Chapter - 1

INTRODUCTION

1.1 INTRODUCTION OF CULTURE

Culture is a total civilization of the society. It depends on certain values, norms and positive attitudes of people. New culture makes people knowledgeable. The cause of all causes of organizational functions is the culture. It creates, sustains and develops the knowledge of organization. The cause of culture is knowledge and cause of knowledge is culture. Thus only a cultured and devoted people can acquire adequate knowledge for the development of the organization.\(^1\) Culture refers to the social context within which humans live. It affects the very nature of organizations in which people work, and how individuals perceive and respond to the world.\(^2\) Originally an anthropological term, culture refers to the original values, beliefs, and codes of practice that makes a community what it is. The customs of a society, the self-images of its members, the things that make it different from other societies, are its culture.\(^3\) Using the concept of culture to analyze organizations can be very useful for focusing on the more behavioural and attitudinal aspects of organizational life. Culture focuses on those shared aspects of behaviour and thinking that unite the members of an organization together.\(^4\)

The culture consists of routines, values and beliefs, the way things are done in the organization. They can be strongly specified procedures, intentionally established for dealing with predictable activities or they can be evolving, taking the form of generally accepted and understood ways of working that have never been openly agreed or discussed.\(^5\) It is the cumulative preference of some states of life and some organized ways of dealing with basic concerns by members of a society which are promoting desired behaviour and preventing undesirable ones.\(^6\)
1.1.1 Defining Culture

1. Culture is as (a) a pattern of basic assumptions, (b) invented, discovered, or developed by a given group (c) as it learns to cope with its problems of external adaptation and internal integration, (d) which has worked well enough to be considered valid, and therefore (e) is to be taught to new members as the (f) correct way to perceive, think, and feel in relation to those problems. (Schein, 1990:111)⁷

2. Collective programming of the mind that distinguishes the members of one group or category of people from others (Hofstede, 2005)⁸.

3. Culture of civilization is that complex whole which includes knowledge, belief, art, morals, law, custom, and other capabilities and habits acquired by man as a member of society. (E.B. Tylor)⁹

Research Comment

Thus culture envelopes each of us, and touches every aspect of our lives. It is a way of thinking, feeling, believing, behaving and includes beliefs, values, knowledge, art, morals, laws, customs, habits, language and dress. It is transmitted by society and teaches us to share certain core values that help to shape the personality of the individuals within a culture.

1.2 Introduction of Organizational Culture

Organizational Culture is the newest perspective in organizational theory. It is at the same time both a radical exit from the mainstream of contemporary organizational behaviour studies, and a continuation and elaboration of long-established traditions. On the one hand it is a departure from the preoccupation with the formal and rational aspect of organization, and on the other hand, it is reworking of many of the concerns of established perspectives focused on group dynamics, power and politics.¹⁰ An organization’s culture is reflected by what is valued, the dominant leadership
styles, the language and symbols, the actions and routines, and the definitions of success that make an organization unique.\textsuperscript{11}

Organizational culture is unseen power, belief, common opinions and understandings of the organization. The experience and manner of performing the functions of an organization are organizational culture. People are guided to decide what is right or what is wrong.\textsuperscript{12} Most organizational culture has traditionally been implicit rather than explicit. Most recently, though, organizations have begun talking about their intended cultures, and many top leaders see one of their major roles as speaking out about the kind of environment they would like to create within their firms.\textsuperscript{15}

\subsection{1.2.1 Defining Organizational Culture}

1. Culture is a pattern of beliefs and expectations shared by the organization’s members. These beliefs and expectations produce norms that powerfully shape the behaviour of individuals and groups in the organization. (Schwartz and Davis, 1981:33)\textsuperscript{14}

2. A set of common understandings for organizing actions and language and other symbolic vehicles for expressing common understanding. (Louis, 1980) \textsuperscript{15}.

3. The taken for granted assumptions, beliefs, meanings, and values enacted and shared by organizational members. (Gowler & Legge, 1983).\textsuperscript{16}

\textbf{Research Comment}

Thus Organizational culture is that force which influences, attracts and convinces an individual to behave in a manner which is adopted in that organization. It lies down clearly the rules to be followed so that the common goals of an organization can be achieved effectively and with full cooperation of the entire members. It totally focuses on its administrative activities and drives it carefully until and unless it achieves it. This uniformed way of
behaviour is communicated to the new members also so that they can mould themselves according to the requirements of their organization and help other members to reach their ultimate goals.

1.2.2 Characteristics of Organizational Culture

- **Observed behavioural regularities**: When organizational participants work together with one another, they use familiar language, vocabulary and rituals linked to deference and demeanor.

- **Norms**: Standards of behaviour exist, including strategy on how much work to do which in many organization comes down to “DO not to do too much; do not do too little”.

- **Dominant values**: These are major values that the organization advocates and expects the participants to share. Typical examples are high quality, low absenteeism, high efficiency etc.

- **Philosophy**: These are policies that set forth the organization’s attitude about how employees and customers are to be treated.

- **Rules**: These are strict guidelines related to getting along in the organization. It also helps the newcomers in an organization to learn and to adapt them according to the environment prevailing in that organization and also assists them to be accepted as permanent members of the group.

- **Organizational climate**: This is an overall “feeling” that is conveyed by the physical layout, the way participants interact, and the way members of the organization conduct themselves with customers or other outsiders.
• **Distinct** : Each organization has its own past, patterns of communication, systems and procedures, mission statements and visions, stories and myths which in their totality, comprises its different culture.

• **Stable** : Cultures are also relatively stable in nature, usually changing only slowly over time.

• **Symbolic** : Another defining characteristic of culture is that it is seen as emblematic representation of primary belief and values. Most frequently, employees make conclusions about it from hearing stories about the way things are done, from reading slogans that portray corporate ideas, or from watching ceremonies in which certain types of employees are honored.  

1.2.3 **Elements of Organizational Culture**

• **Values** : Values are the heart of the culture. Both values and beliefs offer guiding philosophy for employees to pursue in their work. Values offer sense of direction and helps in shaping the behaviour.

• **Heroes** : Heroes represent these values. Managers offer as role-models for employees. They set the principles of performance and design norms as renowned symbols of behaviour.

• **Rites and Rituals** : If culture and values are to flourish and prosper these must be ritualized and celebrated frequently. These rituals can be of various types such as social rituals, work rituals, management rituals, recognition rituals, etc.
• **Setting up of Cultural Network for Communication**: These are story tellers, priests, gossips. This network reinforces the values of the organization. These elements are manifestations of organization culture and new people have to learn them. When employees understand the meanings of these, their beliefs, perceptions, experiences constitute culture.\(^{18}\)

• **Individual Autonomy**: It refers to the degree of responsibility, freedom and opportunities of taking initiative that individuals have in the organization.

• **Structure**: It refers to the degree to which the organization creates clear objectives, performance expectations and authority relationships.

• **Management Support**: The reference is to the degree to which managers provide clear communication, assistance, affection and support to their subordinates.

• **Performance Reward System**: The degree to which reward system in the organization-like promotions etc. is based on employee performance rather than on seniority favoritism and so on.\(^{19}\)

• **Ideals**: Ideals refer to the societal norms which define what is expected, customary, right or proper in a given situation. Norms are enforced by sanctions, i.e., by rewarding the right behaviour and punishing the wrong behaviour.

• **Preferences**: Preferences refer to society’s definitions of those things in life which are attractive or unattractive as objects of desire. Preferences may differ between cultures.\(^{20}\)
1.2.4 Nature of Organizational Culture

The culture of an organization may reflect in various forms adopted by the organization. These could be:

- The physical infrastructure
- Routine behaviour, language, ceremonies
- Gender equality, equity in payment
- Dominant values such as quality, efficiency and so on
- Philosophy that guides the organization’s policies towards its employees and customers. 21

1.2.5 Levels of Organizational Culture

Organizational culture can be studied at various levels of an organization. It can be studied, for example, for an entire corporation, a national subsidiary, a specific division or for a work group. It has to be fair uniform and needs to be connected with the characteristics of culture. 22

Organizational culture can also be explained at several levels of employees. At a group-level there are several researchers who have explained organizational culture as the beliefs, the attitudes, and the values which are all the same for the employees of the organization. They work towards a common goal. At an individual-level it is defined as an employee giving meaning to what is experienced at the shop floor. If culture is built on individual interpretations of experiences and is seen as shared norms in the organization, it is at organizational-level. 23

1.2.6 Sustaining Organizational Culture

The ways in which an organization functions and is managed may have both intended and unintended consequences for maintaining and changing organizational culture. One basic method of maintaining an organization’s culture is: The organization hires individuals who seem to fit its culture; the organization then maintains its culture by removing employees who consistently or markedly deviate from accepted behaviors and activities.
Specific methods of maintaining organizational culture, however, are a great deal more complicated than just hiring the right people and firing those who don’t work out. The most powerful indicators of the organization’s culture are (1) what managers and teams pay attention to, measure, and control; (2) the ways that managers (particularly top managers) react to critical incidents and organizational crises; (3) managerial and team work modeling, teaching and coaching; (4) criteria for allocating rewards and status; (5) criteria for recruitment, selection, promotion, and removal from the organization; and (6) organizational rites, ceremonies, and stories.24

**Figure No. 1.1**

Methods of Maintaining Organizational Culture

![Methods of Maintaining Organizational Culture Diagram]

**Methods of Maintaining Organizational Culture:**
- What managers and teams pay attention to
- Reactions to organizational crises
- Managerial role modeling
- Criteria for rewards
- Criteria for selection and promotion
- Organizational rites, ceremonies, stories


### 1.2.7 Functions of Organizational Culture

- Strong organization culture helps control employee behaviour and reduces employee turn-over.
- Organization culture that differentiates it from others creates distinct identity for that organization, i.e. based on values, rituals, etc.
• Organization culture provides a sense of identity to members of an organization, which enhances commitment towards organizational goals. Common beliefs of members generate collective commitment to goals.

• Organization culture acts as a social bond in behaviour. This maintains the stability of social system within it.

• Organization culture acts as a control mechanism directing and influencing employee behaviour for benefit of the organization. ²⁵

• Organizational culture creates a threshold beyond which no employee can go. They automatically observe the organizational standards and norms of behaviour.

• It gives stability to the organization. People prefer to continue with the organization due to its culture.

• Culture gives a social recognition to the organization and helps it grow and develop.

• A positive culture acts as a motivator and guide to the employees to perform better.

• It guides the attitude and behaviour of the employees. A culture of discipline encourages all the employees to be disciplined and well behaved.

• The implicit rules developed under the organizational culture make people development oriented and are more effective than the written rules as people abide them out of choice rather than as compulsion. ²⁶
1.2.8 Types of Organizational Culture

- **Mechanistic Culture**
  
  The mechanistic organizational culture is also known as bureaucratic culture. It exhibits the values of bureaucracy. People think of their careers around specialized and narrow fields. Authority flows from top to bottom in the organization structure. There is also great deal of departmental loyalty and inter department rivalry.

- **Organic Culture**
  
  In this culture there is very little formal organization structure. Main focus is on achievement of the task, team work and free flow of communication. There is greater understanding between employees within and outside the department. Such a culture emphasizes on flexibility, consultation, change and innovation.
• **Authoritarian Culture**

This culture focuses on centralization of power, authority and decision making with the leader who expects obedience. Discipline and acceptance of orders are stressed upon. The basic principle is that the leader knows best and followers must obey without any doubt in their mind.

• **Participative Culture**

Unlike authoritarian culture, participative culture is more decentralized and as the name suggests it treats everyone as equal and involves everyone in decision making. The major advantage in this culture is that there is greater ownership for decision as people feel that it is their own decision so they must ensure its implementation as well.

• **Dominant Culture**

A dominant culture, normally referred to as the organizational culture, reflects core values that are shared by the majority of the employees. In effect, this is the distinctive personality of the organization.

• **Sub Culture**

Each department in an organization can have its own culture which is known as subculture and an integration of these subcultures makes a culture within any organization. It is perfectly possible for independent and even conflicting subcultures to coexist.28

• **Neurotic Culture**

The idea of the neurotic organization is similar to the concept of neurotic person. As a neurotic people display extreme psychological tendencies and behaviours, leading to problems that affect them and others, similarly a neurotic organization is in trouble, but still able to operate, and managed by executives or groups of executives with neurotic tendencies. This culture is not qualitatively different from other healthy cultures—they are simply more extreme and intense.
Types of Neurotic Culture

- **Charismatic Cultures** - Is associated with a dramatic modal managerial personality, where dramatic managers have feelings of showiness.

- **Paranoid Cultures** - In it people do not easily share important information with others, tend to act passively and do not actively participate in important organization matters.

- **Depressive Cultures** - In this culture the top management avoids changes which are passive and purposeless.

- **Politicized Cultures** - In this culture there is no clear direction. The CEO is not strong, as well as also not sensitively connected to the organization. Managers are also involved in their divisive power struggles to enhance their own position and status, and there is only minimal concern with the success of the organization.\(^{29}\)

- **Role Culture**
  This culture is highly formalized and is abound with regulations and paperwork. The relations between members are dominated by authority and the hierarchy. A strict division of labour fragments work so that people tend to be reluctant to take on wider responsibilities.\(^{30}\)

- **Task Culture**
  It is the opposite of role culture. This culture preserves a strong sense of the basic mission of the organization and focuses mainly on specific jobs for which teams are assigned. The main strength here is teamwork, flexibility, adaptability, and mutual respect.

- **Power Culture**
  This culture is mainly dependent on trust, understanding and proper communication. There are few rules and little want for bureaucratic procedures. The biggest advantage of this culture is that plans can be formulated and decisions are taken easily with a single control centre. Leadership also gives an encouragement to maintain a strong culture.
• **Person Culture**

It is the culture where an individual has complete independence of deciding their own work allocation. Their influence is shared and if power is to be exercised it is generally on the basis of knowledge.  

• **Macho Culture**

This culture comprising of individuals prepared to take high risks, intensely pressurized working environment, members experience frequent ‘burnout’, and high levels of labour turnover.

• **Work hard/ Play hard**

In this culture actions are taken with few risks and get quick feedback. It is dynamic with focus on customer needs and much team spirit is found among the employees.

• **Bet-your-company**

In this culture there is high-risk decisions with slow feedback, focus on future, hierarchical decision making, innovative but slow moving.

The employees are interested to work cooperatively with their colleagues and have the spirit of strength to tackle high-pressure decisions. This culture is suitable for manufacturing high quality inventions and scientific breakthroughs.

• **Process Culture**

In this culture there is low risk with slow unreliable feedback, bureaucratic ‘self-preservation’ approach to work, and much time spent on minor detail.

• **Clan Culture**

It is a very friendly place to work where people share a lot of things with others. It is more or less like an extended family. The leaders or the heads are considered as mentors. In this culture the main focus is on creating better
morale and high level of trust, showing concern for people and also encouraging self-management.\textsuperscript{34}

- **Adhocracy Culture**
  This culture focuses on external positioning with a high degree of flexibility and individuality. It is an ideological culture where leaders are inventive and risk taker and employee fulfillment is enforced by their loyalty to organizational values.

- **Hierarchy Culture**
  It is a culture which focuses on internal maintenance with a need for stability and control. Where organization authority is vested in the rules and power is with those who have technical knowledge.

- **Market Culture**
  It is result-oriented and rational culture whose major emphasis is on getting the work done. Performance of the individuals is appreciated on their tangible output and is motivated for more achievements.\textsuperscript{35}

- **Collaborative Culture**
  This culture focus more on mutually beneficial relationships between two or more parties who work together towards their common goals by sharing responsibility, authority, and accountability for achieving goals. People are also free to talk about their actions which should be taken with each other.\textsuperscript{36}

- **Innovative Culture**
  This culture has more impact on commitment, and which ultimately leads to a higher satisfaction level among the employees as compared to other cultures.\textsuperscript{37}
Figure No. 1.3
A Model of Culture Types for Organizations

Organic Processes

<table>
<thead>
<tr>
<th>TYPE: Clan</th>
<th>TYPE: Adhocracy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DOMINANT ATTRIBUTES</strong>: Cohesiveness, participation, teamwork, sense of family</td>
<td><strong>DOMINANT ATTRIBUTES</strong>: Creativity entrepreneurship, adaptability, dynamism</td>
</tr>
<tr>
<td><strong>LEADER STYLE</strong>: Mentor, facilitator, parent-figure</td>
<td><strong>LEADER STYLE</strong>: Entrepreneur, innovator, risk taker</td>
</tr>
<tr>
<td><strong>BONDING</strong>: Loyalty, tradition, interpersonal cohesion</td>
<td><strong>BONDING</strong>: Entrepreneurship, flexibility, risk</td>
</tr>
<tr>
<td><strong>STRATEGIC EMPHASES</strong>: Toward developing, human resources, commitment, morale</td>
<td><strong>STRATEGIC EMPHASES</strong>: Toward innovation, growth, new resources</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>INTERNAL MAINTENANCE</th>
<th>EXTERNAL POSITIONING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TYPE: Hierarchy</strong></td>
<td><strong>TYPE: Market</strong></td>
</tr>
<tr>
<td><strong>DOMINANT ATTRIBUTES</strong>: Order, rules and regulations, uniformity, efficiency</td>
<td><strong>DOMINANT ATTRIBUTES</strong>: Competition, goal achievement, environment exchange</td>
</tr>
<tr>
<td><strong>LEADER STYLE</strong>: Coordination, organizer, administrator</td>
<td><strong>LEADER STYLE</strong>: Decisive, production- and achievement-oriented</td>
</tr>
<tr>
<td><strong>BONDING</strong>: Rules, policies and procedures, clear expectations</td>
<td><strong>BONDING</strong>: Goal orientation, production, competition</td>
</tr>
<tr>
<td><strong>STRATEGIC EMPHASES</strong>: Toward stability, predictability, smooth operations superiority</td>
<td><strong>STRATEGIC EMPHASES</strong>: Toward competitive advantage and market</td>
</tr>
</tbody>
</table>

**MECHANISTIC PROCESSES**

1.2.9 Process of Organization Culture

Some steps which are commonly adopted by organizations in starting and maintaining their culture are given below:

- A particularly deep intervention is E. Schein’s “Cultural Analysis” where it probes into the organization:
  - Artifacts (such as symbols, modes of dress, office layout),
  - Values behind artifacts, and
  - Cultural assumptions in group meetings.

- Creation of a vision: Transformational leadership creates a vision. He provides mission and mobilizes commitment and support.

- Takes key people and creates a core group that share a common vision, mission, values, goals and strategies so that it is institutionalized and become reality.

- Founding group acts in concert to create an organization culture. They adhere faithfully to the values.

- Involving of others’ employees and common values begin to be built and solidify. Organization’s values are in various areas such as- relationships to customers, social responsibility, and managerial style are focused.

- Managerial modeling behaviour strongly influences the employees.\(^{39}\)

These steps are indicated in Figure given below:
1.2.10 Patterns of Organizational Culture

- **Strong Culture**

  Organizational culture can be named as strong or weak based on sharedness of the core values among organizational members and the degree of commitment the members have to these core values. The higher the sharedness and commitment, the stronger the culture will be. It is a culture which is internally steady, is widely shared and makes it clear what it wants and how it wishes people to behave. In this culture, the core values of the organization are widely shared and have a significant influence on employee...
behaviour resulting in reduced turnover, lower absenteeism, and positive attitudes. In addition, organizations sharing strong culture tend to perform better than those without such a culture. It also tends to lead to team spirit, resistances to change and innovation. It also discourages diversity as strong culture would not tolerate the different behaviours and strengths which the people from different backgrounds will bring to their organization.

**Characteristics of Strong Culture**

- Clear and explicit philosophy about how business will be conducted
- Lots of time spent communicating values and beliefs
- Existence of creed or values statement
- Values and norms widely shared and deeply rooted
- Careful screening / selection of new employees
- Legendary stories told and retold
- Ceremonies awarding employees exemplifying cultural norms
- Visible rewards for those following norms; penalties for those who don’t
- Sincere commitment to operating company according to tradition.

For example- Seattle-based Nordstrom has developed one of the strongest service cultures in the retailing industry. Nordstrom employees know that in any uncertain terms what is expected of them, and these expectations go a long way in shaping their behaviour.

**Weak Culture**

Is a culture which is characterized by the presence of several subcultures, sharing of few values and behavioural norms by employees and existence of few holy traditions. In weak-cultured organizations, there is little consistency across the organization. Top executives do not repeatedly expose any business philosophy with the employees. Weak culture provides little or no strategy implementing assistance because there are no traditions, beliefs, values, common bonds, or behavioural rules that management can use as levers to activate commitment to implement the selected strategy. But it does not pose a strong barrier and it does not provide support. So the managers
have to use incentives and other motivational tools to mobilize employee commitment that will support strategy execution.\(^{43}\)

- **Soft Culture**
  It can emerge in an organization where the organization pursues numerous and conflicting goals. In this culture the employees choose to pursue a few objectives which serve personal or sectional interests rather than focusing on organizational interests. This culture is welfare oriented; people are held accountable for their mistakes but are not rewarded for good performance. Consequently, the employees consider work to be less important than personal and social obligations.\(^{44}\)

- **Hard Culture**
  It has often had a bad name in organization studies. Skinner (1948) argued reward works better than punishment: the latter’s benefits are temporary and produce negative side effects, a view receiving mixed support.\(^{45}\) According to Quinn (2006), the leaders in this culture are exacting and hold high standards of performance and can create defensiveness in others by being too tough, too insistent, too intense, or too severe.\(^{46}\)

- **Formal Culture**
  It is a culture which gets influenced to a large extent by the formal components of organizational culture. Roles, responsibilities, accountability, rules and regulations are components of formal culture. They set the expectations that the organization has from every member and indicates the consequences if these expectations are not fulfilled.

- **Informal Culture**
  This culture has tangible and intangible and specific and non-specific manifestations of shared values, beliefs and assumptions. This part of organizational culture comprising of artifacts, symbols, ceremonies, rites, and stories is highlighted in almost all the definitions of organizational culture.\(^{47}\)
1.2.11 Need for Creating a Positive Organizational Culture

A positive organizational culture is a culture that focuses on building on employee strengths, rewards more than it punishes, and emphasizes individual liveliness and growth. There are certain areas to consider:

- **Building on Employee Strengths**

  Today many organization behaviour and management practices, is concerned with how to solve employee problems. Although a positive organizational culture does not ignore problems rather it does emphasize showing workers how they can capitalize on their strengths and can solve their problems easily.

- **Rewarding more than Punishing**

  There is, of course, a time and place for punishment, but there is also a time and place for rewards. Although most organizations focus more on extrinsic rewards like pay and promotions, and fail to remember about the power of smaller rewards like praise. Creating a positive organizational culture means that managers hold employees doing something right. Part of creating a positive culture is articulating praise.

- **Emphasizing Vitality and Growth**

  A positive organizational culture emphasizes not only on organizational effectiveness, but individuals’ growth as well. A positive culture realizes the difference between a job and a career, and shows an interest not only in what the employee does to contribute to organizational effectiveness, but in what the organization is contributing towards the employees.48

1.2.12 Significance of Organizational Culture

Culture is an asset as it facilitates better cooperation and communication between management and employees and extends help to the organization in the following ways-
• Organizational culture is important in the field of organizational behaviour as it gives proper understanding, insight and feedback to the leaders and management about the present pattern that facilitate, either to development or constraints to organizational development.

• It is important because no organization can operate in isolation to its cultural environment.

• An understanding of organizational culture is important as it explores the ethos and managerial practices at work, which would go a long way in developing positive attitudes, which in turn are likely to exert positive influence on performance.

• Organizational culture is significant as it establishes the linkage between culture, leadership and work ethics in building human and social capital.49

• Knowledge of one’s organizational culture helps newer employees interpret what goes on inside it by providing an important context for events that would otherwise seem confusing.50

Conclusion

Thus culture spans the range of management thinking, and organizational culture has been one of the most lasting buzzwords of popular management. Organizational culture is in fact unifying, and this strongly appeals to management’s concern with projecting an image of the organization as a community of interests. Also the concept itself promotes an awareness of other industrial and national cultures that seem to have been mainly successful in increasing innovative work systems. Perhaps most importantly, culture penetrates to the essence of an organization. As in a highly competitive and brand-conscious time, a clear statement of the image and values of a company is considered as an essential part of its strategic apparatus, where organizational culture helps in developing and understanding the real mission and core values of the organization.
1.3 INTRODUCTION OF JOB SATISFACTION

The term job satisfaction was introduced by Hoppock (1935). He reviewed 35 studies on job satisfaction conducted prior to 1933 and found that job satisfaction is a blend of psychological, physiological and environmental situation that cause a person to say, “I am satisfied with my job.”

Job satisfaction is a process which is generally acquired over a course of time as an employee gains more experience. Satisfaction is vibrant and may decline faster than it developed. Keeping this in view managers must attempt continuously towards satisfaction of their subordinates. They must take interest to employee’s outlook on a regular basis. Job satisfaction is an individual’s emotion reaction on the job, supervision and the organization. It is the amount of pleasure or satisfaction related with a job. Like other attitudes, job satisfaction consist of emotional, informational, and be-variety of sources, and can serve a number of functions for the individual. Job dissatisfaction does mean lack of motivation at work.

Job satisfaction relates to one’s feeling towards one’s job. It can be inferred but not seen. It is a set of favourable or unfavourable approach with which employees observe their work. It is the amount of pleasure or gladness associated with a job. Satisfaction in one’s job means increased commitment in the fulfillment of formal requirements. There is greater eagerness to devote personal energy and time in job performance.

1.3.1 Defining Job Satisfaction

1. Job satisfaction is the amount of overall positive effect or feelings that individuals have towards their job.

2. Job satisfaction is a reintegration of effect produced by individual’s perception of fulfillment of his needs in relation to his work and the situations surrounding it. (Sinha, 1974).
3. Job satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience. (Locke, 1986).  

**Research Comment**

Job satisfaction is that optimistic feeling that gives happiness, joy and delightfulness to an employee and builds confidence in his or her personality. Satisfaction also helps in developing loyalty among the employees towards their organization. It makes an effort in fulfilling professed desires of the individuals. It gives an opportunity to each and every employee to take initiatives in their respective jobs and teaches them to learn more innovative methods which can give more pleasure while doing their job.

**1.3.2 Significance of Job Satisfaction**

The study of job satisfaction levels is very important for executives. The importance of job satisfaction study can be understood by finding answers to the following questions.

i. Is there room for improvement?

ii. Who is relatively more dissatisfied?

iii. What contributes to the employee satisfaction?

iv. What are the effects of negative employee attitudes?

As it provides scope by answering these following aspects-

- It always gives an opportunity for further improvement.
- It provides reasons why he or she is comparatively discontented.
- It explains various factors which help in achieving satisfaction by an employee.
- It also narrates the effects of pessimistic employee attitudes.
- It has been found that there exists a positive and mutual relationship between job and life satisfaction in the short term, and that over time, general life satisfaction becomes more significant in a person’s life.
1.3.3 Tools of Job Satisfaction

Since there is no contract on a specific definition, generally questionnaires are developed to evaluate satisfaction with various aspects of work and the resultant behaviour or score is called job satisfaction.

These areas and representative items under each one of the areas are given below:

• **Job**
  Nature of work, hours of work, colleague workers, opportunities on the job for promotion and advancement over time regulations, interest in work, physical environment, machines and tools, etc.

• **Management**
  Supervisory behavior, participation, reward and punishments, praise and blame, leave policy, favouritism, etc.

• **Social Relations**
  Neighbours, friends and associates, attitude towards people in community, participation in social activities, caste barriers, etc.

• **Personnel Adjustment**
  Emotionalism, health, home and living conditions, finances, relations with family members, etc.\(^5^9\)

1.3.4 **Determinants of Job Satisfaction**

1.3.4.1 **Personal Factors**

a) **Race and Gender**
  Race and sex are also vital factors in job satisfaction. It has been found that females are more satisfied than men almost certainly because of their lesser ambitions and financial needs.

b) **Age**
  Some research studies have revealed that there is a positive correlation between age and job satisfaction. Workers in the later age group tend to feel more satisfied with their jobs, probably because they have accustomed with their job conditions. Younger workers, particularly those with relatively better educational and social background, have high ambitions about the career advancement. They often tend to report dissatisfaction, probably because they find that they are not going ahead fast enough.
c) Working Conditions

Job satisfaction is related to working conditions also. The work will be more satisfying if working conditions are congenial to the task a worker proposes to accomplish. Good working conditions involve such facilities as adequate light, comfortable temperature, attractive surroundings etc.

d) Job Content

Herzberg holds the view that job content factor such as achievement, recognition, advancement, responsibility and the work itself tend to provide satisfaction but their absence does not tend to create dissatisfaction. Also job satisfaction is related to the aptitude of the employee. If the employee is given a work for which he has no aptitude, the job will provide no attraction to him.

e) Employee Morale

If the employee morale in an organization is high, satisfaction with job is likely to be high and vice versa. The worker will be loyal to the organization if their morale is high. The rates of absenteeism and labour turnover will also be low because of psychological satisfaction from the job.

f) Avenues of Promotion

Opportunities of promotion affect job satisfaction considerably. The desire for promotion is generally stronger among higher level employees. It is no surprise that the employee takes promotion as the ultimate achievement in his career and when it is realized, he feels extremely satisfied.

g) Specialization

It also leads to greater efficiency, but it also contributes to dissatisfaction. Repetitiveness of task is found to be boring and monotonous by workers. Greater variety of tasks may not increase satisfaction unless the tasks form a unified, integral and meaningful whole. Enlarging the job by adding diverse unrelated activities or rotating the worker from one job to another unrelated job may not have intended positive consequent on either satisfaction or motivation.
h) **Work Group**

People seek satisfaction of their social and psychological needs in the interaction with others in a group situation. However, the amount of satisfaction that a person derives from interaction with his co-workers depends on his own need for affiliation. If the group enjoys a higher status, the employee’s level of job satisfaction will increase further.60

i) **Number of Dependants**

It has been found that if white-collar workers in America have more number of dependants one has, the less satisfaction he has with his job. In the Indian study by Sinha and Nair, workers having to support fewer dependants (one to four) tended to have higher job satisfaction while those with five or more dependants tended to be dissatisfied.

j) **Education**

Indian studies have generally shown that there is a tendency for the more educated workers to be less satisfied and conversely the less educated workers to be more satisfied.61

### 1.3.4.2 Factors Inherent in the Job

a) **Skill Required** - It has been recognized that where skill exists to a considerable degree it tends to become the first source of satisfaction to the workman. The study also noted that satisfaction in conditions of work or in wages become prominent only where satisfaction in skill has materially decreased. The study of Sinha and Nair among the Indian workers has shown that skilled workers have significantly higher job satisfaction than unskilled workers.62

b) **Occupational Status** – Occupational status is related to, but not identical with, job satisfaction. It has been observed that employees are more dissatisfied in jobs that have less social status and prestige.
c) **Geography** - It is a general observation that workers in larger cities are less satisfied with their jobs than are those in smaller cities and towns.

d) **Size of Plant** - In small plants individuals know each other better and are therefore more cooperative. The favourable attitudes in small plants are based specifically on optimism about advancement, opportunity for making suggestions, treatment of employees, and respect for the ability of management. 63

e) **Supervision** - Employee oriented or considerable supervisors who take personal interest in their subordinates and display friendship, mutual trust, respect and warmth, have been found to have subordinates who are relatively more satisfied with their jobs. This satisfaction with leadership behaviour of the supervisor results in relatively low turnover rates, grievances and absenteeism. On the other hand, production oriented supervisors who view their subordinates as people to get work done, cause low satisfaction and consequently relatively high rates of grievances, turnover and absenteeism.

1.3.4.3 Factors Controllable by Management

a) **Salary**

Adequate salary plays a significant role in influencing job satisfaction. This is due to two reasons. First, money is an important instrument in fulfilling one’s needs. Secondly, employees often see pay as a reflection of management’s concern for them. Employees want a wage or pay system which is simple, fair and in line with their expectations and if these criteria are met they feel satisfied. 64

b) **Security**

Job security is the second most important preference out of various job factors. In short while getting a job is of foremost importance being secured on the job is the very next requirement of the Indian worker. This is understandable in the face of widespread unemployment, uncertainties in the
employment market and the conditions which are often termed as unfair labour practices.

c) Opportunity for Advancement

The fact that opportunity for advancement is so highly ranked may lead to the interpretation that every worker will want to get promotion and will feel satisfied in getting it.

d) Co-workers

It has been found that relationship with co-workers, usually considered as a hygiene, extrinsic, or dissatisfier factor and considered as the most important satisfier among a group of highly skilled personnel. Moreover it was also found that friendly people to work with was ranked fairly high by better performers whereas it was ranked low by poorer performers. 65

e) Fringe Benefits

Adequate personal benefits have been given frequently moderate ranking within the Indian studies. It has been found that fringe benefits including housing, canteen, etc. are rated second in importance to wage and salary. 66

Table No. 1.1
Factors Influencing Job Satisfaction
According to Baron certain factors which influence job satisfaction are as follows: .

<table>
<thead>
<tr>
<th>Factor</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Challenging work</td>
<td>Work should be interesting, but not fatiguing.</td>
</tr>
<tr>
<td>2. Rewards for good performance</td>
<td>Clear contingencies between performance and reward are desirable.</td>
</tr>
<tr>
<td>3. Verbal recognition</td>
<td>Appreciations, praises and feedbacks.</td>
</tr>
<tr>
<td>4. Good working conditions</td>
<td>Physical working conditions should be comfortable.</td>
</tr>
<tr>
<td>5. Concerned supervision</td>
<td>Supervisors should demonstrate their concern for helping employees.</td>
</tr>
<tr>
<td>6. Positive interpersonal relations</td>
<td>Satisfaction is strongly enhanced by friendly relations and supervisors with co-worker</td>
</tr>
<tr>
<td>7. Effective company policies</td>
<td>These should aid employees to attain goals.</td>
</tr>
</tbody>
</table>

1.4 EFFECT OF JOB SATISFACTION ON EMPLOYEE PERFORMANCE

For a very long time it was believed that satisfied workers were productive workers, but later studies found it to be a myth. The traditional view that a happy worker is a productive worker does not clarify the complex relationship between job satisfaction and productivity. No doubt some studies have reported positive correlation between satisfaction and productivity but these are often not statistically significant.

Herzberg analyzed the results of twenty six studies focusing on the relationship between job satisfaction and productivity. Fourteen of these showed that worker with positive job attitudes had higher productivity than those with negative attitudes. In nine studies job attitudes and productivity were not related and in three studies workers with the positive attitudes had poorer production records than those with negative attitudes.

Lawler and Porter hold the view that it is productivity that leads to satisfaction and not vice versa. In the diagram below, performance leads to rewards and if these rewards are considered by the employee to be equitable in relation to his perception of the rewards of his referent others and his perception of what he should receive, he will experience satisfaction.67

**Figure No. 1.6**
Model of Perception Leading to Satisfaction

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1.5 THEORIES OF JOB SATISFACTION

1.5.1 The Two-Factor Theory of Job Satisfaction

In 1959, Herzberg described the two factor theory of job characteristics. This theory is a need-based theory which means if the job can fulfill a few individual’s needs; it can be a source of satisfaction. Herzberg found that there are two different sets of factors that can influence the employee’s experience:

a) Hygiene (Extrinsic to the job itself) factors are – salary, interpersonal relations, supervision, company policies and administrative practice, physical working conditions, benefits, job security, personal life.

b) Motivator (Intrinsic to the job itself) factors are – achievement, recognition, work itself, responsibility, advancement, personal growth.

1.5.2 The Value Theory

This theory was proposed by Locke in 1984. He found that job satisfaction occurs when the job outcomes or the reward that the employee receives matches with outcomes that are desired by him. The theory focuses on any outcome that people value regardless of their quality or quantity. Thus, the better the outcome that they get the more satisfied they will be; and the less valuable outcome they receive, the less satisfied they will be.

1.5.3 The Met Expectations Theory

This theory is based on the expectations that new employees have about the job and how far these expectations are met. It suggests that the employees will work to achieve the outcomes they expect to follow after successful performance. (Porter and Steers, 1973). Workers become dissatisfied if their expectations about their job are not met. One of the implications of the Met Expectations theory is that one way of reducing potential dissatisfaction among employees is to bring their expectations in line with the reality.
1.5.4 The Equity Theory

Adam’s theory (1963) Equity Theory argues that people compare the ratio of their outcome over input with the ratio of other’s outcome over input. If their ratio is greater than or lesser than that of the others, they feel dissatisfied because inequity has occurred. However to feel satisfied with the job, the ratio should be equal to that significant others (what is called equity).

Figure No. 1.7
Equity theory of Job Satisfaction


1.5.5 The Opponent Process Model of Job Satisfaction

Initiating some changes in the job may increase worker satisfaction but it is not necessary that the increase in satisfaction will remain the same over time. This is because constant input does not result in constant output. The process of adaptation implies that a constant input will have a decreasing output. This notion was applied to the concept of job satisfaction in the Opponent Process Theory by Landy in 1978.68

1.5.6 Maslow’s Theory

The need hierarchy theory is relevant to job satisfaction. Jobs which are able to satisfy more of the hierarchical needs would be jobs which would result in greater satisfaction on the part of the employees. Maslow propounded that all employees have a series of needs which should ideally be satisfied at
work. He also found that usually, as one need was fulfilled, the next level of need tends to become the prime motivator, hence the idea of a hierarchy of five steps are given below:

- Physiological needs like food, warmth, shelter may be mainly satisfied at work by salary / wages.
- Safety / Security needs like safe conditions, job security may be mainly satisfied at work by good working conditions and benefits.
- Social needs like belongingness and acceptance and appreciation may be mainly satisfied at work by harmonious teams.
- Esteem needs like need for status / power may be mainly satisfied at work by promotion and respect for position / expertise.
- Self-actualization needs like need for self fulfillment may be mainly satisfied at work by challenging work which realizes an individual’s potential.

1.5.7 Social Influence Theory

Salancik and Pfeffer (1977) suggested that perhaps people decide how satisfied they are within their jobs not by processing all kinds of information about it but by observing others on similar jobs and making inferences about other’s satisfaction. Weis and Shaw (1979) suggest that an individual simply infers a level of his own satisfaction from observing others. White and Mitchell (1979) also showed that people indeed are influenced by their perceptions of other’s satisfaction. Social influence theory of job satisfaction is interesting because it recognizes the social nature of work and suggests a way of determining job satisfaction that has been ignored in the past.

1.5.8 Instrumentality Theory

This theory believes that individuals calculate the degree to which the job is satisfying by considering the extent to which the job leads to valued outcomes. It is assumed that individuals have a set of judgements about how much they value certain outcomes such as pay, promotion, or good working conditions. They then estimate the extent to which holding the job leads to each of these outcomes. Finally, by weighing the perceived value or
attractiveness of each outcome by considering all outcomes in the set, the individual arrives at an estimate of the satisfaction he feels will come from the job. 69

1.6 CONSEQUENCES OF JOB SATISFACTION

From an individual as well as organizational effectiveness viewpoint it is significant to understand the relationship of satisfaction to outcome variables. The effect of job satisfaction on some key organizational and individual factors is given below:

1.6.1 Performance

There are essentially three perspectives on the relationship between performance and job satisfaction. They are

• The traditional human relations approach suggests that satisfaction leads to exerting more effort by employees and subsequently results in higher levels of performance. It is the common sense view that a satisfied worker is also a more motivated and productive worker.

• The second approach suggests that performance indirectly leads to satisfaction as performance levels affect the rewards employee receive. Thus, performance and satisfaction will most strongly be correlated when rewards are made contingent upon performance than when they are not.

• Another alternative view is that there is no specific relationship between job satisfaction and performance - offering hardly any comfort to those seeking to confirm that a satisfied employee is a productive employee.

1.6.2 Turnover

Most research studies indicate that satisfied workers are in general less likely to leave the organization. These studies find a little over 15 per cent of variance in turnover to be associated with variance in satisfaction. Thus there is a moderate association between satisfaction and turnover (Lee and Mowday,
1987) because it is perhaps only one of the many factors responsible for an individual’s decision to quit.

1.6.2.1 Absenteeism

It is widely known that absenteeism causes costly interruptions at the workplace. Since temporary workers replace regular workers it can also result in poor quality products. Hence there is an inverse relationship between satisfaction and absenteeism (Kumari and Singh, 1998). Besides, while job satisfaction will not necessarily lead to low absenteeism, low job satisfaction is inclined to bring about an increase in absenteeism.70

1.6.2.2 Organizational Citizenship Behaviour

It seems logical to assume that job satisfaction should be a major determinant of an employee’s organizational citizenship behaviour (OCB). Satisfied employee would seem more likely to talk positively about the organization, help others, and go beyond the normal expectations in their job. Moreover, satisfied employees might be more prone to go beyond the call of duty because they want to reciprocate their positive experiences. Thus, evidence suggests that job satisfaction is moderately correlated with OCBs.71

1.6.3 Mental Health

Studies have reported that high job satisfaction is associated to better mental health (Sutaria, 1970; Gunthey and Singh, 1982). Employees with good mental health have found to learn job-related tasks faster, have less on-the-job accidents, and reports fewer grievances. Another aspect of mental health could be the degree of frustration experienced on the job and its impact on the work and life of employees. Prolonged dissatisfaction can result in frustration.

1.6.4 Culture

Research has uncovered that executives in less industrialized countries have lower job satisfaction. Besides, Japanese workers were reported to have significantly lower job satisfaction than US workers (Lincoln, 1989). In a comparison of employees in the US and India, factors that lead to job
satisfaction were found to differ greatly. While leadership style, pay, and security influenced job satisfaction for the Americans, for Indians recognition, innovation, and the absence of conflict led to job satisfaction (Krishnan and Krishnan, 1984).

1.6.5 Non-Work Life

Researchers have reported that there is a spillover of job satisfaction to other spheres of life too. In other words, satisfaction in job seems to increase satisfaction in other spheres of life or what is called satisfaction in general (Mehta, 1978). A Meta analysis by Kossek and Ozeki (1998) of fifty studies with fifty groups found a negative relationship between all forms of work-family conflict and job and life satisfaction. Women are found to be more adversely affected by work-family conflict than men because of their double responsibilities of work and home.  

1.7 MEASURES TO INCREASE JOB SATISFACTION BY MANAGEMENT

1.7.1 Job Enlargement

To check the harmful effects of specialization, the engineering factors involved in each individual job must be carefully analyzed. Perhaps the assembly lines can be shortened so that there will be more line and fewer workers on each line. Moreover, instead of assigning one man to each job, a group of men can be assigned to a group of jobs and then allowed to decide for themselves how to organize the work. Such changes permit more social contacts and greater control over the work process.

1.7.2 Job Rotation

Many companies are seeking a solution to on-the-job boredom through systematically moving workers from one job to another. This practice provides more variety and gives employees a chance to learn additional skills. The company also benefits since the workers are qualified to perform a number of different jobs in the event of an emergency.
1.7.3 Change of Pace

Anything that will give the worker a chance to change his pace when he wishes will lend variety to his work. Further if workers are permitted to change their pace that would give them a sense of accomplishment.

1.7.4 Scheduled Rest Periods

Extensive research on the impact of rest periods indicates that they may increase both morale and productivity. Scheduled rest periods bring many advantages:

- They counteract physical fatigue.
- They provide variety and relieve monotony.
- They are something to look forward to—getting a break gives a sense of achievement.
- They provide opportunities for social contacts.

1.7.5 Shorted Hours

Shorter work-day in many cases leads to higher production, reduced absenteeism, accident rate, and giving a feeling of accomplishment. Most people get a sense of accomplishment from completing a whole job. If the job becomes too specialized, the worker loses his feeling for the relationship between his work and the overall process. The concept of whole job gives satisfaction to a worker:

- That he plays a significant part in the work process as a whole, and
- That the process itself is important.

1.7.6 Greater Autonomy

Possibly the single most effective way of increasing job satisfaction is to give workers more freedom to do their work in their own way. People will work harder and derive satisfaction if they are given the freedom to make their own decisions.
1.7.7 Automation

The effect of automation on job satisfaction depends largely on the degree of automation that is introduced. Clearly, automation means different things in different situations, and it is difficult to state firmly that it either decreases or increases job satisfaction.

1.8 EXPECTATIONS OF EMPLOYEES REGARDING JOB SATISFACTION

1. Recognition as an individual.
2. Meaningful task.
3. An opportunity to do something worthwhile.
4. Job security for himself and his family.
5. Good wages.
6. Adequate benefits.
7. Opportunity to advance.
9. Satisfactory working conditions.
10. Competent leadership - bosses whom he can admire and respect as persons and as bosses.

Conclusion

Thus, job satisfaction refers to an employee’s general approach towards his job. To the extent that a person’s job fulfills his principal needs and is consistent with his expectations and values, the job will be satisfying. A number of characteristics such as pay and benefits, supervision, working conditions, the nature of the work itself, and company policies, affect job satisfaction.

1.9 MEANING OF ORGANIZATIONAL COMMITMENT

Organizational commitment refers to the strength of an employee’s involvement in the organization and identification with it. It goes beyond loyalty to include an active contribution to accomplishing organizational goals. It is an important work attitude that has a bearing on organizational
behavior. Organizational commitment represents a broader work attitude than job satisfaction because it applies to the entire organization rather than just to the job. It indicates a person’s feelings with regard to continuing his or her association with the organization, acceptance of the values and goals of the organization, and willingness to help the organization achieve such goals and values. There are three dimensions of organizational commitment which are given below:

- Affective Commitment – A person’s emotional attachment to and identification with the organization.

- Continuous Commitment – Based on the benefits the person sees in continuing with the organization.

- Normative Commitment- The willingness of the person to continue with the organization because it is commonly considered a good thing to stay on. This model has been tested and has been found to be applicable to non-western cultures also.

1.9.1 Sources of Organizational Commitment

The sources of organizational commitment may vary from person to person. Employees’ initial commitment to an organization is determined largely by their individual characteristics (e.g., personality and attitudes) and how well their early job experiences match their expectations. Later, organizational commitment continues to be influenced by job experiences, with many of the same factors that lead to job satisfaction also contributing to organizational commitment or lack of commitment: pay, relationships with supervisors and coworkers, working conditions, opportunities for advancement, and so on. Over time, organizational commitment tends to become stronger because (1) individuals develop deeper ties to the organization and their coworkers as they spend more time with them; (2) seniority often brings advantages that tend to develop more positive work attitudes; and (3) opportunities in the job market may decrease with age, causing workers to become more strongly attached to their current job.
1.9.2 Relation of Organizational Commitment with Job Behavior

Managers are interested in the relationships between organizational commitment and job behavior because the lack of commitment often leads to turnover. The stronger an employee’s commitment is to the organization, the less likely the person is to quit. Strong commitment also is often correlated with low absenteeism and relatively high productivity. Attendance of work (being on time and taking little time off) is usually higher for employees with strong organizational commitment. Moreover, committed individuals tend to be more goal directed and waste less time at work, which has a positive impact on productivity. Effective management can foster increased commitment and loyalty to the organization.76

1.10 MEANING OF ORGANIZATIONAL EFFECTIVENESS

Organizational effectiveness is also called organizational success or growth. An organization remains effective as long as it uses the resources in an effective manner and continues to contribute to the organization as a whole. Organizations are basically the interacting entities in which the desires of the individual, the group and the organization are in a continual state of adaptation. It means that there are multiple goals. Another fact is that organizations are a part of the society and they do not operate in isolation. So it is very important for individuals and the group to understand how it operates in isolation and also to understand how it pursues the goals. All this makes it necessary to conceptualize organizational effectiveness in such a manner that it should help in achieving multiple objectives instead of one objective only.

1.10.1 Defining Organizational Effectiveness

Organizational effectiveness is the degree to which operative goals have been attained while the concept of efficiency represents the cost/benefit rate incurred in the pursuit of these goals. (Barnard).
1.10.2 Significance of Organizational Effectiveness

The concept of organizational effectiveness helps in achieving the following objectives:

- Organizational productivity.
- Organizational flexibility in the form of successfully adjusting internal changes and external changes.
- Removing organizational stress, or tension and conflict within the various departments, individuals in the organization. 77

1.11 MEANING OF PERCEPTION

Perception is the basis of one’s knowledge of the world. One always wants to know the world and the surrounding environment. Knowledge is power. Without knowledge one cannot act efficiently. Perception is the main source of such knowledge. 78 Perception is not just what one sees with the eyes. It is a much more complicated process by which an individual selectively absorbs or assimilates the stimuli in the environment, cognitively organizes the perceived information in a specific fashion and then interprets the information to make an evaluation about what is going on in one’s environment. 79

1.11.1 Defining Perception

1. Perception is an active psychological process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment. 80

2. Perception is a process of receiving, selecting, organizing, interpreting, checking, and reacting to sensory stimuli or data so as to form a meaningful and coherent picture of the world. 81

Research Comment

Thus perception is a process of getting awareness and knowledge about both the internal and external environment prevailing in the world. It plays a very important role by helping an individual in taking decisions for the
It involves collecting, evaluating, and converting the data in order to get the real experiences.

1.11.2 Perception Process

Perception has several aspects or processes of which perception is composed. Each process is examined as follows:

I. The process of receiving stimuli
   Most stimuli (data) are received through the five sense organs. One sees things, hears them, or tastes things or touches them and learns other aspects of things.

II. The organizing process
   After the stimuli have been received, these are organized in some form. In order to make some sense out of the data received, it is necessary to organise them.

III. The process of selecting stimuli
   After receiving the stimuli or data some are selected. It is not possible to pay attention to all the stimuli received. In order to economize on the use of attention, the stimuli are screened and selected for further processing.

IV. The process of interpreting
   After the data have been received and organized, the perceiver interprets the data in various ways. Perception, essentially, is giving meaning to the various data and information received.

V. The process of checking
   After the data have been received and interpreted, the perceiver takes some steps of checking whether his interpretations are right or wrong. This is more in the form of feedback about one’s own perceptions. From feedback, the perceiver may slowly increase his accuracy of perception.
VI. The process of reacting

The last phase of the perceptual process is that of acting in relation to what has been perceived. This is usually done when a person does something in relation to his perception. The cycle of perception is not complete unless it leads to some action.

1.11.3 Importance of Perception

a. Every person perceives the world and approaches the life problems differently. This factor is very important in understanding human behaviour. The world as we see it is not necessarily the same as it really is. It is because what we hear is not what is really said. We buy what we like best and not what is best. It is because of perception that a particular job may appear good to one and bad to another.

b. Perception is the main source of one’s knowledge with which we act.

c. Perception is important dynamite for the manager who wants to avoid making errors when dealing with people. A manager’s response to a situation may be misinterpreted by a subordinate who perceives the situation quite differently. Thus, in order to deal with subordinates effectively, a manager must understand their perception properly. It is necessary to assess how workers perceive their jobs.

Similarly absenteeism, turnover and job satisfaction are also reaction to the individual’s perception. The employee’s conclusion that a job is good or bad is an interpretation. Manager has to understand how each individual interprets reality. Where there is difference between what is seen and what exists, a manager may try to eliminate distortions.
Few applications of factors in organisation are:

- Employment interview.
- Performance evaluation.
- Employee loyalty.

Managerial decisions are influenced by individual perceptions.

d. Social aspects of perception are important for understanding organisation behaviour and management practices. Social perception is directly concerned with how one individual perceives other individuals; and how we get to know others.

e. Impression management is process by which people try to manage or control the perceptions formed by other people about them. Often people like to present themselves in a socially desirable way and impress others. Impression management is sometimes referred to as ‘self-presentation’. Impression management is used by some people as a short cut to achieve success in the organisation.

1.11.4 Factors Influencing the Perceptual Process

Several factors influence how we process the perceptual input and transform them into output. People behave on the basis of what they perceive reality to be and not necessarily as what reality is. Three influences on the concept of perception are described below. These influences are:

- The characteristics of the Perceiver

- The characteristics of the Perceived

- The characteristics of the Situation.
Figure No. 1.8
Factors influencing the perceptual process

Characteristics of the Perceiver
- Needs, Values, Experiences, Attitude, Expectations

Characteristics of the Perceived
- Novelty, Appearance, Sounds, Communication Behaviour

Characteristics of the Situation
- Physical Location
- Social Setting
- Organisational Setting
- Time

Perception
Overall Understanding of Perception

b. Intensity - The more intense the external stimulus, the more likely it is to be perceived.

c. Contrast - This principle states that external stimuli which stand out against the background will attract the attention.  

d. Motion – A moving factor is more likely to be perceived than a stationary factor. Soldiers in combat learn this principle very quickly.

e. Repetition - A repeated factor is more likely to be noticed than a single factor. Marketing managers use this principle in trying to get the attention of prospective customers.

f. Novelty and familiarity - Either a familiar or a novel factor in the environment can attract attention, depending on the circumstances. For example, people would quickly notice an elephant walking along a city street.
1.11.4.2 Internal Factors

a. Personality- Personality also influences perception. An introvert may be attracted to people either similar to or quite dissimilar to him or her.

b. Background- One’s background also influences one’s selection of objects. For example, a person educated in a management training institute may attend more to a person who has been through a similar education.  

c. Learning- Learning determines the development of perceptual sets. A perceptual set is an expectation of a particular interpretation based on past experience with the same or similar object.

d. Motivation- Motivation also plays an important role in determining what a person perceives. A person’s most urgent needs and desires at any particular time can influence perception.  

1.12 MEANING OF ATTITUDES

An attitude may be thought of as a learned predisposition to respond in a consistently favourable or unfavourable manner to a particular thing or idea. It connects beliefs and values with feelings. Attitudes are relatively lasting feelings, beliefs, and behavioral tendencies aimed at specific people, groups, ideas, issues, or objects. It reflects an individual’s background and experiences.
1.12.1 Components of Attitudes
An attitude consists of:

1.12.1.1 An affective component
The feelings, sentiments, moods, and emotions about some person, idea, event, or object;

1.12.1.2 A cognitive component
The thoughts, opinions, knowledge, or information held by the individual; and

1.12.1.3 A behavioral component
The predisposition to act on a favourable or unfavourable evaluation of something.

1.12.2 Types of Attitudes
- Job Satisfaction
A person with high level of job satisfaction holds positive attitude to the job. Job satisfaction is pleasurable or positive, emotional state that results when an individual evaluates his job experience.

- Job Involvement
Degree to which an individual identifies with the job and participates in it, and considers that his performance in the job contribute his self-worth. High level of job involvement leads to lower turnover and absenteeism.

- Organizational Commitment
It refers to the extent to which an individual identifies with a particular organization, and its goals and wishes to remain a member of that organization. In fact, organization can reduce turnover by enhancing the job satisfaction, job involvement and organizational commitment.
1.12.3 Functions of Attitudes

- **Attitudes predict work behaviour**
  Attitudes reflect an individual’s work behaviour and performance. Attitude survey revealed workers were upset by change of rule and productivity of employees had declined.

- **Attitudes help adapt/adjust employees to their work environment**
  When employees are well treated by boss, they develop positive attitude. This becomes basis for future behaviour.

- **Attitudes help employees defend their ego self-image**
  For example, older manager’s decisions may be challenged by younger employees. Manager may defend by saying as employees are immature and inexperienced.

- **Attitudes serve as value-expressive function**
  People express their values through their attitudes. For example, a manager wants an employee to work harder; he may tell the employee that company expects its tradition of work hard.

- **Attitudes provide knowledge about organization**
  Management can provide accurate information to correct union leader’s negative attitude toward the organization.89

1.13 EFFECT OF ORGANIZATIONAL CULTURE ON JOB SATISFACTION

Organizational culture affects the performance and satisfaction of employees by the seven characteristics (such as innovation and risk-taking, attention to detail, result-orientation, people-orientation, team-orientation, aggressiveness, and stability vs. growth) given by Stephen P. Robbins (Organization Behaviour). These characteristics exist on a continuum from low to high. If those characteristics are appraised as high by the employees
then they perceive the organization’s culture as favourable. Their common perceptions then affect employee’s performance and satisfaction as high is depicted below in Figure No.1.9.90

**Figure No. 1.9**

How Organization Culture Effects Performance and Satisfaction

**Factors**

- Innovation and Risk-taking
- Attention to detail
- Result- Orientation
- People-Orientation
- Team- Orientation
- Aggressiveness
- Stability vs. Growth (status quo)


Organizational culture can influence the behaviour of employees. In 1994, Bretz and Judge stated a way to conceptualize this influence can be found in the tenets of the congruence perspective. This perceptive means that employees of an organization can better adjust and adapt to their work environment if the characteristics of the organization match with their personal orientations. 91 If the values of an individual are congruent with the values of the organizational culture, it is more likely that the individuals will be satisfied. The intention to leave the organization will be low.92

1.13.1 Types of culture having effects on job satisfaction

Culture can have either positive or negative effects on job satisfaction.

1.13.1.1 Positive Employee job Satisfaction

A clan culture can be characterized by mentoring, loyalty, and tradition. If an organization has a culture with these characteristics, it will lead to the highest employee job satisfaction.93 This clan culture is positively
related to job satisfaction for the reason that employees feel committed to the organization as they are satisfied with their job. The characteristics of a supportive dimension are warm, trusting, sociable, friendly, and relationship-oriented. The study of Berson (2008) also showed that the supportive dimension is positively associated with employee satisfaction.

The adhocracy culture, which emphasis innovation, creativity, and adaptability is the second highest related with positive job satisfaction. It was also found that the innovative dimension is weakly associated to satisfaction. An explanation could be that the type of industry has an influence on the culture and satisfaction. For example, a high-tech company is more innovation-oriented and can lead to a higher level of job satisfaction for the high-tech employees. The general innovative atmosphere contributes to employees’ general sense of job satisfaction.

Besides the different types of culture, there are also some job characteristics which can get employee job satisfaction as well. For example, Hackman and Oldham (1976) described that there are five different core dimensions that lead to positive job satisfaction, which are - skill variety, task identity, task significance, autonomy, and feedback. Price and Mueller defined distribute justice, supervisory support, internal labor market, integration, and pay as job characteristics which lead to positive job satisfaction. Herzberg defined six motivating factors such as achievement, recognition, work itself, responsibility, advancement, and personal growth that result in positive job satisfaction. Thus an organization should stress on these characteristics, because positive job satisfaction will definitely lead to high performance and commitment of employees.

**1.13.1.2 Negative Employee Job Satisfaction**

The bureaucratic dimensions like formal, specialized, hierarchical, and inflexible frequently yields negative employee reactions which in turn leads to negative association with employee satisfaction. The market culture with its characteristics such as competition, goal achievement, and market superiority is also negatively associated to job satisfaction. Moreover, the hierarchy
culture characterized by a bureaucratic order, rules, regulation, and predictability is also negatively related to job satisfaction. 101

According to Price and Muller there are three different characteristics that have a negative influence on job satisfaction, namely role ambiguity, role conflict, role overload, and routinization. Organizations need to be careful regarding these characteristics in the employee’s job; otherwise employees would not be interested in their working and would like to leave the organization102.

Conclusion

Thus cultures like clan and adhocracy are positively related to job satisfaction, whereas cultures like hierarchy and market are negatively related to job satisfaction. It is necessary for an organization to implement the characteristics of the clan culture to obtain the highest job satisfaction. Another way to get satisfied employees is by implementing job characteristics such as autonomy and task significance which will lead to positive job satisfaction.

1.14 IMPORTANCE OF THE STUDY

According to the Department of Higher Education, Ministry of Human Resource Development MHRD, educational sector has witnessed a tremendous increase in its institutional capacity since independence. Over the years, the number of management institutes for higher learning has increased tremendously; but this growth in number of institutes and enrolment of students has not been supported by proportionate growth in number of faculties. Most of the higher educational institutes throughout the country are suffering from acute shortage of faculty. To face faculty crisis, educational institutes opt for ad hoc, part time or visiting faculties who teach only for a few couple of hours. These faculties are least committed towards the institute; as they work in multiple places to make a living. They are thus frustrated and not motivated. Ironically, the effect of high faculty attrition is borne by the students for no fault of theirs. Thus there is a need to identify the issues
associated with faculty job satisfaction and retention and pave out proper solutions for the same.

Though most of the research on job satisfaction is related to industrial or business organization; and even if faculty job satisfaction has been studied earlier, unfortunately not much attention is drawn towards studying the influence of organizational culture on faculty of the institutes. The following key benefits highlight the significance of this study:

- **Deal with faculty shortage**
  In order to survive, business schools have to face several challenges and faculty crisis is perhaps the most critical. The current and predicted shortages of competent faculty members can go from ‘concern’ to ‘crises’ in coming decades. Faculty job satisfaction can improve faculty retention rate and arrest attrition rate.

- **Sustain quality of education**
  Quality faculty is must for quality education. Quality is not inborn, it needs to be inculcated and practiced, which in turn calls for continuous training and commitment on part of the faculty members. A satisfied faculty will take initiative and keen interest towards training programs in true sense.

- **Student satisfaction**
  Faculty members working for the cause of higher education need to be retained with the view to providing top class education and satisfaction to the students.

- **Organizational commitment**
  Better job satisfaction will provide current faculty members a reason to continue with the institute and stay committed.
• **Image building of the institute**
  Satisfaction and retention of qualified faculty is an important factor in maintaining the identity and professional climate of a business school and to improve its reputation in the market.

• **Attract fresh talent towards teaching profession**
  Teaching has become an unattractive profession today for which young talents prefer other hefty paid salaried jobs and career options. Faculty retention strategies can improve the image of teaching as a profession and thereby make it an attractive career option for the youth of the country.

1.15 **SCOPE OF THE STUDY**

As employee turnover continues to be a serious business predicament, the concept of job satisfaction assumes significance not only for contemporary business scenario but also for educational sectors. Faculty job satisfaction levels seem to have direct bearing on the institutional as well as the student development and an understanding of job satisfaction, retention and employee turnover aspects of the faculties would help policy makers understand a very important organ of the society, responsible for future of the nation and generation.

This study examined the impact of organizational culture on job satisfaction on the teaching staff working in business schools in Pune city on the following basis of scope:

- **Geographical Scope:** This study is confined to the recognized business schools in Pune city.
- **Topical Scope:** It covered the various factors of organizational culture and job satisfaction.
- **Analytical Scope:** This study is confined to the fulfillment of objectives decided for this research.
- **Functional Scope:** It included right recommendations for further improvement of organizational culture and job satisfaction level among the teaching staff in the business schools.
1.16 LIMITATIONS OF THE STUDY

1. Due to limited time and resources, this research was only limited to business schools in Pune city. And its conclusion may not be applicable to other educational institutions as well as those business schools which are located outside Pune city.

2. Insufficient availability of data related to this study was another hurdle in the compilation of data. So, the study was based on limited and available primary as well as secondary data. Moreover again due to the time constraint only the teaching staff was covered in this study.

References


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