

Organizational Climate as a Determinant of Job Satisfaction among Public Sector Employees in Kisii County, Kenya

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Abstract

Human resource is the most important asset of any organization, which is essential for effective and efficient operation of all other resources of the organisation. Organisations in the 21st century are facing more challenges than ever before. These challenges are not unique to any specific organisation or industry, but affect all organisations, regardless of their structure or size. Organisational climate in particular is constantly challenged by changes impacting organisations today. To survive and outdo their competitors, organisations are constantly seeking to improve their performance. Authors such as Brown and Leigh (1996) think that organisational climate is becoming more important than ever before because organisations need to ensure that those individuals who add value to the bottom line will want to stay in the organisation and will want to continue pouring their effort into their work to the benefit of the organisation. The purpose of this paper was to investigate organizational climate (employees' perception of their working environment) and how it influences their job satisfaction. The objective of the study was to determine the effect of organizational climate on employee job satisfaction. The population of public sector departments in Kisii County 909 out of which 271 were selected. Simple random sampling technique was used to select a representative sample. Study data was collected using questionnaire method. Inferential statistics including Correlation and regression were computed to investigate the interrelationship that exists among the dimensions of organizational climate and how each is related to employees' job satisfaction. The results of the study revealed that certain dimensions of organizational climate such as identity, conflict management and rewards do had a statistically significant positive relationship with job satisfaction. This had the implication that public sector employees in Kisii county, Kenya, were more satisfied with their work where organizational mission and objectives are in congruence with employees' personal beliefs. Based on the study findings, managers are encouraged to focus on articulating the mission of the organization but also stimulate dynamic and high sense of employees' identification. Fairness in conflict handling procedures as well as equity and transparency in compensation systems is equally recommended as strategies to adopt to foster and increase job satisfaction. A sound work environment is important to create sound social relations at the workplace and also maintain the relationship between colleague, supervisor and the organisation.

Keywords: Organizational Climate, Job Satisfaction and Organizational Performance.

1.1 Introduction

Moran and Volkwein (1992) defined the concept of organizational climate from the perspective of organizational characteristics including a) the perceptions that employees share on autonomy, trust, cohesiveness, support, appreciation, innovation and fairness that exist in their organization; b) it is generated from organizational members' interactions; c) it serves as a basic stance for employees' interpretations towards certain situations; d) it describes the norms and attitudes of an organizational culture, and last but not least e) it functions as a source that influences individual's work behaviors.

Alternatively, Burke and Litwin (1992) defined organizational climate as individuals' perceptions towards the administration or management of their work units. It is also closely related to individuals' perceptions on their and colleagues' effectiveness in job and task implementation. Schneider et al. (1994) defined organizational climate as employees' perceptions towards the organizations' work atmosphere. It is built upon individual's observations on the practices, procedures and rewards that persist within the organization. In other words, the organization's policies and procedures are very much influential in shaping an individual's perceptions on the organizational climate that exist in his or her work place.

Researchers in organizational behavior have long been interested in understanding employees' perceptions of the work environment and how these perceptions influence individuals' work-related attitudes and behaviours. Early researchers suggested that the social climate or atmosphere created in a workplace had significant consequences employees' perceptions of the work context purportedly influenced the extent to which people were satisfied and perform up to their potential, which in turn, was predicted to influence organizational productivity (e.g Katz & Kahn, 2004; Likert, 1997, McGregor, 2000). The construct of climate has been studied extensively and has proven useful in capturing perceptions of the work context (Denisson, 2006; Ostroff, Kinicki & Tamkins, 2007). Climate has been described as an experientially based description of the work environment and, more specifically, employees' perceptions of the formal and informal policies, practices and procedures in

their organization (Schneider, 2008).

An important distinction has been made between psychological and organizational climate (Hellriegel & Slocum, 1994; James & Jones, 2004). Individuals' own perceptions of the work environment constitute psychological climate at the individual level of analysis, whereas organizational climate has been proposed as an organizational or unit-level construct. When employees within a unit or organization agree on their perceptions of the work context, unit-level or organizational climate is said to exist (Jones & James, 2004; Joyce & Slocum, 2004). A large number of studies have consistently demonstrated relationships between unit or organizational climate and individual outcomes such as performance, satisfaction, commitment, involvement and accidents (Ostroff et al, 2007).

According to Watkin and Hubbard (2003), high-performing organizations have climates with particular measurable characteristics, which has shown how organizational climate can directly account for up to 30% of the variance in key business performance measures. This is supported by research that examined the relationship between the way in which employees describe their work environments and the relative performance success of these environments (Wiley & Brooks, 2000). Watkin and Hubbard (2003) contend that climate does make a difference to organisations' performance because 'it indicates how energizing the work environment is for employees'. There is, however, clearly more to an organisation's performance than an 'energized employee' or the presence of certain organizational and leadership characteristics. This is because productivity has also been found to depend on the morale which governs discretionary effort (the willingness to go the extra mile).

Researchers have been interested in understanding how employees' perceptions of the work environment influence their level of job satisfaction since Mayo's (1933) studies at Western Electric. These studies found that environmental factors influence worker productivity and morale. Bisconti and Solomon (cited in Peek, 2003) report that an organizational climate that allows a high degree of autonomy and nurtures relationships among peers, supervisors and subordinates results in more satisfied workers.

Organizations that are able to create environments that employees perceive as benign and in which they are able to achieve their full potential are seen as a key source of competitive advantage (Brown & Leigh, 1996). Organizational climate can therefore be regarded as a key variable in successful organizations.

1.2 Study Objective

The study was guided by the following specific objective;

To investigate the effect of organizational climate on employee job satisfaction among Public Sector employees in Kisii County.

1.3 Review of Related literature

There are few, if any, concepts more central to industrial / organizational psychology than job satisfaction. In this century, the advent of the human relations movement is credited with emphasizing the importance of workplace attitudes. Indeed, the pioneers of the movement – Likert (1967), Maslow (1970), McGregor (1966) and Roethlisberger and Dickson (1939) are credited with raising the field's consciousness with respect to workplace morale. Hoppock's (1935) landmark book roughly coincided with the Hawthorne studies that were the origin of the human relations movement. Hoppock's opening to his book aptly describes the emphasis that scholars of the time placed on Job satisfaction, "whether or not one finds his employment sufficiently satisfactory to continue in it ... is a matter of the first importance to employer and employee" (P.5). However, from this auspicious beginning, the job satisfaction literature has had its ebbs and flows.

1.3.1 Organizational climate and its concept

Researchers in organizational behavior have long been interested in understanding employees' perceptions of the work environment and how these perceptions influence individuals' work-related attitudes and behaviours. Early researchers suggested that the social climate or atmosphere created in a workplace had significant consequences on employees' perceptions of the work context purportedly influenced the extent to which people were satisfied and perform up to their potential, which in turn, was predicted to influence organizational productivity (e.g Katz & Kahn, 2004; Likert, 1997, McGregor, 2000).

Many studies have formulated indicators of organizational climate most of which are related. The indicators identified so far range from six to eighteen dimensions (Litwin and Stringer, 1968). Among these are employees' responsibility, organizational structure, administrative style, management support, performance related feedback, conflict management and rewards.

The construct of climate has been studied extensively and has proven useful in capturing perceptions of the work context (Denison, 2006; Ostroff, Kinicki & Tamkins, 2007). Climate has been described as an experientially based description of the work environment and, more specifically, employees' perceptions of the formal and informal policies, practices and procedures in their organization (Schneider, 2008).

Organizational climate represents the condition of the organization's culture. The most common management issue faced by organization in this present day is search for creative flexible work environment that

promotes job satisfaction and innovation. Being drained by fiscal constraint, downsizing, and outsourcing requires organization to change dynamics in the workforce that is accommodating.

Rekha Nair (2006) in his study noted the increasing importance of workplace climate on employee job satisfaction, creativity, motivation and retention. Because of the importance of workplace climate, IBM made adjustments and set best practices which in turn have helped the organization to stay on top. In between organizational climate and company performance, employee plays an important role because employee's job satisfaction is highlighted as the mediator between organizational climate and company performance (Patterson et al., 2004). Literature on organizational climate and its impact on firm's overall performance is many (James & Jones, 1974), but the recent studies of Ostroff and Bowen (2000) proposed that organizational climate is a bridge that links HRM and performance.

Organizational climate have been proven to influence employee's behavior such as participation, absenteeism level of stress and work commitment (Rose, 2002, 2004). Limelight on the development of employee performance needs to be at the top of every organization's agenda. Promoting a supportive environment and a positive workforce climate is no longer seen as a simply an attractive option; it is a business vital. Climate has a tangible effect on employees' motivation. A good working climate boosts employee morale, loyalty and productivity.

There are 6 different dimensions of climate (established by Hay Group) Organizational climate is deemed to be important: it is perceived, as motivated employee will result in higher productivity, greater passion for the business, and a deeper engagement with customers. A positive climate encourages employees' productivity and decrease turnover. Organizational climate comprises of cognate sets of attitudes, values and practices that characterize the members of a particular organization. Xaba (1996) defined organizational climate as consciously perceived environmental factors subject to organizational control. Low (1997) coined the term climate to describe the attitudes, feelings and social process of organizations.

According to him, climate in this view falls into three major and well-known categories:

autocratic, democratic, and laissez-faire. Kaczka and Kirk (1978) defined organizational climate as a set of attributes, which can be perceived within a particular organization, department or unit.

The behavioural science literature is replete with theories and empirical research focusing on employee behaviour as a function of the simultaneous variation in both organizational dimensions and individual characteristics Hellriegel et al, 1994).

Apparently neither individual organization dimensions (climate) nor individual characteristics (job satisfaction, tension, role clarity), by themselves, explain a substantial amount of the observed variation in job satisfaction or organizational effectiveness criteria. The relationship of organizational climate to individual behaviour often emphasizes the role of employee perceptions of these dimensions as intervening variables (Schneider, 2008). Likert's approach to the study of organization's illustrates the importance of employee perceptions, e.g. his interaction – influence mode/relates causal, intervening and end-result variables (Locke, 1976 & Likert, 1967). Causal variables like climate dimensions and leadership techniques interact with personality to produce perceptions, and it is through assessment of these perceptions that the relationship between causal and end-result variables may be analyzed.

Several studies have focused on perceptually based measures of climate dimensions and job satisfaction, Friedlander and Margulies (1968), using perception data from an electronics firm, studied the multiple impacts of organizational climate components and individual job values on workers satisfaction. They found that climate had the greatest impact on satisfaction with interpersonal relationships on a job, a moderate impact upon satisfaction with recognizable advancement in the organization, and relatively less impact upon self-realization from task involvement. Pritchard and Karasick (1993) studies 76 managers from two different industrial organizations. They found climate dimensions to be moderately strongly related to such job satisfaction facets as security working conditions and advancement opportunities. Schneider

(2008) surveyed bank customers and learnt that their perception of the bank's climate was related to a form of bank switching (customer dissatisfaction). Customers who perceived their bank's climate negatively tended to switch banks more frequently than did those who perceived their banks as having a customer-employee centred atmosphere.

1.3.2 Job Satisfaction and its concept

In general, job satisfaction refers to a positive emotion experienced by an individual in reaction to the individual's job and task. Usually, the comparison made by an individual between an individual's expectations and the reality created which generates positive results lead to what is termed as job satisfaction. On the contrary, a comparison between expectations and reality that lead to a perceived gap between the two triggered to what is called job dissatisfaction.

In line with that, Locke (1976) has come up with a classical definition of job satisfaction as a positive emotional status that resulted from an individual's evaluation on his or her work experiences. Meanwhile, Herzberg (1976) has categorized the sources of job satisfaction into two groups, which are extrinsic motivation

such as work place and intrinsic motivation such as appreciation and respect. There were also other views that has explained job satisfaction as a global concept that could be measured as integrated feelings that relate to all job aspects (Balzer et al.1997). Among the identified job satisfaction aspects are satisfaction with the job itself, salary, promotion, supervision and relationships with colleagues. Such opinion is very parallel earlier thoughts by Brooke dan Price (1989) that has looked at job satisfaction as an individual's attitude toward his or her work as well as Reschley and Wilson (1995) whom also looked at job satisfaction as employee's satisfaction in relation to his or her task, supervision, promotion and salary.

Within the context of academia, Nias (1989) has defined job satisfaction as summaries from the whole amount of rewards that a faculty member gained from his or her teaching experiences. Usually, a faculty member is more satisfied with his or her work when factors such as high academic achievements, low level of academic problems, efficient administration and low turnover are persistent within their teaching and learning environment.

A later definition by Oshagbemi (2000) on job satisfaction which was derived from his research on academics' job satisfaction has focused on the concept as the attitude towards an object, which is known as work or job. A more recent definition by Egbule (2003) was that job satisfaction is basically a concept that relates to an employee's satisfaction towards his or her salary, promotion opportunities, supervision and intrapersonal relationships. Job security, appreciation, leadership style and attitude, physical environment, staff development programs, flexibility in delivering academic tasks and autonomy are also other aspects that could be taken into consideration in explaining an employee's job satisfaction.

Based on all these definitions, it could be concluded that job satisfaction is actually closely related to individual's emotions and feelings towards certain job aspects after comparing the similarities and differences between real job experiences and earlier expectations related to one's job.

The construct of job satisfaction can be measured with numerous instruments. For instance, Edwards, Bell, Arthur and Decuir (2008), proposed that there are varying aspects of a job that respectively contribute to a worker's general evaluation of a job. They suggest five facets which are satisfaction with work, pay, opportunity for promotion, supervision and co-workers, which may be differentially associated with the extent to which a worker is satisfied with his/her job. Nevertheless, of all the instruments employed in today's research, only Hackman and Oldham's (1975) job characteristics clearly explain the five work factors relevant to job satisfaction: variety in skills, task identification, task meaningfulness, autonomy and feedback.

1.3.3 Relationship between Organizational Climate and Job Satisfaction

In a review of studies investigating organisational climate and job satisfaction, Peek (2003) found that organisational climates that exhibit characteristics such as having a high degree of autonomy, providing opportunities for employees, nurturing relationships among employees, showing interest in and concern for their employees, recognising employees' accomplishments and holding employees in high regard result in more satisfied workers. Similarly, Brief (1998) found that salary, benefits and advancement opportunities were components of organisational climate that had a direct influence on job satisfaction.

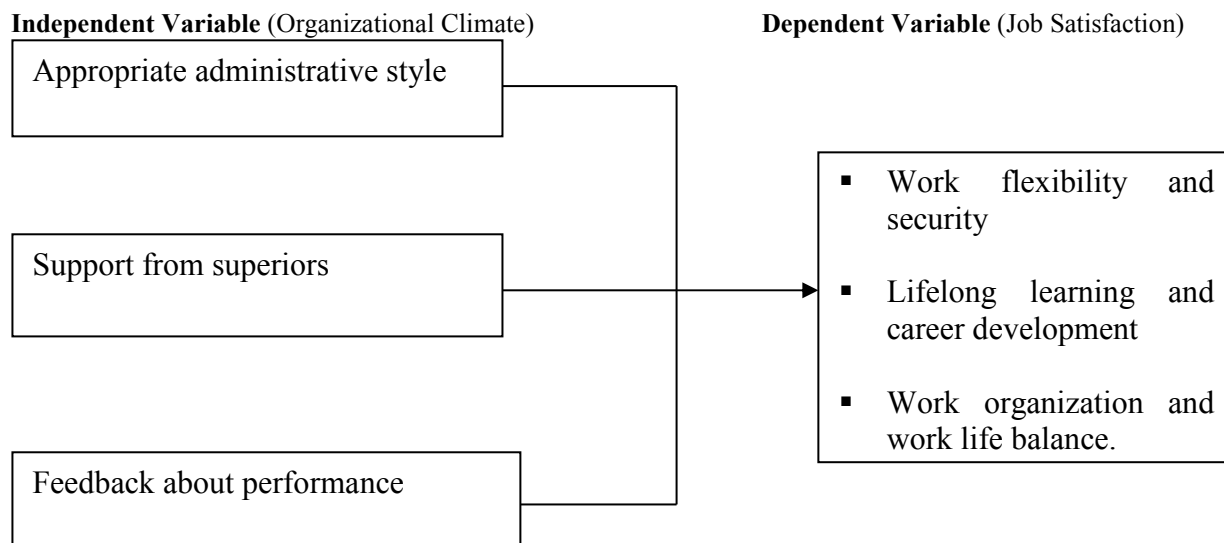
Fernandez (2003); and Kuo and Wu (2012) have examined the conceptual linkages between the psychological climate and job satisfaction, and argued that climate, as the manner in which individuals perceive their workplace practices and procedures, has an important impact on the degree of satisfaction obtained from the work. Indeed, the literature suggests that job satisfaction is an attitudinal variable, much like job involvement and organisational commitment and hence, it can also be hypothesised as an effect of the psychological climate (Parker *et al.*, 2003).

In summary, organisational climate and job satisfaction are distinct but related constructs (Al-Shammari, 1992; Keuter, Byrne, Voell & Larson, 2000). Organisational climate is focused on organisational/institutional attributes as perceived by organisational members, while job satisfaction addresses perceptions and attitudes that people have towards and exhibit about their work.

1.4 Conceptual Framework

This study involved two important variables- organizational climate and job satisfaction. Thus, to empirically examine the relative contribution of organizational climate variables in predicting employee job satisfaction, the study has made use of the following indicators and variables:

For job satisfaction, the study used appropriate administrative style, support from superiors and feedback about performance. Job satisfaction variables were work flexibility and security, lifelong learning and career development, work organization and work life balance.



1.5 Methodology

The research was conducted in public sector organizations in Kisii County. Both county government department as well as central government departments within Kisii County were sampled. The study sampled 309 respondents using simple random sampling technique. Out of the sampled respondents, 271 responded. This gave the study a response rate of 87.70%. The respondents included heads of departments, middle level managers as well as line managers. Statistically quantitative data was analyzed using descriptive as well as inferential statistics. Inferential statistics used in the study were Pearson Product Moment Correlation Coefficient and Regression analysis. These were used to establish the relationship between organizational climate and job satisfaction. All statistical procedures were undertaken within 95% confidence level.

1.6 Study Findings

Study findings are presented in the following section;

Table 1.1: Specific constructs tested using Cronbach’s alpha coefficient of reliability

Section	No. of items	Cronbach’s Alpha
Demographic data	4	0.911
Administrative style	5	0.928
Supervisory support	5	0.884
Performance related feedback	5	0.873
Work flexibility	5	0.947
Life-long Learning and development	5	0.799
Work organization and work-life balance	5	0.861

With the exception of the demographic data, all items were measured on a five-point likert scale where 1 indicated strongly agree or highly satisfied and 5 meaning strongly disagree or highly dissatisfied. Study findings revealed that all items related to the study constructs and by extension the study instrument were reliable.

Table 1.2: Pearson Correlation Coefficient for the relationship between Organizational Climate and Job Satisfaction.

Organizational Climate		Job Satisfaction
	Pearson Correlation	.589*
	Sig. (2-tailed)	.008
	N	271

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

Findings in table 1.2 reveals a statistically significant positive relationship between organizational climate and employee job satisfaction ($r=0.589$; $P<0.05$).

This implies that when there is employee perception of prevalence of favourable organizational climate, they experience improved job satisfaction. The reverse holds true given that study findings for the relationship between climate and satisfaction are not inverse.

The study conducted a regression analysis for the three identified constructs of organizational climate

on job satisfaction and findings presented in table 1.3.

Table 1.3: Regression Results for Constructs of Organizational climate on job satisfaction

Variable	Coefficients	t-value	p-value
Constant	0.249	4.676	0.000
Administrative Style	0.385	3.518	0.001*
Supervisory Support	0.468	2.529	0.014*
Performance Feedback	0.347	3.276	0.002*
Goodness of Fit:			
R ²	0.653		
Adjusted R ²	0.671		
F-value	4.659		

The study used regression analysis to investigate the effect of the identified constructs of organizational climate on employee job satisfaction. The three constructs of organizational climate were adopted from Litwin and Stringer (1968) as cited in Holloway (2012). The constructs involved were administrative style, supervisory support and performance related feedback. Findings in table 1.3 reveal that calculated t-statistics ($t = 3.518, 2.529$ and 3.276) for parameters administrative style, supervisory support and performance related feedback respectively were greater than tabulated t-statistics within 95% confidence interval. The coefficient of determination (R^2) was 0.653 indicating that administrative style, supervisory support and performance related feedback accounted for 65.3% of variation in employee job satisfaction among public sector employees in Kisii County. The remaining 34.7% unexplained variance was largely due to variation in other variables outside the regression model which are otherwise included in the stochastic error term. The overall regression model was statistically significant in terms of its overall goodness of fit ($f=4.659, P < 0.05$).

1.7 Discussion

The concept of organizational climate has been found to be one of the most important organizational aspects in management and organizational behavior literature today because it helps explain employee motivation, employee behaviour and organizational performance. It provides managers with insights into the “people side” of the business. As a result of this, climate, then, has been considered as one construct that can become an active and useful tool for managing employees in both public and private organizations (OED Consulting Ltd., 2000). Behavioral activists such as Vroom argue that apart from the other job and organizational characteristics, employees are motivated to exhibit positive attitudes towards their jobs when there is equity and fairness in the outcome of their inputs. In other words, employees are satisfied and motivated to perform well when they know that they receive rewards that are perceived to be commensurate to their effort (Robbins & Judge, 2013).

1.8 Conclusion and Managerial Implications

Organizational climate dimensions that were considered in the study were administrative style, supervisory support and performance related feedback. Analysis of study data led to the conclusion that organizational climate has a significant influence on employee job satisfaction.

In this respect, managers of public sector organizations in Kisii County and beyond need to find ways and means of improving organizational climate aspects as highlighted in the study. It is equally a matter of necessity for managers to ensure fairness in their compensations plans since related literature has suggested that performance based pay structure is a significant component of employee motivation and perception of fairness.

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