



## Investigation the relationship between organizational climate, employee welfare and employee satisfaction

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### Abstract

Employee dissatisfaction in the industry has been documented as a severe issue for the organisation. Many recent studies have shown greater importance of organizational climate, employee welfare measures to job satisfaction. The present study attempts to identify relations between the organizational climate, employee satisfaction, and employee welfare measures. The target population in the present study is telecom managed service employees in India. The purpose of this correlational, quantitative analysis is to examine the associations between organizational climate, employee satisfaction, and employee welfare measures. This study determines if there is a relationship between organizational climate and employee welfare measures and employee satisfaction. The current study has significant managerial implications. The paper identifies the relationship between organisational climate, employee satisfaction, and employee welfare measures enabling practitioners to understand which factors influence employee satisfaction. This knowledge will help managers design effective strategies to encourage employee satisfaction among such employees.

**Keywords:** *Organizational Climate, Employee Satisfaction, Employee Welfare*

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### 1. Introduction

Employee negative opinion and dissatisfaction towards their organization, because of the working environment and organizational culture is a significant issue. The organizational climate is possibly the most challenging aspect and has been recognized as a direct impact on worker behavior. The organizational climate is a significant component of work-associated conduct and employee satisfaction. The organizational climate is the sum of "psychological elements, which are personnel' perceptions of their surroundings" (James et al., 2008). But it isn't always easy to understand because it's far based totally on employee perceptions.

In line with Churchill (1976), the organizational climate is the sum of the social elements that made up the surroundings of a worker. Employee satisfaction describes employees'

attitudes regarding their employment and employment-related aspects such as work environments, compensation, contact, and surroundings with different people (Gunlu et al., 2010). The notion of organizational climate and its inferences for employee delight are formally presented by using human relationships.

Organizations are looking to understand the employee better to improve productivity. The adjustments affecting businesses nowadays usually question the organizational climate (Monia and Martin, 2010). Companies are constantly searching to enhance their organizational climate, among other things, to make their workplace better and improve performance to prevail and outperform competitors. Organizational climate and employee welfare measures have become more crucial than ever. Hence, the employer



has to make sure that employees should continue to put their efforts into the benefit of the employer (Danish et al., 2015). A key source of competitive advantage is a business enterprise that could build situations that employees consider healthy and in which they're satisfied and can reach their full capability (Monia and Martin, 2010). Therefore, the organizational climate and worker delight may be visible as key factors in strolling a successful organisation. The general concern of worker dissatisfaction inside an enterprise has been documented as a severe problem (Shankar and Bhatnagar, 2010; Shahnawaz and Jafri, 2009). Recent research has shown more signs of the organizational climate, measures of worker well-being for employee satisfaction. As such, both employee satisfaction and organizational climate are vital to the success of the organization.

Diverse studies mentioned on employee wellbeing have investigated worker wellness and pleasure regarding its distinctive variables. How wellness facilities have an effect on employee efficiency and productivity is crucial to understand to assure a better work-life and satisfaction. Numerous studies on employee welfare practices have been studied employees' welfare and happiness with its different variables as welfare programs influence the efficiency and productivity of employees and essential for assuring a better life and satisfaction. It is curial to study the satisfaction of employees in this service providing organization. Employee welfare measures are the least prerequisite for employees to perform without dissatisfaction. Prior studies have identified that employee satisfaction can be influenced by the demographic variables of the employees (Ozturk and Hancer, 2011; Schmidt, 2009). Employee satisfaction can also vary across various industries or employees at the different organizations in the same industry (Andrade et al., 2020; Inegbedion et al., 2020; Querbach et al., 2020) as well as among the

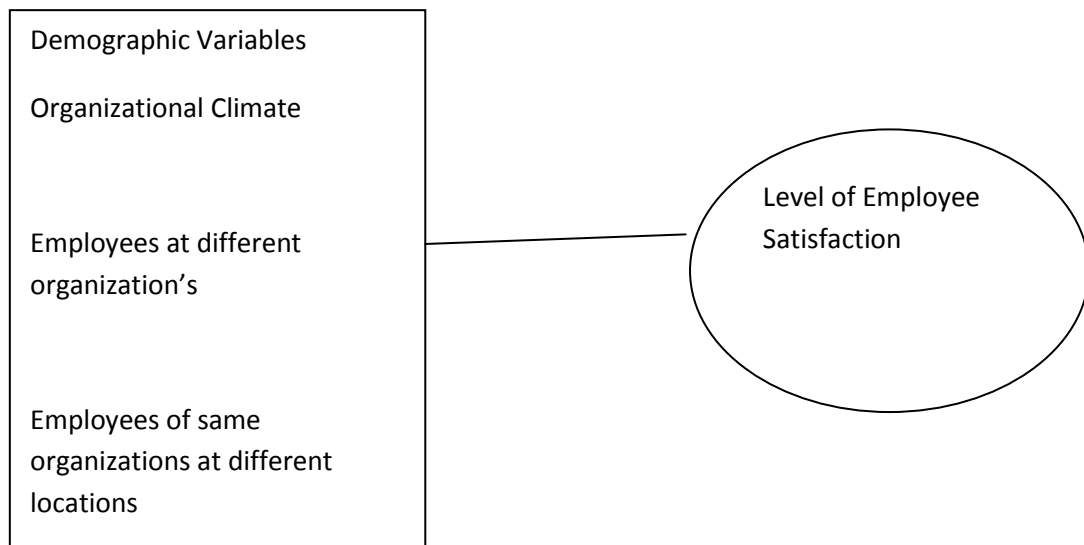
employees of the same company at different locations (Kimura, 2020; Viseu et al. 2020; Wheatley, 2020). The organizational climate is also observed to affect the perception of employee welfare measures (Giorgi et al., 2020; McKillop et al., 2020). The specific problem being addressed in this study is employee welfare issues, organizational climate, and employee satisfaction. Thus, the present study attempts to identify whether there are relations between the organizational climate, employee satisfaction, and employee welfare measures. The study also identified the impact of demographics and employee-related factors on employee satisfaction.

## 2. Literature review:

It is clear from the literature review, and gaps identified that further research is required in a few areas to define the role of demographic, location-based factors, and organizational climate in accessing employee satisfaction. This study identifies the conceptual framework by accessing the impact of organizational climate on employee satisfaction and employee welfare. The conceptual model in this study was proposed to investigate the influence of one antecedent (organizational climate) on employee welfare and employee satisfaction. Further, it is assessed whether employee satisfaction varies with demography, an employee of a different company, and employee of the same company at various locations.



**Figure 1: Conceptual Framework for the Study**



### 2.1 Hypothesis Development:

The primary objective of this study was to understand employee satisfaction. To achieve the research goals, four hypotheses were formulated based on the proposed conceptual model.

#### 2.1.1 Employee satisfaction and demographic Variables:

An individual's demographic variables such as job, status, income, tenure can affect their employee satisfaction (Ozturk and Hancer, 2011) further, Schmidt (2009) identified that employee demographics can affect their training satisfaction. However, Jorfi et al. (2011) suggest that demographics such as gender and education may not affect employee satisfaction. El Badawy et al. (2017) also indicate that demographics do not impact job satisfaction. Thus, there are mixed results in this area, which necessitates further research in this area. Therefore, based on the literature we proposed:

**H1:** Level of Employees Satisfaction does not differ significantly across their demography.

#### 2.1.2 Employee satisfaction variation among different organisations:

Employee satisfaction may or may not vary among the different organisations of the same industry. Querbach et al. (2020) suggests that employee's

satisfaction may vary among family and non-family firms. Inegbedion, et al. (2020) suggests that different organizations may have different work balance and the perception of work balance can affect employee job satisfaction hence employees at different organization of the same industry can have different employee satisfaction. However, Andrade et al. (2020) suggest that job satisfaction may remain same among the employees of different organizations of same industry. Cooper (2020) suggest that employee satisfaction may remain same among the employees of public and private sector companies in the same industry. Thus, based on the literature we suggest:

**H2:** There is no significant difference in the level of satisfaction of employees among various Companies.

#### 2.1.3 Organizational climate, employee satisfaction and employee welfare:

The influence of an organizations' climate on employee behavior extends beyond the implementation of proposed change, and has been demonstrated by numerous studies on all aspects of employee behavior (Drery, 1993; Witt, 1993, Structton, Toma & Polten, 1993). Gunnarson and Nilee Jolly (1994) claim Perceptions of fairness and trust, norms of



helpfulness and co-operation and fair reward systems based on a broad range of contributions are seen as essential in creating a good climate. They propose that that climate affects the outcomes of the organization through the behavior of the employees. Organizational climate is also positively associated with job satisfaction. With the high organizational climate, job satisfaction also increases (De Clercq and Rius, 2007; Ruth, 1992; Şener and Balli, 2020). However, there are various studies that have not found any relation between organizational climate and employee satisfaction. Riyadi (2020) observed that organizational climate had no significant effect on job satisfaction further Gazioglu, and Tansel (2016) could not establish a significant relationship between policies and job satisfaction. Abgozo et al (2017) also observed that some of the elements of the workplace environment had no impact on employee satisfaction.

Further organizational climate can also possibly impact employee's perception of employee welfare measures. An encouraging and supportive environment can enhance the perception of employee welfare (Riyadi, 2020). Giorgi, et al. (2020) suggests that workplace harassment can decrease the perception of organizational Welfare measures. However, McKillop et al. (2020) observed that organizational climate may not infer in perception of child care (an employee welfare activity). Thus the mixed results necessities the further research in this area. Thus, based on the above literature we propose the following hypothesis.

**H3 (i):** There is no significant relationship between organizational climate of the organization and level of employee satisfaction.

**H3 (ii):** There is no significant relationship between organizational climate of the organization and level of employee welfare

### **2.1.4 Employee's satisfaction variation across different region:**

Region or workplace location can be a vital factor for some of the employees. Various studies attempted to observe the impact of work location on employee satisfaction and observed mixed result. Viseu et al. (2020) observed that location does not have a significant impact on level of employee satisfaction, however Wheatley (2020) observed that workplace location affects the quality of work. Kimura (2020) further examined the impact of work location on total job satisfaction and does not find a significant effect. Thus, there are mixed results in this area which necessitates the requirement of the further research in this area. Thus, based on the literature we proposed:

**H4:** Employees level of satisfaction with various welfare measures does not differ significantly across the same company of different region.

### **3. Methods**

To collect data, a questionnaire was developed by adopting scale items from previous literature. All of the questions in the survey are represented in 5 points Likert format. All of the questions in the survey are described in Likert form. Perception of employee welfare measures was measured using eight items taken from Bandara et al. (2020). Employee satisfaction was measured using five items, four items were taken from Chi and Gursoy (2009), and one item was adopted from Koys (2001). Six items of organizational climate were measured using six items from the scale used by Sharma and Gupta (2012).

The data were collected via the online mode. Participants were given a link via email. We issued an identification/participation number to all our participants, which they can verify themselves as actual study participants. Issuing the participation numbers allowed anonymity of all our participants and a way to



identify them by numbers rather than by names whenever needed.

Out of around 900 emails, we got only 382 online responses, showing a response rate of 42.44 percent. Also, there was a need to remove twenty-two of the 382 total responses, resulting in a final sample population of 360 participants. All these twenty-two cases were found with missing essential information like demographics of respondents. A few respondents answered only a few questions. The remaining respondents (N = 360) completed the questionnaire.

### Analysis and results

The data is analysed using SPSS 20.0 software to test the developed hypotheses. At first, data were inspected for normality and multi-collinearity. The data were normally distributed and had no multi-collinearity issues as the skewness and kurtosis lie amid the suggested range of  $\pm 1$  and  $\pm 3$ , correspondingly (Tabachnick et al., 2007). Also, the variance inflation factor ( $VIF < 10$ ) and tolerance level ( $> 0.1$ ) among the independent constructs fall within the recommended range.

Self-stated surveys are susceptible to common method biases (CMB). To check this,

the researchers have used both procedural and statistical methods (Podsakoff, MacKenzie & Podsakoff, 2012). Regarding the procedural methods, anonymity was assured, the sequence of the items was shuffled, and scale items were adopted from different sources. Furthermore, in the case of statistical analysis, a common latent factor and Harman’s single factor test were calculated. Harman’s single factor test shows that a single factor accounts for less than 50% of the total variance. The result of the common latent factor reported a small amount of variance because of common method variance. The result of both tests demonstrated the data robustness and have no concerns about common method bias.

The reliability was measured using Cronbach’s alpha coefficients (Cronbach, 1951). The EW questionnaire measuring has a reliability coefficient of 0.90, and organizational climate has 0.87, as shown in Table 1. The reliability of the employee satisfaction construct is found to be 0.85. Thus, the Cronbach’s alpha values for all constructs for the present study are higher than the minimum satisfactory value of 0.70, indicating that the responses are likely to be effective for the purpose we intend.

**Table 1:** Internal Consistency of Constructs

| Variable                           | Cases |          | Percent used | Alpha ( $\alpha$ ) | No. of items |
|------------------------------------|-------|----------|--------------|--------------------|--------------|
|                                    | Valid | Excluded |              |                    |              |
| <b>EW (Employee Welfare)</b>       | 360   | 0        | 100%         | 0.904              | 8            |
| <b>OC (Organizational Climate)</b> | 360   | 0        | 100%         | 0.879              | 04           |
| <b>ES (Employee Satisfaction)</b>  | 360   | 0        | 100%         | 0.851              | 25           |

After the assessment of reliability, the validity of constructs was assessed. To test the validity, confirmatory factor analysis was performed. First, convergent validity was assessed by examining the factor loadings of the measurement model (Anderson and Gerbing, 1988). All the loadings appeared to be significant (all t values at  $p = 0.01$  level), thus approving the convergent validity (Table 5.4). Second, the discriminant validity

was assessed by analyzing the value of significance for inter construct correlation. The value was observed to be under 1 (Bagozzi and Heatherton, 1994).

A chi-square difference test was performed on each construct pair wherein correlation was drawn in one model and was absent in the other. The value of chi-square for the model with zero correlation was found to be significantly higher than the model with



correlation. It authenticates the existence of discriminant validity among constructs in the model (Segars, 1997). In addition, the average variance extracted (AVEs) was compared with the squared inter construct correlations among all variables (Fornell and Larcker, 1981). The rule of thumb is that all construct

AVE should be greater than their squared inter construct correlation (SIC). As shown in Table 2, all AVE estimations varied from 0.54 to 0.75 and were larger than the corresponding squared inter construct correlation, demonstrating discriminant validity (Table 4.3).

**Table 2: Overall reliability/Validity of the constructs and factor loadings of indicators**

| Construct                   | Indicators | Factor loadings | Cronbach's $\alpha$ /CR | AVE  |
|-----------------------------|------------|-----------------|-------------------------|------|
| Employee Welfare (EW)       | EW 1       | 0.82            | 0.90/0.91               | 0.61 |
|                             | EW 2       | 0.81            |                         |      |
|                             | EW3        | 0.74            |                         |      |
|                             | EW 4       | 0.78            |                         |      |
|                             | EW 5       | 0.74            |                         |      |
|                             | EW 6       | 0.81            |                         |      |
|                             | EW 7       | 0.86            |                         |      |
|                             | EW 8       | 0.86            |                         |      |
| Employee Satisfaction (ES)  | ES 1       | 0.82            | 0.85/0.86               | 0.66 |
|                             | ES 2       | 0.77            |                         |      |
|                             | ES 3       | 0.75            |                         |      |
|                             | ES 4       | 0.76            |                         |      |
|                             | ES 5       | 0.82            |                         |      |
| Organizational Climate (OC) | OC 1       | 0.88            | 0.87/0.89               | 0.68 |
|                             | OC 2       | 0.97            |                         |      |
|                             | OC 3       | 0.90            |                         |      |
|                             | OC 4       | 0.88            |                         |      |
|                             | OC 5       | 0.91            |                         |      |
|                             | OC 6       | 0.84            |                         |      |

**Note:** AVE: average variance extracted, CR: composite reliability.  
 Note: Diagonal values indicate square root of AVE. \*\*  $p < 0.01$ .





In the present research, various instruments are used to examine the relationships among EW and ES, OC and ES. The correlation, mean and standard deviation for all the constructs is presented below (Table 3)

**Table 3 : Correlations, means and standard deviation**

| Constructs                | 1           | 2           | 3           |
|---------------------------|-------------|-------------|-------------|
| 1. EW                     | <b>0.61</b> |             |             |
| 2. OC                     | 0.44**      | <b>0.68</b> |             |
| 3. ES                     | 0.20**      | 0.18*<br>*  | <b>0.66</b> |
| <b>Mean</b>               | 3.53        | 3.64        | 3.42        |
| <b>Standard deviation</b> | 1.94        | 1.89        | 1.75        |

To test the various hypothesis Analysis of Variance (ANNOVA), Multiple Analysis of variance (MANCOVA) and structural equation modelling was performed. To test hypothesis 1, MANCOVA was performed. To examine variations amid groups based on gender, age, and education regarding the constructs of the study, MANOVA was carried out. Wilks' lambda ( $\Lambda$ ) measure was used and the result displayed no noteworthy effect of (1) gender ( $F[3, 2625] = 1.58, (\Lambda) = .97$ , non-significant (ns)); (2) educational level ( $F[12, 4324] = 1.57, (\Lambda) = .98$ , ns); and (3) age ( $F[12, 5258] = 1.23, (\Lambda) = .99$ , ns) 4) Marital status ( $F[12, 6532] = 1.21, (\Lambda) = .98$ , ns) on the study variables. These results revealed no likelihood of any possible interaction amongst age, gender, and education as covariates in further investigation. The results are in accordance with prior research. Thus, it supports our first hypothesis, which suggests that employee satisfaction does not differ significantly across their demography.

To test and confirm the Second and third hypotheses in the present study, the researcher conducted an Analysis of variance (ANOVA). It was conducted by first grouping the variables in the manner in which they appear in the research. The ANOVA resulted in a greater understanding of the strength of the relationships among the variables. The ANOVA tables showing the sum of squares, degrees of freedom, mean squared,  $f$ -test, and p-value are displayed in Table 4.6 for the pair of variables included. There are certain assumptions required to apply ANOVAs. According to Steinberg (2008), two of the critical assumptions are populations from which the samples are drawn normally distributed, and the samples have equal variances. The sample of the current research is equally distributed based on the comparison of the means and suitable for an ANOVA.

The purpose of the  $f$  test is to indicate the level of variability in the variables being compared. According to Siegel (2000), the  $f$



test is calculated by computing the F statistic and comparing the calculated F value with the tabulated standard value, which involves many calculations and results to evaluate the hypothesis.

To test Hypothesis 2, which states that there is no significant difference in employees' level of satisfaction among various Companies. The researcher examined by comparing "level of satisfaction" between different companies. The research has divided the sample of various companies in 180 each and compare them with the help of a one-way

ANOVA test. ANOVA (using the F-distribution) was applied to compare the means of all five observed variables of employee satisfaction. Results revealed that there was no significant difference between these two groups (see Table 3). Thus, the results preclude the possibility of difference between employees' levels of satisfaction with various welfare measures based on location. This supports the hypothesis that states that there is no significant difference in the level of satisfaction of employees among various Companies.

**Table 3 (ANNOVA-To test the level of satisfaction of employees among various Companies)**

|            |                | Sum of Squares | Mean Square | F    | Sig. |
|------------|----------------|----------------|-------------|------|------|
| <b>ES1</b> | Between Groups | .320           | .320        | .072 | .789 |
|            | Within Groups  | 209.680        | 4.368       |      |      |
|            | Total          | 210.000        |             |      |      |
| <b>ES2</b> | Between Groups | .320           | .320        | .080 | .775 |
|            | Within Groups  | 190.000        | 3.958       |      |      |
|            | Total          | 190.320        |             |      |      |
| <b>ES3</b> | Between Groups | .500           | .500        | .263 | .611 |
|            | Within Groups  | 90.880         | 1.893       |      |      |
|            | Total          | 91.380         |             |      |      |
| <b>ES4</b> | Between Groups | .500           | .500        | .124 | .725 |
|            | Within Groups  | 195.680        | 4.077       |      |      |
|            | Total          | 196.180        |             |      |      |
| <b>ES5</b> | Between Groups | 2.880          | 2.880       | .367 | .543 |
|            | Within Groups  | 374.400        | 7.800       |      |      |
|            | Total          | 377.280        |             |      |      |
|            |                |                |             |      |      |





To examine hypothesis4, we have overall data from five companies, however, we have significant data of different locations for only three companies, and we have divided the employees into two groups having different locations. Annova was performed in the case of each company (Table 4.6a, 4.6b, and 4.6c), and results were established.

**Table 4a (ANNOVA- To test the employees’ level of satisfaction with various welfare measures across the same company of different regions)(Company 1)**

|            |                | Sum of Squares | Mean Square | F    | Sig. |
|------------|----------------|----------------|-------------|------|------|
| <b>ES1</b> | Between Groups | .420           | .420        | .071 | .720 |
|            | Within Groups  | 211.700        | 4.628       |      |      |
|            | Total          | 212.120        |             |      |      |
| <b>ES2</b> | Between Groups | .410           | .410        | .082 | .767 |
|            | Within Groups  | 188.000        | 3.848       |      |      |
|            | Total          | 188.410        |             |      |      |
| <b>ES3</b> | Between Groups | .441           | .441        | .257 | .618 |
|            | Within Groups  | 92.380         | 1.945       |      |      |
|            | Total          | 92.820         |             |      |      |
| <b>ES4</b> | Between Groups | .472           | .472        | .117 | .768 |
|            | Within Groups  | 190.100        | 3.620       |      |      |
|            | Total          | 190.572        |             |      |      |
| <b>ES5</b> | Between Groups | 1.932          | 1.932       | .356 | .587 |
|            | Within Groups  | 365.102        | 7.910       |      |      |
|            | Total          | 367.034        |             |      |      |



**Table 4b (ANNOVA- To test the employees' level of satisfaction with various welfare measures across the same company of different region) (Company 2)**

|            |                | Sum of Squares | Mean Square | F     | Sig. |
|------------|----------------|----------------|-------------|-------|------|
| <b>ES1</b> | Between Groups | 4.220          | 4.220       | 2.651 | .104 |
|            | Within Groups  | 89.000         | 1.933       |       |      |
|            | Total          | 93.220         |             |       |      |
| <b>ES2</b> | Between Groups | .715           | .715        | .392  | .528 |
|            | Within Groups  | 87.270         | 1.817       |       |      |
|            | Total          | 87.985         |             |       |      |
| <b>ES3</b> | Between Groups | .318           | .318        | .092  | .759 |
|            | Within Groups  | 163.201        | 3.410       |       |      |
|            | Total          | 163.519        |             |       |      |
| <b>ES4</b> | Between Groups | .081           | .081        | .032  | .861 |
|            | Within Groups  | 124.800        | 2.678       |       |      |
|            | Total          | 124.881        |             |       |      |
| <b>ES5</b> | Between Groups | .510           | .510        | .154  | .687 |
|            | Within Groups  | 155.780        | 3.280       |       |      |
|            | Total          | 156.290        |             |       |      |



**Table 4c (ANNOVA- To test the employees' level of satisfaction with various welfare measures across the same company of different regions)(Company 3)**

|            |                | Sum of Squares | Mean Square | F    | Sig.  |
|------------|----------------|----------------|-------------|------|-------|
| <b>ES1</b> | Between Groups | .310           | .310        | .123 | .729  |
|            | Within Groups  | 126.980        | 2.568       |      |       |
|            | Total          | 127.290        |             |      |       |
| <b>ES2</b> | Between Groups | .710           | .710        | .206 | .662  |
|            | Within Groups  | 170.000        | 3.542       |      |       |
|            | Total          | 170.710        |             |      |       |
| <b>ES3</b> | Between Groups | .000           | .000        | .000 | 1.000 |
|            | Within Groups  | 194.110        | 4.030       |      |       |
|            | Total          | 194.110        |             |      |       |
| <b>ES4</b> | Between Groups | .020           | .020        | .008 | .938  |
|            | Within Groups  | 211.600        | 4.408       |      |       |
|            | Total          | 211.600        |             |      |       |
| <b>ES5</b> | Between Groups | .080           | .080        | .026 | .868  |
|            | Within Groups  | 150.800        | 3.142       |      |       |
|            | Total          | 150.880        |             |      |       |

Results revealed no significant difference between these two groups (see Table 4.6, 4.7, and 4.8). Thus, the effects preclude the possibility of difference between employees' level of satisfaction with various welfare measures based on location. This supports hypothesis 4, which states that employees' satisfaction with various welfare measures does not differ significantly across the same company of different regions.

**To test hypothesis H3 (i) and H3 (ii),** structural equation modelling was performed. Before proceeding to structural equation modelling, confirmatory factor analysis were

applied to test the measurement model. The results of CFA exhibit a good model fit ( $\chi^2 (158.19) = 149 p < .0001$ ; CMIN/DF= 1.062, RMSEA=.013, NFI=.952, CFI=.997, GFI=.956, and AGFI=.945).

The structural model is found good as all the goodness of fit indices were larger than the acceptable threshold values. The results of SEM exhibit a good model fit ( $\chi^2 (164.874) = 150 p < .0001$ ; CMIN/DF= 1.099, RMSEA=.035, NFI=.950, CFI=.995, GFI=.954, and AGFI=.942).

Further to test the hypothesis, we observed that organizational climate does not significantly influence employee satisfaction

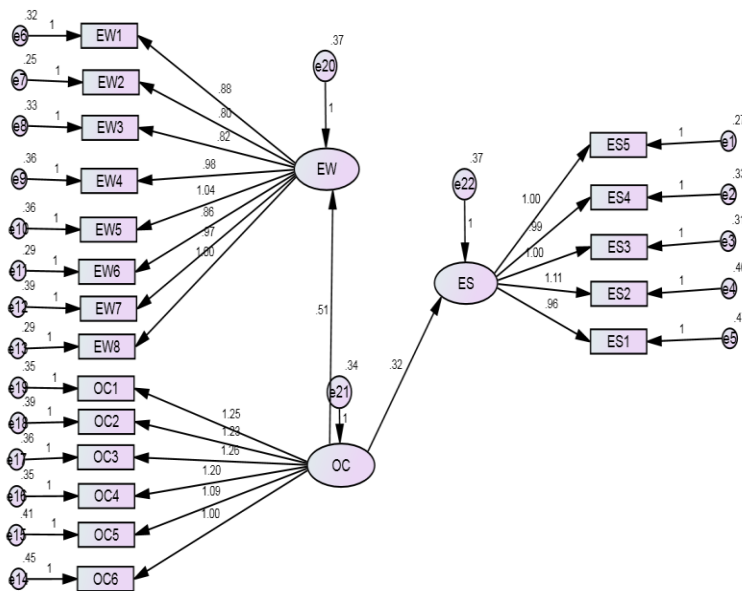


(.297 Non-significant  $P > .05$ ). However, it does improve employee's employee welfare (.440,  $P < .001$ ). Thus while it supports hypothesis 3(i) it does not support 3(ii) (Table 4.10). Thus as we found in hypotheses 3(i) and 3(ii) we

observed that organizational climate is an important area to be considered in an organization (Table 5). It partially influences employee welfare; however, it does not have any direct relation with employee satisfaction.

**Table 5:** Summary and Results of Hypotheses testing

| Hypothesis                  | Path Coefficient | p-value | Result          |
|-----------------------------|------------------|---------|-----------------|
| H <sub>3(a)</sub> : OC → ES | .297             | .061    | Non-significant |
| H <sub>3(b)</sub> : OC → EW | .440             | ***     | Significant     |



Further to test the hypothesis, we observed that organizational climate does not significantly influence employee satisfaction (.297 Non-significant  $P > .05$ ). However, it does improve employees' welfare (.440,  $P < .001$ ). Thus while it supports hypothesis 3(i) it does

not support 3(ii) (Table 4.10). Therefore, as we found in hypotheses 3(i) and 3(ii) we observed that organizational climate is an important area to be considered in the organization (Table 4.10). It partially influences employee welfare; however, it does not have any direct relation with employee satisfaction.



**Table 4.10:** Summary and Results of Hypotheses testing

| Hypothesis                  | Path Coefficient | p-value | Result          |
|-----------------------------|------------------|---------|-----------------|
| H <sub>3(a)</sub> : OC → ES | .297             | .061    | Non-significant |
| H <sub>3(b)</sub> : OC → EW | .440             | ***     | Significant     |

#### 4. Discussion

The study attempts to find out the relation between organisational climate, job satisfaction, and employee welfare and tries to identify the impact of demographics on employee satisfaction. To achieve these objectives, four hypotheses were formulated and tested. The hypotheses formulated and results obtained are discussed below:

Hypothesis 1 proposed that the Level of Employees Satisfaction does not differ significantly across their demography. To test this hypothesis, Multiple Analysis of variance (MANCOVA) was performed. To test hypothesis 1, MANCOVA was performed. Wilks' lambda ( $\Lambda$ ) measure was used, and the result displayed no noteworthy effect of gender, educational level, age, and marital status on the study variables. These results suggest no likelihood of any possible interaction amongst age, gender, and education as covariates in further investigation. The results are in accordance with prior research as some of the previous studies suggested that the demographics will not have a significant impact on employee satisfaction (El Badawy et al., 2017; Jorfi et al., 2011) the results can be explained as employees in the telecom industry have a very hectic lifestyle and they possess specific homogeneous skill sets and possess uniform work-related habits thus they may display the same level of satisfaction. Further, since the telecom industry demands a specific skill set

and provides almost uniform welfare facilities, the demographic may have less influence on employee satisfaction. Further, the insignificant impact can also be attributed to the aspiration of the employees of the same skill sets are more or less the same, and demographics have very little effect on them. Hypothesis 2 states that there is no significant difference in employees' level of satisfaction among various Companies. Analysis of variance ANNOVA was used to test the second hypothesis (H2). The researcher examined by comparing "level of satisfaction" between various companies. The research has divided the sample of different companies into 180 each and compare them with the help of a one-way ANOVA test. Results revealed no significant difference between these two groups and precluded the possibility of difference between employees' level of satisfaction with various welfare measures based on location. Thus, it supports the hypothesis, which states that there is no significant difference in employees' level of satisfaction among multiple Companies. The results are in accordance with prior research (Andrade et al., 2020; Cooper, 2020). The reason can be telecom managed service organizations are specific with specific standards about the employee welfare facilities. Further, the organizational environment is quite similar these employees may not feel much difference in various



companies, and their level of satisfaction may not be very much.

Hypothesis H3 (i) suggests that there is no significant relationship between organizational climate of the organization and the level of employee satisfaction. To test the hypothesis, structural equation modeling was performed. The results revealed that organizational climate does not significantly influence employee satisfaction ( $\beta=.297$ , Non-significant  $P>.005$ ). The results are in accordance with prior research (Gazioglu, and Tansel, 2016; Riyadi, 2020) and show that organizational climate change will not cause changes in job satisfaction. The specific reason can be the aspirations of the employees in the telecom sector. The telecom managed service sector employees are technically skilled and self-motivated. Further, the industry requirement makes them mentally strong, and they understand and adapt to the situations. Also, most of the assignments were based on a small team which also changes project-wise. Thus they are not bound by a specific culture or climate; hence organizational climate does not affect employee satisfaction level in telecom sector employees.

Hypothesis H3 (ii) suggests that there is no significant relationship between organizational climate of the organization and the level of employee welfare. To test the hypothesis, structural equation modelling was performed. The results revealed that organizational climate significantly influences employee perception of welfare measures ( $\beta = .440$ ,  $P<.001$ ). The results are in accordance with prior research (Giorgi, et al., 2020; Riyadi, 2020) and show that organisational climate change will cause changes in employee perception of welfare measures. The results can be explained as a favorable organisational climate that will motivate employees and improve their perception of the organisation and employee welfare measures. A favorable organizational climate

creates a positive perception and enhances the employee's outlook about the organisation. They changed their perception of the organisation and started to appreciate the welfare measures.

Hypothesis 4 states that employees' level of satisfaction with various welfare measures does not differ significantly across the same company of the different region. To examine this hypothesis, Anova was performed, and the results support the hypothesis. The results are in accordance with prior research (Kimura, 2020). The reason can be employees in the telecom managed service organisations are frequently transferred on project basis. Thus, they are mentally prepared for any location, and it does not affect their satisfaction. Also, the same company usually has the same number of working hours, perks, and other facilities at all the locations; thus, locations hardly impact the employee level of satisfaction.

## 5. Implications

Like others, there are several theoretical as well as managerial implications of the present study.

### 6.1 Theoretical Implications

The study establishes a significant relationship between organisational climate and perception of employee welfare measures, which may be further analyzed in different organizations for academic purposes. Previously research has been done in relation to job satisfaction, organisational climate, and employee welfare; however, there is very little research focused on the telecom managed service sectors. This research project addresses the gap in the literature by studying employee's satisfaction in the telecom industry. Further, the conceptual model provides a theoretical framework to academicians to understand the relationship among these constructs. The study's findings showed that demographics, workplace location, and company-specific factors do not



affect employee satisfaction in the telecom sector. These results can further be tested in different industries.

## 6.2 Managerial Implications

The current study has significant managerial implications. Owners and managers are very protective of information about their organizations. The practical significance of the study is that the paper identifies the relationship between organisational climate, employee satisfaction, and employee welfare measures enabling practitioners to understand which factors influence employee satisfaction. The influence of demographics and employee-related factors on employee satisfaction were also examined. This knowledge will help managers design effective strategies to encourage employee satisfaction among such employees.

## 6. Conclusion

The central objective of the study was to explore the various aspects of employee satisfaction among the employees of the telecom sector. Data were sourced using online resources, and analyzed with SPSS. The findings on each variable were compared and contrasted with previous related studies to enable the study drawn conclusion. The study concludes that, overall, organizational climate is an important element that has an influence on employee welfare while it does not affect employee satisfaction. At the same time, the demographics and company-specific factors doesn't influence employee satisfaction. The authors believe that an employee supportive organizational climate needs to be developed in the telecom sector, which further strengthens the employees' perception of employee welfare measures.

The current research study did experience a few limitations as well. First, the study is confined to only selected variables and how they influence employee satisfaction. Second, the study is only limited to the employees in the telecom managed service sector. Third,

the study is based on self-reported data, which are susceptible to social desirability bias. The honesty of employees is an important issue. Our recommendation for future research in the telecom industry would be to ascertain the other psychological factors that may affect employee satisfaction. Future research may also focus on different ways to measure employee satisfaction rather than the self-report of the employees' intent. Finally, it may be beneficial to conduct this study in various other countries. The results could then be compared to ascertain if the findings from this research are duplicated in other cultures and different environments. This would add to the generalizability of the present research.

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