It is widely accepted that an employee’s performance is closely related to the overall satisfaction of his or her task at hand and is thus an invaluable concept that an organization must invest in. Although there are a number of definitions which encompass employee job satisfaction, we believe it to be vital to express one which will be used consistently throughout this study. Therefore, employee job satisfaction will be expressed as “the positive emotional state that results from an employee’s appraisal of their work situation”.

Edwards (2004) propose that employees who are less satisfied with their jobs may exhibit lower levels of contextual performance behaviours and are therefore less likely to engage in such contextual performance activities, thus concluding that overall job satisfaction will have a stronger relationship with contextual performance than with task performance.

1.11. Contextual performance behaviours
Contextual performance involves behaviours that deviate from an employee’s job description (Van Scotter & Motowidlo, 1996) and consists of two types of behaviours, namely, interpersonal facilitation behaviour and job dedication behaviour.

1.12. Interpersonal Facilitation Behaviours

The first type of behaviour is interpersonal facilitation and includes behaviours that are connected to interpersonal orientation of an employee and contribute to an organization’s goal achievement. Such behavioural acts aid in maintaining the social and inter-personal environment required for effective task performance in an organization.

The second type of behaviour is job dedication. Such types of behaviour effectively revolve around the self-discipline of the individual. Van Scotter and Motowidlo (1996) report that job dedication is the inspirational underpinning of job performance. Such behaviour propels employees to act in a way that promotes the organization’s best interest. When an employee is satisfied with their job, they will tend to work harder than required, put in extra shifts or more hours, exercise discipline and self-control and tackle problems with more enthusiasm as well as follow rules and procedures and defend the organization’s objectives.

Richa Tyagi and Meenakshi (2005) opines that Organisations attempt to bring about a fit between the individual and the organisational system. Creating person-organisation fit (P-O fit) is a dynamic two way process wherein every manager and every employee continuously considers how to encourage meaningful contributions that can simultaneously satisfy personal and organisational needs.

Both parties are ready and willing to consider new ideas, explore new methods and change as needed. P-O fit has been broadly defined as the compatibility between individual and organisation. The study examines the relationship between P-O fit, tenure, adaption innovation styles, and organisational commitment. The findings of the study show that P-O fit between individual and organisational values tends to enhance the individual’s attachment and involvement with the organisation. Tenure has a significant effect on the innovative
inclinations of the managers. The findings of the study have also brought to light that in the wake of a rapidly changing environment, organisations need to look critically at the concept of P-O fit and accordingly design their selection and socialisation practices.

Edmund Stazyk (2006) examines a broader range of factors including human capital investments, reward expectations, hierarchy, and role and goal ambiguity that may more fully portray the relationship between public service motivation and person-organization fit. These factors account for a wider range of intrinsic and extrinsic employee preferences that should be considered alongside public service motivation in efforts to gauge job satisfaction and turnover intentions. The article explores the influence of fit mechanisms such as person-organization fit, mission valence, person-job fit, person-team fit and person-supervisor fit, on job satisfaction. Positive results were produced by early efforts to adapt the person-organization fit concept to public service motivation studies. It is suggested that the person-organization fit mediates the relationship between public service motivation, individual turnover intentions and employee job satisfaction. Organizations are urged to be careful to hire employees who fit well with the organization and its goals and values. They are also encouraged to provide opportunities for employees to fulfill their values in ways that align with organizational interest.

1.13. Ways of Managing Person-Organization Fit Effectively

According to Sutarjo (2011) reducing employee turnover is a strategy which one factor that has significant relation is the degree of fit between a person and the organization. When the team activities had a good “fit” with other organizational activities then performance was enhanced and resistance to change reduced. The importance of P–O fit for organizations is indicated by significant relationships between P–O fit and employee’s turnover. Person’s fit with the organization associates a person’s personality, goals and values with those of the organization. The Person-organization fit essentially argues that people are attracted to and selected by organizations that match their values, and they leave organizations that are not compatible with their personalities.
There are ten ways in managing the person-organization fit effectively to ensure that the organization gain the objectives in term of organizational objectives such as employee turnover, profitability, sustainability, market leadership as well as individual and or organization’s member objectives such as having meaningful work, appreciation, career, well-being, good human relationship at work and quality of life:

1. Process of hire and selection of employees
2. Deliver communication/message during hire and selection of employee
3. Socialization
4. Intervening culture
5. Comprehensive training
6. Measure “ideal” and “actual” of organization culture and values
7. Career development management process
8. Maintain diversity in the organization
9. The role of the leader
10. Focus on both the individual and the organization culture

The important question in P-O fit is how workers and organizations select each other, why they continue to maintain an association, and how person-organization compatibility impacts that association. In times of both economic hardship and fiscal health, when employers seek to maintain their market share by attracting and retaining the most qualified personnel, fit is an important consideration (James, 2003) There are ten ways in managing the person-organization fit effectively to ensure that the organization gain the objectives in term of organizational objectives such as employee turnover, profitability, sustainability, market leadership as well as individual and or organizations member objectives such as having meaningful work, appreciation, career, well-being, good human relationship at work and quality of life.

This study is useful as an insight for the organization to manage P-O fit effectively through the process of hire, communication and socialization to find high degree of PO
fit which in the future will have a highly compatible between employees and the organization. Intervening culture and comprehensive training conducted by the organization will develop better attachment between employee and the organization. Organization which is successfully measure the ideal condition and actual situation of culture and values will be able to develop action plan to narrow the gap and improve employee P-O fit. A clear career development management process for the employee will reduce turn over, career development and career planning have a great impact on whether organizations can meet corporate goals and individuals meet personal goals.

**Arfat Ahmad and Riyaz Ahmad Rainaye** (1991) examine the extent to which training, remuneration, commutation and working environment helps organization to ensure the sustainability and persistence of person-organization fit. This study examines the relationship between training, remuneration, commutation and working environment and person organization fit. The central issue of this study is to assess the relative influence of selected antecedents on the person-organization fit.

**Brewer and Kratina** (2012) concluded that bureaucratic practices often result in negative employee commitment while supportive work environments could result in greater commitment and involvement among employees.

**Van Vianen, De Pater and Van Dijk** (2007) elaborates that people fit with the organization (P-O fit) associates a person’s personality, goals and values with those of the organization. Peoples’ values are important attributes on which to establish their fit. Within the work context, values have been labeled as work values. Instrumental work values are work values related to obtaining desired ends, and refer to work benefits, work security, and success at work. Cognitive work values are those values that relate to a belief system about appropriate behaviors and refer to broadening one’s horizons, contributing to society, and having meaningful work. Affective work values are related to feelings and emotions, and refer to happiness, good human relationships, and friendships at work.

**Eddy S.W. Ng and Ronald J. Burke** (2005) investigates the importance of diversity management in applicants’ job choice decisions. According to the person-organization fit theory, individuals make assessments of fit between their personal values and the values
of the organizations, and they make job choice decisions based on these assessments. A survey of 113 MBA job seekers concluded that women and ethnic minorities found diversity management to be important when accepting offers of employment. In addition, high achievers and new immigrants rated organizations with diversity management as more attractive as potential employers. The findings suggest a need to place a higher emphasis on diversity management in women and minority applicant attraction.

The above literature suggests that person organization fit has a strong relationship with important individual outcome variables such as job satisfaction, organizational commitment, turnover intention and performance. Organizations are likely to recruit employees whose personality suits with their organizational values.

Generally most organizations while recruiting employees focus more on the technical skills rather than personal dispositions or personality. However for effective organizational performance, person organization fit and organizational commitment are very important.

If human resource practices do not put person organization fit and organizational commitment into consideration, many organizations are bound to make losses resulting from the recruitment process as well as constant and consistent poor employee satisfaction. Person organization fit is the means for keeping flexible and committed employees, which is vital for a competitive lead.

Whereas Janet Chew (2008) proved that organizational commitment and intention to stay were significantly related to P-O fit. Essentially, the findings suggested that people, who were well suited for the job or organization, were more likely to feel attached and committed to the organization. The concept of organizational fit identified convergent goals and values between the individual and the organization as an important predictor of affective commitment. This study also revealed that rewards and recognition play a key role in the commitment of core staff.

1.14. Gaps Identified:

The review of literature revealed that if the knowledge, skills and abilities possessed by the employees are not aligned with the assigned roles in the organization, there is less job
satisfaction, commitment and performance of the employee. The employee whose values fit the organization values can contribute more to the success of the organization.

The literature reviewed further revealed that there is a need for aligning an employee’s values with the organization values, which would be vital for the growth of the organizations. On identifying this gap the researcher was able to specify the scope of the study. Hence this study deals with assessing the perfect fit between an employee and his organization. In summary, the literature review suggests that person organization fit remains a strong factor in determining satisfaction, commitment, and performance of the employees.