2.1 Review of Literature

A review of past studies is useful to define concepts and formulate the methodology clearly and objectively. Therefore an attempt is made in this chapter to present a review of the previous studies. The literature for the current study includes works undertaken in India and outside India on organisational climate and job satisfaction.

1. Sinha A.K.(1960)[58] found that job satisfaction is a resultant feeling of satisfaction which the employee actives by gaining from the job what he expects from it to satisfy his needs i.e job satisfaction refers to an individual's complex reactions towards his/her job.

2. Sinha D. and Sharma K.C(1962) [59] are of the opinion that age and marital status is significantly related to job satisfaction.

3. Litwin and Stringer(1968)[32] are of the opinion that job satisfaction increases as the individual perceives the environment as having more achievement opportunities. Individuals who are in achievement climate rate themselves as higher performers than individuals in less motivating climate. Salesmen are rated higher in performance if they perceive an achievement climate. Clerks are rated higher in performance if they perceive a power climate.
4. Davis J. (1968) [14] in his article ‘Role Hierarchy and organisational climate’ says that organisational climate may reflect a variety of executive rule of following propensities. Organisational climate should be used in recruitment to determine whether the individuals are rule bound or freewheeling.

5. Kaezka and Kirk (1968) [30] in their study found that performance is affected by organisational climate. According to them, employee centered climate was associated with high performance in terms of lower unit cost, higher profit etc.

6. Frederickson (1968) [19] in his study “Some Effects of Organisational Climate on Administrative performance" found that 'innovative’ climate yields greater productivity and predictable task performance.

7. Friedlander and Greenberg (1969) [20] in their study of hard core unemployed subjects found that those who perceived their climate as supportive were rated more competent by trainers than those who perceived the climate as less supportive.

8. Friedlander, F and Margulies, N. (1969)[18] in their study “Multiple impact of organisational climate and individual value system upon job satisfaction is of the opinion that organisational climate is a significant determinant of individual job satisfaction (eg:- inter-personal relations, tasks involved self realization and achievement)” they say that relationship between organisational climate and job satisfaction varies with the type of climate and measure of job satisfaction.

9. Hackman and Lawler (1971) [23] found that job characteristics have an impact on the level of job satisfaction. The found that workers who perform tasks that ave high skill variety, autonomy, feedback and job significance experience greater levels of job satisfaction than their counter parts who perform tasks that are low on these attributes.

10. Dewhirst D. (1971)[15] in his study “Impact of organisational climate on the desire to manage Among Engineers and Scientists” conducted among 320 managers and non-managers in 2 non profit development organisations reached the conclusion that managers who placed greater value on managing also had professionals who placed greater value on becoming a manager.
11. Schneider (1972) [55] in his study on life insurance agents found that new agents' expectations are correlated with the climate of the life insurance agency.

12. Stareevich M.M. (1972) [37] who studied first line supervisors, middle managers and professional employees has stated that occupational level did not significantly affect either job satisfaction or job dissatisfaction.

13. Payne and Mansfield (1973) [47] found that the perception of organisational climate by managers tend to be more positive than perceptions by non-managers.

14. Pritchard, R. and Karsick B. (1973) [50] in their study, "The effects of Organisational Climate on Managerial Job Performance and Job Satisfaction" opines that organisational climate was more strongly related to employees' job satisfaction than their job performance.

15. The relationship between organisational structure and job satisfaction has been examined by Ivaneevich and Donnelly (1975) [26] with a sample of 295 trade salesman in a flat organisation and found that they were more satisfied in terms of autonomy and self-actualization, experienced lower amount of anxiety-stress and performed more efficiently than their counterparts working in a medium and tall organisation.

16. Geebaman and Wiener (1975) [21] found that school teachers with greater overall satisfaction are significantly more likely to undertake unpaid overtime work than others.

17. A study conducted by Singh and Srivastava (1975) [57] among Indian supervisors and rank and file workers have found that occupational level and job satisfaction are positively related.

18. Payne, Fineman and Wall (1976) [46] found that perceptions of an organisations emphasis on achievement affiliation, autonomy and understanding were highly correlated with satisfaction and with those aspects of climate.

19. E. Locke (1976) [33] reached the conclusion that job satisfaction is a self-reported positive emotional state resulting from the appraisal of ones job or from job experience.
CHAPTER 2. LITERATURE REVIEW

20. Nick. C. Batlis (1980) [3] in his study “The effect of organisational climate on job satisfaction: Anxiety and Propensity to leave” found that the “dimension of performance reward dependence” contributed significantly to the prediction of job satisfaction and propensity to leave, but not to the prediction of job related anxiety.

21. Chusmir (1982) [11] found that female employees have higher absenteeism and turn over rates than male employees. i.e., women employees are less committed. He suggested that sex differences in job satisfaction and other external moderating influences combine with sex differences in moderated perceptions of the workplace to bring about sex differences in commitment.

22. Bhatia S.R (1985) [6] in his study observed that the relationship between job tenure, level of education, rural and urban backgrounds, emoluments and job level of the employees are inconsistent and do not lead to any definite conclusions regarding their job satisfaction.

23. Brockner and Adsit (1986) [8] found that men are more likely than women to be satisfied with equitable exchange relationships i.e., equity is a fair extension preferred more by men than women.

24. Khanna, B.B. (1986) [4] in his unpublished doctoral dissertation “Relationship between Organisational Climate and Organisational role stress and their impact upon Organisational Effectiveness” says that organisational climate has no significant correlation with the need for independence, self-control and innovation. Achievement climate has positive correlation with job involvement, organisational commitment, organisational attachment, job satisfaction, total satisfaction and total effectiveness. Control climate has negative correlation with organisational commitment, organisational attachment, job satisfaction, total satisfaction and total effectiveness. Extension climate is positively correlated with organisational commitment, job satisfaction, total satisfaction and total effectiveness. Dependence climate has no correlation with any measure. Affiliation climate has negative correlation with job satisfaction and total effectiveness. Expert influence climate has positive correlation with organisational attachment.
25. R.N. Malhotra (1990) [34] divided Financial development into three phases namely phase of foundation, phase of expansion and phase of Liberalization, Diversification and Consolidation. The third phase started in the middle of 1980’s. It initiated slowdown in branch expansion, policy changes in organisation and structure, training, house keeping, customer service, credit management, recovery of dues and profitability and a phased introduction of modern technology in banking operations.

26. Emmert and Taher (1992) [17] found that job related feedback and the social environment are important determinants of job satisfaction for public professionals.

27. Gordon and Di Tomaso (1992)[22] studied company performances as a function of perceptions by the top levels of management and reached the conclusion that management is clearly not a representative sample of the employees in the companies.

28. Nauman and Earl(1993) [40] is of the opinion that satisfied workers in most organisations contribute significantly to the effectiveness and success of the organisation. They say that low productivity of employees is a result of low levels of satisfaction.

29. De Saints, Victor and Durst (1996) [53] found that employees attitude towards work do affect their performance and in turn the attitude of employees are influenced by personal characteristics and job characteristics. They are also of the opinion that employees with higher levels of education tends to be less satisfied with their jobs.

30. Denison D.R. (1996)[13] says that climate is mainly concerned with those aspects of the social environment that are consciously perceived by organisational members.

31. Burk R.J. (1996)[10] found that organisational factors such as size, nature of business, public vs. private sectors and employees demographic factor such as years in the organisation and hierarchical level likely influence the results of employees’ assessment of job satisfaction. He also found that males who were
at significantly higher organisational levels than females reported significantly higher levels of job satisfaction. When the organisational level was controlled the gender difference was not found.

32. Jurkiewicz and Massey (1997)[29] in their study among municipal employees found high levels of similarity between groups of supervisory and non-supervisory personnel on what they want from their job. However, non-supervisory employees were significantly more dissatisfied than supervisory personnel with what they were actually getting from their job.

33. Avinash Kumar Srivastav (1997) [62] in his doctoral dissertation “Study of Organisational Climate, role Stress and Coping Strategy amongst Public Sector Executive” reached the conclusion that, (1) Organisational climate is significantly influenced by variables other than organisational role stress, coping strategy and personal variables, considered in the study (2) affiliation has functionally as it leads to strengthening the intropersitve type of approach coping strategy and weakening of dependency climate, role expectation conflict, role ambiguity and impunitive and defensive types of avoidance coping strategy and (3) expert influence and extension under certain conditions may become dysfunctional.

34. R.S. Padmanabhan (1998) [43] in an article observed that the Narasimham Committee Reports have invited anger of the bank employees from the fear of retrenchment in the name of rationalisation. They also have a fear of hijacking of public sector banks by private management.

35. Beldev R. S. and Sarita B.(1999 ) [52] in their study regarding the determinant of job satisfaction among engineers in a public sector undertaking, using multivariate analysis reached the conclusion that there is no significant relation with age and job satisfaction.

36. Adeshina Dele Braimoh (1999)[7] in his research study found that there is significant statistical difference between sex and job satisfaction. He noted that workers who have access to information should greater job satisfaction than those with no access to information. He reached the conclusion that participatory management results in greater job satisfaction.
37. Sesan Kim Sokoya (2000) [61] says that tenure and length of time spent in the organisation is positively correlated with job satisfaction. The longer the time spent in the organisation, the more satisfied the managers are with their job. The study found that turn over rate among younger managers are high compared to older managers.

38. Alponsa V.K. (2000) [2] conducted a study among fifty supervisors in a large private hospital in Hyderabad to study the organisational climate. According to her study, there existed reasonably good climate with respect to their relationship towards top management.

39. Joeylyn J. Johnson (2000) [27] collected data from 8126 employees of a government service agency using an anonymous survey to know the difference in supervisor and non-supervisor perceptions of quality culture and organisational climate. Results showed that supervisors perceived all 19 aspects of the culture and climate measured on the survey significantly more positively than did non-supervisors. He also found that organisational strength as perceived by both supervisors and non-supervisors are in the areas of customer focus and job satisfaction.

40. Steven Simons and Antony Scott (2001) [56] found that even though majority of general practitioners were satisfied with their job, they were experiencing a number of pressure at work. They suggested that general practitioners participates in the work force could be promoted by introducing more flexible working pattern, by expanding the scope of contractual arrangements, and by making patients expectations more realistic by clearly communicating what actually is the role of a general practitioner.

41. Y.V. Reddy (2001) [51] opined that reforms can succeed only and only if coordinated efforts are made by the RBI, Government of India and bank themselves. The key to financial sector reforms is banking reform; key to banking reform is public sector banking reform; and key to public sector banking reform is Government’s initiative.

42. Manju S Nair (2001) [38] observed that that the financial liberalisation process created impact on determinants of profitability by creating higher profitability
environment for both public and private sector banks. In the post reform period, the total factor productivity for both public and private sector banks increased. These may be due to the technological progress and changes in technical efficiency after the implementation of reforms on the Indian banking sector. According to her the reform measures are on the right path to realise the objective of economic efficiency in the form of higher profitability, productivity and efficiency.

43. Koys (2001) [31] found that mean employees satisfaction was significantly correlated with subsequent company profitability.

44. Judge and Bono(2001) [28] found that traits such as self-esteem, self-efficiency, locus of control and emotional stability are significantly associated both job satisfaction and job performance. The satisfied employees tend to differ from others in attributes that many themselves give rise to better performance.

45. Meyer, Stanley, Herseovitch and Toplonytsky (2002) [36] found that work motivation, job satisfaction, job involvement, organisational commitment and experimental support and justice are to be positively interrelated and their mediating role in climate performance associations may turn out to be similar.

46. Mela A Dutka (2002) [35] in her doctoral thesis“The relationship between job satisfaction and the organizational climate for women higher education administrators” says that women higher education administrator’s extrinsic job satisfaction is strongly associated with the organisational climate, as was intrinsic satisfaction although to a lesser degree. Extrinsic job satisfaction was predicted by satisfaction with the climate for career development, communication, conflict management and reward system. Intrinsic satisfaction was predicted by satisfaction with the climate for planning, decision making, conflict management and career development. The findings reveal women higher education administrator’s dissatisfaction with the overall organisational climate and underscore the importance of the climate for career development. The study concludes that the chances for career development and opportunities for advancement has strong influence on job satisfaction. Both factors affect women
higher education administrator’s job satisfaction, which may influence attrition as well as individual and organisational effectiveness.

47. Eapen Vargheese (2002) [63] observed that speedier adoption of technology, keeping customers convenience as a focal point and changes in the attitude of bank employees towards technology could keep the existing customers and attract new customers. He continued that the services provided could be in tune with customer needs and expectations.

48. G. Puspangadharan (2002) [48] found with regard to facilities and amenities speed in completing transactions and in providing deposit related and credit related services, public sector banks lag behind private sector banks. Customers of PSB’s are not satisfied with the attitude and behavior of employees and Branch manager’s initiative in guiding and educate customers with respect of product and services. In respect of customer feed back system and redressal of grievances, PSB’s were far behind private banks.

49. Sobo and Sadler (2002) [60] in their project for improving organisational communication and cohesion in a health care setting through employee – leadership exchange found that employees had low motivation because there was no interdepartmental communication. There was significant depression, anxiety, emotional exhaustion, job insecurity and deterioration in team work and lack of clarity in roles, among paramedical staff which in turn lead to dissatisfaction in other occupational groups. Through monthly employee – leadership council meetings, the employee’s views and recommendations were also incorporated in the process of management. As a result within one year employee’s satisfaction increased considerably. The level of open, honest and direct communication also improved significantly. There was significant increase in the level of productivity also.

50. Harter, Schmidt and Huyes (2002) [24] reached the correlation that job satisfaction was highly correlated with company’s productivity.

52. Malcan Patterson, Peter Warr and Michael West (2003) [45] UK collected information about climate, affect and performance from employees of 42 manufacturing companies in United Kingdom to study the organisational climate and company productivity. They found that company productivity was more strongly correlated with those aspects of climate that has stronger satisfaction loadings. They also found that the managers assessment of most aspects of their company’s climate were significantly more positive than those of non-managers.

53. Bhat and Maheswari(2005) [5] in their study “Human resource issue: Implications for health sector reforms” found that respondents have strong desire to assume greater levels of responsibilities and expect more transparency and involvement in manpower planning and development of the people. The study recommended labor involvement at various stages of decision making in an organisation.

54. M. Narasimham (2005) [39] asserted that as a market driven and competitive system is in place much remains to be done to further the objectives of competitive efficiency and systematic stability in the banking sector. The process of reforms is a continuing one. So further changes are required in policy frame work, internal procedures and structural aspects of the system consolidation - mergers and acquisitions - among banks is a necessity to move towards universal banking and financial supermarkets providing a range of services such as insurance and pension.

55. Milind Sathye (2005) [54] concluded in his studies to examine the impact of privatization on bank performance an efficiency, that partially privatized banks have performed better as compared to the fully public sector banks in respect of certain financial performance and efficiency parameters. He opined while the privatization strategies world wide failed, empirical evidence proved that the Indian experience of gradual privatization has succeeded.

56. Buker and Hassan (2005) [9] in their study “A comparative examination of organisational climate, Job satisfaction and Work Place Stress” examined the organisational climate, Job satisfaction and Work Place Stress in the Turkish
National Police. The study helped in pointing out the difference between the U.S. Police departments and Turkish national police department.

57. Nurse and Devonish(2006) [42] studied the impact of several work related factors on participation practices and willingness of employers to introduce participation at work in Barbados. They found that organisational size, industrial origin and presence of union were not significant determinants of current participation practices. Positive relationships were found between a strategy based on quality and worker - management relations as well as between an innovation strategy and union - management relations.

58. K.P. Pushparaj (2006) [49] commented that the banking scenario in India, vis-à-vis Kerala is fast changing due to technology contributing a sea change in the banking process. Now flow of information becomes faster and accurate. More banks have opted for CORE banking solutions. Internet had opened enormous potential for increasing customer base and delivery channels. Financial integration has opened a mere competitive environment for all participants in the financial sector.

59. Aarons, Gregory A, Sawitzly and Angelina C. (2006) [1] in their study says that staff turnover in mental health service organisations is an ongoing problem with implications for staff morale, productivity, organisational effectiveness and implementation of innovation. The study examined full and partial mediation models of the effects of culture and climate on work attitudes and the subsequent impact of work attitudes on staff turnover.

60. Dileep Kumar M(2006) [16] in his research work ‘A study on job stress of Nationalised Bank employees and Non - Nationalised Bank employees’ found that

(a) there is significant difference in the level of occupational stress between nationalised and non - nationalised bank employees

(b) Occupational stress is found higher among non - nationalised bank employees compared to nationalised bank employees

(c) Among different occupational stress variables, Role overload, Role authority, Role conflict and Lack of senior level support contribute more to the
occupational stress among non-nationalised bank employees compared to nationalised bank employees.

61. Damir Danijel Zagar (2007) [64] in his study “Survey of Job satisfaction and organisational climate at the University Computing Center, Zagreb” says that employees perceive lots of strong sides of the organisation as well as those that need some improvement. Collection and interpretation of opineness of the employees systematically and meaningful measures from the management could be an important step for the employees to change their perception from not being asked for the opinion and to become real partners in mutual efforts to successful and satisfied organisation.

62. A study in IIM - Bangalore (2008) [25] found the Indians have more faith in Government banks. When it comes to depositing hard, earned men and favor branches as the channel for accessing bank services. A bank branch is the most preferred outlet for utilizing banking services followed by ATM’s. Consumer’s preference is for banks with conveniently located branches wherein they get services for cash/cheque deposit, demand draft etc with ease.

63. Noah (2008) [41] in his investigative study regarding the existing level of worker participation in management decision making in Nigerian work environment found that employees have high interest in participation in the process of decision making in their workplace. The study also observed that there was significant relationship between education and age of the employees and employee’s involvement in decision making.

64. Bruce Cooil , Timothy L and Kiersten M (2009) [12] in their study proposed a methodological approach that is new to the service to explore how organisational climate is related to various business outcomes. Data was collected from a large, multinational retail grocery superstore based in continental western Europe. The study illustrates how multivariate partial least squares (MPLS) can be used to measure organisational climate. MPLS provide three interpretable factors of climate namely Overall organisational climate, Staff Efficiency Versus
Leaders Efficiency and Personal Empowerment Versus Management Facilitation. The important procedures of these three business outcomes are employee retention, customer satisfaction and sealed revenue.
REFERENCES


