

Addis Ababa
University
(Since 1950)



College of Business and Economics

Department of Management

[MBA Program]

**Relationship between Organizational Climate and Employees' Job
Satisfaction in the Ethiopian Revenues and Customs Authority.**

**“A Thesis Submitted in Partial Fulfillment of the Requirements for the Masters of Business
Administration (MBA) Degree in Management”**

By

Fekadu Abdissa

Advisor: Dr. Zawdie Shibre

Addis Ababa

May, 2015

Declaration

I hereby declare that the research entitled “the Relationship between Organizational Climate and Employees’ Job Satisfaction in Ethiopian Revenues and Customs Authority” is my own work and that all sources I have used or quoted have been indicated and acknowledged by means of complete references.

Declared by:

Name: Fekadu Abdissa

Signature _____

Date _____

Confirmed by Advisor

Zawdie Shibre (PhD) _____

Date _____

ADDIS ABABA UNIVERSITY
COLLEGE OF BUSINESS AND ECONOMICS
DEPARTMENT OF MANAGEMENT

[MBA Program]

**Relationship Between Organizational Climate and Employees' Job
Satisfaction in the Ethiopian Revenues and Customs Authority.**

**“A Thesis Submitted in Partial Fulfillment of the Requirements for the Masters of
Business Administration (MBA) in Management Degree”**

By

Fekadu Abdissa

Approved by Board of Examiners

Advisor

Signature

Date

Internal Examiner

External Examiner

ACKNOWLEDGEMENT

First of all my gratitude goes to the Almighty God, the father of light whose light has guided my steps thus far.

I owe special debt of gratitude and appreciation to my adviser Dr. ZewdieShibrie (PhD) without his continuous help and encouragement, as every idea was discussed and constructive comments were provided through the course of this study, scarifying his priceless time, I could not hence finalized this undertaking.

Next my great thank goes to my father Ato Abdissa Duressa and my mother W/ro Zenebu Gomoro whom words are not enough to express for your support through my journeys without saying we get tired. I want to express my great appreciations to my brothers Takele Abdissa, Merga Abdissa and Kefiyalew Abdissa whom morally and financially stand beside me during my difficult time. Special thank goes to my sister Talile Abdissa, who encouraged me through this course. Thank you for your inspirational and motivational support.

My thanks from the right corner of my heart also go to Mr. Abera Rundassa and Mr. Daniel Asratwho supported me with necessary material via this study.

I would also like to express my deepest gratitude to W/ro Hilina Leykun, my immediate boss in Ethiopian Revenues and Customs Authority, as she encouraged me to start this course. Besides I want to express my deepest gratitude to all my colleagues in Ethiopian Revenues and Customs Authority who share work load with me in the organization when I was busy.

Great thanks to the managements of Ethiopian Revenues and Customs Authority for granting me to conduct this study in your organization.

I want to indebted to all respondents who help me filling the questionnaire with patience and by scarifying their invaluable time.

Lastly but not least, thanks goes to Addis Ababa University in general and my department lecturers in particular.

Table of Content

ACKNOWLEDGEMENT	i
List of Tables.....	vi
List of Figures.....	vii
ACRONYMS.....	viii
Abstract.....	ix
1. Introduction	1
1.1. Background/ Rational of the Study.....	1
1.2. Statement of the Problem.....	3
1.3. Research Questions.....	5
1.4. Objectives of the Study.....	5
1.4.1. General Objective	5
1.4.2. Specific Objectives	5
1.5. Research Hypotheses	6
1.6. Scope /Delimitation of the Study.....	7
1.7. Limitations of the Study.....	7
1.8. Significance of the Study.....	8
1.9. Organization of the Paper	8
Chapter Two.....	9
2. Literature Review	9
2.1. Introduction.....	9
2.2. Organizational Climate	9
2.3. Dimension of Organizational Climate	12
2.3.1. Training and Development.....	13
2.3.2. Communication.....	13
2.3.3. Performance Management	14
2.3.4. Remuneration and Rewards (salary package).....	14
2.3.5. Team Work	15
2.3.6. Quality of Service	15

2.3.7.	Leadership.....	16
2.3.8.	Administration Style	16
2.3.9.	Workload.....	16
2.3.10.	Role Clarity.....	16
2.4.	Rationale for Studying Organizational Climate.....	16
2.5.	Measuring Organizational Climate	17
2.6.	Importance of Organizational Climate.....	18
2.7.	Techniques for Improving Organization Climate	19
2.8.	Job Satisfaction	20
2.9.	The Theory of job satisfaction	21
2.9.1.	Situational Theories of Job Satisfaction.....	21
2.9.2.	Interactive Theories.....	23
2.10.	Measuring Job Satisfaction.....	26
2.11.	Factors Affecting Job Satisfaction.....	27
2.11.1.	Extrinsic Factors	27
2.11.2.	Intrinsic Job Characteristics	28
2.11.3.	Individual Characteristics	29
2.12.	Theoretical Relationship Between Organizational Climate and Job Satisfaction	32
2.13.	The Conceptual Frame Works of the Research	33
CHAPTER THREE		35
3.	Research Methodology.....	35
3.1.	Research Design.....	35
3.2.	Sampling Techniques.....	35
3.3.	Population of the Study.....	36
3.4.	Determination of the Sample Size	36
3.5.	Method of Data Collection.....	37
3.5.1.	Collection of Secondary Data	37
3.5.2.	The Questionnaire	37
3.5.3.	Distribution and Collection of the Questionnaire	37
3.5.4.	Data Processing and Analysis	38

CHATER FOUR

4. Results Presentation, Analysis and Interpretations	39
4.1. Introduction.....	39
4.2. Objective of the Authority	39
4.3. Vision, Mission and Values of ERCA.....	40
4.4. The Response Rate of the Questionnaire	40
4.5. Socio-Demographic Profile of the Respondents.....	41
4.5.1. Gender of the Respondents	41
4.5.2. Marital Status of the Respondents.....	41
4.5.3. Educational Level of the Respondents.....	42
4.5.4. Job Level of the Respondent.....	42
4.5.5. Tenure of the Respondents.....	42
4.6. Reliability of the organizational Climate Variables (OCV)	43
4.7. Descriptive Statics of the Organizational Climate Variables	46
4.8. Testing the Hypotheses	55
4.8.1. Hypotheses for Relationship Between Organizational Climates and Job Satisfaction	55
4.8.2. Hypothesis Regarding Biographical and Organizational Variables of the Respondents	60
CHAPTER FIVE	67
5. Summary, Conclusion and Recommendation.....	67
5.1. Summary of Key Findings	67
5.2. Conclusions.....	69
5.3. Suggestions for Further Research	70
5.4. Recommendations.....	70
References	72
Appendixes.....	X

List of Tables

Table 3.1: Population of the Study	36
Table 4.1: Summary of Questionnaire Administered, Returned and Analyzed by Group	40
Table 4.2: Scale Reliability of the Variables	44
Table 4.3: Descriptive Statics for Training and Development	47
Table 4.4: Descriptive Statics for Communication	47
Table 4.5: Descriptive Statics for Performance Management	48
Table 4.6: Descriptive Statics for Team Work	49
Table 4.7: Descriptive Statics for Salary Package	49
Table 4.8: Descriptive Statics for Work Load	50
Table 4.9: Descriptive Statics for Leadership	51
Table 4.10: Descriptive Statics for Administrative Styles	51
Table 4.11: Descriptive Statics for Role Clarity	52
Table 4.12: Descriptive Statics for Quality of Services.....	52
Table 4.13: Descriptive Statics for Rules, Regulations and Policies	53
Table 4.14: Descriptive Statics for Job Satisfaction	53
Table 4.15: Descriptive Statics by Job Level of the Respondents	54
Table 4.16: Guide lines for interpreting correlation	56
Table 4.17: Relationship between OC and job satisfaction	57
Table 4.18: Correlation Matrix of All Variables	58
Table 4.19: Comparing employees' perception of OC and job satisfaction	61
Table 20: Multiple Comparisons of employees' perception of OC by job level	62
Table 4.21: Comparing employees' perception of OC and job satisfaction by tenure	63
Table 4.22: Descriptive statics of the respondents by their tenure	63
Table 4.23: T-Test Comparison of Gender Differences in perception of OC	64
Table 4.24: T-Test Comparison of Gender Differences for employees' job satisfaction	65
Table 4.25: Summary of the Hypotheses	66

List of Figures

Fig 2.1: Conceptual Frame Works of the Research Model.....	34
Fig 4.1: Demographic Profile of the Respondents.....	41
Fig 4.2: Tenure of the respondents in ERCA.....	43

ACRONYMS

ANOVA	Analysis of Variance
BA	Bachelors of Degree
MA	Master of Arts
DIP	Diploma
ERCA	Ethiopian Revenues and Custom Authority
M	Mean
OC	Organizational Climate
OCV	Organizational Climate Variable
SD	Standard Deviation
Yrs	Years

Abstract

Dynamics and conducive organizational climate is mandatory for the contemporary organizations to have satisfied and productive employees under the intense of global completion. Realizing this, the main aim of this research was to determine the relationship between organizational climate and employees' job satisfaction in Ethiopian Revenues and Customs Authority and recommend the bureau to improve the poorly perceived areas of its climate.

Stratified sampling based on job level was used to make the population representative in each stratum. A total of 307 copies of questionnaires were administered to head office and 3 selected branches but only 249 (81.1%) were returned and used for analysis. The study made use of descriptive and inferential statistics to obtain the results.

Among all organizational climate variables, salary package is the most poorly perceived by the employees with mean 2.41, and percentage score (35.25%) which is by far below the average score (50%). The results of correlation coefficient statistics revealed that there is a significant positive relationship between organizational climate and employees' job satisfaction ($r=0.459$, $n=249$, $p=.000$, (2 tailed). Besides the analysis under taken to identify the perception of different groups to their organization's climate and job satisfaction based on their job level /position/ indicates that they perceived their organization's climate in different ways ($F(2, 246) = 11.124$, $p = .000$). However, the analysis conducted to see the perception of the participants by their tenure revealed that the employees perceived their climate in the same way ($F(3, 245) = 0.696$, $p = 0.56$). The T-test results concerning the perception of male and female toward their organizational climate indicates that they perceived their climate in different ways, ($p=0.044$). Finally, the study concluded by providing possible recommendations such as the managements must take immediate adjustment to the climate dimensions scored below average (50%) and special attention must be given to senior officer employees as they poorly perceived their organization climate. It is recommended that the organization has to create opportunities that allow senior officers to management position or to any other career advancement.

CHAPTER ONE

1. Introduction

1.1. Background/ Rational of the Study

Research on organizational climate can be traced back to the 1930s. With the human relations movement pioneered by Hawthorne, researchers turned their attention from the “hard” physical environment to the “soft” psychological environment; thus the concept of organizational climate was born. The first researcher to initiate studies in this area was Kurt Lewin (1939), the founder of group dynamics. In his famous "leadership style" study, Lewin applied three different leadership styles, democracy, autocracy and laissez-faire, to create a different group atmosphere, and was the first to propose the concept of organizational climate.

This implies that there has been long-standing interest in relationship of organizational climate to other organizational phenomenon including job satisfaction, job performance, leadership behavior and the quality of work group interaction (Schnake 1983).The climate of the organization is based upon its employees’ feelings and perceptions of the organization’s practices, procedures and salary and reward systems, etc.

Organizational climate can be defined in a number of ways. One of the most widely accepted definitions is that of Litwin and Stringer (1968) who define organizational climate as a “set of measurable properties of the work environment that is directly or indirectly perceived by the people who live and work in a particular environment and is assumed to influence their motivation and behavior.” Gerber and Coetsee (2003) defined organizational climate as it is representative of organizational members’ collective perceptions and/or feelings (attitudes) about their organization. Hellriegel and Slocum’s (1984) defined organizational climate as a set of attributes that is perceived about a particular organization and/or its subsystems, and that may be induced from the way in which the organization and/or its subsystems deals with its members and environment.

Past research on job satisfaction has focused on the job itself or the work climate as the primary means of increasing satisfaction. The main argument is that, if work climate are developed to

provide a more desirable work environment, an increase in job satisfaction will result (Afolabi, O.A. 2005).

However, according to Mildred Golden, Sonia, (2008) organizations are facing many climate challenges in the form of unclear role and responsibilities, objectives and goals, leadership and management styles, organizational policies, work environment, performance management, career growth and opportunities, lack of clear line of communications and rewards and recognitions that impact them to retain their experienced and skilled human resource.

Peters & Waterman (1982) revealed that organizational climate is one of major enablers that leverage an organization to success and excellence and positively relates to employee performance and the whole organization productivity. Pittigrew cited in Al-Kasawneh (2013) suggested that organizational climate is essentially important for organizational excellence and is the basis for success of the Japanese organizations.

Research indicates that one of the major causes for the failure of service providing organizations to deliver a continuous and high quality service has been embittered by a lot of factors. Manning cited in Mei Goh (2013) showed that employees in service industries often represent the interface between organization and customers; therefore, the organizational climate is essential in supporting the employees to deliver a quality service.

Hence, organizations have to witness to create conducive climate to retain effective human resources from a strategic perspective. Recent organizations are motivated to adopt innovative practices and establish HR management units in order to take care of their manpower and energize their human capital strategically towards achieving performance excellence, and accomplishing organizational goals and bring about developments in most of their activities. To this end organizations require satisfied and happy employees in their work force. Importantly is the fact that for any organizations to take off and achieve its strategic goals would strongly depend on its capacity to attract, retain and maintain competent and satisfied staff into its employment.

Therefore, organizational climate must be considered among the important management and technical processes so that, top managers should take into account to achieve highly valuable outcomes. In consequence, creation of an appropriate organizational climate is not a secondary

choice for contemporary organization; rather it is vital to ensure substantial merit-based excellence under the intense global competition.

In Ethiopia, there is mass movement of employees from one organization to other organization, may be due to very low job satisfaction which is caused by un conducive organizational climate, which impact their productivity. The Ethiopian Revenues and Customs Authority (ERCA) is one of the organization in which mass employees turnover is observed from year to year, may be due to unattractive organizational climate which this research is going to assess.

1.2. Statement of the Problem

The study of organizational climate and job satisfaction has been accounted several years in the discipline of organizational behavior and industrial psychology. Most of these studies have been conducted to know the relationship between organizational climate and different organizational variables, such as job satisfaction, employees' turnover and organizational performance.

In the contemporary world there has been movement of employees from one organization to other both in developed and developing nations, which implies that there had been constant mobility of highly skilled persons from one employer to another due to unattractive organizational climate. However, what is critical is the fact that it had been established that some of these employees hardly stay for long time in one organization before moving to another employers (Gruneberg, Startup and Tapefield, 1975).

Competent employees are necessary for organization's productivity, therefore there is a need to find out and examine the relationship between organizational climate and job satisfaction which in turn influence job performance and organizational productivity.

Several studies have been conducted on the relationship between organizational climate and job satisfaction, organizational climate and employees turn over and organizational climate and performance.

Farokhi (2003) indicated that organizational climate accounted for a large percentage of variance in individuals' satisfaction. Similarly Patterson, West M (2004) stated that company productivity was more strongly correlated with those aspects of climate that had stronger satisfaction loadings. They also added Managers' perceptions of climate would be positive and linked to company productivity than non-managers. This implies that organizational climate can directly cause work outcomes that are either positive or negative. Positive work incentives are incentives

that make work interesting, e.g. attractive work environment, good management and leadership style, feedback, high salary package, training and development and appropriate performance management (Patterson, West M (2004). Enabling work environment leads to motivation, good personnel policies, favorable work environment, and provision of benefits, job satisfaction and compensation. However, negative work incentives include those incentives that make work boring, unchallenging and dissatisfying. They lead to increased absenteeism, turnover and accidents. It is also important to point out that factors like low salary package, poor training and development, poor performance management and high work load could also discourage work outcomes which if not adequately put in place could result in turnover of the employees. Because, people tend to accept and internalize the climate of the organization in which they work, and the perception of climate has an important impact on their behavior (Vardi, 2001).

Thus, to prevent the negative perception of employees toward their organization's climate, there is a need to assess the climate of the bureau to find out which factors of the organizational climate lead to low satisfaction and take appropriate measure so as to continually have productive, satisfied and competent employees. Hence, creating an appropriate organizational climate is not a secondary choice for a contemporary organization; rather it is vital to ensure substantial merit-based excellence under the intense of global competition.

Therefore, there is a need for the organizations to create optimal climate which enable them to retain their experienced and most productive employees, even though, it is difficult to understand what type of climate employees prefer because their perceptions and choices differ from time to time and from situation to situation. This implies that the contemporary organizations must be dynamics, flexible and understand their employees' needs. Therefore, to minimize /bridge/the gap that arises due to poor organizational climate, the researcher has made an attempt in this study to provide information about the climate variables and employees' perceptions towards these variables and its relationship with job satisfaction, as negative organizational climate results in low job satisfaction which in turn causes low organizational productivity and high employees turnover, which is currently a critical problem in Ethiopian Revenues Customs Authority.

1.3. Research Questions

- * What is the relationship between the organizational climate and employees' job satisfaction in Ethiopian Revenues and Customs Authority (ERCA)?
- * Would there be any difference in the way junior officers, senior officers and managements perceive their organizational climate and their job satisfaction?
- * Is there any statistically significant difference in perception of organizational climate and employees' job satisfaction that varies by tenure?
- * Would there be statistically significant differences in the perception of the organizational climate that varies by gender?
- * Is there any statistically significant difference in employees' job satisfaction which varies by gender?
- * Which organizational climate dimensions are poorly perceived by the employees of ERCA?

1.4. Objectives of the Study

1.4.1. General Objective

The general objective of the study is to determine the relationship between organizational climates and job satisfaction in Ethiopian Revenues and Customs Authority (ERCA).

1.4.2. Specific Objectives

This study has the following specific objectives.

- ❖ To determine the relationship between organizational climate and job satisfaction of the employees in Ethiopian Revenues and Customs Authority (ERCA).
- ❖ To determine whether there is a difference in the perception of organizational climate and employees' job satisfaction that varies by their job level(junior officers, senior officers and managements)
- ❖ To identify the poorly satisfied groups of employees based on their job level and recommend appropriate measures.
- ❖ To determine whether there is difference in perception of OC between employees based on their year of experiences.
- ❖ To identify whether there is statistically significant difference between male and female employees in perception of their organizational climate and job satisfaction.

- ❖ To identify the poorly perceived climates by the employees and recommend appropriate measures.

1.5. Research Hypotheses

To provide answers to the research questions the following hypotheses were tested in this research.

Hypothesis 1

H0: There is no positive and statistically significant relationship between employees' job satisfaction and organizational climate in ERCA.

H1: There is positive and statistically significant relationship between organizational climate and job satisfaction in ERCA.

Hypothesis 2

H0: There is no statistically significant difference between the employees in perception of their organizational climate and job satisfaction that varies by their job level (junior officers, senior officers and managements)

H1:- There is statistically significant difference between employees in their perception of organizational climate and job satisfaction that varies by their job level(junior officers, senior officers and managements).

Hypothesis 3

Ho: There is no statistically significant difference between employees in perception of their organizational climate and job satisfaction that varies by their tenure.

H1: There is statistically significant difference between employees in perception of their organizational climate and job satisfaction that varies by their tenure.

Hypothesis 4

H0: There would be no statistically significant difference in the perception of organizational climate that varies by gender.

H1: There would be statistically significant difference in perception of organizational climate that varies by gender.

Hypothesis 5

Ho: There would be no statistically significant difference of employees' job satisfaction that varies by gender.

H1: There would be statistically significant difference of employees' job satisfaction that varies by gender.

1.6. Scope /Delimitation of the Study

It is very difficult to conduct a research across the vast country, like Ethiopia as it requires much money and time, so that the researcher was forced to be delimited to certain areas. Due to this, the study was conducted only in ERCA's head offices and three selected branches located in Addis Ababa as the researcher cannot reach other branches outside the capital within the given time as well as with the available financial capacity. Therefore, the researcher delimited only to branches located in Addis Ababa because of the aforementioned reasons even though it is very important to conduct this study across the country. The selected branches were Ethiopian revenues and Customs Authority head office, Eastern Addis Ababa Medium Tax Payers Branch, Arada Micro Tax Payers Branch and Addis Ababa no.1 Medium Tax Payers branch office.

1.7. Limitations of the Study

It is recalled that the study was conducted in ERCA head offices and selected branches. The study was limited only to ERCA because of time and financial constraints that compel the researcher to include other organizations. Therefore this research was not free from the limitation of generalizability, as it is difficult to generalize it to other organizations. This implies that the research had less external validity. In addition the study was conducted based on perceptions /opinions/ of the respondents, which may not be free from their individual perception and bias, in spite of the researcher's efforts to get them as objectively as possible. Lack of appropriate research model done in our country is another limitation of this study. Besides exclusion of employees below junior officers level such messengers, guards and secretaries is another limitation of this research paper. The nature of the study forced the researcher to exclude these subjects due to the fact that, the research was stratified as junior officers, senior officers and managements.

Another limitation of this study is, although the cognitive and behavioral components of measuring job satisfaction are important in understanding attitudes such as job satisfaction, this research study did not include these components.

1.8. Significance of the Study

The study helps the Ethiopian Revenues and Customs Authority (ERCA) to identify organizational climates which are poorly perceived by its employees. Further, this study was initiated to generate and add some information to the existing knowledge for researchers who are going to conduct the research in the same area or related discipline. Besides, the finding of the study might help the ERCA, managers, practitioners and academicians to compare and contrast the theory and the reality. The study would also recommend adoptable policies and strategies for mitigating organizational climate which are poorly perceived by the respondents.

1.9. Organization of the Paper

This paper was organized into five chapters. The first chapter discusses about the background of the study, chapter two reviewed the literature of the study and chapter three discuss about the methodology used in the study. In the fourth chapter the research analysis i.e. finding, interpretations and discussion was presented while chapter five discusses about summary, conclusion and recommendation of the study.

Chapter Two

2. Literature Review

2.1. Introduction

The origin and the use of the term Organizational Climate are found to be as old as the original concept of management itself. However, over a long period of time there appeared various frameworks, conceptual as well as operational, different sets of dimensions, techniques of measurements, and research findings that are highly diverse and often contradictory. It created considerable ambiguity in the particular area.

2.2. Organizational Climate

Before proceeding to some topics of organizational climate, it is necessary to define and conceptualize the topic. One of the earliest and most widely accepted definitions of organizational climate (James & Jones, 1974), explained organizational climate as a set of characteristics that describes an organization, distinguishes it from other organizations, is relatively enduring over time and can influence the behavior of people in it.

Gerber and Coetsee (2003) postulates that organizational climate is representative of organizational members' collective perceptions and/or feelings (attitudes) about the organization. They went on to say that the organization's climate reflects members' subjective attitudes and perceptions, regardless of whether it is an accurate description of reality in the organization.

Gerber (2003) defines organizational climate as the surface manifestation of organizational culture that consists of the conscious behavior, such as the feelings or perceptions and attitudes, that is shared by individuals in an organization at a particular time regarding the fundamental elements of the organization and that can positively or negatively influence the behavior of organizational members in terms of organizational effectiveness.

Hellriegel and Slocum's (1984) definition of organizational climate is representative of the combination of concepts of various authors. According to this definition, organizational climate refers to a set of attributes that is perceived about a particular organization and/or its subsystems, and that may be induced from the way in which the organization and/or its subsystems deal with its members and environment.

For the purpose of this research organizational climate is defined as the shared perceptions, feelings and attitudes the organization's members have about the fundamental elements of their organization and influence individuals' behavior either positively or negatively.

For a long period of time 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 behaviors. 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). 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 (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 (James & Jones, (2004). A large number of studies have consistently demonstrated relationships between unit or organizational climate and individual outcomes such as performance, satisfaction, commitment and involvement. While past researches had greatly contributed to our understanding of relationships between psychological climate and a diverse set of individual-level criteria, there are two key limitations inherent in this work. Firstly, studies have tended to focus on either psychological or organizational climate on individual outcomes. This is an important omission because employee attitudes may not only be influenced by one's personal perceptions of the work environment but also by the shared perceptions of co-workers (Mathieu & Kohler, 2000). The study of emergent processes suggests that a work group's shared perceptions might influence individual attitudes above individual perceptions of the work environment.

Secondly, research has increasingly examined a global index representing a single strategically focused climate (e.g. a climate for service or a climate for safety) or has focused on a set of

climate dimensions. Examining single dimensions or a set of independent dimensions of climate ignores the broader context in which they are operating. This is a limitation because it may be useful to examine multiple dimensions of climate together, as a system. Different organizational attributes are likely to mutually reinforce one another, making the total effect greater than the sum of individual dimensions Bowen (2004).

Again, there have been several approaches to the concept of climate of which two, in particular have received substantial patronage (1) the cognitive scheme approach and (2) the shared perception approach. The first approach regards the concept of climate as an individual perception and cognitive representation of the work environment— meaning from this perspective, climate assessments should be conducted at an individual level. The second approach emphasizes the importance of shared perceptions as underpinning the notion of climate (Whitley, 2002). Burke & Green (1999) define organizational climate as the shared perception of the way things are around there.

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. According to him, climate in this view falls into three major and well-known leadership styles: 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. 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) studied 76 managers from two different industrial organizations. They found climate dimensions to be moderately strongly related to satisfaction facets as security working conditions and advancement opportunities. Schneider (1973) 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 centered atmosphere.

Organizational climate can have positive and negative effects on employees. A climate that does not promote communication upwards, downwards and laterally would lead to fear of expression of ideas and opinions. Absence of an open-door policy (situations where employees are not allowed to come to the manager with anything that is bothering them) can also have negative effects on the climate. However, organizational climate differs from organizational culture. Organizational climate is the feeling that is conveyed by the physical layout, the way participants interact and the members of the organization conduct themselves with customers or other outsiders (Luthans, 1998). The definition emphasizes interaction among employees since people can see for themselves if the climate of the organization is positive or negative by looking at how the employees of that institution interact with each other. On the other hand, organizational culture is the customary way of thinking and behaving that is shared by all members of the organization and must be learned and adopted by newcomers before they can be accepted in the organization. This implies culture can be learned, shared and transmitted. It is also a combination of assumptions, values, symbols, language and behavior that manifest the organization's norms and values. Managers transmit organizational culture to all members of the organization so that they are sure that all employees have the same understanding of their culture; thereby they are expected to internalize the organizational culture so that they all function at the same level.

2.3. Dimension of Organizational Climate

Evidence from literatures suggests that there are no constant organizational dimensions/variables/ across the world that scholars agreed upon. Organizational climate has been researched in diverse situations, such as businesses, laboratories, schools and governments, making it difficult to determine which key dimensions are relevant to all of the above environments.

Therefore researchers are forced to use different measurements of organizational climate dimensions as different organizations have distinct climates. For instance Koys and DeCotiis (1991) identified over 80 different separate labeled dimensions of climate in literatures; where as Litwin and Stringer (1968) identified about nine dimensions. Therefore, organizational dimensions used in this study are identified by reviewing different literatures such as

organizational dimension identified by Wiley and Brooks (2000) in their research conducted in several organizations and industries as well as the dimensions of Tustin (1993) and also the researcher developed few dimensions by assessing the organization under the study. The organizational climate dimensions used in this research are there for explained in the subsequent sections.

2.3.1. Training and Development

Climate has been identified as critical to achieving transfer of training in organizations. Thus, an organization whose climate is favorable for transfer to take place is considered as “supportive”, while those whose climate inhibits transfer are regarded as “unsupportive” Burke (1999). Supportive transfer climate can be seen through the organization efforts and direction in improving organization performance by implementing goal oriented method. The vision of the organization should create a climate that could motivate their employees’ performance at workplace (Acikgoz & Gonsel, 2011). Human Resource Development intervention such as training could assist the employees and organization in attaining their goal or vision. They also emphasized that by enhancing the employees’ skill and successful performance, it could eventually lead to the attainment of employee and organizational goal.

In this research Training and Development refers to training initiatives received, satisfaction thereof and availability and provision of training for the employees in the organization. It is also aware of mentoring and coaching programs, promotion criteria and opportunities.

2.3.2. Communication

The study of organizational dimensions of Wiley and Brooks (2000) defined communication as information and knowledge which means provision of clear direction, vision and understanding of goals. Employees are informed about decisions/changes and information is shared.

Tustin (1993) defined interpersonal communication is the clearness of upward and downward communication and the relationship between subordinate and supervisor. It refers to communication issues in the organization, the manager’s ability to listen to staff, share information, and clarify misunderstandings.

The internal communication may be open or closed. In the open internal communication employees feel free to express their opinions, voice complaints, offer suggestions to their

superiors, argue their point of view, and comment freely about policy decisions in connection with production, personnel, and marketing concerns. While in closed communication new ideas have a little space or cannot be expressed, people feel threat of criticism or punishment in sharing information of critical nature. Open internal communication enhances supportiveness, participation, and trustfulness while reduces effects of stress on employees (Ray, 1987 cited in Miller, Considine & Garner 2007). Freedom and openness in information sharing among organizational members builds mutual trust that helps to create positive and effective organizational climate. The open communication facilitates the participation of employees in decision making process, organizational actions can best be explained, and clarity of expectations of management from the employees on the basis of set standards, and they (employees) could contribute for fairness at workplace (Kandel, 2000).

2.3.3. Performance Management

Performance management refers to the receipt of information and feedback about the employee's job, responsibilities and goals. It is the satisfaction with job evaluation and recognition received.

2.3.4. Remuneration and Rewards (salary package)

This refers to fairness of salary package in relation to the market and in comparison with similar jobs in the organization.

There is no doubt that monetary rewards play a very influential role in determining job satisfaction. Pay is one of the fundamental components of job satisfaction since it has a powerful effect in determining job satisfaction. Individual has infinite needs and money provides the means to satisfy these needs, (Arnold and Feldman 1996). However, there is no such empirical evidence that asserts that pay alone improves worker satisfaction or reduces dissatisfaction (Bassett 1994). The author is of the opinion that handsome salary cannot be the only factor of job satisfaction even highly paid employees may still be dissatisfied if they do not like the nature of their job. Moreover, a study conducted by Young and Woehr (1998) in the public sector organizations revealed the failure of any significant relationship between job satisfaction and pay.

However, Boggie (2005) says that poor pay and absence of recognition often leads to a problem with employee retention. Chung (1977) says that dissatisfaction and discontent can be the reason

if salaries are not market related. Neel, Van Dykand Werner (2004) also say that employees will compare themselves with their colleagues in terms of salary and their inputs to their job and may leave an organization if they are not satisfied and contented.

2.3.5. Team Work

According to Gerber (2003), team work is the effective functioning of the team and as a result achievement of goals and dynamics. It is all about belonging and fitting to the team and organization.

2.3.6. Quality of Service

According to (Schneider, 1998) organizational climate of the service industries refers to the organization's support for employees' activities, work procedures, and behaviors as sensed by employees in all aspects of customer services. Schneider (1998) added employees' sense that they will be rewarded for providing quality services to customers and the organization implements service activities to support them, the organizational climate is thus formed.

Besides employees, customers are also able to feel the organization's climate through interactivities with the frontline contact employees and customers' awareness of the organizational climate further affects their opinions and level of satisfaction to the quality of the services. Schneider (2005) also pointed out that when both the managers' efforts and the internal service environment are working to create an OC, this OC will be developed towards customer-oriented service behaviors.

Therefore, an organization must create and maintain ascertain organizational climate that suits the attributes of the services it offers if the organization wishes to achieve the image of service excellence. Organizational climate creates a cyclical system of positive feedback. Employees in a high organizational climate environment care highly about customers' opinions on their services and tend to think about how to improve their services and maximize customer Satisfaction. These employees have higher tendency to accumulate positive service/work experiences and customers benefited by such positive experiences also tend to give employees positive opinions. This positive feedback, in turn, encourages employees to strive for even better services in the next opportunity to service customer

2.3.7. Leadership

Gerber (2003) in his study of organizational climate defined management and leadership as supervision hindering or helping employees in performing their duties. However, in this research, leadership refers to the ability of managers to manage and lead employees, how they behave and treat employees and their knowledge.

2.3.8. Administration Style

Administration is about the leadership and management style, such as the span and degree of hierarchy, flexibility and autonomy, the organizational norm, the meeting time with employees, culture distinction fostered by the members that differentiate from the others.

2.3.9. Workload

Workload is relevant to the strength level of the job role and pressure, such as the number of hours per week, workforce in a shift, magnitude of the goals, frequency of pace of job. The pleasant workload influences employees' perception towards their organization and also their job satisfaction (Maslow 1943; Herzberg 1993).

2.3.10. Role Clarity

Role clarity refers to the presence or absence of adequate role-relevant information due either to restriction of this information or to variations of the quality of the information Kahn (2004). Neel(2004) found that workers who reported having inadequate information about their own position in the eyes of their foremen also reported dissatisfied than workers having a clearer picture. Clarity of goals was associated with greater satisfaction with the tasks.

2.4. Rationale for Studying Organizational Climate

Organizations which are high-performing have climates with particular measurable characteristics (Watkin& Hubbard, 2003). They go on to say that research has also shown how organizational climate can directly account for up to 30 per cent of the variance in key business performance measures. This is supported by research that examined “the relationship between how employees describe their work environments and the relative performance success of those work environments” (Wiley & Brooks, 2000). This research found that employees were more “energized and productive” in work environments in which particular organizational and

leadership practices were present (Wiley & Brooks, 2000,). According to these authors, the more energized and productive the employees were, the greater customer satisfaction was and the stronger the long-term business performance of the organization. A climate does make a difference to an organization's performance because it indicates how energizing the work environment is for employees. There is clearly more to an organization's performance than an energized employee or the presence of certain organizational and leadership characteristics. However, productivity also depends on the morale which governs discretionary effort – the willingness to 'go the extra mile'. This is unforthcoming if workers feel insecure (Culkin, cited in Gray, 2007). Organizational climate can therefore be considered a key variable in successful organizations.

2.5. Measuring Organizational Climate

It is impossible for managers to practice and implement organizational goals without understanding organizational climate. Therefore measuring organizational climate is crucial.

The majority of tools used to measure climate can be categorized into perceptual (subjective) or objective categories. According to Hellriegel and Slocum (1984), the main difference between these two methods is that the objective method does not depend on the individual's perception of the dimensions in the organization, subsystems and/or the external environment. Researchers who focus on objective measures of organizational climate examine the objective properties of organizations such as organizational size, levels of authority, decision-making authority, degree of centralization and rules and policies. According to Hellriegel and Slocum (1984), even though objective methods tend to be more accurate and reliable, they have at least three limitations. Firstly, there is an abundance of variables that may be extremely specific, making interpretation difficult. Secondly, these methods do not consider how organizational properties are related to each other and to organizational functioning. The third limitation relates to the assumption that objective properties affect organizational members indirectly.

Researchers who prefer perceptual measures of organizational climate contend that the perceptions of organizational members should be measured because they provide a more encompassing description of the concept.

Schneider and Hall (1972) presented Organizational Climate as a set of global perceptions held by individuals about their organizational environment. The sets of perceptions are basically the

result of interactions between personal and organizational characteristics. Organizational Climate was imagined as a summary evaluation of events based upon the interactions between actual events and the perceptions of these events.

The focus is on the active role the individual plays in perceiving organizational characteristics. It is important to note that dimensions are descriptive and not affective or evaluative, which measures attitudes. Therefore for this research study the researcher used the perpetual (subjective) method of measuring the organizational climates as the perception of the respondents were subjectively measured via questionnaire.

2.6. Importance of Organizational Climate

A considerable amount of attention in the past 30 years has been concerned with the topic of organizational climate and its effect on employees' behaviors in the organization (Andrews and Kacmar (2001). Climate perceptions are seen as a critical determinant of individual behavior in organizations.

Schneider and Hall (1972) note that climate perceptions emerge as a result of the employee's numerous activities, interactions, and other daily experiences with his/her organization. They further suggest that perceived climate may be related to a number of outcome variables, such as individual job satisfaction, involvement in the job, and effort. Climate is important as it is seen as influencing day-to-day job experiences.

Andrews and Kacmar (2001) reported data indicating that climate and effort and climate and job satisfaction are related. In other words, employees who perceived a supportive climate in their organization felt that their work situation facilitated their giving their best effort to their work, while those employees who perceived their organizational climate as unsupportive perceived their work situation as not conducive to their putting forth their best effort at work. Researchers have invested a great deal of time and energy in trying to identify which organizational climate factors have the most influence on managers' perceptions of their organization's commitment and, thus, on how motivated they feel. Various studies (Ashkanasy, Wilderom, Peterson, 2000) have looked at a variety of categories of managers in organizations in an effort to identify which climate factors have the greatest influence on effort.

However, different studies of different managerial groups, for instance, marketing managers, production managers, and finance managers have found that different sets of organizational

climate factors influence a particular group's perceptions. Robert J. Lichtman (2007) for example, cited that finance managers are more influenced by the degree to which their position provided opportunities for challenging problems and staying current in their fields more important. He also concluded from his research that production managers' perceptions were found to be more influenced by the degree to which they perceived their jobs to allow them to achieve established objectives.

The modern work environment is different from previous, as currently employees are demanding more freedom and conducive organizational climate which the management must take into account. Therefore, the current leaders must take care not only defining and creating conducive physical work environment but also they must alter the management style that the current employees demand.

2.7. Techniques for Improving Organization Climate

Open communication: there should be two-way communication in the organizations so that employees know what is going on and react to it. When employees react to what is happening in the organization the management can make proper decision based on the act of the employees.

Concern for People: The management has to show concern for the workers. It should work for their welfare and improvement of working conditions and must be interested in human resource development.

Participative Decision making: The employees should be involved in goal setting and taking decisions influencing their lot. They will feel committed to the organization and show cooperative attitude.

Change in Policies: The management can influence organization's climate by changing policies, procedures and rules. This may take time, but the change is long lasting if the employees see it in policies, procedures and rules as favorable to them.

Technological Changes: It is often said that employees resist changes. But where technological changes can improve the working conditions of the employees, the change is easily accepted. There will be a better climate if the management adopts improved methods of work in consultation with the employees.

Provision of workable career ladder: Management should provide promotion opportunities for their employees. This helps the management identify employees with exceptional performance to promotion to higher positions, which encourage them for higher achievement in their units.

Trust: By establishing trust and openness between the management and the employees through communication including frequent feedback in an organization, would help in keeping morale high. Through communication, employees can raise problems that they encounter in the workplace as well as problems relating to them as individuals. Prompt feedback can thus help employees to know their strengths and weaknesses so that they can improve their performance.

2.8. Job Satisfaction

Without people organizations are simply empty buildings and unused equipments. It is people who give them life, purpose, and meaning. Healthy and vibrant organizations are those with healthy and vibrant workers. Happy and vibrant workers are productive workers; and productive organizations are those with satisfied workers and conducive environment.

Realizing these, research on job satisfaction has began with the idea of ‘scientific movement’ or ‘Taylorism’ by Frederick W. Taylor (1911, which treats the human being as ‘Economic-man’ where ‘Money’ is the biggest motivator for job-satisfaction, although most of the debates about this theories start with Maslow’s theory of ‘Hierarchy of Needs’ (1943). This view was criticized by Elton Mayo & Associates (1924-33) during ‘Hawthorne Studies’ about the nature of human being.

Currently employees’ job satisfaction is invaluable for productive organizations and to survive in the competent environment as it is difficult to think productive employees who are not satisfied. Different researchers and scholars has been defined job satisfaction in several ways. Among many definitions given by scholars some are discussed in this section.

According to Fletcher and Williams, (2007) job satisfaction is the personal evaluation of the job conditions, the job itself, the attitude of the administration etc, or it is the consequences of the job such as wages, occupational security acquired from the job.

Reichers (2006) defined job satisfaction as the phenomenon ascertaining the pleasure of the employees and appearing when the qualifications of the job and the demands of the employees match.

Job satisfaction is complex phenomenon with multi facets; it is influenced by the factors like salary, working environment, autonomy, communication, and organizational commitment.

Spector (1997) refers to job satisfaction in terms of how people feel about their jobs and different aspects of their jobs. Ellickson and Logsdon (2002) support this view by defining job satisfaction as the extent to which employees like their work.

Robbins and Judge (2007) believe that job satisfaction represent an attitude and not behavior. They define job satisfaction as a positive feeling that an individual has about his/her job, based on the evaluation of the characteristics of the job.

Robbins (2007) considers job satisfaction to be an attitude - an outcome that many managers concern themselves with because it has possible links to productivity, absenteeism and turnover. They define job satisfaction as the general attitude that an employee has towards his/her job.

From the definitions above, job satisfaction can be defined as the attitude or feeling that one has about one's job that is either positive or negative. Hence someone who has a high level of job satisfaction will have a positive feeling about his/her job, while someone who is dissatisfied will have negative feelings.

2.9. The Theory of job satisfaction

Several theories have been proposed concerning causes of job satisfaction. They can be loosely categorized as i) Situational theories, ii) dispositional approaches and iii) Interactive theories where only Situational and Interactive theories are separately discussed in the next section.

2.9.1. Situational Theories of Job Satisfaction

This theory states that job satisfaction results from the nature of one's job or other aspects of the environment. There are many situational theories of job satisfaction in literature of which the two most important are elaborated in this study. These are Herzberg's two-factor theory and Job characteristics model.

2.9.1.1. Herzberg's Theory

In the late 1950s, Frederick Herzberg, considered by many to be a pioneer in motivation theory, interviewed a group of employees to find out what made them satisfied and dissatisfied on the

job. There was an urgent need at the time for more and better insight about the attitudes of people towards their jobs due to the prevalence of job dissatisfaction indicators such as strikes, slow downs, and filing of grievances . Herzberg asked employees essential two sets of questions:

1. Think of a time when you felt especially good about your job. Why did you feel that way?
2. Think of a time when you felt especially bad about your job. Why did you feel that way?

Herzberg argued that the factors that would lead to a satisfaction are often different from those that would lead to dissatisfaction. This conclusion was based on a series of interviews of workers. When asked to consider factors connected to a time when they felt satisfied with their jobs, individuals generally talked about intrinsic factors such as the work itself, responsibilities and achievements which called as “**motivators.**” Conversely, when workers were asked to consider factors that led to dissatisfaction, most individuals discussed extrinsic factors such as company policies, working conditions and pay that he called as “**hygiene factors.**” Herzberg further found that intrinsic factors were more strongly correlated with satisfaction, while extrinsic factors were more strongly correlated with dissatisfaction. Based on these findings, Herzberg argued that elimination of hygiene factors from a job would only remove dissatisfaction, but not bring satisfaction. To bring out job satisfaction, the organization must focus on motivator factors such as making the work more interesting, challenging and personally rewarding.

2.9.1.2.Job Characteristics Model

According to Job Characteristic Model jobs which contain intrinsically motivating characteristics would lead to higher levels of job satisfaction as well as other positive workout outcomes such as enhanced job performance and lower withdrawal. This was model was introduced by Hackman and Oldham [1976] and focuses on 5 core job characteristics.

Task Identity: -degree to which one can see one’s work from beginning to the end. Task identity encourages the feeling that the job is meaningful and worthwhile thus motivating the employee to work smart.

Task significance: -refers to how important the job is and its impact on the organization and/or to the external environment. Hackman and Oldham (1974) has been defined it as the degree to

which a job has a substantial impact on the lives or work of other people whether in the immediate organization or in the external environment.

Autonomy: Hackman and Oldham (1974) explained that autonomy is the degree to which a job provides freedom, independence and discretion to the employees in scheduling his or her work and in determining the procedures to be used in carrying it out. It is the vertical expansion of responsibility, the amount of decision making and independence allowed for employee. Autonomy can motivate and enable employee to try new ideas and learn from consequences, and expend their domain- relevant skills.

Feed Back: refers to the degree to which the work itself provides feedback for how the employee is performing the job. Hackman and Oldham (1974) defined it as the degree to which carrying out the work activities required by the job results in the employee obtaining information about the effectiveness of his or her performance. Top management need to give feedback to the employee so that they know which areas that need to be improved and it can lead to better understanding of their work nature.

Several research directly testing the relationship between job characteristics and job satisfaction of employees has produced consistently positive results. It has been shown that there is a significant relationship between the situational variables of autonomy, feedback, skill variety, task identity and task significance, and job satisfaction.

2.9.2. Interactive Theories

This theory of job satisfaction considers both personal and situational variables. The interactive theories of job satisfaction comprises of Cornell Integrative Model, Locke's Value-Percept theory and Adams' equity theory which are separately discussed below.

2.9.2.1.Cornell Model

Cornell Model develop by Smith(1969). Kendall and Hulin states that job satisfaction is individual's emotion associated with his/her job or affective responses developed toward different dimensions of state of job. According to researchers, these emotions stem from individual's perception on difference between experience and expectation of reasonable and fair response, in relation to current situation's alternatives. Smith et al. are the first researchers who discuss the definition of "frame of references" which is the basis of their study.

According to the model, job satisfaction is a function of the balance between the role inputs, what the individual puts into the work role (e.g. training, experience, time and effort), and role outcomes, including what is received (pay, status, working conditions and intrinsic factors). The more outcomes received relative to input invested, the more job satisfaction would be, other things remain constant. According to the Cornell Model the value individual put on input is affected by opportunity cost of the inputs available in the market. In periods of labor oversupply i.e. (high unemployment), the individual will perceive their inputs as less valuable due to the high competition for few alternative positions, and the opportunity cost of their work role declines (i.e. work role membership is less costly relative to other opportunities). Therefore, as unemployment rises, the subjective utility of inputs falls- making perceived value of inputs less relative to outcomes- thus increasing satisfaction.

Finally, the model proposes that an individual's frames of reference, which represent past experience with outcomes, influenced how individuals perceive current outcomes received. The fewer or less valued, the outcomes received in the past and as current employment opportunities erode, the same outcomes per inputs would increase job satisfaction (i.e. more was received than had been in the past). Again, the reverse scenario is also true. Although the breadth and integration of the Hulin model is impressive, direct tests of the model are lacking. One partial test (Judge & Hulin 1993) of the model was not particularly supportive; therefore, more research on it is needed.

2.9.2.2.Value Percept Theory

Locke (1976) value-percept theory presents different perspective on job satisfaction. He argues that to great extent what satisfy individuals on their jobs are determined by their own values. Note that here value is defined as that which one desires or considers important. That is to say, many factors such as salary, promotion may play an important role on individuals' job satisfaction only when they are unfulfilled and valued by individuals. The value-percept model can be summarized as follows:

$$\text{Satisfaction} = (\text{want} - \text{have}) \times \text{importance} \text{ or } S = (V_c - P) \cdot V_i$$

Where S is satisfaction, V_c is value consent (amount wanted) , P is perceived amount of the value provide by the job and V_i is the importance of value to the individual. Thus, value-percept

theory predicts that facets importance moderates the relationship between facet amount and facet satisfaction, but it does not moderate the relationship between facet satisfaction and general satisfaction. In other words, the whole is not as same as the sum of parts. Locke's theory is, to some extent, similar to Vroom's EIV theory (1964). Both emphasize on the importance of facets to individuals. Only if the job facet is important to the individual, the discrepancy between what is wanted and what is gained is dissatisfying. However, there is one potential problem. How can we explain why one wants a lot of money while it is not important to him? That reminds us that what one wants and what one considers important are overlapped. We may not separate them from each other.

2.9.2.3.Adams' Equity Theory

Adams' (1963) equity theory is an important theory based on the conception of social comparison. 'Social comparison is a process by which individuals compare themselves with other people to arrive at a self-judgment'. According to Adams, individuals judge the fairness of working conditions through comparing. They compare their input/output ratio with others in order to assess whether they are treated fairly or not. Inputs are things that put into the job, such as hours, working technology, working experience, diligence where as outputs are things that get out from the job, such as payment, bonus, benefit, reputation, respect. Normally output has a close relationship with payment. At the same time, they also evaluate what they get in comparison with what they expect. During the process of assessing, they make their own conclusion whether they are fairly rewarded or not. There are three possible perceptions according to their judgment. The first possibility, they perceive that they will be properly rewarded in estimating the input/output ratio compared with others, in other words, they will be fairly treated. The second possibility, they will be over-rewarded with the input/output ratio over others'. If individuals will be properly rewarded or over-rewarded, they will be satisfied with their jobs and their attitude to the jobs will be active. The third situation, they will be under-rewarded with the input/output ratio under others'. That means they will feel inequity. Then, they will feel dissatisfied with the jobs and be motivated to reduce the inequity. There are several ways to reduce the inequity, by changing the input, such as less working time, or be lazy; by changing the output, such as require more payment, more bonus, more respect; by changing the comparison referents, they may choose another group which are less rewarded; by leaving the

job; by changing the comparison referents' input or output. Through these alternative methods, individuals reduce the inequity and finally get satisfaction from the jobs.

2.10. Measuring Job Satisfaction

The concept of job satisfaction is extremely broad because it includes all the characteristics of the job as well as the characteristics of the work environment which employees find rewarding, fulfilling and satisfying or which they find frustrating or unsatisfying (Ford & Walker, 2005). Robbins (1998) concurs with the above, stating that an individual's job involves more than only the obvious activities associated with the particular job. It includes factors such as interacting with colleagues, adhering to organizational policies and rules and achieving performance goals. Hence an employee's assessment of his/her level of satisfaction or dissatisfaction is a multifarious summation of various job elements.

There are different ways of measuring job satisfaction in literatures. Paper-and-pencil tests, critical incidents and interviews. The paper-and-pencil test is the most commonly used method and involves scales that are standardized and tested using norms. The critical incident method requires participants to recall incidents that were particularly satisfying and dissatisfying to them. This method is extremely time-consuming. Interviews allow for in-depth questioning in order to understand the causes and nature of job satisfaction and also offer respondents wider scope regarding their responses.

This study defines job satisfaction as the feeling an individual has about his/her job, and therefore is concerned with measuring the affective aspect of job satisfaction. This was done by including a number of statements in a questionnaire measuring job satisfaction. The respondents were required to answer these statements by indicating the degree to which they agreed or disagreed with them using a five-point Likert scale. The statements included in the job satisfaction dimension are listed below:

- ❖ I feel positive about my future in the organization.
- ❖ I find my work interesting.
- ❖ I find my work challenging.
- ❖ I feel that the organization cares for its employees.
- ❖ The organization retains its best employees.

It is often believed that cognition causes affect, which causes behavior. However, these components are closely related and difficult to separate (Robbins & Judge, 2007). Understanding employees' attitudes towards work outcomes such as job satisfaction is vital for organizations because it gives them insight into how employees might behave. For example, if an employee has a negative feeling (affect) about his/her job, this could result in him/her looking for alternative employment (behavior). This attitude may lead to increased turnover and decrease the organization's retention rate. Although the cognitive and behavioral components are important in understanding attitudes such as job satisfaction, this research study did not include these components.

2.11. Factors Affecting Job Satisfaction

Job satisfaction is global concept which is determined by several factors. Factors affecting job satisfaction of employees are elaborated below.

2.11.1. Extrinsic Factors

Extrinsic job conditions are external variables which are generally regarded as primary sources of job dissatisfaction. These factors include:

Salary: -According to Maslow's hierarchy of needs theory (1943) salary is the basic need for employees. Herzberg (1993) believes that salary belongs to hygiene factors and can prevent job dissatisfaction. It will lead to severe dissatisfaction and ultimately demotivate if employees are dissatisfied with salary. Salary is seen by many managers as a major motivators or at least an important factors influencing employees' job satisfaction.

Supervision: - Supervision is the affiliation between leaders and subordinates. A synergistic supervision is an appropriate instrument to enhance job satisfaction. It will establish open communication, trust relationships, supervisory feedback and evaluation. Supervisors should apply the appropriate strategies with their employee's status and act accordingly (Herzberg 1993; Hackman & Oldham 1976).

Working conditions: Working conditions are relevant to the environment impact, such as the space for operating and resting, criticality of the job, the degree of required technology and skill; equipments situation and so on. Working conditions are hygiene factors to prevent dissatisfaction (Herzberg 1993). Locke (1976) finds that working conditions, which are compatible with the individual's physical needs and work goals, are positively associated with job satisfaction.

Interpersonal relationship: - The theories of need such as Maslow (1943) and Herzberg (1993) show that man are also a social animal. One of the most important needs is belongingness such as love, both giving and receiving. Interpersonal relationship play an important role in job satisfaction for two reasons: first, good relationship improves people's interest in staying at work which can maintain high job satisfaction (Herzberg 1993); second, good relationship may lead to positive intervention, which is proved to be the social information people rely on to form their attitudes towards jobs.

2.11.2. Intrinsic Job Characteristics

Intrinsic job characteristics are regarded as the core variables as well as motivators of job satisfaction. Here we listed the main factors as follow:

Achievement

Achievement is one of main things people want from their jobs. That means people can get satisfied when they get success (Herzberg, 1993).

Feedback

It is necessary to provide feedback for employees which allow them to know how well they are doing their jobs (Herzberg, 1993). Feedback could be from supervisors, co-workers and sometimes customers who get services from the organization. The effective feedback is specific but its function is general especially to job satisfaction. Feedback is closely related with respect and recognition. Individuals at all levels of the organization want to be recognized for their achievements on the job. A study conducted on job satisfaction, stress and burnout in Australian specialist anesthetists shows that poor recognition is the major dissatisfying aspects of the job satisfaction.

Responsibility and Autonomy

The job characteristic model (JCM) predicts that employees in autonomous or self-managing works have higher levels of job satisfaction than in traditionally designed jobs. High autonomy means that employees are trusted by the managers, and employees will trust the managers as well, which makes employees be more satisfied with their jobs (Hackman & Oldham, 1976).

Personal Development

According to Herzberg (1993), people report job satisfaction when they get promoted. In order to maintain and improve job satisfaction, it is very important to have an open position to employees. Even if there is no space for promotion, support employees by allowing them to pursue further education, which will make them more valuable and more fulfilled professionally. If the job gives employees an opportunity to become multi-skilled, employees' job satisfaction would increase. That is to say the more diversity of the job will reduce the likelihood of job dissatisfaction. Agho (1993) reports that promotional opportunity, the potential for growth and self-growth lead to a joyful workplace and a strong sense of accomplishment.

Work value

Employees tend to prefer to jobs that are meaningful, interesting and challenging. The higher work value is; the higher job satisfaction will be (Hackman & Oldham, 1976).

Cooperation with other departments

This concept is associated with task interdependence, the degree to which the job has impact on the work of others. Study show when other departments rely on work performed by the employee, job satisfaction will be expected; while the employee relies on work flows from other departments, it is negatively related to job satisfaction.

2.11.3. Individual Characteristics

Research suggests that certain personal or demographic variables have an influence on job satisfaction in one way or another. The results of studies on work-related attitudes and/or behaviors and job satisfaction indicated that personal variables influence job satisfaction

Truly, to a significant extent, job satisfaction is rooted in individuals' personalities. Here the researcher interested in the basic demographic characteristics 'which have a likely target been for sources of variation in job satisfaction'. Those individual variables associated with job satisfaction are summarized as following:

Gender

Today's work environment is characterized by diverse workforce, with increasingly more women entering the labor market. Hence, for organizations to effectively manage this diversity

to ensure the optimal efficiency and performance of their employees, they need to identify how men and women differ in their attitudes to work. The literature on the gender-job satisfaction relationship is inconsistent, some studies indicate that males are more satisfied than females; others find the converse to be true with women being more satisfied than men, while others again find no difference in job satisfaction based on gender.

In Loscocco's (1990) studies of job satisfaction and gender, female employees were reported as demonstrating higher levels of job satisfaction than their male counterparts. According to Loscocco's (1990) findings, women experience higher levels of job satisfaction because they value rewards that are readily available, for example, relationships with co-workers. These values are in contrast to what men value as they desire autonomy and financial rewards, which are not as readily available, resulting in lower levels of job satisfaction.

This point of view is in contrast to that of Clark (1997) who made use of a large-scale British data set to investigate the relationship between gender and job satisfaction. He found that women reported significantly higher levels of most kinds of job satisfaction than men, even when individual variables such as values, which are important predictors of job satisfaction, were controlled. This difference in job satisfaction is attributed not to women describing their jobs as better than men's jobs but rather to the fact that they have lower expectations. It should be noted that this gender differential disappears for younger and more highly educated workers, those in professional positions and/or who had mothers in professional positions as well as those working in male-dominated work environments.

Other studies, however, have reported no significant difference in job satisfaction among male and female employees. To illustrate this point, in a study conducted by Pors (2003) on Danish and British library managers, no significant difference was found between males' and females' levels of job satisfaction. Alavi and Askaripur's (2003) finding in their research of Iranian government personnel was that there was no significant difference between the male and female employees.

The findings of Long (2005) supported the differences between males and females in the perception of their organizational climate.

Job Level

There are no adequate studies investigating whether job satisfaction increases with job level. Although, there were few studies concerning the relationship between job level and job satisfaction, there is no agreement on the relationship between the two variables.

More recent research studies findings supported that there is a positive relationship between job level and job satisfaction. Kline and Boyd (1991) postulate that employees at the higher levels of the organization report higher levels of job satisfaction.

However, research conducted by Herman and Hulin (1973) found that there were only certain dimensions of the job where higher level employees reported higher levels of job satisfaction. Frances (1986), however, found that higher-level employees reported less satisfaction than lower level employees.

Tenure

It is postulated that length of service in a job may be an indication of employees' levels of job satisfaction (Oshagbemi, 2000). The rationale is simply that those employees who are less satisfied with their jobs are likely to resign, whereas employees who are satisfied with their jobs will remain in these positions. This is consistent with studies indicating a negative relationship between job satisfaction and turnover and job satisfaction and absenteeism, thereby indicating a higher average level of satisfaction by employees with longer tenure in a particular organization.

Oshagbemi (2000) conducted a study of university teachers in the UK, focusing on length of service in their present university as well as length of service in higher education as a whole. He found a positive correlation between overall job satisfaction and tenure among teachers who remained with their present university. When considering overall job satisfaction and tenure for teachers in higher education as a whole, job satisfaction scores are similar for the first two decades, with progressive increases over the next two decades. The conclusion that can be drawn from this study is that job satisfaction and tenure have a positive relationship. In a study conducted in South Africa, Josias (2005) found an inverse relationship between tenure and job satisfaction, which is inconsistent to the above findings. He found that employees who had been with the organization for a long time were less satisfied than employees who had been with it for only a short period.

Possible reasons for the various findings in studies on tenure and job satisfaction could be linked to employees' career stage, organizational hierarchy and acculturation. As employees reach the end of their careers, they have achieved their professional goals and start to disengage as they prepare for retirement and focus on personal rather than work goals. As personal goals become more important to these individuals, professional achievements and recognition becomes less significant. Modern organizations are characterized by flat structures that present few opportunities for managerial advancement.

2.12. Theoretical Relationship Between Organizational Climate and Job Satisfaction

The concept of organizational climate and job satisfaction has been long lasting in organizational behavior discipline. Several studies have been conducted to show the relationship between the two constructs. Organizational climate focuses on organizational/institutional attributes as perceived by organizational members, while job satisfaction addresses perceptions and attitudes that people have towards and exhibit in their work. In their field experiments, Litwin and Stringer (1968) created different climates, and discovered that these contributed to different levels of employee satisfaction.

The results of a study by Friedlander and Margulies (1968) showed that organizational climate is a significant determinant of job satisfaction, reporting that individuals with different work values were more satisfied in different work climates and that individuals' satisfaction with various aspects of their work depended on certain combinations of climate components.

Hackman (1974) reported that organizational climates that showed an interest in their employees, provided opportunities for them and recognized their accomplishments, resulted in their employees being more satisfied. In Ford's study of industrial engineers, organizational climate characteristics such as concern for the feelings of others impacted on job satisfaction. Opportunities for employee advancement and development appear to be organizational characteristics that have an influence on job satisfaction. A work environment that encourages continuous learning and provides new opportunities influences job satisfaction. Brief (1998) found that salary, benefits and advancement opportunities were components of organizational climate that had a direct influence on job satisfaction. All these findings indicate there is a positive relationship between organizational climate and job satisfaction.

2.13. The Conceptual Frame Works of the Research

The conceptual frame work for this study is rooted in the organizational climate model depicted by Gerber (2003), which is built upon or related to the concepts described in this chapter.

This frame work is suitable for the current study as it explains the relationship between organizational climate and important variables.

The frame work involves both constructs of organizational climate and job satisfaction and take into account the relationship between the constructs. Gerber's (2003) model depicts several influences on climate. These include both internal and external influences, which can be divided into three categories, namely external, organizational and personal influences. The way in which individuals observe these influences (perceptions) and form feelings about them (feelings and attitudes) are different from group to group.

However, this model is limited to internal factors involving organizational and personal variables. In this conceptual model the organizational climate dimensions and job satisfaction are either positively or negatively perceived by organizational and biographical variables. It is theorized that these variables potentially affect the organization's perceived climate categories and employees' job satisfaction. The frame work also depicted those different organizational climate categories that can influence employees' job satisfaction. In this conceptual model organizational climate categories are independent variables whereas job satisfaction is dependent construct.

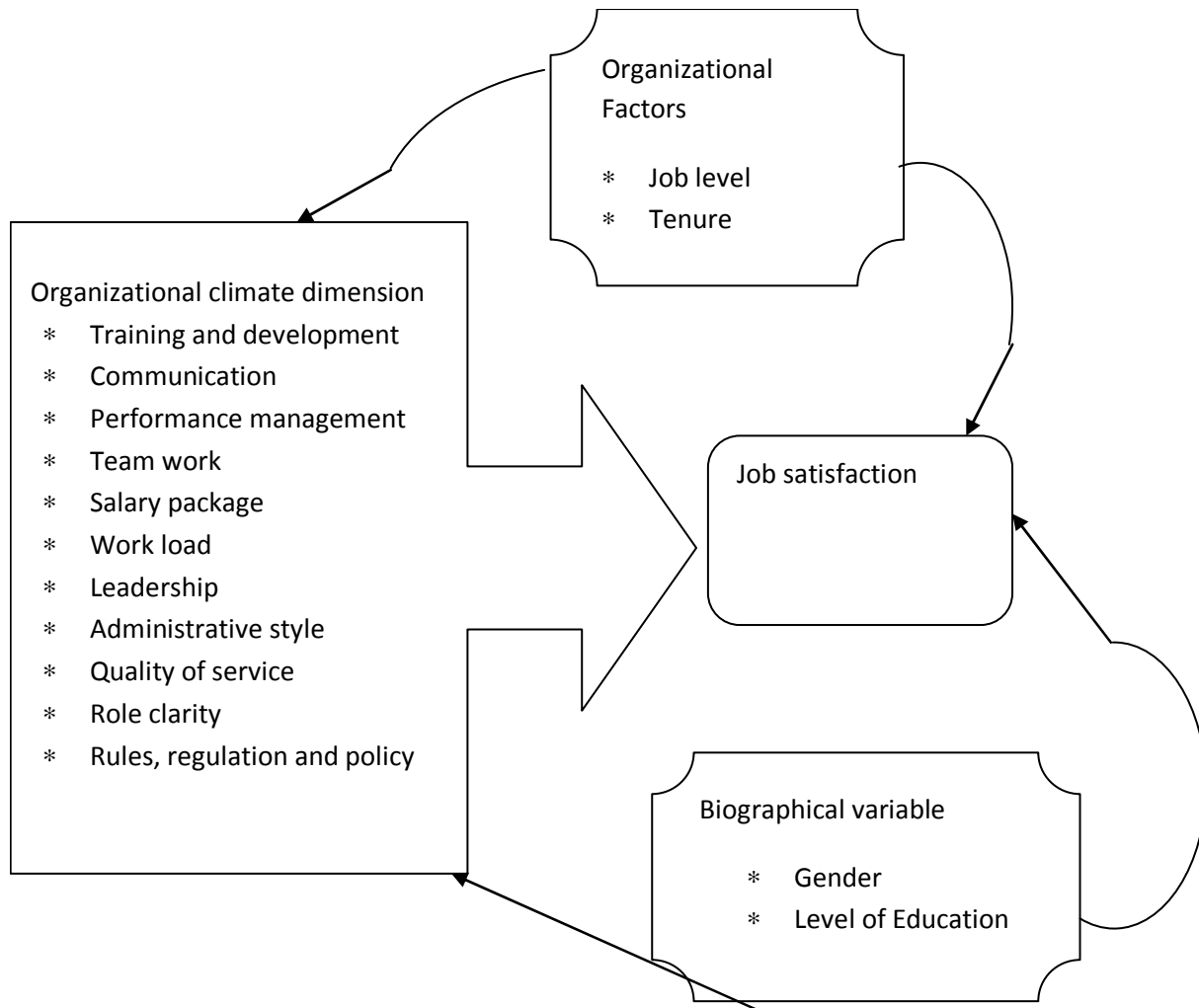


Fig2.1: Conceptual Frame works of the Research Model

Source: Adapted from Gerber (2003)

However, when testing the perception of different respondents (group) on organizational climate dimensions and employees' job satisfaction, organizational variables (job level, tenure) and biographical factors such as gender and educational level are considered as independent variables.

CHAPTER THREE

3. Research Methodology

3.1. Research Design

In this study cross-sectional study design with descriptive design were used. Cross-sectional design is used when information is to be collected only once Malhota (1996).

Descriptive design focuses on phenomena of interest, which according to this study whether junior officers, senior officers and management perceive their organizational climate differently.

3.2. Sampling Techniques

The target populations in this research paper were junior officers, senior officers and managements of ERCA. This implies that the populations under the study were not homogeneous. Hence, a stratified sampling technique was used for this research paper. The populations were stratified based on their job level as junior officers, senior officers and managements. After stratification as junior officers, senior officers and managements, the questionnaires were administered to all the managements, where as simple random sampling technique was used for senior and junior employees in whom every single element in the population has a known and equal chance of being selected as a subject. The questionnaires were distributed for all managements to avoid low respond rate as they were few in number. Stratified sampling was selected because of the nature of population as the populations were in different job positions, so that it was assumed that they perceive their organization's climate different way. Stratified sampling method as certified by Cooper and Schinder (2006), mainly help to: (a) increase sample's statistical efficiency; (b) adequacy of data for analyzing the various sub populations or strata; and the usage of different research methods and procedures for different strata.

3.3. Population of the Study

The population of the study was from Ethiopian Revenues and Costumes Authority head office, East Addis Ababa Branch, Arada Micro Tax Payers Branch and Addis Ababa no.1 Medium Tax Payers Branch, with target population comprising of junior officers, senior officers and managements of the Bureau. Convenience sampling method was used to select the branches located in Addis Ababa. It is difficult to include branches located outside Addis Ababa, as it is costly to undertake the study within a given time and economically infeasible for the researcher to conduct the study outside the capital.

3.4. Determination of the Sample Size

The study was based the sample frame work of ERCA head office and its three branches. The total populations of the research study in four areas were 1,317 of which 27 were managements whereas 747 were junior officers and the rest 543 senior officers. In general the population of the study was presented the in table 3.1 below.

Table3.1: Population of the Study

Gender		No.	Total	Junior officer	Senior officer	Management
BA	male	682	1159	747	543	27
	Female	477				
MA	male	73	87			
	Female	15				
Diploma	male	24	71			
	Female	45				
Grand Total			1317			

Source: - ERCA's Human Resource Department

It is very expensive in terms of money and time to collect data from all these employees, so that the researcher has to determine sample which is representative for the total population. Yamane (1967:886) provides a simplified formula to calculate sample sizes of finite population, which is used to determine the sample size for this study paper.

A 95% confidence level was assumed for this formula to determine the sample size, at $e=0.05$. The sample size is determined by the following formula.

$$n = \frac{N}{1 + N(e)^2}$$

where n is the required sample size, N is the population size and e is the level of percision. Applying the above formula,

$n = \frac{1317}{1+1317(0.05)^2} = 306.81=307$ rounding nearest to the greatest integer. Hence the sample size for this research was 307 employees of Ethiopian Revenues and Customs Authority.

3.5. Method of Data Collection

Secondary and primary data were used to conduct this research paper.

3.5.1. Collection of Secondary Data

Secondary data was collected from the organization's web site, brochures, documents and news which are printed monthly by the Ethiopian Revenues and Customs Authority. The ERCA prints different brochures and news concerning different issues such as employees turn over, the organization's performance and issues concerning rules and regulation of the bureau.

3.5.2. The Questionnaire

Survey research method was used for this study through the distribution of copies of questionnaire to collect necessary information from respondents. The questionnaire has two main sections, the first part comprising 5 questions dealing with respondents' profile of biographical and organizational variables, where as the second, which cover the major area of this study comprises of fifty two measuring questions under different 12 categorical dimensions.

3.5.3. Distribution and Collection of the Questionnaire

Copies of the questionnaires were distributed to collect necessary information from respondents. The researcher used one structured questionnaire for all junior officers, senior officers and managements and presented personally to the respondents to gather the data. Thus, this enhanced uniformity of response bearing in mind the degree of variations in perception of what the organizational climate is. The respondents have a number of alternative options with structural

questionnaire from which they must choose the one that most closely approximates their view. The value of the study and the instructions were explained to the subjects. Respondents were requested to complete the questionnaires which were collected personally by the researcher from individual respondents which ensured a high return rate and encouraged freedom of expression from the respondents.

The questionnaires were distributed to the employees of the selected 3 branches and head offices located in Addis Ababa. It took about two weeks, from April 8/2015-April 23/2015 to distribute and collect the questionnaire from the respondents.

The status of the questionnaires was followed via phone and by physical visiting and a pre-test was conducted before actual data collection using small representative sample to find out whether the questions are properly being filled. The researcher collected the questionnaire from few respondents and make sure whether it was correctly filled or not by the participants. Clarity of wordings in view of respondents' level of understanding was checked on the pre-test to avoid misunderstanding of the questions.

3.5.4. Data Processing and Analysis

Five-point Likert scale was used in the design of the questionnaire. There is no established number of categories that deemed optional for likert scaling. In practice, a scale of five categories which was applied in this study is a typical.

SPSS version 20 computer soft ware program was used. First the responses of the participants were coded in Excel spreadsheet and then exported to SPSS to analyze the findings. After exporting to SPSS, the raw data concerning the respondents' demographic and organizational variables were depicted using different graphs. After the respondents profile was presented, the organizational climates and job satisfaction variables were processed using descriptive statics and inferential statics such as correlation, analysis of variance (ANOVA) and T-test. The descriptive statics parts of the variables were analyzed using means, standard deviation, and percentage whereas hypotheses of the study were tested using correlation, analysis of variance (ANOVA) and T-test. To determine the relationship between organizational climate and job satisfaction correlation statics was used, whereas ANOVA and T-test were used to test the significant mean differences between/ among respondents' views on organizational climate variables and their job satisfaction level.

CHAPTER FOUR

4. Results Presentation, Analysis and Interpretations

4.1. Introduction

The Ethiopian Revenue and Customs Authority came into existence on 14 July 2008, by the merger of the Ministry of Revenue, Ethiopian Customs Authority and The Federal Inland Revenue Authority who formerly were responsible to raise revenue for the Federal government and to prevent contraband. According to article 3 of the proclamation No. 587/2008, the Authority is looked upon as "an autonomous federal agency having its own legal personality". The reasons for the merge of the foregoing administrations into a single autonomous Authority are- providing the basis for modern tax and customs administrations ,to cut through the red tape or avoid unnecessary and redundant procedures that results delay and are considered cost-inefficient and to be much more effective and efficient in keeping and utilizing information, promoting law and order, resource utilization and service delivery are some the reasons that initiate the authority re-establish in the new form

4.2. Objective of the Authority

The Authority has the following main objectives.

- ♣ To establish modern revenue assessment and collection system; and provide customers with equitable, efficient and quality service,
- ♣ To cause taxpayers voluntarily discharge their tax obligations,
- ♣ To enforce tax and customs laws by preventing and controlling contraband as well as tax fraud and evasion,
- ♣ To collect timely and effectively tax revenues generated by the economy;
- ♣ To provide the necessary support to regions with a view to harmonizing federal and regional tax administration systems.

4.3. Vision, Mission and Values of ERCA

- ♣ Vision - To be a leading, fair and modern Tax and Customs Administration in Africa by 2020 that will finance Government expenditure through domestic tax revenue collection.
- ♣ Mission - contributes to economic development and social welfare by developing a modern Tax and Customs Administration that employs professional and highly skilled staff who promote voluntary compliance amongst individuals and businesses, and take swift action against those who do not comply.
- ♣ Values - ERCA understands its customers and their needs, treat them with trust and respect and help them to meet their obligations. It acts with integrity, transparency and professionalism, and enforces customs and tax related laws. It work closely with stake holders and ensure the participation of women.

4.4. The Response Rate of the Questionnaire

The questionnaire administered to the respondents, returned and the percentage of returned questionnaire was analyzed in the table 4.1 below.

4.1: Summary of Questionnaire Administered, Returned and Analyzed by Group

Job level of the employees	Copies of Questionnaire Administered	Returned questionnaire	Percentage of Returned Questionnaire
Junior Officers	159	126	79.25
Senior officers	121	107	88.43
Managements	27	16	59.25
Total	307	249	81.11

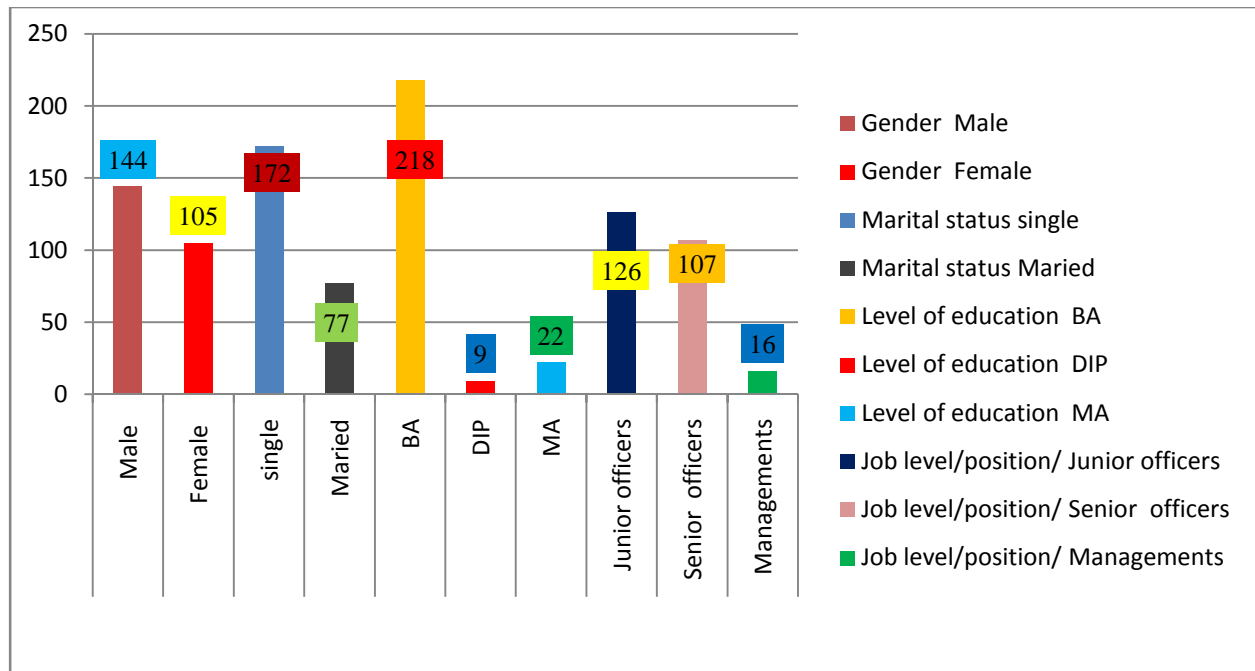
Source: - Questionnaire survey by the Researcher

The above table indicates the questionnaires administered to and returned by the respondents based on their job-level. As one can see from the table 4.1, 159 questionnaires were administered to junior officers of which 126 (79.25%) were returned. In the similar way 121 questionnaires were administered to the senior officers and 107 (88.43%) were returned whereas 27 questionnaire were distributed to managements and only 16 (59.25) were returned. The response rate of senior officers was the highest (88.43%) followed by junior officers 79.25% where as the response rate of the managements was the lowest (59.25%).

4.5. Socio-Demographic Profile of the Respondents

The biographical variable that is presented in this research is gender and marital status of the respondents whereas the organizational variables are job level/position/, educational level and tenure of the employees which are depicted and discussed by graph in the following sections.

Fig 4.1: Demographic Profile of the Respondents



Source: Researcher's Survey Result

4.5.1. Gender of the Respondents

As it is depicted in the figure above, majority of the respondents 57.8% (n=144) were men where as female respondents were 42.2% (n=105).

4.5.2. Marital Status of the Respondents

With regards to the marital status of the participants, as depicted in the figure 4.1 above , majority of them were single comprising 172 (69.1%) of the total respondents. On the other hand 77 (30.9%) of the participants were married. This implies that most of the employees of the bureau were young who are in the productive age group.

This is due to the fact that most of the aged and experienced employees leave the bureau and fresh university graduates join it, implying the bureau could not retain its experienced employees.

4.5.3. Educational Level of the Respondents

As one can see from the above graph bachelor holders were so many in number 87.6% (n=218) followed by masters holders 8.8% (n=22) while diploma holders were the least 3.6% (n=9). The main reason for fewness of the diploma respondents was, in the organization under the consideration most diploma holders were below either junior officers or a senior officer which is the focus of the researcher as the employees were stratified based on their job level.

4.5.4. Job Level of the Respondent

Job level is another organizational variable which is considered in this research. The researcher included the job level in the study to see where there is difference in the perception of organizational climate among junior officers, senior officers and managements in Ethiopian Revenues and Customs authority.

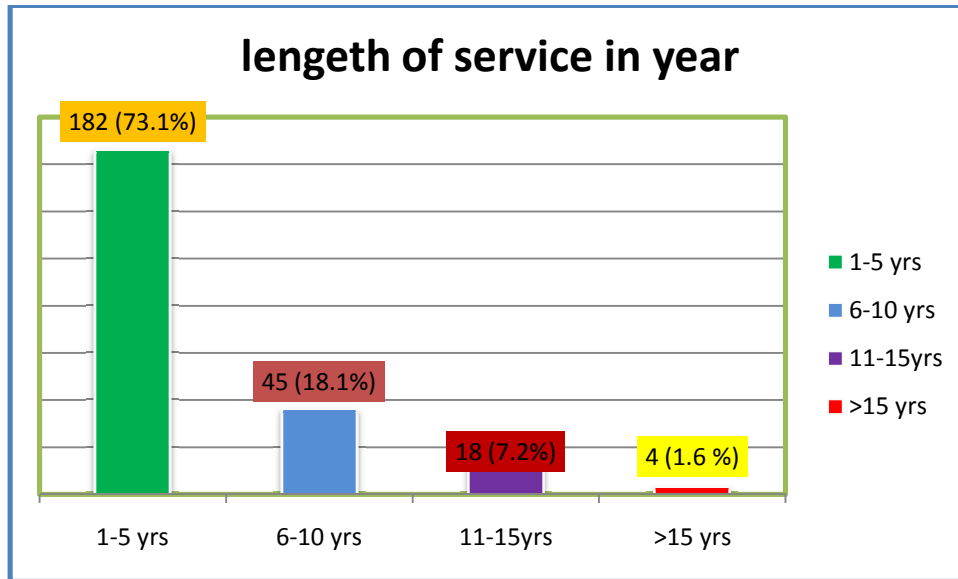
The result from the graph indicates that the majority of the respondents 50.6% (n=126) were junior officers, whereas 43% (n=107) were senior officers. The rest which depict small number of the participants were managements 6% (n=16).

4.5.5. Tenure of the Respondents

Tenure is one the organizational variable which is measured by the length of the service year of employees in certain organizations. The graph below depicts the tenure of employees in ERCA.

As it is illustrated in figure 4.2, the majority of the subjects worked for the organization for 1 to 5 years, comprising 73.1% (n=182) of the total participants. Forty five (45) respondents i.e. 18.1% has been with organization for 6 to 10 years, whereas only 7.2% (n=18) were worked in ERCA for 11-15 years. Among the participants 1.6% (n=4) were worked in the organization for more than 15 years which constitute very few number of the respondents.

Fig.4.2: Tenure of the Respondents



Source: - Researcher's Survey Result

This indicates that majority of the employees in the organization have service year for 1 to 5 which in turn indicate the existence of high turnover in the concerned organization. In general the results suggest that there was uneven spread across the tenure categories of the subjects in ERCA.

4.6. Reliability of the organizational Climate Variables (OCV)

Before seeing different analysis results of OCV, it is indispensable to make sure whether the variables measure what they stand for to measure. Reliability is the measurement of internal consistency of the variables. In this research paper Cronbach's Alpha, using SPSS version 20 was used to measure the reliability of the variables. The scale measurement of Cronbach Alpha was depicted in the table 4.2 below.

The Cronbach's Alpha coefficients for each variable range 0.884 to 0.895 for all 52 items under the consideration, whereas the total value is 0.89 as presented in the table 4.2. If the total value is above 0.7, the scale is deemed to be a reliable measure for examining the sample Pallant (2001), cited in Monia Lola(2008). This indicates that the items of this study have internal consistencies as they lied above the recommended cutoff.

Table4.2: Scale Reliability of the Variables

S/no	Variables	Cronbach Alpha
1	The organization provides me necessary training for doing my job	.888
2	The organization provides me with training opportunities based on my job and profession	.887
3	Necessary information and training is provided for new employees.	.888
4	I believe that I have the opportunity for career advancement	.886
5	I am satisfied with the opportunities with career development	.886
6	Clear promotion criteria are available in the organization	.886
7	I receive all information required to carry out my job	.885
8	My immediate leader carefully listens his/her employees concern	.886
9	The organization spends too much time on unessential issue/problems	.891
10	The organization supports honest two-way communication	.884
11	The organization's strategy has been clearly communicated to the employees	.885
12	My immediate leader regularly provides me with feedback concerning my performance	.885
13	I am satisfied with the way my work is evaluated	.892
14	My performance is evaluated as per personnel policies of the organization	.885
15	I am satisfied with the recognition given to my good work	.884
16	Good work results are readily noticed and awarded	.885
17	My team focuses on fixing the problem rather than blaming people	.886
18	My team members help me whenever I ask them	.887
19	I feel needed in my team	.886
20	My team members participate in decision making	.886
21	I solve problems with my team	.886
22	I am fairly paid for my position	.887

23	I am satisfied with my salary package	.887
24	My salary package is fair in comparison with similar positions in the market	.888
25	Jobs that do not pertain to me are sometimes allocated to me	.890
26	I am often overloaded with work because my colleagues do not properly do their jobs	.892
27	Jobs allocated to me do not often match with my educational level and my experience	.893
28	The work load allocated to me is not fair with the available time	.892
29	My immediate leader sees and positively responds to issues I raise to him/her	.885
30	The management style of my immediate leader is generally participative	.886
31	My immediate leader reflects strong leadership skills	.886
32	My immediate leader positively responds to customers	.887
33	My immediate leader is knowledgeable and handles well his/her work	.885
34	Employees spend too much time in meetings	.895
35	Time spent in meetings keep me away from doing my best on the job	.894
36	I benefit a lot from the meetings of the organization	.887
37	I have clear goals and objectives for my work	.887
38	The organization provides me with clear job description	.887
39	I am clear about my priorities at work	.888
40	I am proud of the quality services the organization provides	.886
41	I am proud of the quality of the services my department provides	.886
42	This organization has quality standards in providing services	.885
43	Fast and quality service providing employees get recognition and promoted	.886
44	The organization has clear rules, regulations and policies	.887
45	Employees' fear of rules and regulations sometimes leads to delays in decision making	.890

46	I know well the rules, regulations and policies of the organization	.887
47	The risky nature of some rules and regulations leads employees turn over	.893
48	I find the organization cares for its employees	.886
49	I find the organization retains its best and experienced employees	.886
50	I find my work interesting	.886
51	I find my work challenging	.890
52	I feel my future in the organization is bright	.884
	Total	0.89

Source: Researcher's Survey Result

4.7. Descriptive Statics of the Organizational Climate Variables

In the analysis to make the interpretations understandable, the mean scores are converted into percentage scores using the formula, (Rao and Abraham, 1991) cited in Mulatu Takele (2013): climate percentage score = (Mean value-1) x 25; where the score 1 corresponds to 0%, 2 represents 25%, 3 corresponds to 50%, 4 represents 75% and 5 represents 100%. The percentage indicates the degree at which the particular items exist in the organization under the consideration.

It is certainly desirable for the organizations to have percentage scores at least above 50% (average) on each item to say it has moderate organizational climate. As Rao (1991), cited Mulatu Takele (2013), if the bureaus score 60% and above they reasonably do have a good developmental climate, and if they score 75% and above there is a good degree of improvement desirable in the bureaus and presumed that at this level there are conducive climates and most employees have positive attitudes towards their work and to the bureau. The descriptive statics of all dimensions with their measurement was explained in the following sections of this study.

As it is indicated in the table 4.3 below, the percentage score result of descriptive statics for training and development dimension ranges 34.24% to 49.8%. The items 'the organization provides me with training opportunities based on my job and profession' is poorly supported by the majority of the respondents (32.24%) with mean score 2.37 and standard deviation

1.17, followed by the statements ‘the organization provides me necessary training for doing my job’ 34.54% with mean score 2.38 and standard deviation 1.21.

Table 4.3: Descriptive Statics for Training and Development

Items Description	N	Mean	Std. Deviation	Percent
The organization provides me necessary training for doing my job	249	2.38	1.21	34.54
The organization provides me with training opportunities based on my job and profession	249	2.37	1.17	34.24
Necessary information and training is provided for new employees.	249	2.93	1.24	48.29
I believe that I have the opportunity for career advancement	247	2.99	1.13	49.8
I am satisfied with the opportunities with career development	248	2.78	1.09	44.56
Clear promotion criteria are available in the organization	246	2.95	1.14	48.68
Overall average score		2.73	0.78	43.36

Source:- Researcher’s Survey Result

Under training and development dimension, the statement ‘I believe that I have the opportunity for career advancement’ was slightly supported by the respondents (49.8%) with mean score 2.99 and standard deviation 1.13, in comparison with other items (see table 4.3) above. The total percentage score under this dimension is 43.36% with standard deviation 0.78 which is below average. In general the analysis of all items under training and development indicates very low score so that the bureau has to improve the situation to have optimal and conducive climate.

Table 4.4: Descriptive Statics for Communication

Items Description	N	Mean	Std. Devn	Percent
I receive all information required to carry out my job	246	3.15	1.088	53.86
My immediate leader carefully listens his/her employees concern	247	3.49	1.17	62.15
The organization spends too much time on unessential issue/problems	248	3.15	1.22	53.83
The organization supports honest two-way communication	247	3.15	1.04	53.64
The organization’s strategy has been clearly communicated to the employees	246	3.24	1.09	56
Overall average score		3.24	0.71	55.9

Source:- Researcher’s Survey Result

The descriptive statics for communication dimension indicates that the total respond of the employees nearly exceed the percentage average score (50%), which at least one organization has to possess. As it is shown in the table the overall score for communication dimension is 55.9%. Among the measurements of communication presented, the majority of the respondents disagree with the statement ‘the organization supports honest two-way communication’ (53.64%) with mean score 3.15 and standard deviation 1 where as they relatively agree with the ‘idea my immediate leader carefully listens his/her employees concern’ 62.15% with mean score 3.49 and standard deviation 0.71.

Table 4.5: Descriptive Statics for Performance Management

Items	N	Mean	Std. Devn	Percent
My immediate leader regularly provides me with feedback concerning my performance	246	3.24	1.13	55.89
I am satisfied with the way my work is evaluated	246	2.83	2.22	45.73
My performance is evaluated as per personnel policies of the organization	248	2.91	1.15	47.78
I am satisfied with the recognition given to my good work	249	2.66	1.2	41.47
Good work results are readily noticed and awarded	248	2.31	1.22	32.66
Overall average score		2.79	0.99	44.73

Source: Researcher’s Survey Result

The descriptive result analysis of the above table indicates that the total percentage score for performance management variables is 44.73%, which is below average that at least an organization has to possess. Among items of performance management variable dimension, the idea ‘my immediate leader regularly provides me with feedback concerning my performance’ has highest percentage score, 55.89%, mean 3.24 and standard deviation 1.13, where as the statement ‘good work results are readily noticed and awarded’ is not supported by majority of the respondents (32.66%) with mean 2.31 and standard deviation 1.22. In general careful analysis of table 4.5 indicates the existence of poor perception of the employees toward the bureau which must be taken into consideration by the concerned parties.

Table 4.6: Descriptive Statics for Team Work

Items description	N	Mean	Std. Deviation	Percent
My team focuses on fixing the problem rather than blaming people	247	3.69	1.021	67.31
My team members help me whenever I ask them	247	3.98	0.82	74.6
I feel needed in my team	247	3.75	0.897	68.83
My team members participate in decision making	247	3.64	1.06	65.89
I solve problems with my team	246	3.90	0.93	72.46
Overall average score		3.79	0.73	69.8

Source: Researcher's Survey Result

Each analysis in the above table 4.6 shows those items that measure team work variable dimension has percentage score ranging 65.89% to 72.46% indicating the existence good climate when considering individual items. The statement 'my team members help me whenever I ask them' has highest percentage score 74.6% with mean 3.98 and standard deviation 0.82, where as the items stating 'my team members participate in decision making' has the lowest percentage score 65.89% ,with mean 3.64 and standard deviation 1.06. This implies that the existence of low participation in decision making by the employees in the bureau.

The overall average score of this dimension is 69.8% indicating positive perception of the climate on the dimension under consideration.

Table 4.7: Descriptive Statics for Salary Package

Items description	N	Mean	Std. Deviation	Percent
I am fairly paid for my position	248	2.46	1.28	36.39
I am satisfied with my salary package	246	2.33	1.25	33.23
My salary package is fair in comparison with similar positions in the market	244	2.46	1.23	36.48
Overall average score		2.42	1.41	35.43

Source:-Researcher's Computation of Questionnaires

The overall percentage score for salary package variables is 35.25%, mean 2.41 and standard deviation 1.41, indicating very poor satisfaction of participants with the salary the organization paid for them. Comparisons of item by item for salary package variable indicates that respondents were slightly satisfied with the idea 'my salary package is fair in comparison with similar positions in the market (36.48%) with mean score 2.46 and standard deviation 1.23.

Therefore the organization has to critically view this dimension as its overall score is by far below average. Summing up, urgent adjustment is necessary concerning the salary as respondents were poorly satisfied. This may be due to the work nature and work load did not match with the salary the position requires.

Table 4.8: Descriptive Statics for Work Load

Items description	N	Mean	Std. Deviation	Percent
Jobs that do not pertain to me are sometimes allocated to me	247	2.88	1.1	46.96
I am often overloaded with work because my colleagues do not properly do their jobs	248	2.56	1.14	39.01
Jobs allocated to me do not often match with my educational level and my experience	249	2.59	1.25	39.86
The work load allocated to me is not fair with the available time	245	2.90	1.24	47.55
Overall average score		2.73	0.86	43.33

Source:-Researcher's Computation of Questionnaire

The descriptive statics result of item by item for work load variable range 39.01% to 47.55%, with mean score 2.56 and standard deviation, 2.90 respectively, where as the overall percentage score is 43.33% with mean 2.73 and standard deviation 0.86. Majority of the subjects were agreed with the idea 'the work load allocated to me is not fair with the available time' with score 47.55%, mean 2.90 and standard deviation 1.24. Hence, the organization had better improve the work load by taking necessary action.

On the other hand, majority of the respondents disagreed with the idea 'I am often overloaded with work because my colleagues do not properly do their jobs' scoring 39.01% with mean 2.59 and standard deviation 1.25.

Table 4.9: Descriptive Statics for Leadership

Items Description	N	Mean	Std. Dev	Percent
My immediate leader sees and positively responses to issues I raise to him/her	249	3.50	1.2	62.45
The management style of my immediate leader is generally participative	248	3.46	1.13	61.49
My immediate leader reflects strong leadership skills	249	3.20	1.13	55.02
My immediate leader positively responses to customers	249	3.69	1.0	67.17
My immediate leader is knowledgeable and handles well his/her work	247	3.47	1.14	61.84
Overall average score		3.46	0.93	61.57

Source: Researcher's Survey Result

The descriptive statics result for leadership variable indicates that all items under the dimension positively perceived by the participants. The total percentage score for this dimension is 61.57%, mean 3.46 whereas the standard deviation is 0.93, all rounding to the nearest hundredth, which indicate the existence of good developmental climate for this variable.

Item by item score indicates that the statement 'my immediate leader positively responses to customers' was supported by large number of the respondents with percentage 67.17%, 3.69mean and standard deviation 1, whereas the idea 'my immediate leader reflects strong leadership skills' was poorly supported by the respondents with score 55.02%, mean 3.20 and standard deviation 1.13. In general the research result on leadership variable revealed the existence of positive support by majority of the respondents.

Table 4.10: Descriptive Statics for Administrative Styles

Items description	N	Mean	Std. Deviation	Percent
Employees spend too much time in meetings	249	3.23	1.23	55.82
Time spent in meetings keep me away from doing my best on the job	249	3.21	1.18	55.22
I benefit a lot from the meetings of the organization	247	2.61	1.22	40.18
Overall average score		3.02	0.77	50.5

Source: Researcher's Survey Result

The total score for administrative style result is 50.5% which is around average. The item ‘employees spend too much time in meetings’ has percentage score (55.82%) implying existence of long time meeting, whereas the ‘idea I benefit a lot from the meetings of the organization’ has the poorest score (40.18%) so that the bureau has to see its meeting process and make appropriate adjustments.

Table 4.11: Descriptive Statics for Role Clarity

Items Description	N	Mean	Std. Deviation	Percent
I have clear goals and objectives for my work	249	3.81	0.96	70.18
The organization provides me with clear job description	249	3.01	1.28	50.30
I am clear about my priorities at work	246	3.69	1.02	67.18
Overall Average Score		3.50	0.83	62.5

Source: Researcher’s Survey Result

The overall percentage, mean and standard deviation score for role clarity variable is 62.5%, 3.50 and 0.83 respectively, which indicates the existence of good climate for this dimension. The item ‘I have clear goals and objectives for my work’ shows existence of good climate for this particular item 70.18%, where the idea ‘the organization provides me with clear job description’ was supported by fewer respondents. ‘I am clear about my priorities at work’ item has also good score (67.18%). However, the bureau has to reconsider provision of job description for its employees.

Table 4.12: Descriptive Statics for Quality of Services

Items Description	N	Mean	Std. Devn	Percent
I am proud of the quality services the organization provides	249	2.73	1.12	43.27
I am proud of the quality of the services my department provides	247	3.00	1.13	49.9
This organization has quality standards in providing services	248	2.76	1.14	44.05
Fast and quality service providing employees get recognition and promoted	248	2.51	1.23	37.70
Overall Average Score		2.75	0.93	43.75

Source: Researcher’s Survey Result

As indicated in table 4.12, all items under service quality variable have below average score indicating poor satisfaction with service provided by the organization, ranging 37.70% to 49.9 %

and with the overall score 43.75%. The statement ‘fast and quality service providing employees get recognition and promoted’ was poorly supported by the subjects where as ‘I am proud of the quality of the services my department provides’ was relatively supported with percentage score 37.7% and 49.9% respectively.

Table 4.13: Descriptive Statics for Rules, Regulations and Policies

Description of items	N	Mean	Std. Dev	Percentage
The organization has clear rules, regulations and policies	247	3.44	1.180	60.93
Employees’ fear of rules and regulations sometimes leads to delays in decision making	248	3.53	1.159	63.21
I know well the rules, regulations and policies of the organization	249	3.52	1.008	63.05
The risky nature of some rules and regulations leads employees turn over	248	3.68	1.163	66.94
Overall Average Score		3.54	0.78	63.56

Source: Researcher’s Survey Result

The idea ‘the risky nature of some rules and regulations leads employees turn over’ was supported by large number of employees while the statement ‘the organization has clear rules, regulations and policies’ was poorly supported, with percentage core, 66.94%, 60.93 %, the mean and standard deviation 3.68 and 3.44 respectively. Reviewing of table 4.13 also indicates the total percentage score for rules, regulation and policy variables is 63.56% with mean and standard deviation 3.54 and 0.78 respectively indicating the existence of good climate for this particular variable.

Table 4.14: Descriptive Statics for Job Satisfaction

Items description	N	Mean	SD	Percentage
I find the organization cares for its employees	249	2.36	1.30	33.94
I find the organization retains its best and experienced employees	248	2.44	1.32	35.99
I find my work interesting	249		1.29	55.02
I find my work challenging	249	3.54	1.10	63.55
I feel my future in the organization is bright	248	2.80	1.40	45.06
Overall Average Score		2.87	0.95	46.76

Source: Researcher’s Survey Result

The items ‘I find my work challenging and I find my work interesting’ with the percentage score 63.55 and 55.02 were supported by majority of the participants under job

satisfaction variable with mean score 3.54, 3.20 and standard deviation and 1.10, 1.29 respectively. On the contrary 'I find the organization cares for its employees and I find the organization retains its best and experienced employees' were poorly supported with percentage score 33.94% and 35.99% respectively. Hence, the authority has to care for its experienced best performing employees and must pave the way in which it can retain them.

Table 4.15: Descriptive Statics by Job Level of the Respondents

Dimensions	Junior Officers		Senior officers		Management	
	Mean score	Percentage	Mean score	Percentage	Mean score	Percentage
Training and Development	2.82	45.51	2.53	38.25	3.42	60.57
Communication	3.32	58.09	3.08	52.11	3.55	63.75
Performance Management	2.97	49.13	2.55	38.7	3.01	50.31
Team Work	3.89	72.18	3.65	66.32	3.99	74.69
Salary Package	2.39	34.63	2.27	31.68	3.63	65.62
Work Load	2.78	44.56	2.68	42.04	2.7	42.58
Leadership	3.43	60.73	3.42	60.47	4.04	75.94
Administrative styles	3.03	50.71	3.02	50.39	2.94	48.4
Role Clarity	3.68	66.91	3.3	57.44	3.5	62.5
Quality of Service	2.85	46.28	2.59	39.78	4.01	66.98
Rules, Regulations and Policies	3.49	62.2	3.58	64.39	3.73	68.13
Overall score Total	3.16	53.75	2.98	49.25	3.45	62.55
Job Satisfaction	3.06	51.61	2.6	40.11	3.09	52.19

Source: Researcher's Survey Result

The research result of the three groups of respondents revealed that, descriptively the participants in different groups perceived their climate in different ways. Junior and senior officers highly supported the team work variable than any other dimensions. On the contrary, the leadership variable was highly supported by the managements than any other dimensions with mean 4.04 and percentage score 75.94% implying the existence of good developmental climate for this particular variable as perceived by the managements. Besides careful comparison of the groups' perception indicates, the management group highly supported the existence of good climate in nearly all dimensions in the bureau. In similar way junior officers positively perceived the climates than senior officers. Comparatively senior officers negatively perceived nearly all variables than junior officers and managements. Junior officers and senior officers were poorly

satisfied with salary package, with mean 2.39 and percentage score 34.63% for juniors and mean 2.27, percentage 31.68% for seniors. As one can easily see from the above table, five dimensions were perceived below average score i.e. below 50% by junior officers which is the minimum score one organization has to possess. Salary package (34.63%), work load (44.56%), Training and development (45.51%), quality of services (46.28%) and performance management (49.13%) were the dimensions with minimum score as perceived by junior officers. Salary package was very poorly supported by senior and junior officers indicating the subjects were totally unsatisfied with the salary the organization paid for them.

On the other hand, six dimensions comprising of salary package (31.68%), training and development (38.25%), performance management (38.7%), quality of service provided by the bureau (39.78%), job satisfaction (40.11%) and work load (42.04%) variables were negatively perceived (below average) by the senior officers. The comparison of the groups indicates that many of the dimensions were negatively perceived by senior officers (6 dimensions) and junior officers (five dimensions). The dimensions perceived below average (50%) by the senior and junior officers were similar except job satisfaction variable, which junior officers perceive moderately where as senior officers poorly perceived.

The overall score of the dimensions indicates the existence of an un conducive climate with mean 2.98 and percentage score 49.25 for senior officers whereas around average for junior officers with mean 3.16 and percentage score 53.75. On the contrary, the overall score of the dimensions for the management group indicates the existence of good developmental climates with mean 3.50 and percentage score 62.55%. This implies the bureau has suitable climates for managements where as it has unsupportive climate for senior officers and around average for juniors. Therefore, there is an urgent need to improve organizational climate elements in the bureau namely for senior officers and junior officers, so that, the top management's relentless effort is very vital to bring about dynamic change. To Sum up, the descriptive statistics of table 4.15 indicates the perception of the subjects toward the variables differ among the participants.

4.8. Testing the Hypotheses

4.8.1. Hypotheses for Relationship Between Organizational Climates and Job Satisfaction

In this section, the hypothesized statements are statistically tested and interpreted using different statistical techniques. For Correlation, as it is bivariate measure of association (strength) of the

relationship between two variables, the Pearson's moment-product 'r' being the most common measure was adopted. It varies from 0 'random relationship' to 1 'perfect positive linear relationship' or -1 'perfect negative linear relationship'. The significance of each correlation coefficient is also displayed in the correlation table. The significance level or p-value is the probability of obtaining results as extreme as the one observed. If the significance level is very small (less than 0.05) then the correlation is significant and the two variables are linearly related. If the significance level is relatively large (for instance, 0.50) then the correlation is not significant and the two variables are not linearly related. Rowntree (1987) formed guidelines for interpreting the correlation value indicated in the following table.

Table 4.16: Guide lines for interpreting correlation

Range	Remarks
0-0.2	Very weak, negligible
0.2-0.4	Weak, low
0.4-0.7	Moderate
0.7-0.9	Strong high
0.9-1.0	Very strong, very high

Source: - ISSN: 22247610 (p. 15)

Depending on Rowntree (1987) guide lines, the researcher has presented and interpreted the research question and hypothesis in the following section.

Hypothesis:

Ho- There would be no positive significant relationship between employees' job satisfaction and organizational climate in ERCA.

H1. There is positive significant relationship between employees' job satisfaction and organizational climate in ERCA.

The correlation coefficient of organizational climate and employees' job satisfaction is presented in the table 4.17 below. As it is shown in table below, the research result of Pearson product-moment correlation indicates positive and significant relationship between the two variables i.e. organizational climate and job satisfaction ($r=0.459$, $n=249$, $p=.000$).

Table 4.17: Relationship between OC and job satisfaction

		Job satisfaction	Total Organizational climate
Job satisfaction	Pearson Correlation	1	.459**
	Sig. (2-tailed)		.000
	N	249	249
Total Organizational climate	Pearson Correlation	.459**	1
	Sig. (2-tailed)	.000	
	N	249	249
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Researcher’s Survey Result

Hence, the researcher accept the alternate hypothesis that stated, ‘there is positive and significant relationship between organizational climate and job satisfaction, as the correlation of the two variables lie between 0.04 to 0.07, $p=.000$ implying positive and significant relationship and reject the null hypothesis stating ‘there would be no positive and significant relationship between organizational climate and job satisfaction’. This finding is consistent with several previous finding such as Friedman and Margulies (1969).

The correlation matrix of all organizational climate variables and general job satisfaction was presented in the table 4.18.

Table 4.18: Correlation Matrix of All Variables

		Training and Devt	Communication	Perfor.mgt	Team w.	Salary Pack.	Work load	Leadership	Admin.S	RoI clarity	Quality of service	Rules,reg and polc.	Job satisfan
<i>Training and Devt</i>	Pearson Correlation	1											
	Sig. (2-tailed)												
	N	249											
<i>Communication</i>	Pearson Correlation	.395**	1										
	Sig. (2-tailed)	.000											
	N	249	249										
<i>Perfor.mgt</i>	Pearson Correlation	.403**	.499**	1									
	Sig. (2-tailed)	.000	.000										
	N	249	249	249									
<i>Team w.</i>	Pearson Correlation	.329**	.417**	.259**	1								
	Sig. (2-tailed)	.000	.000	.000									
	N	248	248	248	248								
<i>Salary Pack.</i>	Pearson Correlation	.261**	.182**	.170**	.190**	1							
	Sig. (2-tailed)	.000	.004	.007	.003								
	N	248	248	248	248	248							
<i>Work load</i>	Pearson Correlation	.036	-.064	-.081	-.031	-.129	1						
	Sig. (2-tailed)	.573	.312	.204	.633	.043							
	N	249	249	249	248	248	249						
<i>Leadership</i>	Pearson Correlation	.175**	.450**	.390**	.416**	.109	-.091	1					
	Sig. (2-tailed)	.006	.000	.000	.000	.086	.151						
	N	249	249	249	248	248	249	249					

<i>Admin.S</i>	Pearson Correlation	-.071	.057	-.020	-.087	-.084	.205**	-.191**	1				
	Sig. (2-tailed)	.267	.373	.759	.172	.189	.001	.002					
	N	249	249	249	248	248	249	249	249				
<i>Rol clarity</i>	Pearson Correlation	.242**	.307**	.332**	.305**	.131*	-.110	.235**	.031	1			
	Sig. (2-tailed)	.000	.000	.000	.000	.039	.082	.000	.624				
	N	249	249	249	248	248	249	249	249	249			
<i>Quality of service</i>	Pearson Correlation	.344**	.365**	.481**	.271**	.214**	-.047	.246**	.009	.410**	1		
	Sig. (2-tailed)	.000	.000	.000	.000	.001	.458	.000	.887	.000			
	N	249	249	249	248	248	249	249	249	249	249		
<i>Rules, reg and polc.</i>	Pearson Correlation	.070	.212**	.073	.241**	.059	-.064	.170**	.129*	.161*	.124*	1	
	Sig. (2-tailed)	.273	.001	.248	.000	.357	.312	.007	.042	.011	.050		
	N	249	249	249	248	248	249	249	249	249	249	249	
<i>Job satisfan</i>	Pearson Correlation	.307**	.271**	.384**	.236**	.241**	.073	.097	.082	.319**	.369**	.133*	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.251	.127	.196	.000	.000	.036	
	N	249	249	249	248	248	249	249	249	249	249	249	249

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

Source: Researcher's Survey Result

4.8.2. Hypothesis Regarding Biographical and Organizational Variables of the Respondents

In this section gender is considered as biographical variable whereas job level (position) and tenure was considered as organizational variables to identify the perception of different groups concerning their organization's climates. Based on these, to test hypotheses concerning respondents' perception of OC and job satisfaction, the researcher used analysis of variance (ANOVA) and t-test. T-test was used to see organizational climate perception of the respondents based on their gender, whereas ANOVA was used to identify the perception of organizational climate and job satisfaction by their tenure and position/job level. The perception of the group is said to be different if p (significant level) is less than 0.05 for both ANOVA and T-test. Accordingly research questions and hypotheses were dealt in the following sections.

Hypothesis:

Ho: - There is no difference between the employees in perception of their organizational climate and job satisfaction by their job level (junior officers, senior officers and managements)

H1:- There is a difference between employees in their perception of organizational climate and job satisfaction by their job level (junior officers, senior officers and managements).

The result of ANOVA, as presented in the table 4.19 revealed the existence of significant difference between groups in perception of their organizational climates and job satisfaction by their position/job level. This implies that the groups perceived their organizational climate in the different way, ($F(2, 246) = 11.124, p = .000$). The research result in the table also indicates the different groups had different satisfaction level ($F(2, 246) = 7.582, p = .001$). Therefore, the researcher reject the null hypothesis 'stating there is no difference between groups in perception of their organization's climate' and their job satisfaction level and accept the alternative hypothesis stating 'there is a difference between groups in perception of their organizational climate and their job satisfaction that varies by their job level.

Table 4.19: Comparing employees' perception of OC and job satisfaction

		Sum of Squares	df	Mean Square	F	Sig.
Organizational climate	Between Groups	3.979	2	1.989	11.124	.000
	Within Groups	43.993	246	.179		
	Total	47.972	248			
Job satisfaction	Between Groups	12.985	2	6.492	7.582	.001
	Within Groups	210.641	246	.856		
	Total	223.626	248			

Source: Researcher's Survey Result

Even though, the above table indicates employees' perception of organizational climate and job satisfaction by their job level, as a whole it does not show which of the specific groups differ from each other. Therefore to see degree of perception difference (higher or lower) between groups, a multiple Comparisons using Tukey post-hoc tests result, which is preferred most of the time to compare multiple group was used and presented as follows. Several post-hoc tests were attached **in appendixes** due to space limitation so that, it is possible to observe many comparisons which is attached in appendix parts of this paper.

Table 4.20: Multiple Comparisons of employees' perception of OC by their job level

Mean (M)	(I) Job Level of the employees	(J) Job Level of the employees	(MD) Mean Difference (I-J)	Std. Error	Sig.
3.16	Junior officers	Senior officers	.19*	.06	.002
		Managements	-.27*	.11	.042
2.98	Senior officers	Junior officers	-.19*	.06	.002
		Managements	-.46*	.11	.000
3.45	Managements	Junior officers	.27*	.11	.042
		Senior officers	.46*	.11	.000

Source: Researcher's Survey Result

The research results Tukey post-hoc tests of table 4.20 indicates that specific groups perceived their organizational climate in different ways, as p values for all groups is less than 0.05. The Lowest satisfaction climate was recorded by senior officers (M=2.98) followed by junior officers (M=3.16) where as highest was recorded by managements (M=3.45), all rounding to the next integer.

As shown in the above table, the highest perception difference was seen between senior officers and managements, with mean difference (MD= 0.46, p=.000). Relatively, the perception of managements and junior officers with mean difference (MD=0.27, p= .042) shows less variation than that of senior officers and managements. As p approaches to 0.05 its significance difference becomes lower and lower.

Tenure

Tenure is one of the organizational variables that the researcher interested to see the perception of employees in different tenure groups toward organizational climate and job satisfaction.

Hypothesis: -

Ho: There is no significant difference between employees in perception of their organizational climate and job satisfaction that varies by their tenure.

H1: There is significant difference between employees in perception of their organizational climate and job satisfaction that varies by their tenure.

Table 4.21: Comparing employees' perception of OC and job satisfaction by their tenure

		Sum of Squares	df	Mean Square	F	Sig.
Job satisfaction	Between Groups	3.37	3	1.123	1.250	.29
	Within Groups	220.256	245	.899		
	Total	223.626	248			
Organizational climate	Between Groups	.405	3	.135	.696	.56
	Within Groups	47.566	245	.194		
	Total	47.972	248			

Source: Researcher's Survey Result

The analysis of the group based on their tenure in the perception of employees towards their organizational climate and job satisfaction indicates, there is no statistically significant difference in employees' job satisfaction ($F(3, 245) = 1.25, p = .29$) and their perception of organizational climate ($F(3, 245) = 0.696, p = 0.56$) at $P < 0.05$.

Hence, the researcher failed to reject the null hypothesis stating 'there is no significant difference between employees in perception of their organizational climate and job satisfaction that varies by their tenure and reject the alternative hypothesis stating 'there is significant difference between employees in perception of their organizational climate and job satisfaction by their tenure.

Table 4.22: Descriptive statics of the respondents by their tenure

Dependent Variables		N	Mean	Std. Deviation
Job satisfaction	1-5	182	2.92	.94
	6-10	45	2.63	.99
	11-15	18	2.94	.95
	>15	4	3.15	.50
	Total	249	2.87	.95
Organizational climate	1-5	182	3.09	.43
	6-10	45	3.07	.46
	11-15	18	3.21	.47
	>15	4	3.3	.39
	Total	249	3.10	.44

Source: Researcher's Survey Result

As it is presented in the table 4.22 the mean statistics of the participants indicates that employees with greater than 15 years of experience were relatively highly satisfied with mean score 3.15, standard deviation 0.50 and standard error .25, whereas employees with year of experience 6-10 were less satisfied with mean score 2.63, standard deviation 0.99 and standard error 0.15. Regarding perception of organizational climate by the participants, the subjects with greater than 15 years of experience positively perceived their climates with mean score 3.3, standard deviation 0.39. Even though the hypothesis tests concerning employees' perception of organizational climate and job satisfaction indicates no existence of statistical significant difference between the groups, descriptively there is difference in the way employees' perceived their organizational climate and job satisfaction but the difference is not statistically significant.

Gender

These sections enable the researcher to determine the perception of the groups (males and females) concerning organizational climate and job satisfaction.

Hypothesis:

Ho: - There would be no statistically significant difference in the perception of organizational climate that vary by gender.

H1:- There would be statistically significant difference in perception of organizational climate that vary in gender.

Table 4.23: T-Test Comparison of Gender Differences in perception OC

Gender	Mean	Mean difference	T	Df	p (2 tailed)
Female	3.17	.12	2.028	247	.044
Male	3.05	.12	2.029	224.71	.044

Source:-Researcher's Survey Result

The research result regarding perception of organizational climate by their gender indicates that employees perceived their organizational climate in different ways ($p=0.044$) which less than 0.05, with mean 3.17 for female and 3.15 for male employees. Hence, the researcher rejected the null hypothesis stating 'there would be no statistically significant difference in the perception of organizational climate that varies by gender and accept the alternative hypothesis stating 'there would be statistically significant difference in perception of organizational climate that varies by gender. This finding was consistent with the findings of Long (2005) and

Manzo-Ramos' (1997) supporting there is differences between males and females in the perception of their organizational climate.

Hypothesis:

Ho: There would be no statistically significant difference in the perception of employees' job satisfaction that varies by gender.

H1: There would be statistically significant difference in perception of employees' job satisfaction that varies by gender.

Table 4.24: T-Test Comparison of Gender Differences for employees' job satisfaction

Gender	Mean (M)	Mean Difference (MD)	t	df	P (2 tailed)
Female	2.98	0.19	1.59	247	0.11
Male	2.79	0.19	1.66	246.62	0.11

Source:-Researcher's Survey Result

As presented in the table 4.24 assuming equal variance the significant value ($p=0.11$) is greater than 0.05. Hence the researcher failed to reject the null hypothesis stating 'there would be no statistically significant difference in the perception of employees' job satisfaction that varies by gender' and reject the alternative hypothesis stating 'there would be statistically significant difference in perception of employees' job satisfaction that varies by gender. Even though this contrasts many research findings, it is similar with the findings of Alavi and Askaripur's (2003) which were conducted in Iranian government personnel, indicating there was no significant difference between the male and female employees in their job satisfaction. However, mean result of employees' job satisfaction by their gender indicates female employees were more satisfied than male employees with mean 2.98 and 2.79 respectively even though the difference is statistically insignificant.

Table 4.25: Summary of the Hypotheses

S/n	Hypotheses	Decision/accept or reject /
1	There is positive and statistically significant relationship between organizational climate and job satisfaction.	Accepted
2	There is statistically significant difference between employees in the perception of their organizational climate and job satisfaction that varies by job level.	Accepted
3	There is statistically significant difference between employees in perception of their organizational climate and job satisfaction by their tenure.	Rejected
4	There would be statistically significant difference in perception of organizational climate that varies by gender.	Accepted
5	There would be statistically significant difference in employees' job satisfaction that varies by gender	Rejected

Source: Researcher's survey Results

CHAPTER FIVE

5. Summary, Conclusion and Recommendation

The main aim of this research is to determine the relationship between organizational climate and employees' job satisfaction in ERCA and based on the findings to recommend the organization to create conducive climate for its employees.

5.1. Summary of Key Findings

- ♣ Regarding socio demographic variables of the respondents, majority of the subjects were male comprising 144 (57.58%) where as 105 (42.2%) were female respondents.
- ♣ The organizational variables included in this research were tenure and job level (position) of the respondents. Based on this, tenure of the respondents indicates 182 (73.1%) has service length 1-5 years, 45 (18.1%) served 6-10 years, 18 (7.2%) stayed 11-15, whereas only 4 (1.6%) of the subjects had service greater than 15 years. This implies that the existence low job satisfaction which in turn cause high turnover in the bureau. With regard to the educational level of the subjects, 218 (87.6%) held bachelors degree, 22 (8.8%) had masters degree where as 9 (3.6%) were diploma graduates. The job level analysis (position) of the respondents indicate 126 (50.6%) were junior officers, 107 (43%) were senior officers, whereas 16 (6.4%) were managements of the organization.
- ♣ Before undertaking the analysis the researcher conducted a test using Cronbach Alpha to make sure whether the study is reliable or not. The Cronbach Alpha for all items was 0.89 which is greater than 0.70 indicating the research is reliable.
- ♣ All dimension of the organizational climate were descriptively analyzed. Among the dimensions the salary package had minimum score with mean score 2.41 and percentage score 35.43% where as team work dimension has highest score with mean 3.79 and percentage score 69.8%. Generally six dimensions comprising salary package, training and development, quality of services, work load, performance management and administrative styles were the dimensions below the minimum climate score one organization has to possess reflecting negative perception of the employees towards the organization. These areas require special attention by the organization and the appropriate measure should be taken.

- ♣ Among different groups of employees based on their job level senior officers negatively perceived their organization's climate and also the least satisfied.
- ♣ Regarding perceptions of different groups towards their organization, the descriptive analysis of the study indicates that senior officers' respondents negatively perceived their organizational climate with mean 2.98 and percentage score 49.25% which is below average an organization has to possess. On the other hand the perception of junior officers was around average (3.16) and percentage score 53.75%) when compared with senior officers. On the contrary managements were satisfied with their organizational climate than the two groups (mean 3.50 and percentage score 62.55%). This implies that the existence of positive climate for managements where as relatively poor climate for senior and junior officers.
- ♣ The correlation analysis was undertaken to test the relationship between dependent (job satisfaction) and independent variable (organizational climate). Accordingly the research result of Pearson product-moment correlation indicates positive and significant relationship between the two variables i.e. organizational climate and job satisfaction ($r=0.459$, $n=249$, $p=.000$) as $P<0.05$ which implies the existence of positive correlation between the variables.
- ♣ To see whether the existing difference in the perception of the respondents towards their organizational climate and job satisfaction was statistically significant, ANOVA and T-test were conducted. Tenure and job level (position) as organizational variable and job satisfaction as biographical variable were used to see significance difference in perception of the respondents.
- ♣ Based on this research result using ANOVA indicates junior officers, senior officers and management employees perceived their organizational climate in different ways with ($F(2, 246) = 11.124$, $p = .000$), which is statistically significant.
- ♣ Regarding test conducted on group by tenure, the result indicates there was no statistical significant difference in employees' job satisfaction ($F(3, 245) = 1.25$, $p = .29$) and their perception of organizational climate ($F(3, 245) = 0.696$, $p = 0.56$) climate at $P<0.05$.
- ♣ To see whether there is difference by gender in perception of their organizational climate and job satisfaction, T-test statistics was conducted. Accordingly, the result indicates the groups perceived their organizational climate in different ways, female respondents

relatively positively perceived their climates with mean average 3.17, $p=0.44$ where as the mean average for male respondent was 3.15 which lower than female respondents. The female respondents were also relatively more satisfied than male with mean 2.98, $p=0.11$ where as the mean is only 2.97 for male respondents.

5.2. Conclusions

The main aim of this study was investigate organizational climates of Ethiopian Revenues and Customs Authority and recommend the organization to take corrective measures towards negatively perceived climates.

Literatures indicate that the concept of organizational climate is not straight forward and there is no single, generally accepted definition or theory for the construct. However, a number of researchers defined it as a perception of organizational members and is shared, which can result in consensus among individuals.

There are two primary techniques of measuring organizational climates- objective and subjective /perpetual/ techniques. The perpetual technique measures the individuals' perceptions towards their organization and was applied to this research study.

Among different methods of measuring job satisfaction, the suitable measurement used in this study was the global approach, because research shows that the global approach is more preferable.

Most of this research result revealed that, the Ethiopian Revenues and Customs Authority has poor organizational climate as perceived by its employees. To overcome these poor climate problems and meet the ever increasing dynamic demands of the society, the future employees should be professionally competent, sensitive and proactive, and action-oriented; and this is ensured by creating conducive organizational climate in the public sector, namely in the service providing organizations. Because, improving organizational climate (OC) is improving job satisfaction, organizational performance and productivity, so that organization's management has to create conducive and optimal climate which enable to have happy and productive employees.

The results of this study might contribute the following to the organization and practitioners. It can provide facts and figures that may be used by the managements of the organization,

practitioners, consultants and academicians for understanding the relationship between organizational climate and job satisfaction as well as how the different groups within the organization perceive their climate.

A number of limitations were identified during the courses of this study such as considering only one organization which reduces the generalizability of the research. Lack of similar research done in the country was another limitation of the study. Therefore the research paves the way to other research opportunity in another public organization in our country to see the relationship and impact of organizational climate on job satisfaction. Hence, the finding of this study may have significant practical value.

5.3. Suggestions for Further Research

In an attempt to address the limitations of this research, it is recommended that further research can be conducted to investigate the concepts of organizational climate and their possible influence in order to gain clarity on the roles they play within an organization. It is also suggested a larger samples should be used, utilizing a number of institutions, across a range of organizations in Ethiopia.

5.4. Recommendations

- ♣ It is recommended that the organization had better continues focusing on the areas in which it is doing well and find ways to improve those areas it is doing worse/poor.
- ♣ The organization has to investigate the issues and concerns of employees about salary package. This dimension reported a mean score of 2.42 and percentage score 35.42% indicating that employees negatively perceived the salary the bureau paid for them. Hence, the organization could arrange workshops where employees are informed of the value of their salary packages and the comparative market information. It is also recommended to implement essential career improvement for this dimension.
- ♣ Besides, the organization should address concerns relating to training and development issue. The results indicate that this dimension reported below average(43.36%) indicating that employees perceive opportunities to further their knowledge and expertise in a negative light. The organization should ensure all new employees receive the necessary orientation once they join the organization. Immediate leaders should

ensure that all employees have a personal development plan in place, based on their training and development needs.

- ♣ The management should provide recognition and appreciation for best performing and experienced employees by providing incentives to facilitate job satisfaction for instance, announcement at meetings, personal letters and a rotating trophy, so that the organization can retain them.
- ♣ The leaders of the bureau had better pay special attention to senior officers as they poorly perceived their organization's climate with mean, 2.98 and percentage score 49.25%. This can be done by creating opportunities which allows senior officers promotion to the management level or it is better to have any career advancement for seniors' officers.
- ♣ The organization has to modify its administrative style by avoiding unnecessary meetings as the participants responded that there was too long and un necessary meetings.
- ♣ The organization has to retain and care for its experienced employees by promoting them to better position or by giving the different opportunities such as education and training within and outside the country
- ♣ Generally the organization has to reconsider majority of its climates namely those which are poorly perceived (below average) i.e. below 50% such as salary package, training and development, performance management, administrative styles, quality of services provided and work load.

References

- Acikgoz, A.&Gunsel, A (2011).The effects of organizational climate on team innovativeness. *Procedia Social and Behavioral Sciences*,24, 920-927.
- Addams,A. (1963).Job satisfaction, individual and organizational characteristics. *Journal of advanced nursing*, 32, 536-543.
- Afalobi, O. A. (2005). The Influence of Organizational climate and Locus of Control on Job Satisfaction and Turnover Intentions. *International Journal of Development Research* ,Vol. 4, Issue, 5, 958-964, May,2014.
- Agho, AO. (1993). Determinants of employee job satisfaction: An empirical test of a causal model. *Journal of Human Relations*, 46, 107-127.
- Alavi, H.R., &Askaripur, M.R. (2003). The relationship between self-esteem and job satisfaction of personnel in organizations. *Personnel Management*, 32(4), 591-600.
- Al-Kasawneh (2013). The Effects of Organizational Climate on Managerial Job Performance and Job Satisfaction. *Organizational Behavior and Human Performance*, 9, 110-119.
- Andrews, and Kacmar, (2001).Discriminating Among Organizational Politics, Justice, and Support. *Journal of Organizational Behavior*, John Wiley & Sons, Ltd., 22,
- Arnold and Feldman, (1996).*Organizational Behavior*. McGraw Hill.
- Ashkanasy, N.M., Wilderom, C.P.M. & Peterson, M.F. (2000).*Handbook of organizational culture and climate*. Thousand Oaks, CA: Sage.
- Bassett, G. (1994). The case against job satisfaction. *Business Source Premier*, 37(3), 61-68.
- Boggie, T. (2005).Unhappy employees. *Journal of Credit Union Management*, 28(4), 34-37.
- Bowen, (2004).Job satisfaction of South African quantity surveyors. *Engineering, Construction and Architectural Management*, 15(3), 260-269.
- Brief, A.P. (1998).*Attitudes in and around organizations*. Thousand Oaks, CA: Sage Publication.
- Burke, and Green. (1999). Workforce training transfer: a study of the effect of relapse Prevention training and transfer climate. *Journal of Human Resource Management*,
- Clark, A.E. (1997). Job satisfaction and gender: Why are women so happy at work? *Labor Economics*, 4, 341-372.
- Chung, K. H. (1997). *Motivational Theories and Practices*. Columbia: Amacom.

- Cooper, D. and Schinder, P. (2006). *Business Research Methods*. 8th edition. New York. McGrawHill.
- Ellickson. M.C. & Logsdon K. (2002). Determinants of job satisfaction of government employees. *Public Personnel Management*, 31(3), 343-358.
- Farokih (2003). Factors Influencing Organizational Climate. International Monthly Refereed *Journal of Research in Management & Technology*, Volume III, January'14 ISSN - 2320-0073
- Fletcher and Williams, (2007). *Measuring Employee Satisfaction in Public Sector Organizations*. The Clute Institute International Academic Conference.
- Friedlander, F. & Margulies, N. (1968/9). Multiple impacts of organizational climate and individual value systems upon job satisfaction. *Personnel Psychology*, 22(2), 171-183.
- Ford, N.M. & Walker, O.C. (2005). Measuring the job satisfaction of industrial salesmen. *Journal of Marketing Research*, XI, 254-260.
- Frances, R. (1986). Job and education level of company managers: Their relations with job satisfaction. *An International Review*, 35, 513-531.
- Gerber, F.J. and Coetsee (2003). Die invloed van organisasionele klimaat op werkmotivering (The influence of Organizational climate on work motivation).
- Golden Pryor, Sonia Taneja (2008). *Delhi Business Review*, Vol. 9, No. 1.
- Gray, R. (2007). *A Climate of Success: Creating the right organizational climate for high performance*. Amsterdam.
- Gruneberg, M ; Startup, R. and Tapfield, P. (1975/6). The Effect of Geographical Factors on the Job Satisfaction of University Teachers. *Vocational Aspect of Education* 26: 25-29.
- Hackman, J. R. & Oldham, G. R. (1974). *The job diagnostic survey: An instrument for the diagnosis of jobs and the evaluation of job redesign projects*. Yale University.
- Hackman, J.R. and Oldham, G.R. (1976). Motivation through the Design of Work. Test of a Theory. *Organizational Behavior and Human Performance*. 16, 250-279.
- Hellriegel, D. and Slocum, J.W. (1984). Organizational Climate: Measures, Research and Contingencies. *Academy of Management Journal*, 17, 255-280.
- Herman, J.B. & Hulin, C.L. (1973). Managerial satisfactions: An investigation of Porter's Need Deficiency Scales. *Journal of Applied Psychology*, 57(2), 118-124.
- Herzberg, F. (1993). Relevancy in the Test of Motivator. *Journal of Applied Psychology*. 55(1).

- James, L.R.& Jones, A.P. (1974). Organizational Climate: A review of theory and research. *Psychological Bulletin*, 81(12), 1096-1112.
- James, L.R. and Jones, A.P (2004).Organizational Climate: A Review of Structural Dimensions and their Conceptual Relationship with Individual Attitudes and Behavior, *Journal of Organizational Behavior and Human Performance*,15(6) 44-62.
- Josias, B.A. (2005). *The relationship between job satisfaction and absenteeism in a selected field services section within an electricity utility in the Western Cape.*South Africa.
- Judge, T.A., Kendal &Hulin, C.I. (1993). Job Satisfaction as a Reflection of Disposition: A Multiple Source Causal Analysis. *Organizational Behavior and Human Decision Processes*, 56, 388-421
- Kaczka, E. and Kirk, R (1978).Managerial Climate, Work Groups and Organizational Performance. *Administrative Science Quarterly*. 12, 252-271.
- Kandel, W. (2000). After Reeves: Proving pretext, imprecision or imperfection? *Employee Relations Law Journal*, 26 (3), 5-28.
- Katz, A.U. and Kahn, J.K. (2004). Organizational Climate and Job Satisfaction: A Conceptual Synthesis. *Journal of Organizational Behavior and Human Performance*.
- Kline, T.J.B. & Boyd, J.E. (1991). Organizational structure, context and climate: Their relationships to job satisfaction at three managerial levels. *The Journal of General Psychology*,18(4), 305-316.
- Koys, D. J.& DeCotiis, T. A. (1991). Inductive measures of psychological climate. *Human Relations*. 44(3): 265-285.
- Lewin (1939). Patterns of aggressive behavior in Experimentally created social climates. *Journal of Social Psychology*, 10:271-299.
- Litwin, G.H.& Stringer, R.A. Jr. (1968).Motivation and Organizational Climate. Boston.
- Locke ,E.A.(1976).The nature and causes of job satisfaction. In M.D. Dunnette (ED)*hand book of industrial and organizational psychology*.
- Long, A. (2005), Manzo-Ramos'(1997).Happy ever after? A study of job satisfaction in Australia. *The Economic Record*, 81(255), 303-321.
- Loscocco, K.A. (1990). Reactions to blue collar work: A comparison of women and men. *Work and Occupations*, 17(2), 152-178.
- Luthans, F. (1998).*Organizational Behavior*(7th ed.). Boston, MA: McGraw-Hill.

- Malhota, B.R.(1996). A Longitudinal Study of Climates. *Journal of Organizational Behavior*.9(3).319-334.
- Maslow, A.H. (1943). *The theory of motivation*. Classic reading in organizational behavior.
- Mathieu, K.U., and Kohler, (2000). The Differential Effects of Negative Affectivity on Job Satisfaction and Organizational Commitment. *Journal of Organizational Behavior*,15(3), 231-244.
- Mayo, E. (1933). *The human problems of industrial civilization*. New York: Macmillan.
- Mei Goh (2013).Impact of Organizational Climate on Intentions to Leave and Job Satisfaction. *Global Business and Finance Research Conference*. ISBN: 978-1-922069-34-4
- Mildred Miller, K. I., Considine, J. & Garner, J. (2007). Let me tell about my job: Exploring the terrain of emotions in the workplace. *Management Communication Quarterly*, 20 (3), 231-260
- Monia Lola (2008). The Relationship Between Organizational Climate And Employee Satisfaction in A South African Information and Technology Organization
- Mulatu Takele (2013). HRD Climate and Job Satisfaction in the Public Sector of Ethiopia, *Journal of Business and Management*. Volume 13, Issue 6 (Sep.-Oct. 2013).
- Neel, Van Dyk, and Werner (2004).*Human resources management Journal*.
- Oshagbemi, T. (2000).Is the length of service related to the level of Job Satisfaction? *International Journal of Social Economics*,27(3), 213-226.
- Patterson, M. G., Warr, P. B., & West, M. A. (2004). Organizational climate and company performance: The role of employee affect and employee level. *Journal of Occupational and Organizational Psychology*, 77, 193-216.
- Peters, T. and Waterman, R. (1982).*In search of Excellence*, Newyork: Lessons from America's best-run companies: Harper and Row.
- Pors, N.O. (2003). Job Satisfaction among library managers: *A cross-cultural study of stress, freedom and job conditions*,104, 464-472.
- Pritchard, R., and Karasick, B (1993).The Effects of Organizational Climate on Managerial Job Performance and Job Satisfaction. *Organizational Behavior and Human Performance*.9, 110-119.
- Reichers, A.E. (2006). A Review and Reconceptualization of Organizational Commitment. *Journal of Academy of Management Review*, 10(3), 465-47.

- Robbins, S.P. (1998). *Organizational behavior: Concepts, controversies and applications* (8th ed.). Engle wood Cliffs, NJ: Prentice-Hall.
- Robbins, S. P. and Judge (2007). *Organizational Behavior, Concepts, Controversies, Applications*. New Jersey: Prentice Hall 7th Edition
- Robert J. Lichtman (2007). Effects of an organization's climate on performance of Supply chain managers in Michigan: *International Journal of Quality and Productivity Management*, 07, 01, December 15, 2007.
- Rowntree, D. (1987). *Statistics without Tears: A Prime for Non-mathematicians*. Boston.
- Schnake, M. E. (1983). An empirical assessment of the effects of affective response in the measurement of organizational climate. *Personnel Psychology*, 36 (winter), 791-807.
- Schneider, B.(1973), and Hall, D. (1972). Toward Specifying the Concept of Work Climate: A Study of Roman Catholic Diocesan Priests. *Journal of Applied Psychology*, 56(6), 447-455.
- Schneider, B. (1998). *The climate for service: An application of the climate construct*. Organizational climate and culture.
- Schneider, B (2005). On the etiology of climates. *Personnel Psychology*, 36(1), 19-39.
- Schneider, B., (2008) Individual Differences and Organizational Climate: The Research Plan and Questionnaire Development, *Personnel Psychology*, 21.29(3).371-392.
- Smith, PC. (1969). *The measurement of satisfaction in work and retirement*. Chicago: Rand McNally.
- Spector, P. E. (1997). *Job Satisfaction: Application, Assessment, Cause and Consequences*. Thousand Oaks, CA: Sage.
- Taylor, F. W. (1911). *Principles of Scientific Management*. New York and London brothers
- Tustin, C.M. (1993). A consensus approach to the measurement of organizational climate. *SA Journal of Industrial Psychology*, 19(1), 1-4.
- Vardi.Y. (2001). Organizational Misbehavior: Hypotheses, Research and Implications, *Re-Imagining Business Ethics: Meaningful Solutions for a Global Economy*, 4: 51-84.

- Vroom, V.H. (1964). In Ott and J. Steven : *classic reading in organizational behavior*. Brace College.
- Watkin, C., & Hubbard, B. (2003). Leadership motivation and the drivers of share price: The business case for measuring organizational climate. *Organization Development Journal*, 24(7), 380-386.
- Wiley, J.W. & Brooks, S.M. (2000). *The high-performance organizational climate*. In N.M. Whitley, B. E. (2002). *Principles of Research in Behavioral Science*. New York: McGraw-Hill.
- Xaba, M. I. (1996). Factors Influencing the Job Satisfaction of Senior Teachers in Schools Attended by Black Students, Unpublished MEd Dissertation
- Yamane (1967). *Statistics: An Introductory Analysis, 2nd Ed.* New York.
- Young, B.S. & Woehr, W.D.J. (1998). Organizational commitment among public employees. *Personnel journal*, 27(3), 339-348.

Appendixes

Questionnaire

Addis Ababa University
College of Business and Economics
MBA Program

Dear Respondent,

My name is FekaduAbdissa. I am a student in the post graduate program of Addis Ababa University studying for Masters of Business Administration (MBA) degree.

This questionnaire is designed to collect information from selected respondents for the master thesis on the topic “Organizational Climate and Job Satisfaction in Ethiopian Revenues and Customs Authority (ERCA)”, to fulfill the partial requirements of the Master of Business Administration (MBA) degree in Management.

The purpose of this study is to investigate the relationship between organizational climates and employees’ job satisfaction. There is no “right” or “wrong” responses, only the expression of your real thoughts and feelings is important.

Please respond to each question by indicating the extent to which you regard the statements as Strongly Agree, Agree, I am not sure, Disagree and Strongly Disagree.” Your participation is of great value for the success of this study, and therefore, I would like to thank you in advance for your kind cooperation in responding to this questionnaire. The information you provide will be kept confidential. Hence it is not necessary to write your name.

Please attempt all the questions. To indicate your answer put a tick mark (✓) in appropriate box/space.

Thank you,

FekaduAbdissa

Tel. 09-13-15-81-47

Part I

Respondents Profile

1. Gender; Male Female
2. Marital status, Single Married
3. How long have you been employed in ERCA? 1-5yrs, 6-10yrs, 11-15yrs,> 15yrs
4. Your highest level of education, Diploma, Bachelors, Masters, PhD
5. What is your current position, Junior Officers, Senior officer Managements

Part II

Rate the following statements by putting a tick mark“√” where,
1=Strongly Disagree, 2=Disagree, 3=Not sure,4=Agree,5= Strongly Agree

s/n	Statements	1	2	3	4	5
Training and Development						
1.	The organization provides me necessary training for doing my job					
2.	The organization provides me with training opportunities based on my job and profession					
3.	Necessary information and training is provided for new employees.					
4.	I believe that I have the opportunity for career advancement					
5.	I am satisfied with the opportunities with career development					
6.	Clear promotion criteria are available in the organization					
Communication						
7.	I receive all information required to carry out my job					
8.	My immediate leader carefully listens his/her employees concern					
9.	The organization spends too much time on unessential issue/problems					
10.	The organization supports honest two-way communication					
11.	The organization’s strategy has been clearly communicated to the employees					
Performance Management						
12.	My immediate leader regularly provides me with feedback concerning my performance					
13.	I am satisfied with the way my work is evaluated					
14.	My performance is evaluated as per personnel policies of the organization					
15.	I am satisfied with the recognition given to my good work					
16.	Good work results are readily noticed and awarded					

s/n	Statements	1	2	3	4	5
	Team Work					
17.	My team focuses on fixing the problem rather than blaming people					
18.	My team members help me whenever I ask them					
19.	I feel needed in my team					
20.	My team members participate in decision making					
21.	I solve problems with my team					
	Salary Package					
22.	I am fairly paid for my position					
23.	I am satisfied with my salary package					
24.	My salary package is fair in comparison with similar positions in the market					
	Work Load					
25.	Jobs that do not pertain to me are sometimes allocated to me					
26.	I am often overloaded with work because my colleagues do not properly do their jobs					
27.	Jobs allocated to me do not often match with my educational level and my experience					
28.	The work load allocated to me is not fair with the available time					
	Leadership					
29.	My immediate leader sees and positively responds to issues I raise to him/her					
30.	The management style of my immediate leader is generally participative					
31.	My immediate leader reflects strong leadership skills					
32.	My immediate leader positively responds to customers					
33.	My immediate leader is knowledgeable and handles well his/her work					
	Administrative styles					
34.	Employees spend too much time in meetings					
35.	Time spent in meetings keep me away from doing my best on the job					
36.	I benefit a lot from the meetings of the organization					
	Role Clarity					
37.	I have clear goals and objectives for my work					
38.	The organization provides me with clear job description					
39.	I am clear about my priorities at work					
	Quality of Service					
40.	I am proud of the quality services the organization provides					
41.	I am proud of the quality of the services my department provides					
42.	This organization has quality standards in providing services					
43.	Fast and quality service providing employees get recognition and promoted					
	Rules, Regulations and Policies					
44.	The organization has clear rules, regulations and policies					
45.	Employees' fear of rules and regulations sometimes leads to delays in decision making					
46.	I know well the rules, regulations and policies of the organization					
47.	The risky nature of some rules and regulations leads employees turn over					
	Job Satisfaction					
48.	I find the organization cares for its employees					
49.	I find the organization retains its best and experienced employees					
50.	I find my work interesting					
51.	I find my work challenging					
52.	I feel my future in the organization is bright					

Appendix B

ANOVA (Comparisons of Employees Perception of OC by Job Level)

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Traing and development	Between Groups	12.904	2	6.452	11.401	.000
	Within Groups	139.217	246	.566		
	Total	152.121	248			
Communication	Between Groups	4.971	2	2.486	5.149	.006
	Within Groups	118.745	246	.483		
	Total	123.716	248			
Performance Management	Between Groups	10.824	2	5.412	5.737	.004
	Within Groups	232.065	246	.943		
	Total	242.889	248			
Team work	Between Groups	3.873	2	1.937	3.742	.025
	Within Groups	126.800	245	.518		
	Total	130.674	247			
Salary Package	Between Groups	25.813	2	12.907	10.690	.000
	Within Groups	295.798	245	1.207		
	Total	321.611	247			
Work load	Between Groups	.541	2	.271	.366	.694
	Within Groups	181.723	246	.739		
	Total	182.264	248			
Leadership	Between Groups	5.647	2	2.824	3.317	.038
	Within Groups	209.393	246	.851		
	Total	215.040	248			
Administrative style	Between Groups	.067	2	.033	.056	.946
	Within Groups	146.414	246	.595		
	Total	146.480	248			
Role clarity	Between Groups	8.317	2	4.158	6.249	.002
	Within Groups	163.710	246	.665		
	Total	172.027	248			
Quality of service	Between Groups	5.207	2	2.603	3.009	.051
	Within Groups	212.849	246	.865		
	Total	218.056	248			
Rules, regulation and policy	Between Groups	.959	2	.479	.787	.457
	Within Groups	149.932	246	.609		
	Total	150.890	248			
Job satisfaction	Between Groups	12.985	2	6.492	7.582	.001
	Within Groups	210.641	246	.856		
	Total	223.626	248			

Post Hoc Tests

Multiple Comparisons by job level

Tukey HSD

Dependent Variable	(I) Job Level of the employees	(J) Job Level of the employees	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Traing and development	Junior officers	Senior officers	.28953*	.09890	.010	.0563	.5227
		Managements	-.60046*	.19965	.008	-1.0712	-.1297
	Senior officers	Junior officers	-.28953*	.09890	.010	-.5227	-.0563
		Managements	-.88999*	.20164	.000	-1.3655	-.4145
	Managements	Junior officers	.60046*	.19965	.008	.1297	1.0712
		Senior officers	.88999*	.20164	.000	.4145	1.3655
Communication	Junior officers	Senior officers	.23888*	.09134	.026	.0235	.4542
		Managements	-.22421	.18439	.445	-.6590	.2106
	Senior officers	Junior officers	-.23888*	.09134	.026	-.4542	-.0235
		Managements	-.46308*	.18623	.036	-.9022	-.0240
	Managements	Junior officers	.22421	.18439	.445	-.2106	.6590
		Senior officers	.46308*	.18623	.036	.0240	.9022
Performance Management	Junior officers	Senior officers	.41515*	.12768	.004	.1141	.7162
		Managements	-.04782	.25777	.981	-.6556	.5600
	Senior officers	Junior officers	-.41515*	.12768	.004	-.7162	-.1141
		Managements	-.46297	.26034	.179	-1.0768	.1509
	Managements	Junior officers	.04782	.25777	.981	-.5600	.6556
		Senior officers	.46297	.26034	.179	-.1509	1.0768
Team work	Junior officers	Senior officers	.23600*	.09475	.036	.0126	.4594
		Managements	-.10150	.19102	.856	-.5519	.3489
	Senior officers	Junior officers	-.23600*	.09475	.036	-.4594	-.0126
		Managements	-.33750	.19283	.189	-.7922	.1172
	Managements	Junior officers	.10150	.19102	.856	-.3489	.5519
		Senior officers	.33750	.19283	.189	-.1172	.7922
Salary Package	Junior officers	Senior officers	.12275	.14471	.673	-.2185	.4640
		Managements	-1.23433*	.29175	.000	-1.9223	-.5464
	Senior officers	Junior officers	-.12275	.14471	.673	-.4640	.2185
		Managements	-1.35709*	.29452	.000	-2.0516	-.6626
	Managements	Junior officers	1.23433*	.29175	.000	.5464	1.9223
		Senior officers	1.35709*	.29452	.000	.6626	2.0516
Work load	Junior officers	Senior officers	.09530	.11299	.676	-.1711	.3617
		Managements	.07598	.22811	.941	-.4619	.6138

Leadership	Senior officers	Junior officers	-0.09530	.11299	.676	-.3617	.1711	
		Managements	-.01932	.23038	.996	-.5625	.5239	
	Managements	Junior officers	-.07598	.22811	.941	-.6138	.4619	
		Senior officers	.01932	.23038	.996	-.5239	.5625	
	Junior officers	Senior officers	.00909	.12129	.997	-.2769	.2951	
		Managements	-.60972*	.24486	.036	-1.1871	-.0324	
	Senior officers	Junior officers	-.00909	.12129	.997	-.2951	.2769	
		Managements	-.61881*	.24729	.035	-1.2019	-.0357	
	Managements	Junior officers	.60972*	.24486	.036	.0324	1.1871	
		Senior officers	.61881*	.24729	.035	.0357	1.2019	
	Administrative style	Junior officers	Senior officers	.01088	.10142	.994	-.2283	.2500
			Managements	.06812	.20475	.941	-.4147	.5509
Senior officers		Junior officers	-.01088	.10142	.994	-.2500	.2283	
		Managements	.05724	.20679	.959	-.4304	.5448	
Managements		Junior officers	-.06812	.20475	.941	-.5509	.4147	
		Senior officers	-.05724	.20679	.959	-.5448	.4304	
Junior officers		Senior officers	.37912*	.10724	.001	.1262	.6320	
		Managements	.17196	.21651	.707	-.3386	.6825	
Senior officers		Junior officers	-.37912*	.10724	.001	-.6320	-.1262	
		Managements	-.20717	.21866	.611	-.7228	.3084	
Managements		Junior officers	-.17196	.21651	.707	-.6825	.3386	
		Senior officers	.20717	.21866	.611	-.3084	.7228	
Quality of service	Junior officers	Senior officers	.25808	.12228	.090	-.0303	.5464	
		Managements	-.18204	.24687	.741	-.7642	.4001	
	Senior officers	Junior officers	-.25808	.12228	.090	-.5464	.0303	
		Managements	-.44013	.24933	.184	-1.0280	.1478	
	Managements	Junior officers	.18204	.24687	.741	-.4001	.7642	
		Senior officers	.44013	.24933	.184	-.1478	1.0280	
	Junior officers	Senior officers	-.08270	.10263	.700	-.3247	.1593	
		Managements	-.23189	.20719	.503	-.7205	.2567	
	Senior officers	Junior officers	.08270	.10263	.700	-.1593	.3247	
		Managements	-.14919	.20926	.756	-.6426	.3442	
	Managements	Junior officers	.23189	.20719	.503	-.2567	.7205	
		Senior officers	.14919	.20926	.756	-.3442	.6426	
Rules, regulation and policy	Junior officers	Senior officers	.45879*	.12165	.001	.1719	.7456	
		Managements	-.02123	.24559	.996	-.6003	.5579	
	Senior officers	Junior officers	-.45879*	.12165	.001	-.7456	-.1719	
		Managements	-.48002	.24803	.131	-1.0649	.1048	
	Managements	Junior officers	.02123	.24559	.996	-.5579	.6003	
		Senior officers	.48002	.24803	.131	-.1048	1.0649	

*. The mean difference is significant at the 0.05 level.

