Perceptions of Organizational Politics and Job Satisfaction in Nepali Manufacturing and Information Technology Industries

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ABSTRACT

The study examines the relationship between perceptions of organizational politics (POP) and employee job satisfaction (JS) in manufacturing and information technology based organizations of Nepal. The study assesses a major hypothesis along with seven sub-hypotheses. Data is collected using convenience sampling from one hundred three employees. Correlation and regression are performed for data analysis. The study found that perceived organizational politics and job satisfaction have a significant negative relationship among employees of manufacturing and information technology based organizations.

Keywords: Organizational Politics, Job Satisfaction, Pay and Promotion

Introduction

Employees provide their skills, talent, and motivation for the organization in expectation of some tangible and intangible reward (O'Driscoll & Randall, 1999). If the reward is not fulfilled, an organization starts to become political. Organizational politics is the reality of human life (Ferris & Kacmar, 1992). In a political workplace environment, people obtain rewards through competition and power accumulation. POP is employee assessment that is subjective, rather than objective. It states the degree of workplace environment characterized as deliberately created unlawful and self-centered actions to increase self-interest, often at a large cost to the organization and its members (Ferris, Fedor, Chachere, & Pondy, 1989). Therefore, it is considered an essential variable for understanding organizational functions.

Job satisfaction is a pleasant emotional state arising from work evaluation or job experience (Bernarto, et al., 2020). It is the employees' general attitudes and behaviors towards their job. It is noted that job satisfaction is crucial for the better organizational performance (Obiekwe, Obibhunun, & Omah, 2019). JS makes an employee more attentive and aware of the organizational activities (Saleem, Mahmood, & Mahmood, 2010). A satisfied employee is highly motivated which results in full utilization of the

organization's capabilities. Thus, it is considered one of the main focused subjects of organizational research.

Perceived organizational politics is considered one of the crucial factors that adversely affect job satisfaction. Previous studies show that POP has a negative relationship with job satisfaction, organizational support, and job involvement (Cropanzano, Howes, & Grandey, 1997; Ferris & Kacmar, 1992). It is positively associated with organizational withdrawal, job dissatisfaction, and job anxiety (Harrell-Cook, Ferris, & Dulebohn, 1999). Gandz and Murray (1980) study among 400 employees found that POP has a negative relationship with JS. Thus, this study primarily investigates the relationship between POP and JS.

Literature Review

Perceived Organizational Politics:
In 1950s, works on certain aspects of workplace politics like power and bureaucratic dysfunctions began and management literature identified organizations as political institutions only in the early 1960s (Drory & Romm, 1988). In the early 1970s, researchers started to consider the relevance of understanding employee political conduct (Madison, Allen, Porter, Renwick, & Mayes, 1980). POP is intentional acts or behaviors that protect self-interest at the cost of others (Karim, Majid, Omar, & Aburumman, 2021). It is casual, narrow, usually divisive, and illegitimate conduct that aims at displacing legitimate power. It is social influence actions that are strategically intended to maximize vested interest (Poon, 2003).

There are at least two views of organizational politics that are commonly used. First one considers it as an influential process practiced in an organizational setting. It includes a general set of social behavior that is considered as large and powerful social instrument that can contribute to effective operation of an organization (Cropanzano, Howes, Grandey, & Toth, 1997). Perhaps as a result of this generality, politics can be constructive or destructive based on the situation. However, a more common view has a narrow perspective towards organizational politics. Precisely, it defines politics as limited to intentionally designed long-term behavior to increase self-interest of an individual (Harrell-Cook, Ferris, & Dulebohn, 1999).

Job Satisfaction:
Job satisfaction is an individual's overall perspective about how he/she feels or behaves about the assigned job (Abuhashesh, Al-Dmour, & Masa'deh, 2019). Generally, satisfied employees are more creative, innovative, motivated, committed, and efficient toward the job/organization. When employees are well-motivated, committed, and satisfied, they are likely to display behaviors that lead to organizational success (Paais & Pattiruhu, 2020). The creation of a better workplace environment to acquire, train and develop,

utilize, and retain committed employee has a higher chance of success in a competitive market environment.

Perceived Organizational Politics and Job Satisfaction:

Ferris, Russ, and Fandt (1989) established a POP model that integrates factors influencing POP, its attitudinal implication, and factors moderating the relationship between perception and implications. Ferris et al. (1989) state two elements of job satisfaction affected by POP i.e. general job satisfaction and satisfaction with supervision. Kacmar and Ferris (1991) assess employee perceptions of the extent to which a job setting is political, including politics in the organization, behavior of supervisors, and actions of co-workers. Previous studies reveal that POP creates a negative impact on employee outcomes such as employee commitment, job performance, and satisfaction (Khan, Khan, & Gul, 2019). Additionally, organizational withdrawal may be described as employee intention to leave or turnover. Thus, the study proposes the following hypothesis:

Hypothesis 1: There is a negative relationship between perceived organizational politics and job satisfaction.

There are three dimensions of perceived organizational politics, i.e. general political behavior (GPB), get ahead behavior (GAB), and pay and promotional policies (PPP). GPB is self-serving behavior of employees conducting political activities. Get ahead behavior is fulfilling self-interest through silent actions. Similarly, PPP may encourage an employee to involve politically, if these policies are not fair enough. The study assumes the existence of these kinds of behaviors and practices lead to a decrease in job satisfaction. Therefore, the study proposes the following hypotheses:

Hypothesis 1(a): There is a negative relationship between general political behavior and job satisfaction.

Hypothesis 1(b): There is a negative relationship between get ahead behavior and job satisfaction.

Hypothesis 1(c): There is a negative relationship between pay and promotional policies with job satisfaction.

There are four dimensions of JS, i.e. co-worker relation satisfaction (CWS), work-itself satisfaction (WIS), reward system satisfaction(RS), and pay and promotion satisfaction(PPS). Khan and Hussain (2016) found that the relationship between powerful political groups and employee survival exist in higher educational institutions. Poon (2006) concludes that trust-in-supervisor is positively related with employee willingness to help coworkers among employees perceiving low levels of organizational politics, but not among those perceiving high levels of organizational politics. POP is considered to affect employee morale and values. However, the extent of impact may differ among individuals. Generally, an employee with high morale has high work-itself satisfaction and vice-versa. A study conducted by Bolda, Danish, and Nawaz (2012)

investigate the mediating role of organizational politics in the relationship between employee job characteristics and morale. It concludes that job ambiguity, skill variety, feedback, and affective commitment are negatively correlated with POP. Therefore, the study proposes the following hypotheses:

Hypothesis 2(a): There is a negative relationship between pay and promotion satisfaction with perceived organizational politics.
Hypothesis 2(b): There is a negative relationship between co-workers' satisfaction with perceived organizational politics.
Hypothesis 2(c): There is a negative relationship between reward systems with perceived organizational politics.
Hypothesis 2(d): There is a negative relationship between work-itself satisfaction with perceived organizational politics.

Methodology

Sample
The study is conducted among employees working in manufacturing and IT sectors. 103 employees (80% response rate) participated from different departments. Data is collected from employees of different levels, i.e. assistant, officer, and manager to ensure participation of employees from all levels. Demographic variable such as age, occupation, income, gender, and educational level is collected. Data collection is performed using convenience sampling.

Measurement
POP is measured through an instrument developed by Kacmar and Ferris in 1991. Responses are obtained using a 5-point Likert scale ranging from 1(Strongly disagree) and 5(Strongly agree) Coefficient alpha value ranges from 0.87 to 0.91. JS is measured using an instrument developed by Spector in 1985. Responses are obtained by using 5-point Likert scale ranging from 1(disagree very much) to 5 (agree very much). The coefficient alpha value is 0.89.

Data Analysis
Statistical tools are used for the purpose of data analysis. Correlation and regression analysis are used to measure the relationship between POP and employee job satisfaction. Additionally, the relationship between dimensions of POP with the dimensions of JS is analyzed.

Results

Table 1: Demographical Characteristics of Respondents

Variables	Frequency (%)
Gender	
Male	84 (79.2)
Female	19 (17.9)
Age	
18-30	74 (69.8)
31-43	28 (26.4)
44-59	1 (0.9)
Educational Level	
Plus 2	5 (4.7)
Bachelors	61 (57.5)
Masters and Above	37 (34.9)
Earning per month	
Up to 15,000	19 (17.9)
15,000-25,000	25 (23.6)
25,000-40,000	20 (18.9)
40,000-60,000	20 (18.9)
60,000-1,00,000	17 (16)
Above 1,00,000	2 (1.9)
Types of organization	
Manufacturing	43 (40.6)
Information Technology	60 (56.6)

Table 1 show that most of the participants are male. Among different age groups, about 70% of respondents are between 18-30 years. Only one respondent is above 43 years. The highest number of respondents is bachelor's degree graduates. 23.6% of respondents are earning salary between Rs.15000-25000. Additionally, 40.6% of respondents are employees of manufacturing industries whereas, 56.6% of respondents are from information technology based organizations.

Table 2: Correlation between Perceived Organizational Politics and Job Satisfaction

	Mean	Standard Deviation	POP	JS
POP	2.98	0.45	1	
JS	2.95	0.45	-.446[**]	1

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

Table 3: Correlation between Perceived Organizational Politics and Dimensions of Job Satisfaction

	Mean	Standard Deviation	POP	CWS	WIS	RS	PPS
POP	2.98	0.45	1				
CWS	3.92	0.71	-.208*	1			
WIS	4.3	0.87	-.412**	.420**	1		
RS	2.88	0.6	-.371**	.412**	.421**	1	
PPS	3.25	0.66	-.364**	.368**	.436**	.421**	1

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

Table 4: Correlation between Job Satisfaction and Dimensions of Perceived Organizational Politics

	Mean	Standard Deviation	GPB	GAB	PPP	JS
GPB	3.12	0.72	1			
GAB	2.77	0.67	.403**	1		
PPP	3	0.83	-.432**	-.305**	1	
JS	2.95	0.45	-.442**	-.383**	.322**	1

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

Table 2 shows that a negative relationship (-0.446) exists between POP and JS. Similarly, table 3 shows that all the dimensions of job satisfaction are negatively associated with POP i.e. -0.208, -0.412, -0.371, and -0.364 respectively. The result reveals that POP is relatively more influenced by work-it dimension. Therefore, satisfied employees tend to have lower involvement in organizational politics. Similarly, Table 4 shows that GPB (-0.442) and GAB (-0.383) dimensions have a negative relationship with JS. But, PPP (0.322) has a positive relationship with JS. The result reveals that GPB more influences JS. Thus, organizational politics is poorly practiced that has largely affected JS in Nepali organizations.

Table 5: Regression Results of Job Satisfaction as Dependent Variable and Dimensions of Perceived Organizational Politics as Independent Variables

Model	Unstandardized Coefficients				Adjusted		
	B	Std. Error	Sig.	R Square	R Square	F	Sig.
(Constant)	3.75	0.35	0.00	0.26	0.24	11.48	0.00
GPB	-0.19	0.63	0.04				
GAB	-0.15	0.65	0.21				
PPP	0.07	0.53	0.20				

Note. Dependent Variable: Employee Job Satisfaction

Table 6: Regression Results of Perceived Organizational Politics as Dependent Variable and Satisfaction with Dimensions of Job Satisfaction as Independent Variables

Model	Unstandardized Coefficients				Adjusted		
	B	Std. Error	Sig.	R Square	R Square	F	Sig.
(Constant)	4.28	0.27	0.00	0.24	0.21	7.79	0.00
CWS	0.03	0.06	0.59				
WIS	-0.14	0.05	0.01				
RS	-0.15	0.07	0.05				
PPS	-0.12	0.07	0.08				

Note. Dependent Variable: Perception of Organizational Politics

The regression results as depicted in tables 5 and 6 show the same results from the correlation analysis. It was revealed that both the models are significant with F values of 11.48 and 7.79 respectively at 10 % level of significance. R square value explains 26% of the variability in JS by GPB, GAB, and PPP. Similarly, 24% variability in POP is accounted by CWS, WIS, RS, and PPS. It indicates that the independent factors mentioned above are important predictors of JS and POP respectively.

The unstandardized beta coefficients of JS and POP are statistically significant at 10 % level of significance. Also, the negative beta values show the negative relationships between JS with GPB and GAB whereas, a positive beta value of 0.07 shows a positive relationship of JS and PPP. Likewise, the negative beta values show the negative relationships of POP with WIS, RS, and PPS. Unlikely, a positive beta value of 0.03 shows a positive relationship between POP with CWS.

Discussion

The findings reveal that a negative relationship exists between POP and JS. It indicates that the organization must be concerned about making the employee satisfied to decrease their involvement in political activities that negatively affect organizational outcomes. Employees having higher POP refer to lower job satisfaction and higher turnover intention (Yusof, Zulkiffli, Padlee, & Yusof, 2018). The study confirms the existence of a negative relationship between JS and dimensions of POP except policies regarding pay and promotion. It denotes that employees must be provided justifiable or indiscriminate pay and promotion to improve JS. An organization concerned about craving policies emphasizing better financial and non-financial benefits helps to increase employee JS.

A study by Faye and Long (2014) shows that increase in the level of POP decreases JS. It vividly denotes those dissatisfied employees are usually inclined towards organizational political activities. Maintaining a better relationship with employees reduces political involvement. An organization having better reward system, and fair pay and promotion increases JS. Organization with fair pay and promotion is likely to have better performance due to less employee involvement in organizational politics. Therefore, organizations should emphasize making better co-worker relations, pay and promotion, and reward system to reduce the effect of POP.

Implications

The study establishes POP as a key variable affecting employee job satisfaction. It serves as a basis for future researchers to explore these variables in different sectors. It also helps management to make decisions regarding better management of human resources. It can contribute top-level management to design better plans and policies related to human resource issues that improve employee performance resulting in high chances of organizational success.

Limitations

The respondents are employees working inside the Kathmandu valley only. If employees are taken from organizations outside the Kathmandu valley, the result may be more valid. The respondents are taken from manufacturing and IT based organizations. This limits the applicability of results in other sectors. Thus, the issue of generalization occurs. Sample size is low. Therefore, an increase in the number of respondents helps to improve more accuracy of the results. Additionally, data are obtained through a self-reported questionnaire, creating the probability of common method biasness.

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