

A STUDY OF SOME FACTORS
INFLUENCING THE INDIVIDUAL-ORGANIZATION INTERFACE AND
THEIR EFFECTS ON JOB SATISFACTION AND HUMAN PERFORMANCE
AMONG SOME AGENCIES IN THE DURBAN CUSTOMS CLEARING AND FORWARDING INDUSTRY.

BY

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To Eddie, for years of service in the
shipping industry.

"One possibly fruitful way to conceive of an organization and the processes that define it is as an instrument or arena within which participants can engage in behaviour they perceive as instrumental to their goals. From this perspective, an effective organization is one in which the *greatest percentage of participants* perceive themselves as free to use the organization and its subsystems as instruments for their own ends. It is argued that the greater the degree of perceived organizational instrumentality by *each* participant, the more effective the organization."

"Organizations are best assessed as instruments of outcome; that is, the effective organization is the organization that best serves those who perceive it (relative to other avenues) as a means to their ends. The independent variables typically studied in organizational behaviour (leader behaviour, task design, technology) will be assessed in terms of their impact upon the proportion of participants who see instrumentalities in the organization, upon the degree of instrumentality they perceive, and upon the number of organizational mechanisms or vehicles they perceive as instrumental to their valued ends."

See Cummings, L.L. (1977)

"Emergence of the Instrumental Organization" in Goodman, P.S. and Penning, J.M. eds., *New Perspectives on Organizational Effectiveness*. San Francisco: Jossey-Bass. pp. 59 - 62.

PREFACE

The research work described in this dissertation was designed and carried out in the Centre for Applied Social Sciences, University of Natal, Durban, under the supervision of Professor L. Schlemmer and Mr R.D.J. Allen. The data on which this investigation is based was collected by fieldwork conducted in the Durban Customs Clearing and Forwarding Industry during 1983/84.

The work described here explores the relationship between man and organization which prevails in the Durban Customs Clearing and Forwarding Industry.

The research and dissertation here presented are the original work of the author, and have not been submitted in any form to any other University. Work by others which contributes to the investigation is explicitly acknowledged. With the exception of the supervisors, all persons assisting in the research process were briefed, coordinated, and where necessary trained, by the Author.

ACKNOWLEDGEMENTS

Social research is essentially a team effort. Without contributions from such individuals as: a team of fieldworkers to administer the questionnaires and collect the relevant data; computer and punchcard machine operators to set up the computer file and perform the statistical procedures required in the research study; typists and proof readers to correct grammatical errors, resolve problems that are a direct result of poor writing style, and type the final report with the minimum of typographical errors as is humanly possible; and to those individuals and organizations that provide the researcher with financial aid; research would hardly be possible. I would like to take this opportunity to sincerely thank those individuals and organizations that have been in some way responsible for supporting me in my research effort over the past three years:

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Michael Backhouse.

ABSTRACT

In this study an attempt is made to explore the individual-organization interface -- i.e., the nature of the relationship that prevails between an organization and its members -- and determine its effects upon such outcome variables as job satisfaction, instrumentality belief and work performance. Attributes of the individual (human needs) and the organization (dimensions of organizational climate), when combined, are hypothesized to influence this interface.

This investigation is based upon a sample of fourteen shipping agencies drawn from among some agencies within the Durban Customs Clearing and Forwarding Industry. Agencies in this sample are divided into two broad categories, namely members and non members of the Durban Forwarders Association. Two hundred and eighty-three managerial and clerical employees from these agencies participated in this study.

Scales designed to measure a set of work related needs, organizational climate, job satisfaction, instrumentality belief and work performance are administered to groups of employees from each of the participating agencies. These scales, except for that measuring organizational climate, are subject to a statistical procedure designed to calculate reliability. Only the scales that satisfy a minimum requirement of seventy percent for reliability are used in any further analysis.

A factor analysis is carried out on the refined data for the scale of work related needs. Four factors emerged, surgency, passivity, assertiveness and financial incentive. The need indices together with these factors are intercorrelated using a Pearson's Product Moment Correlation. The results show that there are distinctly different patterns of organizational climate prevailing in member and non member organizations. Member agencies tend to be affiliation orientated; non member agencies, achievement orientated.

A multivariate analysis is repeatedly calculated to identify the need-climate combinations that are related to one or more of the outcome variables. Canonical correlation is then employed to calculate the variance explained by each group of combination variables. The results show that the outcome variables explain approximately eighteen percent of the total variance in the data.

In conclusion it is suggested that more research be undertaken using different sets of outcome variables to establish grounds for comparing the results of similar studies. It is further suggested that research of this nature can be used by an Organization Development Consultant as a diagnostic tool for the purpose of assessing the relationship that prevails between the individual and the organization.

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CHAPTER 1.INTRODUCTION AND PRELIMINARY RESEARCH.

Man's association with organizations can be traced back to biblical times. There are indications that Moses was involved in the functioning of organizations. As a phenomenon, organizations have a long history.¹⁾ However, it was the development of industrial nations -- mainly under capitalism -- that stimulated the emergence of complex organizations, particularly occupational enterprises. Organizations have become an enduring feature of the industrialized world and their activities touch many facets of our lives. They are designed to achieve planned objectives in a coordinated and continuous way, and satisfy human needs at the same time.²⁾ In so doing, they help to shape the society in which we live.

Organizations are dynamic multivariable entities and their activities take place on several levels simultaneously. For example, individuals perform tasks, groups convey production norms and organization decision makers respond to markets.³⁾ Therefore organizational researchers find it difficult to represent organizational processes accurately.⁴⁾ The complexity of organizations are reduced by factoring problems into *quasi-dependent* parts and treating each separately.⁵⁾ In this way, paradigms and simplified models are generated for analyzing some main features of any problem, but without all its complexity.⁶⁾

- 1) van Veijeren, C.F. (1977) "Organizations - Quo Vadis" in Nasser, M.E., van Veijeren, C.F., Venter, J.J. and Schmickl, E.D., eds., *Organizational Behaviour: Readings in Management*. South Africa ; Mc Graw-Hill. p. 55.
- 2) Ibid., p. 55.
- 3) Roberts, K.H., Hulin, C.H. and Rousseau, D.M. (1978) *Developing an Interdisciplinary Science of Organizations*. 1st Edition : San Francisco : Jossey-Bass. p. 25.
- 4) Ibid., p. 25.
- 5) Ibid., p. 26.
- 6) Ibid., p. 26.

Organizational research is concerned with examining the responses that define organizations in terms of *enduring patterns of social interactions*.¹⁾ Research workers base their studies on measurements designed to reflect the relative productivity or effectiveness of individuals, groups or organizations.²⁾ The problem with research in this field is that it generally adopts a static view of organization, this makes it possible to repeat the research design and methods for similar studies, but the findings are seldom generalized in this way.³⁾

1.1 A STUDY OF ORGANIZATION BY INTERFACE.

Organizational research can become a complex and bewildering experience if it is not undertaken with caution and based on a *sound* theoretical framework. Lawrence and Lorsch (1969) speak of developing the organization by directing research efforts at specific organizational interfaces.⁴⁾ According to these researchers organizational development can take place along numerous interfaces.⁵⁾ They identify three major interfaces:

- organization-environment (referred to as planned transactions with the environment);
- group-to-group (integration between organizational units); and
- individual-organization (integration between the individual and organization).⁶⁾

The Collins English Dictionary defines the term "interface" as follows:

1) "*a plane forming the boundary between two parts*"; 2) "*a point of communication as between disciplines*".⁷⁾ Research into organization at this level borrows much of its information from Industrial Psychology and to a lesser extent from Sociology. However the aim of these

1) Ibid., p. 9.

2) Ibid., p. 9.

3) Ibid., p. 11.

4) Lawrence, P.R. and Lorsch, J.W. (1969)

Developing Organizations: Diagnosis and Action. Reading, Massachusetts: Addison-Wesley Publishing. p. 4.

5) Ibid., p. 4.

6) Ibid., p. 4.

7) McLeod, W.T. (ed.) (1981)

Collins Pocket English Dictionary. London and Glasgow : Wm Collins Sons and Co. p. 443.

investigations is not to understand individual systems per se but rather to focus on human characteristics that are meaningful in an explanation of the relationship between individual contributors and the organization.¹⁾ Individuals have certain needs, wants and desires, which influence their behaviour in the organization. Their behaviour is also influenced by past experiences(values) and presently, by perceptions of the organization as an instrument for satisfying personal needs. On the other hand, managers are interested in finding ways to encourage their employees to participate in achieving the organization's goals and objectives.

The problems at this interface as observed from a managerial standpoint are outlined below:

- How can individuals be induced to perform their defined organization purpose required of them? ²⁾
- How can the organization channel and control the behaviour of individual contributors in the desired direction.³⁾
- How organizational goals can most effectively be communicated to individual contributors so that they see the relevance of such goals to their own personal needs - stated another way, so organizational goals and individual needs are complementary, rather than antagonistic.⁴⁾

Nasser clearly states from a managerial perspective what needs to be done to resolve problems at this interface. He believes the answer can be found by exploring the concept of commitment - *"whether the employee feels that the goals of the organization are his own. This in turn is a product of need commonality in terms of individual versus organizational interest."* ⁵⁾ Management must create an environment

1) Lawrence, P.R. and Lorsch, J.W. (1969)

Developing Organizations: Diagnosis and Action, op. cit., p. 67.

2) *Ibid.*, p. 60.

3) *Ibid.*, p. 60.

4) *Ibid.*, p. 60.

5) Nasser, M.E. et al. (1977)

Organizational Behaviour: Readings in Management, op. cit., p. 26.

in the organization that enables the employee to attain certain personal outcomes, and in so doing, simultaneously fulfill his appointed function.

1.1.1 The Objectives of this Study.

The aim of this study is to explore the individual-organization interface and determine its effects upon the experiences and performance of persons employed in some agencies within the Durban Customs Clearing and Forwarding Industry. The objectives of this investigation are broadly outlined below:

- Explore attributes of the individual and organization, namely human needs, motives and personality dispositions, in relation to the concept of organizational climate. Then determine the influence these factors have upon the individual-organization interface.
- Analyze the combined effects of individual and organization attributes upon job satisfaction, instrumentality belief and work performance.
- Estimate the fit (congruency) that exists between the individual and organization.

It is obvious that as the researcher moves away from individual-specific characteristics and starts considering organizational factors, the scope of the research effort is greatly expanded. The precision and rigour of the experimentation will therefore suffer unless a phenomenal amount of research work can be carried out to cope with the complexities of handling the far more diffuse elements contained in organizational action as apposed to individual action.

The research worker is therefore placed in a dilemma. He can elect to carry out highly precise research, in which very narrowly defined variables are identified, and attempt to determine in a very precise fashion how the variables are related. Such research calls for a high degree of control and he must close the system he is investigating to extraneous variables. In obtaining such control relevance must be sacrificed. In effect the research worker is blocking the respondents off from open-system behaviour which is their usual behaviour pattern.

The researcher has therefore decided to conduct his study allowing open-system behaviour to prevail. In order to achieve this objective

all variables will be broadly defined. Broad indications of how variables are related to one another is more important in this study than defining "precise" relationships. In utilizing this strategy, the researcher sacrifices some rigour and precision for relevance.

1.1.2 Operational Definitions.

Terminology used in this study is defined as follows:

1.1.2.1 Organization: *"An organization is an open dynamic system characterized by a continuing process of input, transformation and output."* ¹⁾

1.1.2.2 Organization: *"An organization is the coordination of different activities of individuals to carry out planned transactions with the environment."* ²⁾

Organizations and organizational behaviour are extremely complex phenomenon hence this researcher's need to cite two definitions of this concept.

1.1.2.3 Individual-Organization Interface: *"refers to the process of developing the relationship or the nature of the transaction between the individual and the organization."* ³⁾ The question concerning the "appropriateness" or "complementarity" of the individual and the organization is addressed at this interface.

1.1.2.4 Need: *"A need is a construct (a convenient fiction or hypothetical concept) for a force (the physico-chemical nature of which is unknown) in the brain region, a force which organizes perception, apperception, intellection, conation and action in such a way as to transform in a certain direction an existing, unsatisfying situation."* ⁴⁾

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- 1) Argyris, C. (1964) *Integrating the Individual and the Organization.* New York: Oxford University Press. p. 124.
- 2) Lawrence, P.R. and Lorsch, J.W. (1969) *Developing Organization: Diagnosis and Action,* op. cit., p. 4.
- 3) Ibid., p. 3.
- 4) Murray, H.A. (1938) *Explorations in personality.* New York: Oxford University Press. p. 124.

- 1.1.2.5 Organizational Climate: "A set of measurable properties of the work environment, perceived directly or indirectly by the people who live and work in this environment and assumed to influence their motivation and behaviour." ¹⁾
- 1.1.2.6 Instrumentality Belief: "The instrumentality belief is the person's belief concerning the probability that a certain outcome will follow from performance at the intended level. It refers to the extent to which the individual believes that a certain reward is contingent upon performing at a certain level. It can vary from one, where the individual feels sure that performance will lead to the outcome, to zero, where it is felt that performance will definitely not lead to the outcome." ²⁾
- 1.1.2.7 Work Performance: "Work performance is the function of two different variables. One of these refers to the ability or skill of the individual to perform the job and the second refers to his motivation to use this ability or skill in the actual performance of the job. Work performance is the product of these two variables." ³⁾
- 1.1.2.8 Job Satisfaction: "Job satisfaction is concerned with the person's affective response towards his job." ⁴⁾ Job satisfaction depends upon whether or not the job offers sufficient scope to be used as an instrument for satisfying human needs. Furthermore, it is based on the individual's perception of the work environment.

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- 1) Litwin, G.H. and Stringer, R.A. Jr. (1968) *Motivation and Organizational Climate*. Boston: Division of Research, Graduate School of Business Administration, Harvard University. p. 1.
- 2) Orpen, C. (1981) *Behaviour in Work Organizations: An Intermediate Text*. Johannesburg: Jonathan Ball Publishers. p. 158.
- 3) Vroom, V.H. and Deci, E.L. (Eds.) (1982) *Management and Motivation*. New York: Penguin Books Ltd. p. 10.
- 4) Payne, R.L., Fineman, S. and Wall, T.D. (1976) "Organizational Climate and Job Satisfaction: A Conceptual Synthesis." *Organizational Behaviour and Human Performance*, 16, p. 46.

1.1.3 Research Hypotheses.

Emanating from the foregoing discussion six main hypotheses have emerged. Some of these may be obvious to the reader while other are less obvious. The research model upon which these hypotheses are based together with the associated literature are presented in Chapter 2.

1. There is a relationship between an individual's manifest needs and his perceptions of the organization's climate
2. No relationship exists between job satisfaction and work performance.
3. A relationship exists between jobsatisfaction and instrumentality belief.
4. There is a relationship between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and job satisfaction.
5. There is a relationship between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and instrumentality.
6. There is a relationship between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and work performance.

1.1.4 Assumptions.

This investigation is based upon two assumptions:

1. The instruments used in this study are effectively measuring human needs, organizational climate, instrumentality belief, job satisfaction and work performance.
2. Human resources development of clerical and managerial personnel is of concern to each of the customs clearing and forwarding agencies participating in this study, and throughout the industry for that matter.

1.1.5 Delimitations.

The focus of this study was concerned with investigating factors that influence the individual-organization interface -- mainly human needs and organizational climate -- and determine its effects on job satisfaction, instrumentality belief and work performance.

Further delimitations include:

1. The subjects participating in this study were identified by the researcher as either clerical or managerial employees. These categories were further subdivided to distinguish general from shipping clerical personnel; the latter perform clerical tasks specifically related to shipping activities; the former, those of a general clerical nature. Managers are distinguished from sub-managers; the former are responsible for the overall operation of the agency; the latter, only the administration of a department.
2. Fourteen customs clearing and forwarding agencies participated in the final fieldwork programme, adequately covering a spectrum of agencies ranging in size from "large" through "medium" to "small" (these are discussed later).
3. The findings of this study are applicable to the agencies investigated and might be of relevance in understanding human behaviour in some agencies within the Durban Customs Clearing and Forwarding Industry.

1.1.6 Limitations.

This researcher would like to emphasize that though a sample of customs clearing and forwarding agencies was used in this study it -- referring to the sample -- is under no circumstances to be regarded as representative of this industry. For this reason, the data emerging from this study in no way can be argued to be representative of behaviour patterns, attitudes or sentiments prevailing in the Durban Customs Clearing and Forwarding Industry per se. However, this researcher would argue that his sample is representative of those agencies that volunteered and were able to participate if called upon to do so. A stratified random sample of these agencies was drawn for the purpose of this study. The sample is stratified in terms of membership or non membership with the Durban Forwarding Association.

1.1.7 Nature and Sources of Data.

This study encompassed five main areas for the collection of data. Four instruments were used in this fieldwork programme, three of which were designed by the researcher himself. The fourth, is an organizational climate scale designed by J. Gelfand which has been adapted ¹⁾ for use in the South African context from the original Litwin and Stringer climate scale. ²⁾

The five areas are outlined below:

- Area I. The individual need characteristics of clerical and managerial employees were measured by this researcher's needs scale. This instrument consists of eighty-five pairs of bipolar statements tapping five needs, namely the need for money(nMON), job security(nJS), affiliation(nAFF), achievement(nACH) and power(nPOW). The pairs of statements are split so that each member of a specific pair is situated far apart in the questionnaire. This makes it virtually impossible for the subjects to identify pairs and develop a response set. Each statement is followed by a set of forced-choice alternatives.
- Area II. The actual organizational climate as perceived by the subjects in each agency is measured by Gelfand's climate scale. This instrument is designed in the same manner as the Need Scale.
- Area III. The employee's level of job satisfaction is measured in terms the following:
- satisfaction with pay;
 - satisfaction with job security; and
 - satisfaction with the amount of personal development in the job.

1) Gelfand, J. (1972) *The Modification, Development and Application of a Measure of Organization Climate and its Relationship to Higher Order Needs.*
Unpublished M.A. Dissertation: University of Witwatersrand. pp. 411 - 414.

2) Litwin and Stringer (1968) *Motivation and Organizational Climate.*
op. cit., pp. 204 - 208.

- Area IV. The employee's instrumentality belief is measured along the same dimensions as used for the need scale, but the statements have a different emphasis.
- Area V. A set of criteria were specifically designed to evaluate work performance in the Customs Clearing and Forwarding Industry. These are based on what managers believe constitute performance in this type of work. Each employee's work performance was judged along these dimensions by a senior member of the management team in each agency who otherwise did not participate in the fieldwork programme.

1.1.8 Relevance and Need for this Study.

An ever increasing need exists in today's society to more closely parallel the needs of individuals and the organizational climate in which they work. Much has been written about making jobs more meaningful to the worker and simultaneously accomplish organizational goals.

Human resources potential is only modestly utilized in many organizations. Untapped human resources constitutes great opportunities for individual and organizational growth. Mismatch of individual's needs and expectations of the work environment represents a serious waste of human potential as well as the likelihood of leading to individual frustration.

An investigation of some broad relationships at the individual-organization interface such as this study attempts can perhaps lead to tentative hypotheses concerning the matching of individual needs that exist at present in a customs clearing and forwarding agency with the recommended incentive in an effort to develop an organizational climate that is conducive to arouse motivation.

1.2 PRELIMINARY INVESTIGATION.

When undertaking research a first logical step is to collect background information about the population to be studied. This research worker had

to decide whether it would be feasible to conduct his study -- individual-organization interface -- using organizations drawn from the Durban Customs Clearing and Forwarding Industry. This study is squarely situated in the field of organization science and is based on a sample of organizations rather than one that is directed towards the selection of individuals per se. It therefore would have been a waste of valuable money and time to try and carry out an investigation of this nature only to find that customs clearing and forwarding agencies were refusing to participate.

A list of customs clearing and forwarding agencies was obtained from the Durban Customs Clearing and Forwarding Association. A letter explaining the proposed research programme was sent to the branch managers/or directors of two hundred agencies. Approximately one hundred and fifty agencies indicated that they were not in a position to participate in this study. Having secured a positive response from about fifty agencies it was to take the study a step further.

An interview schedule (see APPENDIX A.) was drawn up to collect basic information about the activities of this industry. Formal interview sessions were conducted with ten managing directors/branch managers selected at random from the fifty remaining agencies. These interviews were lengthy and therefore recorded on tape. A great deal of information was obtained about the activities and the employee's function in various specific positions in the organization.

Permission was granted by each of these respondents interviewed allowing the researcher to use this information in his final report on condition that the source would not be disclosed. Certain items of information were selected to build a profile of this industry and is documented in subsequent sections. This profile is an important feature of this study because the research design draws heavily from this preliminary data. The statements cited in the instruments designed by this researcher are based on this information. Finally this profile provides a background against which certain trends that emerge in this data can be explained.

Time elapsed between the preliminary research programme and the main study, i.e., individual-organization interface. Contact was reestablished with those organizations that originally expressed interest in participating. Fourteen customs clearing and forwarding agencies were used in the actual fieldwork programme upon which this study is based.

1.2.1 Customs Clearing and Forwarding Activities.

The Customs Clearing and Forwarding Industry¹⁾ offers a variety of services to the commercial and industrial sector, also to private consumers who have commodities to transport. The shipping agent plays an intermediary role in the transportation process. He can represent his client in matters pertinent to the shipment of cargo -- enter into contracts with public and private organizations -- arrange and coordinate the services required. Furthermore, he must try to ensure that each stage of the transportation process is carried out with speed and efficiency.

When the client has selected an agency to ship²⁾ his cargo, he will inform the agent about the type of commodities involved - the way they have to be packed, stored, uplifted³⁾ and transported, together with other salient details like destination of departure and arrival. Contact is established and transactions are concluded with one or more of the following organizations: Department of Customs and Excise (D.C.E.), South African Transport Services (S.A.T.S.), South African Airways (S.A.A.) or the local harbour authorities. If the agency does not have its own warehouse, road transport, container or package facilities, these are acquired by entering into subcontract⁴⁾ business relationships with a competitor or specialist.

- 1) The Customs Clearing and Forwarding Industry is situated within the broader shipping context and offers a group of services specifically to shipowners. Therefore it is known as the shipping industry. These terms will be used interchangeably in this dissertation.
- 2) In customs clearing and forwarding terminology cargo is 'shipped' by sea, air, rail or road.
- 3) 'Uplift' is a term used when referring to the manner in which cargo is loaded for shipment.
- 4) It is common practise for a shipping agency to enter into sub-contract business relationships with a competitor to purchase a service on behalf of its client. A shipping agency operating in this way is able to fill the gaps in its service package.

1.2.2 Defining Customs Clearing and Forwarding.

Shipping agents in Durban tend to be in disagreement over the definition of Customs Clearing and Forwarding activities. According to a managing director involved in this researcher's preliminary interviewing programme:

"There are two schools of thought on this matter; (1) clearing involves import work; forwarding,¹⁾ export work; (2) clearing involves the actual documentary procedure through Customs; forwarding, the delivery of goods to the client. South African agencies are beginning to adopt the American standpoint; here there is a distinction between Freight Forwarders²⁾ and Customs Clearing houses/brokers; the former is an export oriented agency; the latter generally handles import work."

- 1) To offer a genuine forwarding service an agent needs to have depots at strategic points where the service is going to be received. Once the commodities are cleared through the D.C.E., they are brought to the depot where they are removed from their container. This process is known as 'container destuffing'. In some cases, several clients will share a container, this depends upon the commodities being shipped. Therefore the parcels have to be positively identified before they are released to the importer. If an exporter's cargo is not uplifted for shipment after customs clearance is granted, it can be stored at the depot until transported.
- 2) The services of a Freight Forwarder (F.F.) are more extensive than those of a Forwarder. The F.F. usually offers a door-to-door service on a local and international basis. This service caters for the importer or exporter who has to pay the transportation costs of the cargo at both ends, i.e., from factory to door and vice versa. In the case of an import transaction, the nominated agency will get its branch office at the manufacturer's end to clear and ship the cargo. When it arrives, the resident agent will clear and forward the commodities to his client. The reverse occurs for an export transaction.

In order to avoid confusion when later discussing the difference between import and export transactions, this researcher will attempt to define Customs Clearing and Forwarding activities -- similar as in item (2) -- as follows:

- Customs Clearing is the actual documentary procedure involved when clearing cargo *in* or *out* of a country on behalf of an importer or exporter - through the D.C.E.; and
- Forwarding is the provision of services necessary for transporting commodities to the client's door (importer) or services required to transport and uplift the commodities for shipment on behalf of a client (exporter).

1.2.3 Seafreight Import and Export Transactions.

Seafreight import and export transactions are commonly undertaken amongst customs clearing and forwarding agencies in the Durban area. This can be attributed to the fact that the port facilitates business of this nature, though agencies on the Reef process a fair number of these transactions on behalf of resident clients. The examples to follow, in no way cover the scope of shipping practices but should serve to acquaint the reader with some *general* activities of a shipping agency. They can be of guidance in the following manner:

- enable the reader to become familiar with some of the tasks;
- illustrate the coordination underlying the transportation process;
- present some of the problems generally encountered in this work; and
- demonstrate the manner in which they are resolved.

1.2.3.1 Seafreight Import Transaction.

The following is an account of the basic procedure adopted when processing a seafreight import transaction:

- The importer will receive notification and the bill of lading -- title deeds to the cargo -- from his bank or supplier.
- He will send these documents to his customs clearing agent in the cover of a clearing and forwarding instruction. This is required by the D.C.E. to prove the origin and ownership of the cargo.
- The vessel's date of arrival is checked with the shipping line; the importer is notified; and arrangements are made by the agency to receive and forward the cargo.

- A Documentation clerk will find out from the client if the cargo is prepaid. Freight payable, is usually paid by the agent. The freight rate is calculated in accordance with the rate of exchange on the day the vessel enters South African waters. The date on the bill of lading is used as the conversion factor.
- An Entry clerk will frame the bill of entry and determine the tariff, duty or surcharge payable to the D.C.E., on this shipment. This calculation is usually based upon the value of cargo, normally the free on board price (F.O.B.), at the port of shipment.
- The railway, landing and wharfage orders are prepared. All the documents are put together and the shipment is presented to the D.C.E. one week before the vessel actually arrives. A Customs clerk will be available to sort out any problems that the customs authorities might encounter when processing the documents. A false or incorrect declaration can lead to penalties and fines for the agent or client. Therefore the cargo must be correctly declared and the tariffs carefully calculated. Once the documents have been processed, the agent will pay the customs revenue office and the cargo is then released.
- The Customs clerk will pay the landing and wharfage order fees at the harbour revenue office. A copy of these documents are sent to the shed where the vessel is to berth, pending its arrival. These orders stipulate what is to be done with the cargo when the vessel has berthed.
- A representative or the agent himself might be present to monitor the unloading of the cargo and report any damages to the client. In the event of a catastrophe, the marine insurance agent representing the client will be asked to survey the damages so that an insurance claim can be lodged.
- When the cargo is ready to be delivered to the importer's premises, the cartage company contracted to do this job will be notified and presented with a copy of the landing order. They will uplift and deliver the cargo.

1.2.3.2 Seafreight Export Transaction.

The following is an account of the basic procedure adopted when processing a seafreight export transaction:

- Collect information from the exporter about the commodities he wishes to export, e.g., wooden cases, steel cases, etc.; obtain the gross mass, measurements and volume of these packages.
- If the cargo is of a hazardous nature the client must present the agent with the maritime classification code. He will then check the maritime code book to see if the cargo conforms with the package requirements specified therein.
- A freight rate for the shipment of this cargo is obtained from a suitable shipping line. If the exporter is satisfied with this arrangement, the quotation is presented to the agent in writing and the cargo is booked on a vessel.
- The documents are collected from the client -- the form F.178 and export permit -- without which the D.C.E. will refuse to pass the cargo.
- The procedure for processing these export documents is similar to that used for an import transaction. Once again, the bill of entry is framed -- declaration of the cargo for the D.C.E. -- and the landing and wharfage orders are prepared. The documents are then passed through the D.C.E. and harbour revenue office.
- A copy of the bill of lading is then lodged with the shipping line so that they can prepare their ship's manifest. The port authorities are informed when the cargo is due to arrive.
- When the cargo is ready for transportation to the harbour, the agent will arrange for a rail permit from the S.A.T.S., this instructs the client to rail his cargo out from the sending station on a specific day. Transit times vary from day-to-day and week-to-week depending on the volume of work at the harbour. In some cases there is not sufficient time to get the cargo to the ship before it departs. The cargo is then rebooked on a later vessel.
- Coordination and timing is of importance when railing the cargo, if it arrives at the port ahead of schedule, the S.A.T.S. will charge demurrage fees for the time their railway truck is put out of commission.
- Once the railway truck is in transit between the sending station and port, it is carefully monitored by the agent, any problems experienced are immediately reported to the client. Sometimes the S.A.T.S. will inform the agent that the truck freighting the cargo has broken down. Arrangements are then promptly made to have the cargo transhipped so that it can arrive on schedule.

- If the cargo is damaged, it might have to be short-shipped, an insurance claim is then lodged.
- On reaching the railway marshalling yard, the cargo is called to the ship's side by the vessel's clerk. The agent or a representative is then able to monitor upliftment.

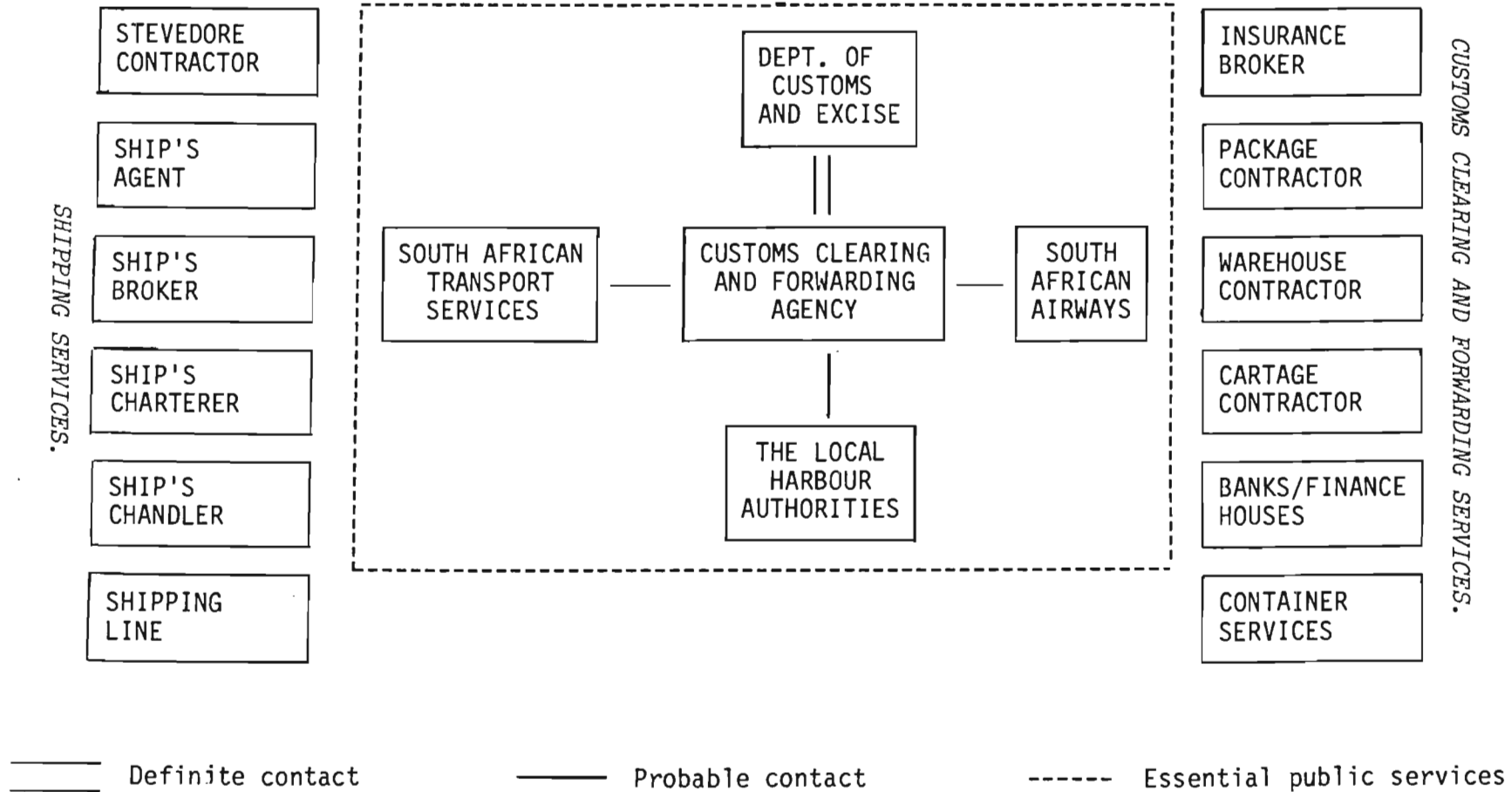
1.2.4 The Specific Environment and Interorganizational Relations.

Customs Clearing and Forwarding practices usually extend beyond the provision of services associated with the shipment of cargo *per se*. Some agents' business activities are directed towards the utilization and maintenance of ships. Ship's agent,¹⁾ Broker,²⁾ Charterer³⁾ and Chandler,⁴⁾ are the services in question. The shipping market is broad and diverse, as a result, an agency's environment consists of an elaborate organization set -- a complex network of interactions between itself and other organizations⁵⁾ -- this influences its ability to function. (see FIGURE 1)

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- 1) A Ship's agent represents the shipowner in matters pertinent to the utilization and maintenance of his ship; is able to make reservations for both passengers and cargo; also monitors the upliftment of commodities being shipped. When a ship encounters problems at sea, the agent at the nearest port of call, is usually the first point of contact. He liaises with the local port authorities, collects information about the ship and keeps all interested parties informed. If repair work has to be undertaken at sea, the agent will secure the services of a Broker to attend to the matter.
 - 2) A Charterer usually works in conjunction with the Ship's agent -- sometimes the same individual performs a dual function -- and represents the shipowner's interests. As Charterer *per se*, he is able to act on behalf of an importer or exporter, hiring a suitable vessel to transport his client's cargo. This usually involves bulk cargo, i.e., grain or minerals. Here each consignment requires an entire vessel for its shipment.
 - 3) A Broker arranges for the ship to be repaired, particularly at sea.
 - 4) A Chandler takes care of all the provisions required by the ship's personnel for its maintenance, right from food supplies to spare parts and other ship accessories.
 - 5) See Caplow, T. (1964) *Principles of Organization*
New York: Harcourt Brace Jovanovich, Inc.
pp. 201 - 228.

FIGURE 1.

DURBAN CUSTOMS CLEARING AND FORWARDING INDUSTRY:
THE SPECIFIC ENVIRONMENT AND INTERORGANIZATIONAL RELATIONS.



Contact with the D.C.E. is central to the operation of all agencies, this is a factor which distinguishes them from other organizations closely associated with the industry. A branch manager emphasized the importance of this contact:

"It boils down to the fact that without the customs authorities we basically would be out of a job. We are the middleman -- broker between the client and customs department -- in a transaction which is becoming so vast and complex that it demands specialized personnel sufficiently skilled just to fulfill this function."

An agency has contact with at least one public organization that provides an essential transport service. Airfreight specialists might only have regular contact with the S.A.A.; seafreight specialists with the S.A.T.S. and the local harbour authorities. Organizational interaction within the demarcated area (see FIGURE 1) is basic to all Customs Clearing and Forwarding practises.

A particular agency's organization set may be traced by superimposing its service package over that outlined in FIGURE 1. It is possible to identify the agency's practices, agencies similar in this respect can be classified. For example, agencies offering a service package resembling the right hand pillar in FIGURE 1 can be classified as groupage operators¹⁾. Several classes may emerge from this exercise and allow the variation between agencies to be better understood.

Customs clearing and forwarding agencies can *vaguely* be identified as belonging in one of three broad categories, namely groupage operators, container²⁾ or bulk specialists. The activities of some agencies are situated in between these categories. This complicates the task of sampling and research design. (see SECTION 3.1.2) The variation in agency practices can be attributed in part to differing perceptions of the environment, particularly the marketplace. Agencies are unique

1) A groupage operator usually offers a wide variety of services to traders and shipowners locally but not always on an international basis.

2) Container specialists only deal with cargo that can be shipped in a container, this is usually consumer commodities

in this respect, their activities are based upon a set of beliefs and values -- formalized as policy -- about what constitutes *sound* business practices. According to Starbuck (1976):

"An organization selects those aspects of the environment with which it is going to deal. Its selection process is affected by that of other organizations with which it is in contact. In this manner, organizations go about constructing or inventing their environments. Furthermore, this construction continues according to how the environment is perceived. From these perceptions, the organization develops a set of strategies for dealing with it." 1)

The practices of many agencies are difficult to classify because they offer a combination of services designed to meet the needs of both traders and shipowners. Each of these service packages vary sufficiently to occupy categories of their own. Therefore broad classification is the best that can be achieved under these circumstances. Hall (1977):

"The environment of organizations is a critical factor in understanding what goes on in and about an organization - no organization is an island unto itself." 2)

This implies that an agency's behaviour -- business practices -- can be understood in terms of the relationship it has with the environment. Therefore it might be of greater significance to classify shipping agencies according to environmental contact rather than grouping them in terms of their activities. However, this will involve an even more complex classification procedure.

- 1) Starbuck, W.H. (1976) "Organizations and their Environments," in Dunnette, M.D. (Ed.), *Handbook of Industrial and Organizational Psychology*. Chicago: Rand McNally and Co. p. 1072.
- 2) Hall, R.H. (1977) *Organizations: Structure and Process*. 2nd Edition: New York: Prentice-Hall, Inc. p. 313.

There are approximately two hundred customs clearing and forwarding agencies in Durban. The smaller ones employ three or four individuals while the larger may have a staff in excess of two hundred employees. The activities of small agencies are sometimes confined to Durban and surrounding areas. With the use of a light delivery vehicle, these agents are able to forward the cargo to their importers, or deliver it to the shed, terminal, warehouse, etc., on behalf of their exporters. An agency's sphere of operation usually expands with the establishment of contacts -- subcontractors and clients -- as this affords it greater penetration into the market.

Managerial personnel interviewed generally agree that small agencies -- as mentioned above -- are able to compete for a share in the market despite the dominance of at least six very large international freight forwarders. Some of their arguments are outlined below:

- Small agencies have fewer overheads in comparison to their larger counterparts, they are therefore in a better position to offer their services at competitive rates.
- There is usually face-to-face contact between the client and manager, i.e., emphasis on personal attention. The client dealing with a larger agency is said to seldom have contact beyond the sales representative.
- If the client is experiencing a problem with the service being received, he is able to discuss it with the branch manager. Whereas a large agency -- due to the size of its clientele -- is forced to introduce policy and procedure to deal with complaints systematically. This sometimes leaves clients frustrated with the service when their problems are not attended to promptly. Agents have said that clients faced with this situation feel that they are being treated as numbers -- just another account.
- It is common for a client to employ different agents to clear successive consignments of cargo. This sometimes enables the small agency to draw business away from the others the client has previously dealt with, especially if its price is competitive.
- It is believed that most of the large established agencies belong to the Durban Customs Clearing and Forwarding Association. Their rates for services rendered are governed by this organization. The smaller agencies prefer to set their own rates and therefore refuse to join the association.

A managing director who recently founded his own agency had this to say about the Durban Customs Clearing and Forwarding Association:

"We are operating in a free enterprise system and believe that it is not necessary for us to belong to this association, it is a price controlling organization - we prefer to set our own rates. It is a measure of our administrative efficiency to cost our services and know that we are able to offer them at a lower price."

Established agencies, namely international freight forwarders, are generally in favour of standard rates for services rendered. Consumers tend to gravitate from one agency to the next as they search for more competitive rates and an efficient service. Standard rates might discourage this behaviour and help reduce client turnover which is prevalent in this industry.

At the beginning of this section it was stated that the Customs Clearing and Forwarding Industry is broad and diverse. In addition, it is competitive, with a wide variety of agencies competing for a share in the market. The activities of most agencies are directed at a specific aspect of the market as apposed to concentrating on the entire market. Few agencies, mainly international freight forwarders, try to offer most, if not all services extensively. Many agencies are unable to invest the capital required to operate at this level. A branch manager interviewed believes that there is *room for the small man* because this is a service industry. An agency's ability to function successfully is influenced by the attitude and initiative shown by those occupying positions of leadership. These individuals are responsible for establishing contacts within the agency's environment which are of prime importance for its successful operation.

1.2.5 The Rôles of Some Key Personnel.

The operation of a business enterprise is a team effort, each of its members have a role to play, some are more important than others. A branch manager remarked that his staff is his greatest asset. The rôles

of certain *key* personnel will be discussed. These are listed as follows:

- branch manager;
- sales representative;
- accountant; and
- entry clerk.

It will be shown that the tasks of these individuals have a major influence on the agency's ability to function.

1.2.5.1 Branch Manager.

The branch manager, particularly in a small agency, has a great deal of responsibility. He must ensure that the daily activities are conducted smoothly and usually has few senior members of staff to assist him in the decision making process. Whereas a manager in a large agency is able to delegate responsibility to junior managers who head various departments in the organization.

Agency policy provides the guidelines upon which business practices are based. Managers are left to exercise initiative and are able to do so in as far as policy will allow them. Some managers interviewed believe that policy is sometimes inhibiting. A few policy related issues are outlined below:

- Certain agents will only enter into a business contract with a client who is able to settle his account within seven days of receiving the invoice. Most agents will allow at least thirty days for debts to be paid before charging the client interest.
- Agents dealing with a *large* account might not be able to afford the initial capital to pass the cargo through the D.C.E. and will either refuse to do business or ask the client to finance the transaction.
- Some head offices have a specific set of organizations to handle their subcontract business. Branch offices are obliged to conform by using these contacts as opposed to forging some of their own.
- Certain agencies are part of a corporate group of companies their main object is to serve the other member subsidiaries. Their revenue is based largely on *in house* business. Policy usually makes provision for concessions to be granted within the group. Furthermore, preference might have to be given to the group when it comes to

client selection. An agency's ability to compete for its share in the *open* shipping market is compromised.

- Rates for services rendered are usually outlined in the agency's policy, the manager is expected to conform in this respect, even if he feels that they need to be made more competitive.

The branch manager with initiative is able to work his way around some of the restrictive policies. A manager interviewed explained that his agency's money supply is controlled by head office in Cape Town, therefore not always readily available, especially for the *larger* accounts. He resolved the problem of having to turn down business from these clients by establishing contacts with other agents who were prepared to do business at suitable rates. The agreement reached enabled him to introduce these clients to the more established agent in return for a small introductory fee.

The establishment of contacts is an on going process, it enables the agency to replace subcontractors when the need arises. The manager is responsible for obtaining the services of subcontractors at the best rates possible. This keeps the cost of the total service package to a minimum, both client and agent are able to benefit. In this regard it is important for the manager to have a *feel* for the market and predict periodic fluctuation so that appropriate action can be taken in time.

1.2.5.2 Sales Representative.

In a small agency the branch manager plays the role of public relations officer (P.R.O.) and is usually the only sales representative. Larger agencies have a P.R.O and marketing department to fulfill these functions. These individuals have the task of marketing the agency's services. They maintain contact with existing clients and attend to problems being experienced with the service, also reestablish contact with past clients to regain their business.

Some agents are of the opinion that a *good* service sells itself. A branch manager made the following comment:

"I think that one must not get the wrong idea about marketing. When a new client is introduced to the agency, personalities are involved ... a dynamic sales representative will get new business only if the service is suitably priced and the agency has a proven reputation for efficiency."

Agents interviewed generally agree that a sales representative with a *sound* reputation holds a certain amount of power and if he leaves the agency a small percentage of clients are likely to follow him to the next place of employment. This is especially true in agencies where the branch manager is sales representative. A small agency might decide against employing a sales representative for several reasons:

- it might be too costly to employ an individual to fulfill this function;
- the agency may not have sufficient capital to absorb the business introduced by a sales representative; and
- power of this nature concentrated in the hands of this individual could put the agency at risk.

If a few members of staff are trained to fulfill this function, the power is then shared. This limits the possibility of negative repercussions if an individual leaves the agency.

1.2.5.3 Accountant.

The accountant assists the branch manager when costing the service package. A manager pointed out that this is an extremely important function. He believes that a return on short-term investments of approximately ten percent is favourable for business. However, if the costing is incorrectly calculated the agency could end up with a profit of only three percent, especially if the client fails to pay his account within thirty days of receiving the invoice. Interest is charged on overdue accounts as a deterrent measure and clients still regularly exceed their deadline for payment. In these instances the agency is likely to find that money is in short supply because turnover is slower than the amount of business being introduced. A branch manager pointed out that this is a very risky situation for

the agency. He stated the following:

"Agencies that are most effective in their business operations are those that do their accounting properly. I am still yet to find the agency that does so, this is one of our weaknesses as well."

Planning and forecasting are important functions performed by the accountant. He must control fluctuations in the agency's money supply by participating in the decision making process with management on financial matters.

1.2.5.4 Entry Clerk.

The entry clerk performs an important task by preparing the cargo declaration for submission to the customs authorities. The work is relatively straightforward and involves making a precise record of the relevant information vis-a-vis the consignment of cargo. The commodities must be carefully described to ensure that the client is going to pay the correct tariff or duty. The sum of money to be charged on each commodity is outlined in the Brussels tariff book. However, it is sometimes possible to classify a commodity under different tariffs. It is not always clear which is the correct tariff category. The entry clerk will consult the manager on this matter, if he is unable to resolve the problem, the clerk will contact a colleague from another agency. If the cargo is incorrectly declared, the agency or client is subject to a penalty or fine. The manager might present his case before the D.C.E. in writing and explain how the entry clerk arrived at the final tariff. A panel of customs officials will meet to discuss the matter and decide on appropriate action to be taken.

1.2.6 Organization of the Report.

Chapter 1 consists of two main sections, namely introduction and preliminary research. The former provides the reader with a statement of the research objectives, operational definitions, hypotheses, assumptions, delimitations, limitations, nature and source of data,

and relevance and need for the study. The latter, explains the rationale behind the preliminary investigation, examines the activities of this industry, defines the terms customs clearing and forwarding, makes a brief examination of the specific environment and interorganizational relations, and describes the rôles of some key personnel

Chapter 2 provides both an extensive review of the literature and the theoretical framework basic to this study. Chapter 3 explains methodology, procedure and post hoc analysis undertaken to refine the measuring instruments designed by the researcher and obtain a reliability coefficient. Chapter 4 contains the results and discussion. Chapter 5 consists of the summary, the conclusions and the implications of this research.

CHAPTER 2.A THEORETICAL FRAMEWORK AND LITERATURE REVIEW.

The purpose of this study is to investigate: (1) The relationship between two groups of predictor variables, namely human needs and organizational climate. The former is concerned with an explanation of human behaviour; the latter, behaviour of the organization. (2) Examine how these predictor variables are able to influence organizational behaviour at the individual-organizational interface. (3) Measure the number of significant interactions that exists between these groups of predictor variables. (4) Determine which pairs of predictor variables interact to account for significant variation in specific outcome variables, namely job satisfaction, instrumentality belief and work performance. (5) Estimate the FIT -- congruency -- that exists between the individual and organization within selected customs clearing and forwarding agencies. This estimation is based on the inference that behaviour at the individual-organization interface, resulting in one or more of the above-mentioned outcomes, indicates the existence of an overlap between the individual's and organization's goals.

This chapter presents a review of the research and literature relevant to this study. The first section deals with a general theory of organization, and how the individual is related. The second section reviews research and literature related to the above-mentioned predictor variables. This section is subdivided into two parts, to deal with the attributes of the individual, and organization. The former is concerned with an examination of human needs, motives, values and perceptions; the latter, with organizational climate. The last section examines research and literature related to two of the three outcome variables, namely job satisfaction and work performance. The third, instrumentality belief, is discussed in a review of motivation theories prior to this section.

2.1 THE ORGANIZATION AND THE INDIVIDUAL.

Before reviewing the research and literature on the subject of this study -- some factors influencing the individual-organization interface

and their effects on job satisfaction and human performance -- it is necessary to establish a theoretical framework that can be used to integrate the individual and the organization. The researcher believes that this integration process will pave the way for resolving problems at the individual-organization interface. In the beginning -- creation of the organization -- the individual and the organization are incongruent, this incongruity is assumed to be quite natural, and is largely responsible for problems between the individual and the organization. However, Argyris believes that this incongruity "can provide the basis for a continued challenge which, as it is fulfilled, will tend to help man to enhance his growth and to develop viable and effective organizations." ¹⁾ Incongruity, therefore, "can be the foundation for increasing the degree of effectiveness of both," at the same time highlighting the lack of integration between them. ²⁾

2.1.1 Integrating the Individual and the Organization.

In his book entitled: "Integrating the Individual and the Organization", Argyris presents a unique theory explaining how the individual and the organization can become integrated. This theory is of great importance to any study of the individual-organization interface, since it is not about either per se, but situated at the boundaries of both - "at the points where they overlap and are interrelated." ³⁾ According to Argyris "it addresses the problem concerning changes that the organization (and the individual) will have to make if it is to obtain the most possible human energy for production." ⁴⁾

Scientific Management and Human Relations theories of organization are incomplete, and therefore, are limited in use to studies of specific aspects of the organization. For example, the Human Relations School is concerned with the study of social relation in the organization. To understand the whole organization a theory is required

1) Argyris, C. (1964) *Integrating the Individual and the Organization*, op. cit., p. 7.

2) Ibid., p. 7.

3) Ibid., p. 13.

4) Ibid., p. 11.

that takes the relationship between its components into consideration. "Exactly what one wishes to consider as parts of the organization depends on one's conceptual biases. These biases, in turn, usually depend on the state of the science, at a given moment, as well as the problem under study. The parts could be individuals, small groups, departments, or processes such as rewards and penalty, authority, and communication." ¹⁾

For Argyris, the components of importance in this theory are individuals, and the organization is conceived of as an open social system. However, one should not get the wrong idea about the organization that is to be developed within this theoretical framework. It is not concerned with keeping people "happy" or manipulating them. He clearly states the consequences of organizational development for both the individual and the organization:

"The moment one speaks of organizations that take the individual more into account, images are evoked ranging from organizations striving to make people happy, reduce work, treat them with kid gloves, to organizations that skillfully and covertly manipulate individuals so that they think they are happy when 'we have got them all the time.' We are interested in developing neither an overpowering manipulative organization nor organizations that 'keep people happy.' Happiness, morale, and job satisfaction are not to be highly relevant guides in our discussion. Individual competence, commitment, self responsibility, fully functioning individuals, and active, vital organizations will be the kind of criteria that we will keep foremost in our minds. As we shall see, the former can be 'painful' to the individual and the latter 'painful' to the organization."

The individual and the organization are discrete units with their own laws which make them amenable to study as separate units. However,

1) Ibid., p. 155.

2) Ibid., p. 4.

it is believed that important parts of each unit's existence depend on their connectedness with the other. One cannot fully understand the individual without understanding the organization in which he is embedded and vice versa. ¹⁾

2.1.1.1 The Essential Properties of Organization.

Argyris defines an organization as an open system characterized by a continuing process of input, transformation, and output. ²⁾ Inputs are the various forms of energy that are fed into the organizational system, this includes materials used in the production process. Transformation is the process whereby the various forms of input undergo conversion through the activities in the organization. Outputs take the form of products that are produced by the organization. Katz and Kahn point out that "the openness of the organization as a system means that it is eternally dependent upon its environment for the absorption of its products and services, and provide the necessary input which activates the organizational processes of transformation and thereby maintains the organization in existence." ³⁾ The existence of feedback loops are evident from this description of organization.

Argyris' understanding of organization and organizational effectiveness is based on information about organization gleaned from the literature of fields such as anthropology, psychology, biology, and political science. He appears to be particularly influenced in his approach to organization by the writings of biologists. Parts of an organization are believed to be organic and they are situated in relation to one another in a patterned formation. He negates the concept of master parts that have control over the others, rather that each part in the system -- biological system -- has an important role to play. Furthermore, the consequences of any part that malfunctions is felt throughout the entire system. Frank indicates "that the kind of organ-

1) Ibid., p. 13.

2) Ibid., p. 13.

3) Kahn, R.L. and Katz, D. (1962)

"Concept of Objective Organization," in French, J. et al. (Eds), *The Industrial Environment and Mental Health, Journal of Social Issues*, Vol XV111, No 3, mimeographed, p. 35.

ization we find is a patterned activity in which all specialized organ systems and functional processes constitute the organization and maintain the organized whole by the way each articulates, synchronizes, compensates and otherwise operates in relation to all others." ¹⁾

From a summary of the above-mentioned literature, Argyris extracts the following list of propositions about organization:

1. An organization is characterized by an *arrangement* of parts that form a unity or whole which feeds back to help maintain the parts.
2. A "part" of an organization is actually an "organic" part by virtue of its position in the pattern that is the whole.
3. The whole, in turn, may be differentiated from the parts along two dimensions:
 - the whole has a different boundary than any given (or subset of parts); and
 - the functional unity of the whole displays properties only revealed in the actual process of full operation of the whole. ²⁾

These are characteristic of any organization regardless of its activity. They are essential to any living organization, whether it be biological (organic system), chemical (atomic structure), psychological (cognitive organization) or sociological (social systems). In fact Argyris is referring here to organization in the purest sense of the word. He has ascended to the highest levels of theoretical abstraction to conceptualize organization in this manner. He believes that for this reason the theory should have universal application when dealing with matters of organization. It is a macro theory of organization and therefore should only be cited when referring to the most general issues of organization. This theory unites those properties that are common to all organization. Therefore, if a researcher wishes to examine a particular case, he should refer to a more specifically defined theory. A specific theory -- micro theory of organization -- is likely to highlight the differences between various forms of

1) Frank, L.K. (1951) *Nature and Human Nature: Man's New Image of Himself*. Rutgers University Press. pp. 53 - 54.

2) Argyris, C. (1964) *Integrating the Individual and the Organization*, *op. cit.*, pp. 121 - 122.

organization, whereas Argyris' theory has been formulated to perform precisely the opposite function.

2.1.1.2 Core Activities of Organization.

Implicit in the propositions outline above are certain properties believed to be essential to every living form of organization:

(1) a plurality of parts (2) maintaining themselves through their interrelatedness and (3) achieving specific objective(s), (4) while accomplishing 2 and 3 adapt to the external environment, thereby (5) maintaining their interrelated state of parts. ¹⁾

These properties of organization give rise to three basic kinds of activities: (1) achieving objectives, (2) maintaining the internal system, and (3) adapting to the external environment. These are known as the *organizational core activities* or *core activities*. ²⁾

According to Argyris these core activities represent the "steady state" of the organization. "Therefore goal setting and problem solving deal more with the mechanisms for change ... and cut across and include aspects of all three core activities." ³⁾

Earlier it was mentioned that Argyris' theory is a result of the influence of biology, this is encapsulated in his description of the organization's steady state:

"The steady state of organization is conceptualized in terms of the interrelationship among the parts. On the empirical level, the interrelationships are social interactions that, over time, have developed reciprocal relationships, which lead to a self-maintaining, patterned, state of affairs. Each part (social interaction) plays a function. This function may vary in degree of importance from peripheral to central when the system is in a 'steady state.' However, if any part, no matter how peripheral, stops functioning, it has the capacity

1) Ibid., p. 120.

2) Ibid., p. 120.

3) Ibid., p. 120.

to eventually upset the entire system. There is implicit in the system the notion that the whole is maintained through the interaction of all the parts (and not primarily by the interaction of one or few master parts." ¹⁾

The death of a biological system can be brought about by the malfunction of a minor part, say an excretory system. The organization with which Argyris is dealing is a social system, its demise may occur in a similar fashion to that of a biological system. Lawrence and Lorsch also see the usefulness of the biological analogy for describing the interdependence of parts of organizational systems. Organizations for them, are social systems, and unlike mechanical or biological systems, they can change their form and structure. For example, a machine cannot alter its gear train, an animal cannot develop an extra leg, but an organization -- social system -- can and does analogous things. A business can add or subtract departments. This is known as the *morphogenic property* of organization, and is cited as its prime identifying feature. ²⁾

Argyris states "that as long as we are dealing with living open systems, what part we judge essential is largely a function of the time span considered and what we want to consider in our design." ³⁾ Lawrence and Lorsch speak of developing the organization along specific interfaces, these are to be dealt with separately. Organizations are so complex that we are only capable of working with a few variables at a time. They say "that we must proceed with caution, recognizing that in treating topics one at a time, we are not recognizing all the interdependencies in organizational systems." ⁴⁾ Argyris does acknowledge this problem and believes that any research effort should strive to define the interrelationships between as many organizational parts as possible. His theory is very flexible in this respect, since a researcher is able to incorporate into his research model anything that can be adequately defined as an organizational part. However, a study with too many variables is difficult to control.

1) Ibid., pp. 120 - 121.

2) Lawrence, P.R. and Lorsch, J.W. (1969) *Developing Organizations: Diagnosis and Action*, op. cit., p. 10.

3) Argyris, C. (1964) *Integrating the Individual and the Organization*, op. cit., p. 121.

4) Op. cit., p. 10.

2.1.1.3 Organizational Inputs.

In previous discussions it has been established that organizations consist of inputs, transformation process and outputs. Organizations have many forms of energy inputs; for example, mechanical, electrical, physiological, psychological, etc. Since this theory is basically concerned with the integration process between the individual and the organization, it is appropriate to concentrate our efforts towards understanding human sources of energy. Argyris acknowledges that by limiting this analysis to one source of input, though it is convenient, the analysis of research, if based on this theory in its present form, will have limited generalizability. He further indicates that a general theory -- referring to his own -- requires all the energy inputs to be included. Therefore, this analysis must be integrated with analyses from other fields that deal with the other available energy inputs. ¹⁾

The study of human personality is extremely complex, it is sometimes difficult to understand and explain human behaviour. One way to achieve results is to obtain information about the various sources that might underlay behaviour that can be assumed to influence it. Through studies conducted in the natural sciences, the existence of physiological energy has been empirically confirmed. Furthermore, certain forms of human behaviour can be explained when they occur following the release of such energy.

Relatively simple forms of biologically related behaviour are explained in this way. However, when it comes to understanding more complex forms of social behaviour, it is necessary to revert to the concept of psychological energy. According to Argyris psychological energy is postulated to exist in order to help explain observable human behaviour that is not adequately explained by physiological energy. ²⁾ For example, it is not uncommon for an individual to sleep for many hours and awake to report feeling tired. For the purpose of understanding these phenomena psychologists postulate that psychological

1) Argyris, C. (1964) *Integrating the Individual and the Organization*, op. cit., p. 20.

2) Ibid., p. 21.

energy exists. This is a construct that has been created, whose existence does not depend on the empirical world for its location.

According to Argyris the acceptance of psychological energy as a construct will be a function of the following:

- logical validity, which, in turn, is a function of its internal consistency as well as its relevance in a conceptual scheme; and
- its power to explain human behaviour. ¹⁾

It is further assumed that psychological energy exists in the needs of individuals, specifically psychological needs. These needs are believed to be a part of the human personality, when activated, are in a state of tension; are directed toward the achievement of some goal in the environment. It is this tension that is supposed to motivate behaviour. Argyris defines a psychological need in terms of the following criteria:

- to exist in the personality of the individual;
- is related to other needs;
- are directed towards a goal in the environment; and
- initiates and guides behaviour until the goal is reached, which destroys the tension, or until the tension is released in some other way. ²⁾

Sometimes internal tension increases rather than becoming reduced through the process of behaviour, this actually serves to reinforce future behaviour.

For the purpose of integrating the individual and the organization, Argyris says that it is important to postulate psychological energy as follows:

- it exists in all individuals;
- its expression cannot be blocked permanently, it will find a way to overcome or get around any barrier; and
- its amount varies with the "state of mind" of the individual, and is not fixed or limited. ³⁾

1) Ibid., p. 22.

2) Ibid., p. 22.

3) Ibid., p. 22.

Individuals develop needs, values and abilities which are influenced by cultural norms. One of the needs central to human behaviour, is referred to by White as the "need to feel a sense of competence".¹⁾ Argyris defines competence "as the solving of problems by developing those solutions that prevent their recurrence, and doing so with minimum utilization of energy."²⁾ Competence is believed to exist in two basic forms, namely intellectual cognitive competence and interpersonal competence. The latter is of greater importance to this theory because it attempts to deal with social relationships between individuals. It is therefore of relevance to this theory, to ascertain the effect that a given amount of interpersonal competence has on the cognitive problem-solving activities within an organization.³⁾

Argyris points out that a basic requirement for interpersonal competence is self-awareness. He says:

*"Self-awareness influences the individual's stability and effectiveness because, once it is formed, the self influences what the individual is able to 'see' in the environment, how he evaluates it, and how he deals with it. If what he is experiencing 'out there' is consonant with his self-concept, then he will tend to 'see' it in an undistorted manner. If what he is experiencing is antagonistic to his self, it is a threat. The greater the discrepancy between the self and what it is experiencing, the greater the threat."*⁴⁾

Self-awareness is based on obtaining feedback from others in the environment. In order to receive this information from individuals, the receiver, must first be able to accept it. This means that the message must be received with minimum of distortion. Distortion can be minimized by not being easily threatened, this is dependent on the individual's level of self-esteem.

1) White, R.W. "Motivation Reconsidered: The Concept of Competence," (1959) *Psychological Review*, Vol. 66, pp. 297 - 333.

2) Argyris, C. *Integrating the Individual and the Organization*, op. cit., p. 24.

3) Ibid., p. 24.

4) Ibid., p. 25.

A second need of importance which effects an individual's amount of psychological energy for work, is the need for self-esteem. Self-esteem means to value one's self and it involves the enlargement of awareness of both self and others. It is assumed that the self-esteem of an individual is not independent of the self-esteem of others. According to Argyris self-esteem is developed as follows:

"Self-esteem is developed by dealing with the world competently in such a way that a person can assign the solution of the problems to himself, to his abilities, to his effort, to his work. This means that solving the problem per se, is not enough. The individual must experience a connection between his own part in the solution and the actual solution of the problem." 1)

Argyris continues by pointing out that the individual's level of self-esteem will increase with the increase of certain factors:

- he is able to define his own goals;
- the goals are related to his central needs and values;
- he is able to define the path to these goals; and
- the achievement of these goals represent a "realistic" level of aspiration for the individual. 2)

A goal that represents a realistic level of aspiration, is one that involves a challenge or risk requiring hitherto unused, untested effort to resolve it. A goal above or below an individual's present level of achievement can lead to what Lewin 3) calls *psychological failure*.

Argyris outlines a set of criteria upon which psychological success is believed to be based:

- the individual needs an environment where he can exercise self-responsibility and self-control;
- commitment towards goal achievement;
- productiveness and work to achieve the goal; and
- utilization of his more important abilities. 4)

1) Ibid., p. 26.

2) Ibid., p. 26.

3) Lewin, K. et al. (1944) *Personality and the Behaviour Disorders*. New York: The Ronald Press. pp. 333 - 378.

4) Argyris, C. (1964) *Integrating the Individual and the Organization*, op. cit., p. 27.

A problem is encountered when it comes to measuring an individual's level of self-esteem. To simply ask him questions could distort the result because it would be subjecting him to the same conscious and unconscious errors upon which his self-esteem is based. Hence the lower the self-esteem the higher the probability of distortion and vice versa. A way around this problem is to ascertain self-esteem in terms of how the individual behaves towards self and others. Therefore, the more his behaviour enhances the self-esteem of others, the higher will be his level of self-esteem. ¹⁾

Another important aspect of personality is that of confirmation. The individual evaluates where he stands in relation to others by interpreting how he is perceived by them. In other words he will see what his self "encourages" or "permits" him to see. This is constantly subject to error and he will never know this aspect of his world objectively. However, if his view and evaluation of self, others and the environment is confirmed by those around him, his confidence to evaluate his present level of competence should improve. Confirmation can be instrumental in validating the individual's present level of self-esteem, and increase his level of self-confidence to perceive the world accurately. ²⁾

Competence, self-awareness, self-esteem, and confirmation, factors which are relevant to an evaluation of psychological energy, are also derivatives of psychological success. Hence the more of each possessed by an individual, the more likely is that individual's chances for psychological success. According to Argyris there is no inherent limits on the amount of psychological energy for any individual. Once the individual has achieved a level of aspiration that has led to psychological success, he will tend to define a new level of aspiration which is realistic and higher. This process is believed to be without limits. However, society's norms under which the individual is socialized does have an effect on the level of psychological energy. For example, some societies will encourage aspirations for achievement while others will offer limited opportunities in this regard.

1) Ibid., p. 29.

2) Ibid., p. 30.

In occupational organizations, trust is a very important factor which influences the degree of psychological success possible. For example, an organizational climate characterized by a low degree of trust and respect between management and employees can lead to psychological success as a result of practicing rule breaking behaviour. In other words, employees will aspire to break rules in the organization and are rewarded by having the satisfaction of getting away with it. According to Argyris under conditions of low trust (and high frustration) the employee may express his aggression by setting very low or unrealistically high levels of aspiration, and in either case the goals will never be achieved. ¹⁾

On the other hand, a climate of trust may help to increase the individual's opportunities for psychological success. With trust, the management may tend to feel less the need to develop tight control mechanisms, thereby creating opportunities for psychological success. Employees working under a climate of trust might be more willing to acknowledge the legitimate needs of the organization. ²⁾

In conclusion, it has been noted that organizations have many forms of inputs. Psychological energy of the individual is of particular relevance to Argyris' theory of integrating the individual and the organization. Psychological energy is said to increase with psychological success and decrease with psychological failure. In order to experience psychological success, two requirements are essential. Firstly, the individual must value himself and aspire to experience an increase in his sense of competence. This means that he must continually strive for opportunities to increase the awareness and acceptance of self and others. Secondly, an organization is required that provides opportunities for work in which the individual is able to define his immediate goals, define the paths to these goals, relate these to the organization's goals, evaluate his own effectiveness, and constantly increase the degree of challenge at work. ³⁾

1) Ibid., p. 31.

2) Ibid., p. 31.

3) Ibid., p. 31.

2.1.1.4 The Integration Process.

In previous discussions, the properties of organization -- core activities -- and the attributes of the individual -- psychological energy -- were examined. Organizations were defined as open systems with inputs, transformation and outputs. Furthermore, organizations are made up of parts, in this instance individuals, that are said to be arranged in a patterned formation. Organizational effectiveness occurs when the organization manifests increasing outputs with constant or decreasing inputs. The input of particular interest in this theory is that of psychological energy released by the individual.

The problem of integrating the individual and the organization, i.e., striving to achieve congruency, means both must be committed to change wherever necessary. The organization must attempt to provide an environment for the employee, regardless of his position in the organization, where he can acquire a "satisfactory" measure of psychological success by performing his assigned tasks. The employee, however, must be capable of fulfilling the challenges and accepting the responsibilities involved. According to Argyris the individual might be threatened by the opportunity for psychological success, particularly those members of the working class who sanction attitudes like fatalism, noninvolvement and apathy. Thus, both the formal organization and the individual will need to change. ¹⁾

The amount of change that each will have to undergo depends largely on the problems being experienced in the organization. This answer can only be established through research and will be different for each organization. However, it can be said that the organization should change until a point is reached where compulsive unproductive organizational activities have been sufficiently curtailed so as to free psychological energy for productivity.

2.1.1.5 The Mix Model of Organizational Effectiveness.

Thus far, information concerning specific attributes of the individual and the organization are outlined. Bearing this in mind, the next step

1) Ibid., p. 147.

will be to review Argyris' model of organizational effectiveness. In this regard two questions may be asked:

- What is an effective organization? and
- What are the criteria for evaluating organizational effectiveness?

The reader should be reminded at this point that the "construct" organization is being dealt with here. In other words, that group of properties that define organization in its most general sense. (see SECTION 2.1.1.1) Argyris hypothesizes that an organization is effective if it fulfills the definition of its concept -- the concept organization -- then it is said to be *axiologically good*.¹⁾

In the real world, the most common organizational arrangement takes the form of a pyramidal structure, this is particularly the case in industry. The pyramidal structure of organization is typically subdivided into levels based on authority, individuals with the most authority are situated close to the apex of the pyramid, while those with little or no authority are located at the base. Argyris questions the legitimacy of the pyramidal structure and asks if it actually approximates the concept of organization. He believes that perhaps there are other alternative forms of organization that more closely align themselves with the concept of organization. Whether such organizations are feasible in real life is another issue that would have to be taken into consideration.

Using the essential properties of organization (see SECTION 2.1.1.1) it is necessary to move further into the realm of theoretical abstraction to find the essential properties or characteristics of the concept organization. The reason for approaching the problem in this way is to see if a set of properties about the nature of organization can be discovered that are true for any real life organization, e.g., factory, bureau, trade union, etc.²⁾ In FIGURE 2, the essential properties of organization set forth in SECTION 2.1.1.1 are represented diagrammatically as dimensions. Argyris gives two reasons for having converted these

1) Something is referred to as being *axiologically good* when it fulfills the definition of its concept. Argyris (1964): *Integrating the Individual and the Organization*. p. 148. indicates that he first encountered this term when reading about axiology, the science of value, in Robert S. Hartman, "The Science of Value," in Maslow, A.H. (1959) (Ed.), *New Knowledge in Human Values*, New York: Harper. pp. 13 - 37.

2) Ibid., p. 149.

FIGURE 2.

THE MIX MODEL OF ORGANIZATIONAL EFFECTIVENESS.

<u>Away from the Essential Properties</u>	<u>Toward the Essential Properties</u>
1. One part (subset of parts) controls the whole.	The whole is created and controlled through interrelationships of all parts.
2. Awareness of plurality of parts.	Awareness of pattern of parts.
3. Achieving objectives related to the parts.	Achieving objectives related to the whole.
4. Unable to influence its internally oriented core activities.	Able to influence internally oriented core activities as "it" desires.
5. Unable to influence its externally oriented core activities.	Able to influence externally oriented activities as "it" desires.
6. Nature of core activities influenced by the present.	Nature of core activities influenced by the past, present and future.

FIGURE 2 is taken from Argyris (1964): *Integrating the Individual and the Organization*, op. cit., p. 150.

properties into dimensions:

- It enables us to describe the activities of organizations in terms of degree to which they approximate or deviate from the essential properties of the construct organization. For example, consider dimension one, in FIGURE 2. It is hypothesized that an organization based on the plurality of parts would be less effective than one based on a patterning of parts. An organization with a plurality of parts is believed to be based on the function or performance of specific master parts. The organization is then assumed to be functioning inadequately when a breakdown occurs involving one of the master parts. An organization based on a patterning of parts is considered to be functioning inadequately when any one of its parts, no matter how small or unimportant, suffers a malfunction. The consequences thereof, are said to be felt throughout the system.
- The second way that such a formulation may help is that, "if we define personality as a form of organization, it permits us to study the integration of the individual and the organization in terms of degree rather than as discrete black and white entities." ¹⁾

Argyris believes that there are six dimensions which can be used to determine the effectiveness of organization. These are outlined here as follows:

1. *From a situation in which a part (or subset of parts) direct the organizational "core activities" (achieving the objectives, maintaining internal system, and adapting to the environment) to a point where these core activities are influenced through interrelationships of parts.* ²⁾

This dimension assumes that in a living organization each part has some influence over the core. Argyris says, "each part has a degree of influence that requires to maintain itself and perform its function in the whole." ³⁾

2. *From awareness of the organization as a (random) plurality of parts to awareness of the organization as a pattern of parts.* ⁴⁾

1) Ibid., p. 150.

2) Ibid., p. 151.

3) Ibid., p. 151.

4) Ibid., p. 152.

The main reason for this dimension is that the model is purported to hold for the individual as well as the group and organization. Human beings are the agents of organization, and therefore, organizational objectives tend to become influenced by their behaviour.

3. *From a state in which the objectives being achieved are related to the parts, to a state in which the objectives being achieved are related to the whole.* ¹⁾

The whole is believed to be created by the interrelationship of the parts, but the parts exist in a particular pattern of interrelationships to achieve the objective of the system as a whole. Each part in itself has formal objectives, but these take on their meaning by being related to the larger overall objectives. ²⁾

4. *From a state in which the organization is unable to influence its internally oriented activities (achieving its objectives, maintaining the internal system) to a state in which it can influence these activities as the organization desires.* ³⁾

Implicit in this dimension is the assumption that in an organization no activity should be beyond the control of the participants. Any activities that continue independent of the external stimuli -- without the influence of the ambient environment -- and the "desire" of the participants becomes compulsive. Compulsive activities are those activities in the organization that are beyond the control of, and against the desires of the participants. ⁴⁾

5. *From a state in which the organization is unable to influence its externally oriented activities to a state in which it can influence these activities as the organization desires.* ¹⁾

This dimension shows that all organizations are open systems in the sense that they are influenced by and they in turn influence the environment in which they are embedded. ⁶⁾

1) Ibid., p. 153.

2) Ibid., p. 153.

3) Ibid., p. 153.

4) Ibid., p. 153

5) Ibid., p. 153.

6) Ibid., p. 154.

6. *From a state in which the nature of the core activities (achieving the objectives, maintaining the internal system, and adapting to the environment) is largely determined by the present to a state in which the present core activities are continually influenced by considerations including the past history, the present, and the anticipated future of the organization.* ¹⁾

This dimension assumes that the effective organization will be able, in defining its core activities, to take into account the relevant variables from the past and present, so as to anticipate correctly the relevant variables of the future. ²⁾

Argyris would hypothesize that organizations whose activities can be represented by the right hand side of each dimension are axiologically good, in other words they fulfill the definition of their concept, and therefore are effective organizations. Each dimension is mutually dependent on the others; a change in any one dimension, in any direction, can influence the behaviour of the entire organization. However, the consequences that result from change can only be discovered through conducting empirical research in organizations. The interrelationships between these dimensions are very important. For example, a highly authoritarian organization having control over its internal activities would be located close to the right end of dimension 4 (able to influence internally oriented core activities as "it" desires). However, the activities of such an organization in dimension 2 will probably be located close to the left ends of the continua (because in an authoritarian organization a few parts control the whole).

Finally, organizations that are located at the right ends of these dimensions seem to be consonant with the requirements for psychological success. Argyris cites the following: ³⁾

- To define goals that are central (since the individuals work is related objectives, dimensions 1, 2 and 3. (1) The individual's goals are a part of the organization's overall goal network. In other words, the outcome of goal attainment should be just as meaningful for the individual as it is for the organization.

1) Ibid., p. 154.

2) Ibid., p. 154.

3) Ibid., p. 160.

- To define the path to goals, in other words, influence internally oriented core activities, with regards to the individual's personality as well as the personality of the organization.
- To develop a realistic level of aspiration with a long time perspective (core activities influenced by the past, present and future).
- There should be a great probability for achievement because the individual has control over the internal and external factors that prevail in the work environment (see dimension 4 and 5).

In terms of this theory, organizations that comply with the above-mentioned requirements, should have increased amounts of psychological energy available for productive efforts. Unproductive behaviour which consumes a great deal of psychological energy should automatically decrease as the opportunity for psychological success increases. Psychological success is legitimate when it is acquired by performing assigned organizational tasks that in some way contribute to the achievement of organizational goals. It is illegitimate when the individual receives satisfaction and/or success through behaviour that is harmful to the organization.

2.1.2 The Individual-Organization Interface.

Through his theory for integrating the individual and the organization, Argyris provides researchers in this field with a mandate for empirical research. This theory examines the problem of integration and the benefits thereof, on a global perspective. Argyris admits that his theory has not been tested through empirical research and is based entirely on information gleaned from the disciplines of biology, psychology, social anthropology and sociology. Furthermore, he acknowledges that it is going to take many trips through the empirical world of research to refine the theory to a point where it can be applied equally to different organizations. At the moment, however, this theory needs to be supplemented with other more specific theories, to explain the behaviour of a particular organization.

For the purpose of this research, Argyris' theory will be used as a general frame of reference upon which an indepth understanding of this researcher's model is built. This research is bias since it is conducted

from the individuals' standpoint. This does not mean that the individual is going to be favoured in any way. This researcher is trying to obtain a balanced perspective concerning the requirements for congruency at the individual-organization interface. This study will focus on the psychological contract between man and the organization. Underlying this psychological contract is the problem of how to motivate the employee so that his behaviour is directed towards achieving the the organization's objectives. Lawrence and Lorsch point out that basic psychological issues do present themselves in all specialized activity groups and at all hierarchical levels in the organization. ¹⁾ For example, managers express concern about how to motivate scientists to be more creative, how to induce sales representatives to meet sales quotas, and how to get blue-collar production workers to maintain higher quality standards.

The aroused human need is the foundation upon which motives are built. The pattern of motives which develop in a particular individual personality system is a product of the interaction of the biological characteristics of the individual and the developmental experiences encountered from infancy through adult life. ²⁾ This means that, while all individuals strive to solve the problems confronting them, the variety of different experiences leads each individual system to develop differently. ³⁾

A person's behaviour in a particular organization is a function of the motives, values and perceptions that characterize the individual system at the time, and is also a result of the problems and challenges he perceives in the organizational setting. To state it differently, how an individual is motivated to behave in a specific organizational position is a function of both the developmental history of the individual system and the current organizational context. Each individual is motivated to behave in the current situation in accordance with the past behaviour patterns which have helped him master his environment. Lawrence and Lorsch say that when an individual meets a

1) Lawrence, P.R and
Lorsch, J.W (1969)

Developing Organizations: Diagnosis and Action, op. cit., p. 61.

2) Ibid., p. 67.

3) Ibid., p. 67.

given organizational or job situation, his personal history causes him to perceive certain aspects of the current situation as potentially satisfying and others less so. ¹⁾ Therefore, an individual's behaviour in the organization depends not only on the strength of these inherent motives, but also upon the extent to which he perceives that these or any other underlying motives will be satisfied in a particular setting. ²⁾

Lawrence and Lorsch indicate that development at the individual-organization interface may follow one of two paths. Their conceptual scheme is diagrammatically represented in FIGURE 3. The first option lies in developing individual systems to make them more consistent with the rewards available from task and organizational factors. This can be accomplished through influencing perceptions and values, and through motivation training. Other criteria used to select and promote individuals are worthwhile considering here. ³⁾

The second option involves an alteration to the task or organizational variables so that they will afford a higher expectation of need satisfaction. But the essential fact which needs emphasis is that an individual's motivation to make a contribution to the organizational goals requires that such behaviour fulfill his important needs. In essence, organizational development at this interface must work towards the objective of obtaining a "fit" between individual needs and the behaviour required of the individual to accomplish organizational goals. ⁴⁾

2.1.2.1 The Individual-Organization Interface: A Research Model.

The individual and the organization are complex entities in the real world. It would be difficult, if not impossible therefore, to undertake a study which attempted to account for those individual/organization interactions ⁵⁾ that might contribute towards the integration of both.

1) Ibid., p. 68.

2) Ibid., p. 68.

3) Ibid., p. 69 - 70.

4) Ibid., p. 70.

5) In this study interactions between predictor variables are more important than relationships. Any pair of predictor variables might be significantly related but if there is an insufficient amount of interaction between them, they will not account for outcome variance.

FIGURE 3.

LAWRENCE AND LORSCH'S MODEL OF THE INDIVIDUAL-ORGANIZATION INTERFACE.

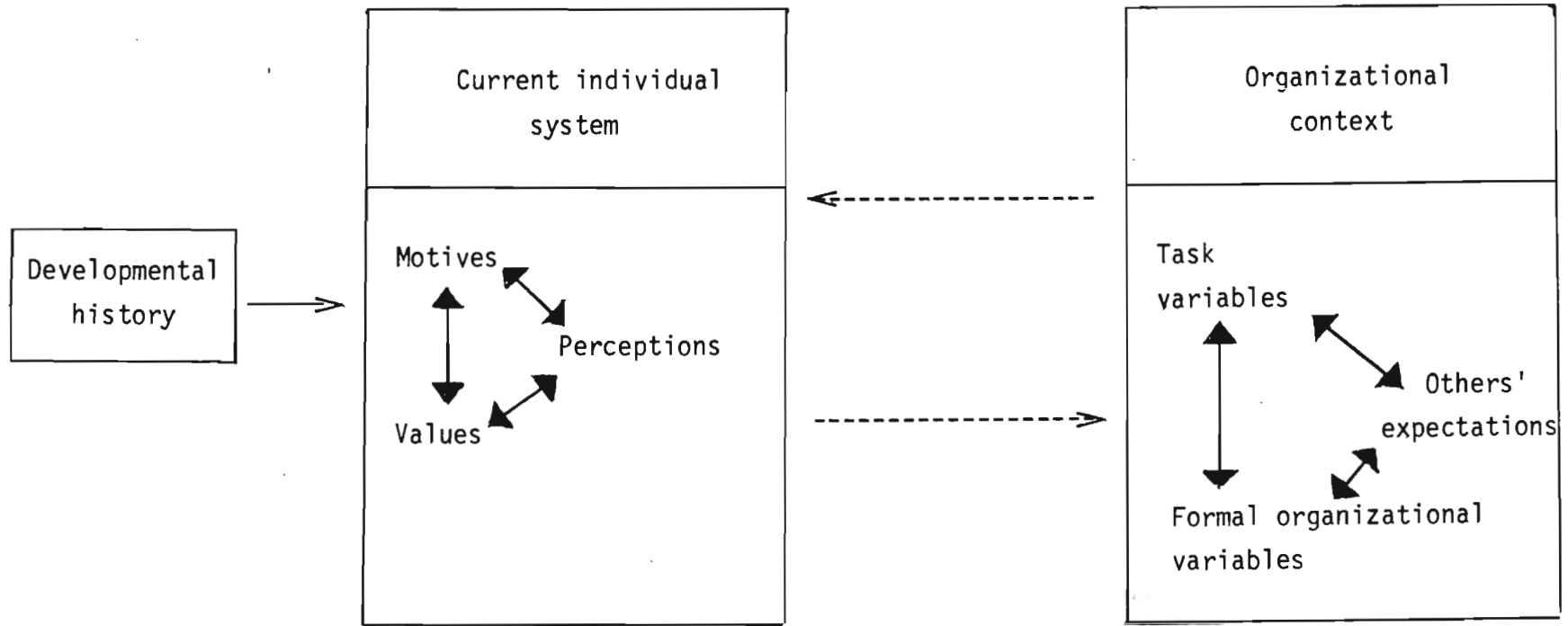


FIGURE 3 is taken from Lawrence and Lorsch (1969): *Developing Organizations: Diagnosis and Action*. pp. 70.

Lawrence and Lorsch realize the problems confronting the organizational scientist. They say "as human beings, the readers and writers share a bounded rationality - we can deal in our minds with only about seven variables at a time, while the organizational world we would master is obviously more complex." ¹⁾ Argyris suggests that this problem can be handled if we undertake research to "discover the possible 'pay-offs' of different combinations of individual and organizational expression under different conditions." ²⁾ These authors sound a warning against placing too much emphasis on the interpretation of our research findings. In fact, Argyris indicates that any analysis dealing with specific inputs -- for example, the psychological energy of individuals -- must be combined with analyses dealing with other inputs. ³⁾

This investigation is based on a simple research design consisting of five organizational concepts, namely human needs, organizational climate, job satisfaction, instrumentality belief and work performance, and the organizational construct - individual-organization interface. The construct together with these five concepts are defined in SECTION 1.1.2, and are diagrammatically represented in FIGURE 4. Throughout the literature associated with studies of organizational behaviour each of these concepts have contributed towards a meaningful understanding of individual/organization relations. The importance of each concept will become evident in later discussions. This researcher believes that by integrating these concepts (see FIGURE 4) a research design has emerged which may be used to predict the level of congruence -- fit -- between the individual and the organization.

The predictor variables for this study fall into one of two basic conceptual groups, namely human needs or organizational climate. The first group consists of five work related needs believed to influence the individuals' level of motivation. These needs are listed and

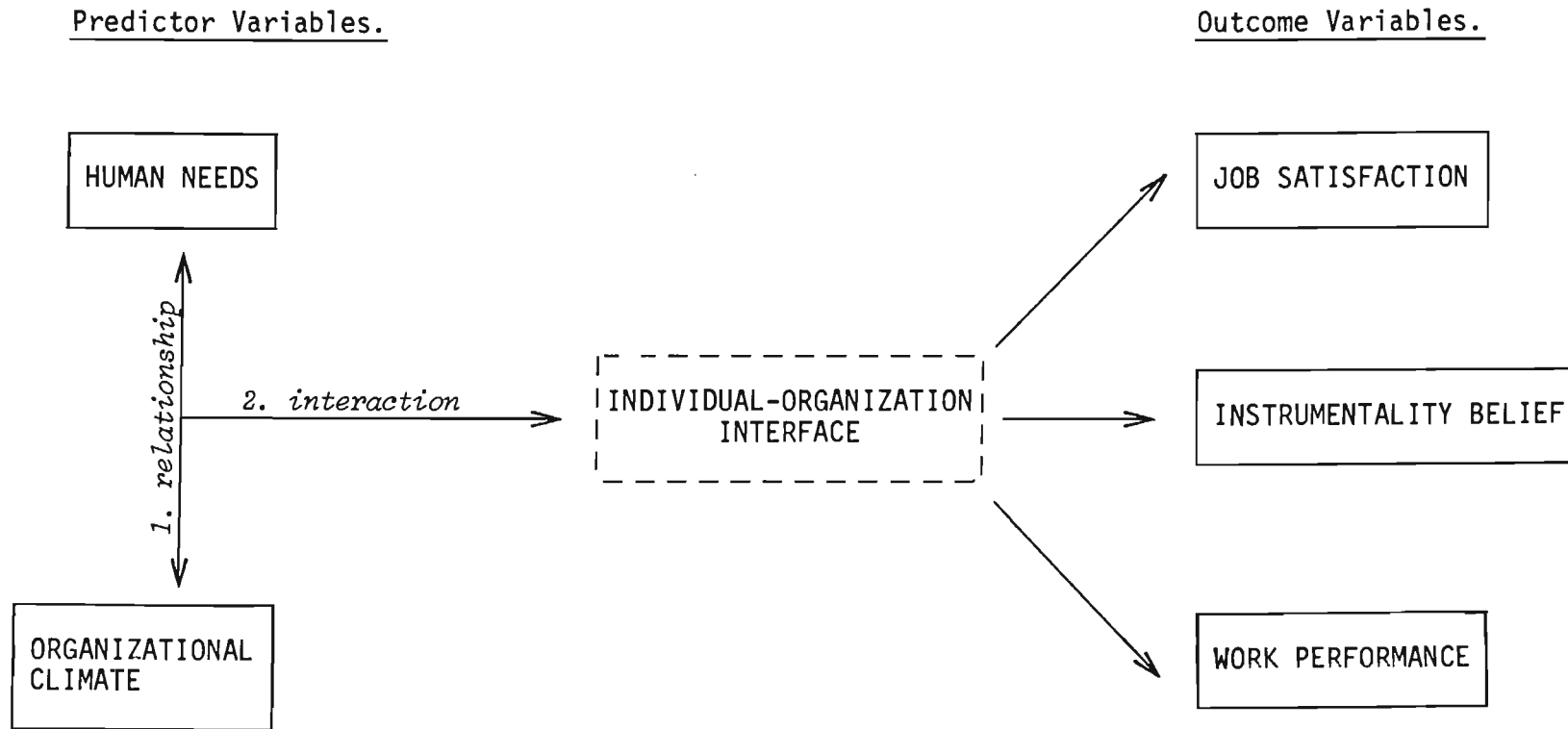
1) Lawrence, P.R. and Lorsch, J.W. (1969) *Developing Organizations: Diagnosis and Action*, op. cit., p. 10.

2) Argyris, C. (1964) *Integrating the Individual and the Organization*, op. cit., p. 20.

3) Ibid., p. 20.

FIGURE 4.

THE INDIVIDUAL-ORGANIZATION INTERFACE: A CONCEPTUAL FRAMEWORK.



1. A relationship refers to the influence human needs and organizational climate as perceived by organization members have on each other.
2. An interaction refers to the combined effects of human needs and organizational climate as they influence the individual-organization interface. Organizational behaviour at this interface effects certain individual and organization outcomes.

and broadly defined as follows: ¹⁾

The Need for Money(nMON): is the need to obtain financial compensation for duly performing ones assigned tasks in the organization; a sum of money in exchange for certain skills and abilities exercised in the work place, the sum of money is believed -- particularly by management -- to be a *fair* exchange for these skills and abilities. Underlying nMON is the need to satisfy other material conditions of life, e.g., the need for food, shelter and clothing. Money can be used to satisfy a host of wants and desires related to the improvement of ones material quality of life. In some instances money can be used as an incentive to raise the output in production. However, the success or failure of incentive schemes depends largely upon the strength of an individual's needs, wants and desires. The job is not an end in itself but rather a means for achieving some material end unrelated to the achievement of psychological success.

The Need for Job Security(nJS): is the need to feel free from fear and/or anxiety associated with the danger or threat of terminating an employee's services with a particular work organization, or in any other way endangering the employee's position and/or membership in the place of employment.

The Need for Affiliation(nAFF): *is the need for a positive affective relationship with another person, most adequately described by the word friendship.* ²⁾

The Need for Achievement(nACH): *is the need to compete in relation to some standard of excellence.* ³⁾

The Need for Power(nPOW): *is that need disposition directing behaviour towards satisfaction contingent upon the control of the means of influencing another person.* ⁴⁾ The means of control can be anything that can be used to manipulate another person.

1) The need for money and job security are defined intuitively from this researcher's experiences and therefore appear in Gothic print.

2) Atkinson, J.W. *Motives in Fantasy, Action and Society: A Method of Assessment and Study*. 3rd Edition: U.S.A.: D. van Nostrand and Co. Inc. p. 206.

3) Ibid., p. 180.

4) Ibid., p. 105.

These needs are subdivided into two basic categories, nMON and nJS are both categorized as primary needs while nAFF, nACH and nPOW are identified as secondary needs. Primary needs are common to any work situation and have to be *sufficiently* satisfied to ensure the employee's tenure in the organization. Secondary needs are associated with the social and psychological development of the employee so that he can become equipped to handle the challenges and demands made upon him by the organization. The difference between primary and secondary needs is a matter of orientation - primary needs are physiologically oriented; secondary needs, psychologically oriented.

The second group of predictor variables are the nine dimensions of organizational climate proposed by Litwin and Stringer (scale description, form B):

Structure: *the feeling that employees have about the constraints in the group, how many rules, regulations, procedures there are; is there emphasis on "red tape" and going through channels, or is there a loose and informal atmosphere.*

Responsibility: *the feeling of being your own boss; not having to double-check all your decisions; when you have a job to do, knowing that it is your job.*

Reward: *the feeling of being rewarded for a job well done; emphasizing positive rewards rather than punishment; the perceived fairness of the pay and promotion policies.*

Risk: *the sense of riskiness and challenge in the job and in the organization; is there an emphasis on taking calculated risks, or is playing it safe the best way to operate.*

Warmth: *the feeling of general good fellowship that prevails in the work group atmosphere; the emphasis on being well-liked; the prevalence of friendly and informal groups.*

1) Litwin, G.H. and Stringer, R.A. Jr. (1968)

Motivation and Organizational Climate, op. cit., pp. 81 - 82.

Support: *the perceived helpfulness of the managers and other employees in the group; emphasis on mutual support from above and below.*

Standards: *the perceived importance of implicit and explicit goals and performance standards; the emphasis on doing a good job; the challenge represented in personal and group goals.*

Conflict: *the feeling that managers and other workers want to hear different opinions; the emphasis placed on getting problems out in the open, rather than smoothing them over or ignoring them.*

Identity: *the feeling that you belong to a company and you are a valuable member of a working team; the importance placed on this kind of spirit.*

The above-mentioned groups of predictor variables interact with one another, this process whereby they interact is known as the individual-organization interface(see SECTION 1.1.2.3). The various combinations of need and climate interactions are represented as a construct variable in FIGURE 4. Only those interactions between climate dimensions and the needs or their associated factors ¹⁾ which account for significant ²⁾ variation in one or more of the outcome variables -- see FIGURE 4 and definitions in SECTIONS 1.1.2.6 to 1.1.2.8 -- will be considered in this study. This researcher believes that these interactions -- that give rise to some variation in the outcome variables -- will enable us to determine how appropriate the individual and the organization are for one another. Therefore, the greater the frequency of interaction -- needs and climate -- and the more significant are these variations, the tighter and more appropriate is the FIT, hypothesized, between the individual and the organization, and vice versa.

Each of the outcome concepts in FIGURE 4 are subdivided into two outcome variables. The concept, job satisfaction, consists of three main sources of information(see SECTION 1.1.7):

1) It will be shown later on in Chapter 3 that the five need dimensions are combined in a factor analysis and four useful factors. The need for money(nMON) and job security(nJS) are totally absorbed in this factor analysis.

2) Variation is significant when $p < .05$.

- satisfaction with pay;
- satisfaction with job security; and
- satisfaction with the amount of personal development in the job.

The first and second sources of information are combined to form a variable known as job dissatisfaction.¹⁾ The third source of information concerning statements about personal development at work are combined to form a variable known as job satisfaction.²⁾

The second outcome concept cited in FIGURE 4, namely instrumentality belief, refers to an individual's belief concerning the probability that a certain outcome will follow from performance at the intended level. What sort of outcomes are being addressed here? This researcher hypothesizes that outcomes take two basic forms, those intrinsic to the work and those extrinsic to the work. An example of "intrinsic instrumentality", is the individual's belief that if he performs his tasks exercising a certain amount of effort, or if he interacts with others around him in the organization, in a certain manner, he will eventually become successful in his job, or become respected and favoured by his colleagues. An example of "extrinsic instrumentality" is the individual's belief that if he performs at a certain desired level, he will be financially rewarded and receive promotion. Furthermore, if he performs at a certain level his tenure in the organization will remain secure. It should be evident that extrinsic instrumentality and intrinsic instrumentality are associated with the physiological and psychological needs discussed earlier. In the case of extrinsic instrumentality, the job is a means to an ends; intrinsic instrumentality, the job becomes an end in itself.

The third outcome concept in FIGURE 4, namely work performance, is subdivided into two variables:

- general work performance; and
- advanced work performance.

1) Job dissatisfaction is a concept drawn from Herzberg's two factor theory of motivation. This theory will be reviewed in SECTION 2.2.1 of this chapter.

2) The concept, job satisfaction, is drawn from the above-mentioned theory.

The former -- general performance -- is a measure of the employee's ability to carry out instructions and perform assigned tasks with speed and efficiency. The latter -- advanced performance -- is a measure of the employee's ability to deal with extraordinary problems encountered in the work, also to cope with interpersonal relationships, especially with clients. ¹⁾

This researcher believes that these six outcome variables are not of equal importance in their contribution towards an understanding of FIT between the individual and the organization. The interactions -- human needs and organizational climate -- that account for variance in outcome variables such as advanced performance, intrinsic instrumentality and job satisfaction are more important predictors of the relationship between the individual and the organization than those of general performance, extrinsic instrumentality and job dissatisfaction. ²⁾

The first group of outcome variables are associated with personal development acquired or enhanced through working in the organization. For example, by undergoing in-service training, an employee may acquire, among other things, social skills so improving the ability to cope with interpersonal relationships in the work situation. A lack of self confidence, a poor self-image, and low self-esteem will prevent psychological energy from being released for productive behaviour in the organization as they are all associated with psychological failure. According to Argyris improvements in the above-mentioned attributes of the individual would increase the chances for experiencing psychological success, thus freeing psychological energy for work.

These groups of outcome variables are closely associated with those secondary, psychologically oriented needs, namely nAFF, nACH and nPOW. These needs are believed to play an important rôle in theories of

- 1) The items measuring general performance are denoted with a double asterisk in APPENDIX G -- Work Performance Rating Schedule -- while those dealing with advanced performance have a single asterisk.
- 2) Job dissatisfaction deals with hygiene conditions of the work environment to be discussed later in a review of Herzbergs two-factor theory of motivation.

motivation and are closely related to the development of attributes such as individual competence, commitment and self responsibility. Argyris believes that these attributes are necessary for integrating the individual and the organization. Hence this researcher's emphasis on his outcome variables of job satisfaction, intrinsic instrumentality and advanced work performance as predictors of complementarity -- FIT -- between the individual and the organization. ¹⁾

The second group of outcome variables, namely job dissatisfaction, ²⁾ extrinsic instrumentality and general performance are associated with certain material conditions in the organization. For example, salary and working conditions. In terms of Argyris' theory of integrating the individual and the organization, such outcome variables would not be sound predictors for estimating the FIT since these are not necessarily related to the achievement of psychological success at work. Herzberg, Mausner and Snyderman have the following to say concerning money:

"Money is a 'hygiene factor' which serves as a potential dissatisfier if it is not present in appropriate amounts, but not as a potential satisfier or positive motivator. Improvements in salary may remove impediments to job satisfaction but do not actually generate job satisfaction. The main value of money is that it leads to both the avoidance of economic deprivation and the avoidance of feeling treated unfairly." ³⁾

Extrinsic instrumentality is the outcome belief associated with satisfying these hygiene or material conditions of the work environment.

-
- 1) It has already been mentioned in the opening paragraphs of this chapter that Argyris places very little emphasis on job satisfaction as a means of bringing about integration of the individual and the organization. However, this researcher's job satisfaction variable is specifically defined in terms of satisfaction related to personal development of a psycho-social nature.
 - 2) This researcher's definition of job dissatisfaction emphasizes "satisfaction" with specific reference to salary and working conditions. Salary and working conditions are generally regarded by the layman as criteria of job satisfaction.
 - 3) Herzberg, F., Mausner, B and Snyderman, B. (1959) *The Motivation to Work.* Wiley: 2nd Edition (see Reading 7)

It is important to note that job satisfaction is not the bipolar opposite of job dissatisfaction, rather these outcome variables are located along separate continua. For example, job satisfaction would be situated at one end of the continuum, and at the other, no job satisfaction. This would be the same for continua measuring job dissatisfaction, extrinsic instrumentality and intrinsic instrumentality.

Finally, the outcome variable measuring general performance falls into the second group because it is not as directly related to the achievement of psychological success as the outcome variable of advanced performance. This variable consists of items believed by this researcher to reflect the general expectation of customs clearing and forwarding managers regarding their staff's performance.

2.1.2.2 A Macro View of this Research Model.

At the beginning of this chapter it was decided that Argyris' theory of integrating the individual and the organization would be adopted as the theoretical framework upon which this study would be based. This researcher believes, therefore, that this model should in some way reflect those principles set down by Argyris. Let us now examine this research model to determine if it actually fits into the context of our macro theory.

To begin with, both the research design in question and Argyris' theory are focussed upon the individual. However, whereas this study is concerned with investigating the integration process between the individual and the organization, albeit from the perspective of the individual. Argyris goes at least one step further by noting certain changes that have to be made on the part of the organization to enhance the integration process. Both Argyris' theory and this researcher's model deal with human beings -- specifically the psychological energy of the individual -- as the main components for organizational analysis. Argyris suggests that this analysis should be combined with other forms of analyses -- with other components such as production norms, company policy, etc. -- to establish a more accurate picture of behaviour in the organization.

Following Argyris' definition of organization -- SECTION 1.1.2.1 -- as having inputs, a transformation process and outputs, this researcher's model -- see FIGURE 4 -- adopts similar lines. The inputs in this study -- our predictor variables -- are human needs and perceptions of the organizational climate. Human needs in this study, particularly the psychologically oriented needs, are assumed to be tapping psychological energy required for psychological success, spoken about so much by Argyris.

The transformation process for Argyris, is that process whereby the organization's objectives are achieved and the core activities that maintain that organization occur. This transformation process can be compared to the individual-organization interface -- the dotted box in FIGURE 4 indicates that it is a construct or process variable -- which is the process whereby human needs interact with dimensions of organizational climate. These interactions may tell us something about the relationship between the individual and the organization, this is a similar function of the core activities.

The outcome variables in this model seem to have little in common with organizational outputs as conceived by Argyris. He believes that the integration of the individual and the organization has implications for the remainder of the organization. These implications are conceptualized in terms of such variables as (1) productivity, (2) loyalty, (3) quality of work, (4) the influence of foreman's leadership, and (5) the development of norms at all levels of the organization.¹⁾ The outcome variables in this study have direct and obvious implications for the individual, and less direct, but nevertheless very important consequences for the organization's overall ability to function. The first three outcome variables -- job satisfaction, intrinsic instrumentality and advanced work performance -- have implications for the organization, because the level of each will largely depend upon the organization environment. Argyris might not altogether have agreed with this researcher's choice of outcome variables as indicators of congruency -- FIT -- between the individual and the organization because factors such as salary and working conditions -- job dissatisfaction -- are of little importance in his theory.

1) Argyris, C. (1964) *Integrating the Individual and the Organization*, op. cit., pp. 155 - 156.

It is evident that there are a number of parallels which can be drawn between Argyris' macro theory and this researcher's model. The single most important aspect common to both is the concept of psychological energy believed to be found in certain human needs such as nAFF, nACH and nPOW. Psychological energy is released when these needs are aroused. Need arousal of this nature can lead to psychological success and further need arousal, or psychological failure which will block the flow of psychological energy and any further arousal of these needs. Psychological success depends largely upon two factors:

- the personality of the individual with associated needs; and
- whether or not the organizational environment provides sufficient scope for the individual to achieve certain personal goals related to the fulfillment of these needs.

2.2 THE PREDICTOR VARIABLES: HUMAN NEEDS AND ORGANIZATIONAL CLIMATE.

In this section literature related to these predictor variables -- human needs and organizational climate -- is reviewed. This section, therefore, is divided into two parts. The first part will deal with a variety of theories concerning human needs and motives, with particular reference to the five needs and their associated factors derived in this study. Some of the major theories to be examined in the first part are listed as follows:

- Maslow's need hierarchy;
- McClelland-Atkinson's formulation of a theory of motivation;
- Vroom's valence-expectancy theory of motivation; and
- Herzberg's two-factor theory of motivation.

In the second part of this section the concept of organizational climate will be reviewed in relation to human needs. The manner in which needs and climate interact -- the process of the individual-organization interface -- will be carefully examined in this discussion.

2.2.1 Human Need and Motivational Theories.

Much of the contemporary efforts toward a systematic study of human motivation are built upon the premise of behaviour being the interaction of individual characteristics and situational characteristics. This entire section summarizes the contributions of selected

authorities in the area of needs and organizational climate.

H.A. Murray ¹⁾ and his co-workers at the Harvard Psychological Clinic during the 1930's conducted an in-depth study of personality with all researchers studying the same series of individuals in an attempt to formulate the personality of every subject. Murray defined a need as:

"... a construct (a convenient fiction or hypothetical concept) which stands for a force (the physico-chemical nature of which is unknown) in the brain region, a force which organizes perception, apperception, intellection, conation and actions in such a way as to transform in a certain direction an existing, unsatisfying situation." ²⁾ (see SECTION 1.1.2.4)

It was Murray's idea that a need can be aroused by internal processes but, however, more frequently by the occurrence of the immediate press(situation). The need manifests itself by leading the organism to search for or avoid encounters, and respond to certain kinds of situations. Each need has a certain feeling and tends to use certain means for accomplishment. The existing need gives rise to a particular overt behaviour which tends to bring about an end situation which is satisfying to the organism. ³⁾

The manifestations of a need could be distinguished as:

- A typical behavioural trend or effect (transformation of the external-internal conditions).
- A typical mode (actones or sub-effects).
- The search for, avoidance or selection of, attention and response to one of a few types of press (cathected objects of a certain class).
- The exhibition of a characteristic emotion or feeling.
- The manifestation of satisfaction with the achievement of a certain

1) Murray, H.A. (1938) *Exploration in Personality*, op. cit., p. vii.

2) Ibid., p. 124.

3) Ibid., p. 124.

effect (or with a gratuity), or the manifestation of dissatisfaction when there is failure to achieve a certain effect. ¹⁾

The term "need" is used by Murray to refer to the measurable "force" in the personality which is guiding the action in the direction of a definable goal. For example, a man may be motivated by a need for dominance but his aim at a particular time may be to be elected to a public office. ²⁾

2.2.1.1 Maslow's Need Hierarchy.

Abraham Maslow's theory of human motivation is one of the most quoted sources of needs satisfaction. His system of grouping needs into a hierarchy of prepotency is fundamental for studying motivation.

Maslow considered the following propositions as behavioural phenomena that would have to be included in any theory of human motivation:

- The integrated wholeness of the organism must be one of the foundation stones of motivation theory.
- The hunger drive (or any other physiological drive) was rejected as a centering point or model for a definitive theory of motivation.
- Such a theory should stress and center itself upon ultimate or basic goals rather than partial or superficial ones, upon ends rather than means to these ends.
- There are usually available various cultural paths to the same goal.
- Any motivated behaviour, either preparatory or consummatory, must be understood to be a channel through which many basic needs may be simultaneously expressed or satisfied.
- Practically all organismic states are to be understood as motivated and as motivating.
- Human needs arrange themselves in hierarchies of prepotency. That is to say, the appearance of one need usually rests on the prior satisfaction of another, more pre-potent need.
- Any classification of motivation must deal with the problem of levels of specificity or generalization of the motive to be classified.

1) Ibid., p. 124.

2) Kluckhohn, C. and Murray, H.A. (1961)

Personality in Nature, Society, and Culture.
New York: Alfred A. Knopf. p. 15.

- Classifications of motivations must be based upon goals rather than upon instigating drives or motivated behaviour.
- Motivation theory should be human-centered rather than animal centered.
- The situation or the field in which the organism reacts must be taken into account but the field alone can rarely serve as an exclusive explanation for behaviour.
- Not only the integration of the organism must be taken into account, but also the possibility of isolated, specific, partial or segmental reactions.
- Motivation theory is not synonymous with behaviour theory. The motivations are only one class of determinants of behaviour. While behaviour is almost always motivated, it is also almost always biologically, culturally and situationally determined as well. ¹⁾

Goble ²⁾ in his abstracting and reiterating of Maslow's writings points out that the human being is motivated by a number of basic needs which are species-wide, apparently unchanging, and genetic or instinctual in origin. Maslow attempted to devise a positive theory of motivation which would provide a theoretical base for behaviour. This theory proposes that man continually experience needs that tend to "goad" him toward an attempt to satisfy these needs.

These needs are arranged in a hierarchy, with man progressing from the basic needs toward the higher social and psychological needs. A listing with a brief explanation of these needs include:

- Physiological needs: These needs make up the body's attempt to maintain a constant, normal state of the blood stream which is called homeostasis. Some of the needs included in this process include air, water and food. Other physiological needs include body elimination, sleep and sex.

1) Maslow, A.H. (1943) "A Theory of Human Motivation," *Psychological Review*, L pp. 370 - 371.

2) Goble, F. (1970) *The Third Force*. New York: Grossman Publishers. p. 37.

- Safety needs: The safety needs tend to emerge after the physiological needs have been to some extent satisfied. This set of needs is shown through the desire for security, order, fairness, and a certain amount of routine. Maslow explains that the safety needs can best be understood by observing infants and children. An infant's desire for a routine and orderly world is an example. Harsh parental outbursts, quarrelling, and rage sometimes elicit extreme terror in the child. The safety needs for the normal adults are generally satisfied today.
- Love needs: Ascending up the hierarchical ladder based on prior satisfaction of the first two needs, the love needs become predominant. This need is one for love, affection and friendly relations with people. "In our society the thwarting of these needs is the most commonly found core in cases of maladjustment and more severe psychopathology." ¹⁾
- Esteem needs: These needs are based on a normal desire of people to have a high evaluation of themselves. Self-esteem and the esteem of others is most important to the normal individual. The satisfaction of this need brings about self-confidence and the feeling of adequacy and strength.
- Self-actualization needs: Maslow proposed that even when the prior needs are relatively satisfied a new restlessness and discontent will emerge unless a person is doing what he is fitted to do. Ultimately, a man must become what he has the potential to become. ²⁾

Needs appear to be both conscious and unconscious. A preponderance of investigations purport evidence of the importance of an individual's unconscious needs. On *a priori* grounds it appears that unconscious needs are more important than conscious needs. ³⁾

Another important point is that not all behaviour is determined by the basic needs. There are many determinants of behaviour other than motives or needs. Behaviour may be determined completely by the external stimuli. It is imperative that we differentiate between

1) Maslow, A.H. (1943) "A Theory of Human Motivation," op. cit., p. 381.

2) Ibid., pp. 372 - 383.

3) Ibid., p. 389.

expressive behaviour and coping (purposive goal seeking) behaviour. An expressive behaviour is not aimed at any goal but is simply a reflection of the personality. Average behaviour is usually both expressive and goal-directed. ¹⁾

Fundamental to an understanding of Maslow's theory of human motivation is his differentiation between those needs called "higher" and those called "lower." The significance of this concept is basic to his premise that the basic needs arrange themselves in a fairly definite hierarchy on the basis of the principle of relative prepotency. The physiological needs are stronger than the safety needs, which are stronger than the love needs, which are stronger than the self-esteem needs, which in turn are stronger than the need for self-actualization. Thus, the safety need is stronger than the love need because it dominates the behaviour of the organism in observable ways when both needs are frustrated. This is an order of choice or preference that ranges from lower to higher.

Higher needs are ontogenetic developments, that is the physical needs are observable at birth, safety soon after birth, while signs of interpersonal ties and affection are probably observed after months of life. Later we may see urges towards independence, achievement, and respect supersede safety and parental love. The satisfaction of higher needs produce more desirable subjective results such as happiness and richness of inner life. ²⁾ Even though Maslow purports that lower and higher needs have different properties he does not designate which needs are higher and which are lower. From examples used it appears logical to assume that the physiological and safety needs may be equated with lower needs while love, self-esteem and self-actualization may be considered higher needs.

The focal point of motivation theory is the concept of goals. This is the basic centering point in any motivation theory. ³⁾

1) Ibid., pp.390 - 391.

2) Maslow, A.H. (1954) *Motivation and Personality*.
New York: Harper and Row. pp. 146 - 148.

3) Maslow, A.H. (1943) "A Theory of Human Motivation," op. cit., p. 392.

Maslow writing ten years later on the subject of needs reaffirms his prior thinking that any sound basis for studying motivation must begin with the fundamental needs of man. Freedom must take into account the situation but cautions against allowing motivation theory to become pure situation theory. ¹⁾

2.2.1.2 The McClelland-Atkinson Model of Motivation.

Contemporary development in the area of needs are due in a large part to the accomplishments of the psychologist David C. McClelland of Harvard and John W. Atkinson at the University of Michigan. As is the case in any behavioural model, effort was made by McClelland and Atkinson to describe the things people become motivated to do, as well as help to explain individual differences in the strengths of their motives. ²⁾

Litwin and Stringer provide a unique combination of the McClelland-Atkinson formulation of a theory of motivation. This formulation is built upon the Atkinson Model which he published in his *Introduction to Motivation*, 1964. The basic principles of this formulation include the following:

- Adults have a considerable amount of potential energy.
- Adults possess basic needs which act as outlets that regulate the flow of this potential energy.
- Adults will differ greatly in the relative strength of various needs.
- The degree to which a need is actualized or whether energy flows outward as behaviour depends on the specific situation or environment of that individual.
- Various situational characteristics arouse or release different needs and therefore open energy outlets. Therefore it can be assumed that that needs are responsive to different situational characteristics.
- Different needs or motives existing in an individual leads to a different pattern of behaviour.

1) Maslow, A.H. (1954) *Motivation and Personality*, op. cit., p. 75.

2) Litwin, G.H. and Stringer, R.A. (1968) *Motivation and Organizational Climate*, op. cit., p. 9.

- The changing of the nature of the situational characteristics causes different needs to be aroused or actualized which results in different patterns of behaviour.

The Atkinson Model purports that aroused motivation is a joint multiplicative function of (a) the *strength* of the basic motive or need, M; (b) the *expectancy* of attaining the goal, E; and (c) the *percieved incentive value* of the particular goal, I. ¹⁾ One can readily see that this model proposes behaviour as a definite interaction between the needs that individuals experience and their perceptions of attaining goals which they value from their environment.

This model can be stated as:

$$\text{Aroused Motivation} = M \times E \times I \quad 2)$$

It is generally agreed by authorities that motives are dispositions to seek goals which are both conscious and unconscious. These need dispositions are believed to be acquired during childhood and are presumed to remain relatively stable throughout one's lifetime.

Atkinson concludes that some of the unanswered questions relative to this theory are concerned with the antecedents of the expectancy that a particular act will lead to the goal. Also, why does the particular goal have a certain incentive value and not another? Clarification of the constructs by empirical definitions of antecedents is seen as the central problem of those who propose the Expectancy x Value theory of motivation. ³⁾

2.2.1.3 Vroom's Valence-Expectancy Model.

Victor Vroom's valence-expectancy theory is based on two major motivational constructs, those of expectancy and value. He assumed that when people

1) Ibid., pp. 10 - 12.

2) Ibid., pp. 10 - 12.

3) Atkinson, J.W. (1964) *An Introduction to Motivation*.
New York: D. Van Nostrand Company, Inc.,
p. 276.

choose from alternative courses of action these choices are lawfully related to contemporaneous psychological events. Using a multiplicative model, Vroom suggests that the expectancy of achieving a desired outcome times the value of the desired outcome (which he calls valence) results in a force akin to motivation. ¹⁾

The following is an explanation of the terms *valence* and *expectancy*:

- Valence: This basically refers to the preference a person has for a certain outcome. The assumption is that at any time a person has preferences among existing states of nature. For example, where there are two alternatives, say low (X1) and high (X2) performance, the person can prefer X1 to X2, X2 to X1 or be indifferent. Preference may be referred to as valence, expected utility, attitude, need, value, or interest. Valence in this model is not synonymous with value of an outcome, which denotes satisfaction obtained when an outcome is achieved; rather, valence suggests the anticipated satisfaction that an outcome may bring about. Valence is positive for an individual when he wants to obtain a given outcome and negative when he does not. Indifference to the outcome results in zero valence. ²⁾

Vroom defines the valence of an outcome as follows:

"...monotonically increasing function of the algebraic sum of the product of the valences of all other outcomes and the person's conceptions of the specific outcome's instrumentality for the attainment of these other outcomes." ³⁾

$$\text{Symbolically: } V_j = f \sum_{k=1}^n (V_k I_{jk})$$

Where: V_j = the valence of outcome j ;

I_{jk} = the perceived instrumentality of outcome j for the attainment of outcome k ;

1) Jabes, J. (1978) *Individual Processes in Organizational Behaviour*. U.S.A.: AHM Publishing Corporation, Organizational Behaviour Series. p. 65.

2) Ibid., pp. 65 - 66.

3) Ibid., p. 66.

V_k = valence of outcome k ;

n = the number of outcomes. ¹⁾

- Expectation: The other major motivational construct is that of expectancy. Expectancy is defined as the probability that effort will bring about a first-level outcome. It is the probability (ranging from 0 to 1) that a line of action can bring about a specific first-level outcome. If high performance is the desired first-level outcome, then expectancy refers to the probability that expending more effort will be perceived as leading to higher performance. Expectancy, then, associates action and outcome, and instrumentality ²⁾ associates outcome and outcome. ³⁾

Valence and expectancies combine in Vroom's model to determine how a choice of action is made. The concept that guides directionality of behaviour is called *force*. Force is the sum of the values of all the outcomes times the expectancies that the act will be followed by the attainment of these outcomes (that is, $F = \sum VE$).

To measure motivation by using Vroom's approach we would have to measure valence, instrumentality and expectancy. It would be possible to list a number of second-level outcomes such as an increase in salary, job security, increased responsibility, promotion, and so on. Then workers could be asked to rank their importance. This ranking would constitute the valence scores. Then we would ask the workers whether the likelihood that increasing their performance (first-level) would lead to the second-level outcomes. This researcher will illustrate this point with an example from his own study. Statements such as the following one presented below were used to measure the individual's level of instrumentality:

"An increase in my performance will lead to an increase in my salary."

These statements were rated on a semantic differentiated scale with categories - definitely agree, inclined to agree, inclined to disagree,

1) Ibid., p. 67.

2) This is the concept of instrumentality cited in FIGURE 4.

3) Jabes, J. (1978) *Individual Processes in Organizational Behaviour*. op. cit., p. 68.

definitely disagree. These statements link first-level outcomes to the different second-level outcomes to give us instrumentality scores.

2.2.1.4 Herzberg's Two-Factor Theory of Motivation.

Frederick Herzberg's and his associates tried to apply Maslow's theoretical framework to the work situation. Later, based on a study he conducted with two hundred accountants and engineers, Herzberg proposed a two-factor theory of job motivation. The findings of these studies, along with corroboration from many other investigations using different procedures, suggest that the factors involved in producing job satisfaction (and Motivation) are separate and distinct from the factors that lead to job dissatisfaction. According to Herzberg the opposite of job satisfaction is not job dissatisfaction but, rather, no job satisfaction; and, similarly, the opposite of job dissatisfaction is not job satisfaction, but no dissatisfaction. ¹⁾

Herzberg acknowledges that these concepts present a problem in semantics, dissatisfaction and satisfaction are normally regarded as opposites - that is, what is not satisfying must be dissatisfying, and vice versa. Two different needs of man are involved here. One set of needs can be thought of as stemming from his animal nature - the built-in drive to avoid pain from the environment, plus all the learned drives which become conditioned to the basic biological needs. For example, hunger, a basic biological drive, makes it necessary to earn money, and then money becomes a specific drive. The other set of needs relates to that unique human characteristic, the ability to achieve and, through achievement, to experience psychological growth. The stimuli for the growth needs are tasks that induce growth; in the industrial setting, they are related to the job content. Contrariwise, the stimuli inducing pain-avoidance behaviour are found in the job environment. ²⁾

Job satisfaction is believed to emerge from the growth or motivator

1) Herzberg, F. et al *The Motivation to Work*.
(1959) (see mainly Readings 4 - 8).

2 Ibid., Readings 4 - 8.

factors which, furthermore, are said to be intrinsic to the job. These are listed below as follows: ¹⁾

- achievement;
- recognition for achievement;
- the work itself;
- responsibility; and
- growth or advancement.

Job dissatisfaction is believed to emerge from the avoidance or hygiene factors that are extrinsic to the job, and include the following: ²⁾

- company policy and administration;
- supervision;
- interpersonal relationships;
- working conditions;
- salary;
- status; and
- security.

This theory can be criticized on several grounds, however, one of the more important problems that prevail is the fact that it is method bound. Vroom argues:

" It is possible that obtained differences between stated sources of satisfaction and dissatisfaction stem from defensive processes within the individual respondent. Persons may be more likely to attribute the causes of satisfaction to their own achievements and accomplishments on the job. On the other hand, they may be more likely to attribute their dissatisfaction not to personal inadequacies or deficiencies, but to factors in the work environment; i.e., obstacles presented by company policies or supervision." ³⁾

In a paper presented at the American Psychological Association Convention in 1966, Vroom says, " people tend to take the credit when things go

1) Ibid., reading 5.

2) Ibid., reading 5.

3) Vroom, V.H. (1964) *Work and Motivation*.
New York: John Wiley, p. 129.

well, and enhance their own feelings of self-worth, but protect their self-concept when things go poorly by blaming their failure on the environment." ¹⁾ He further states, "If you grant the assumption about the way in which biases operate, it follows that the story-telling method -- this is the method specifically used in Herzberg's research to collect data -- may have little bearing on the actual consequences of managerial practice." ²⁾

2.2.1.5 Argyris on Motivation.

Further study investigating the impact of the needs of workers in an industrial setting has been done by Chris Argyris. Argyris' general concept is that the needs of healthy, mature adults are being frustrated by management's attempt to devise an orderly, efficient means of production. Ultimately management is "slipping a noose around its own neck" by propogating an environment which merely leads to frustration of the workers. ³⁾ Surely it is failing to develop the human resources potential of its people.

Argyris puts forth the concept that all human behaviour in an organization is caused by any one or a combination of:

- Individual factors - thus a need for understanding individual personality characteristics;
- Small informal group factors - components would include group dynamics and interpersonal relationships; and
- Formal organizational factors - includes specific structural properties such as authority and responsibility, task-specialization, production processes, etc. Thus, trying to understand and ultimately predict human behaviour requires examining the interaction of all of the above three factors combined. ⁴⁾

1) Vroom, V.H. (1966) "Some Observations Regarding Herzberg's Two-Factor Theory." Paper presented at the American Psychological Association Convention, New York: September. pp 7 - 8.

2) Ibid., p. 10.

3) Gellerman, S.W. (1963) *Motivation and Productivity* American Management Association, Inc., Vail-Ballou Press. Inc., p. 73.

4) Argyris, C. (1957) *Personality and Organization*. New York:Harper. pp. 7 - 8.

The nature of the components of one's personality include both internal and external factors. Internal personality balance requires that the parts of one's personality be in equilibrium or balance with each other. Persons are said to be "adjusted" when the internal personality is balanced. External balance exists when the internal personality is in balance with the external environment. An individual whose personality is externally balanced is considered as "adapted." It is possible to be adjusted but not adapted and vice versa. ¹⁾

Needs of individuals make up the very core of one's personality. "One of the most important inner needs is the need to maintain adjustment of the self in relation to the world in which it exists." ²⁾

Products of the existence of needs in individuals are abilities and interests. Abilities are the tools by which individuals fulfill their needs while interests are the result of a fusion of a multiplicity of needs. It is believed that needs develop early in life and through a process of learning an individual attempts to develop abilities required to satisfy these needs. Therefore it is an a priori assumption that interests appear to be indicators of the kinds of needs one is experiencing. ³⁾

In summary Argyris contends that as individuals try to reach expression of their needs in an environment where their work situation requires them to be dominated, submissive, and utilize little of their own abilities, there will develop a frustrated, defensive, and apathetic worker. Argyris succinctly relates this phenomenon and its resultant behaviour in the organization in these words:

"An analysis of the basic properties of relatively mature human beings and formal organization leads to the conclusion that there is an inherent incongruency between the self-actualization of the two. This basic incongruency creates a situation of conflict, frustration and failure for the participants. The conflict, frustration and failure is

1) Ibid., p. 22.

2) Ibid., p. 32.

3) Ibid., pp. 32 - 33.

hypothesized to increase as the individual increases in degree of maturity and /or as he becomes increasingly specialized. The individual may adapt to the conflict, frustration and failure by leaving, climbing the organizational ladder, becoming apathetic, disinterested and non-involved, by creating informal groups which develop into formal trade unions, by accepting dissatisfaction as inevitable and consequently increasing his desire for human rewards, and finally by acculturating his children with these adaptive informal activities." 1)

Approximately seven years after publishing his theory of a basic incongruency existing between the needs of the healthy, mature adult and the demands of the organization, Argyris attempted to put forth some principles relative to how the organization might be redesigned to better utilize the potential of its human resources (see SECTION 2.1). To summarize, he describes the individual as possessing psychological energy and how it can be used for both individual and organization effectiveness. 2)

A redesign of organizations of the future would include an increasing effort to develop an internal system capable of adjusting to an ever-changing external environment. Effort will be made to minimize dependence through a stronger internal commitment. This will give increased opportunity for psychological success and, an increased self-image. Job enlargement to better utilize one's capabilities will be accomplished through giving each worker a larger segment of the task. Small committees may be formed to continually assess the organization's strengths and weaknesses. With increased technology and production per man hour, more time can be utilized with such activities as organizational diagnosis and prognosis. Control may be viewed more as feedback to workers to enable them to acquire the

1) Ibid., pp. 175 - 176.

2) Argyris, C. (1964) *Integrating the Individual and the Organization*, op. cit., p. ix.

information necessary to do their job. Structure as well as rewards, penalties and incentive systems will be enlarged in a positive direction so as to provide more psychological success for the worker. ¹⁾

2.2.2 Research and Literature on Organizational Climate.

The concept of organizational climate seems to have originated from a sociological analogy to physical climate, and as such it may, originally, have been construed as an attribute of an organization or organizational unit or system, much as variables of physical climate are seen as attributes of the physical world. Most psychologists are more experienced and feel more comfortable in thinking about the attributes of individuals and hence the concept of organizational climate as the product of the individual's perception seems to have taken root. ²⁾

The term climate -- with reference to the physical world in which we live -- describes various climatic elements -- temperature, moisture, storms, etc. -- and deals with the average conditions of these elements. Classification of climate also exists in terms of continents, mountains and oceans. Tagiuri makes an important point by indicating that in scientific climatology the variables are objectively quantifiable; that in meteorology climate refers simultaneously to a variety of phenomena *outside* the person: "it denotes an average state of these which is defined in terms of quantitative and objectively measurable dimensions, which are chosen for their relevance to important aspects of human life." ³⁾

According to Tagiuri, this is perhaps, the crux of the climate concept: the significance which it has for important aspects of human life. The metaphorical usage of climate is generally in line with the meaning of the scientific term. In terms of its evolution from the

1) Ibid., pp. 274 - 275.

2) Guion, R. (1973) "A Note on Organizational Climate."
Organizational Behaviour and Human Performance,
9: pp. 120 - 125.

3) Tagiuri, R. and Litwin, G.H. (1968) *Organizational Climate: Exploration of a Concept*. Boston: Division of Research, Graduate School of Business Administration, Harvard University. p. 20.

general to the particular, climate is seen as a synthetic concept summarizing important enduring characteristics of the environment. ¹⁾

However, problems emerge when the term climate is transferred into the field of the behavioural sciences it remains similar only perhaps in its functional aspect but it is dissimilar both operationally and quantitatively. The behavioural idea of climate is far more complex than the stable and enduring characteristics of physical climate. Gelfand concludes:

- psychological climate is not easily quantifiable; and
- it is highly variable but not necessarily enduring because its elemental composition may change either partially or entirely. ²⁾

The research responsible for the identification and specification of organizational climate can be extracted from many sources. The aim of this review is to examine just those sources of literature believed to be most relevant to this particular study. It is not feasible, for the purpose of this research, to review every study involving the concept of organizational climate. Such an in-depth review of the literature would constitute a dissertation on its own. This researcher will therefore concentrate on organizational climate and its relationship with human needs and perceptions.

2.2.2.1 Definitions of Organizational Climate.

Let us begin by defining the concept of organizational climate. According to Tagiuri definitions of organizational climate are rare. Climate for him, is a molar, particular combination of situational configuration; it has a connotation of continuity; it is phenomenologically external to the individual as well as phenomenologically distinct from the task; it is interpreted in terms of shared meaning; and it has potential behavioural consequences. ³⁾

1) Ibid., p. 20.

2) Gelfand, J. (1972) *The Modification, Development and Application of a Measure of Organization Climate and its Relationship to Higher Order Needs*, op. cit., p. 73.

3) Tagiuri, R. and Litwin, G.H. (1968) (Eds.) *Organizational Climate: Explorations of a Concept*, op. cit., p. 25.

In the light of the above consideration Tagiuri and Litwin define organizational climate, "as a relatively enduring quality of the internal environment of an organization, that:

- is experienced by its members;
- influences their behaviour; and
- can be described in terms of the values of a particular set of characteristics(or attributes) of the organization. ¹⁾

Litwin and Stringer have operationalized the concept and formulated what is possibly the most acceptable definition of climate. For them, climate is the sum total of a set of measurable properties in the work environment. "Organizational climate refers to a set of measurable properties of the work environment, perceived directly or indirectly by the people who live and work in this environment, and is assumed to influence their motivation and behaviour." (see SECTION 1.1.2.5) ²⁾

Gelfand points out that the concept of climate describes a set or cluster of expectancies and incentives and represents a property of environments that is perceived directly or indirectly by the individuals in the environment. Climate is seen as a molar concept with the following properties:

- it allows an analysis of motivational determinants;
- it allows individuals to think in terms of their total situation and hence eradicates many of the problems associated with measuring direct situational determinants; it allows the categorising of climate "types" in each environment for comparative purposes. ³⁾

Litwin and Stringer have provided a definition which meets the demands of the practitioner. The emphasis is directed towards the measurable properties of the environment and are based upon the direct and indirect perceptions of organizational members. Each element of the sequence - organizational characteristics, perceptions, behaviour - is amenable to measurement.

1) Ibid., p. 27.

2) Litwin, G.H. and Stringer, R.A. Jr. (1968) *Motivation and Organizational Climate*, op. cit., p. 1.

3) Gelfand, J. (1972) *The Modification, Development and Application ... Organization Climate ... Needs*, op. cit., p. 74.

2.2.2.2 Employee Perceptions and Organizational Climate.

Central to the Litwin and Stringer definition of organizational climate is the matter of *perception* - the way in which the employee views the organization in which he works. Since a great deal of emphasis appears to be placed on perception, it can be argued that this definition makes climate a purely subjective matter in which the individual will colour his perceptions according to his prevalent needs, biases and prejudices. Although partially true, this argument should be critically analyzed and cognisance taken of the role which the organization plays in causing a colouring of perceptions.

In his S — O — R paradigm (S = causal variables, O = intervening variables, R = end-result variables), Likert, though never defining organizational climate, alludes to a few factors which have relevance to the climate concept. These factors appear to cement a number of variables together within the organizational framework, these are listed as follows:

- The pattern for varied work.
- The relativity of supervision - the necessity for leadership adaptation in order to take into account the expectations, values and interpersonal skills of those who follow and contribute to the progress of the organization.
- The effective harnessing of all major motivational forces which are significant in an organizational setting in terms of the development of a highly motivated, cooperative orientation is achievable through cooperative and favourable relationships.
- The importance of emphasizing the "ego" motives.
- The occurrence of high levels of reciprocal influence within the organization and high levels of total coordinated influence results from a tightly knit, effectively functioning social system.
- Measurement of organizational performance is primarily for self-guidance rather than individual control.
- The importance attached to the perception of superior-subordinate relations.
- The use of the principle of supportive relations as an organizational concept - in essence, the perception of congruence between work role and organizational role.

- The idea of an interaction-influence system - the postulation of multiple linkages which provide additional channels through which information can flow and influence can be exerted: the approximation of a systems climate. Organizational climate may be described in terms of the *feelings* or attitudes toward work; the feelings of responsibility and the holding of influence; the feeling that the values and goals of the work group reflect the individual's own values and goals, and so forth. This suggests a kind of cooperative motivation prevailing throughout the whole organization. What is being discussed is not only an ideal system but an ideal type of climate which is felt, seen, perceived and tends to unify processes, exert a transcendental influence and remain isomorphic to the structure of the organization. ¹⁾

2.2.2.3 Management and Organizational Climate.

The first variable for analysis vis-a-vis organizational climate is management. The basic beliefs and perceptions the managements hold regarding the organization's human resources are reflected in the employee's perceptions of the organizational climate. In his book entitled, "The Human Side of Enterprise," McGregor indicates that organizational climate is perceived by the members of an organization as basically consisting of control and inflexibility. This is the implication of the three propositions of the so-called "Theory X" which broadly imply that management is motivated in the interests of economic ends, that people must fit the needs of the organization, that without managerial intervention people are useless and passive. The managerial X-climate therefore, entails a set order of properties rigidly determined to achieve an inflexible object -- economic gain -- and equally determined to form a perceptual experience of subservience.

There is an essential negativism: man is indolent, ambitionless; he dislikes responsibility; he is indifferent to the needs of the organization; is resistant to change; and he is believed to be basically gullible. The ethic is one of totalitarianism where man must place

1) Likert, R. (1961) *New Patterns of Management*.
New York: McGraw-Hill. pp. 86 - 152.

himself in the service of the state, as it were. His individual dignity and freedom -- the necessity of choosing -- must be sacrificed to the greater scheme of statehood. It is therefore apparent that "Theory X" is based on mistaken notions of what is cause and effect. According to Gelfand this argument relies largely on the Maslowian theory of personality and upon the 'carrot and stick' approach toward motivation which is extremely inadequate when man has reached or gone beyond the level of subsistence in search of 'higher' needs and the quest for being. ¹⁾

"Theory Y" in contrast expounds a fundamental humanism: management is responsible for the organization of the elements of the productive enterprise but the people under the leadership of management are neither passive nor resistant to organizational needs; if they have become resistant they have become so "*as a result of their experience in organizations.*" ²⁾ The organizational member is filled with the potential for development, the capacity to accept responsibilities, and so on. Thus, the type of Y-climate conceived would make the organizational member appreciate for himself the value of responsibility, creativity and congruence with organizational goals. Therefore, the essential task of management is to arrange organizational conditions and methods of operation so that people can achieve their own goals best by directing "their own" efforts toward organizational objectives.

McGregor never explicitly worked this theory out in detail; in fact, the theory is really an impression. However, it is obvious that the propositions of "Theory Y", particularly (2), (3) and (4), make it perfectly clear that the cognitive and perceptual structure of the organizational worker is developed, not by management, but by the *conditions* prevailing in the system -- in terms of structure, interaction, motivation, etc, -- which are the responsibility of management to ensure and cultivate, i.e., to allow and plan for those conditions which will give rise to an organizational climate

1) Gelfand, J. (1972) *The Modification, Development and Application of a Measure of Organization Climate and its Relationship to Higher Order Needs*, op. cit., p. 79.

2) McGregor, D. (1960) *The Human Side Of Enterprise*. New York: McGraw-Hill. p. 15.

that is viable in terms of individual growth.

These considerations are the legacy of much of McGregor's early thought. As early as 1944, he conceived of an unformulated idea of climate. In a paper entitled "The Conditions of Effective Leadership" he specified a number of conditions which enhanced the feeling of security among which were the following:

- an atmosphere of approval;
- consistent discipline; and
- independence. ¹⁾

The most important aspect which affects the security of the subordinate is the first, which is simply termed 'atmosphere'. Manner and 'attitude' are therefore essential to the naive conception of climate. Thus, in the famous Scanlon Plan, there are three broad conditions enumerated stressing collaboration; meaningful, realistic and common objectives; and 'psychological adequate' system of rewards for a wide range of contributions. On a simple level, the Scanlon Plan is involved with the idea of organizational climate.

2.2.2.4 The Personality of an Organization.

The first literature survey dealing specifically with organizational climate was written in 1964 by Gilmer and Forehand; it explicitly deals with the effects of environmental variations on organizational behaviour. By organizational climate they mean "those characteristics that distinguish the organization from other organizations, that stay fairly constant, and that influence the behaviour of people in organizations." ²⁾ In a more technical review, they have defined organizational climate in a similar way as "the set of characteristics that describe an organization and that:

- distinguish the organization from other organizations;
- are relatively enduring over time; and

1) McGregor, D. (1944) "Conditions of Effective Leadership." *Journal of Consultant Psychology*, 8, pp 55 - 63.

2) Von Haller Gilmer, B. and Forehand, G.A. (1964) "Recent Research on Organizational Climate." *Training Directors Journal*, 18, pp. 2 - 8.

influence the behaviour of people in the organization." 1)

The definition of organizational climate worked out by Forehand and Gilmer is an attempt to operationalize the concept; the elements of their definition, they point out, were chosen in the effort to 'focus discussion upon features of organizational variation that are amenable to specification, measurement and incorporation into empirical research'. 2) They assume two prior characteristics of organizational climate:

- that it is multidimensional in nature; and
- that it is characteristic of an existing organization, built upon factors beyond the investigator's control. 3) Furthermore, they assume that an organization in which personnel policies are participative, democratic and unstructured will differ from one whose practices are nonparticipative, authoritarian or structured in that productivity and employee satisfaction will be higher. Two kinds of organizational influence are discussed:
 - direct, i.e., aggregate behaviour under one organizational condition will differ from that under another; and
 - interactive influence, i.e., when an organizational condition has a certain effect upon the behaviour of some independent identifiable persons, but another effect, or no effect, on that of others.

One of the important contributions made by Forehand and Gilmer is their attention, following Likert, paid to perceptual factors within the organizational environment, i.e., the assumption that behaviour will be influenced by variation in the objects or events available to be perceived in other words, variation in organizational stimuli. The major difficulty here, of course, is the specification of the stimuli in a complex situation. A social stimulus has several complex properties among them being:

- motivational properties;
- the occasion rather than the cause of a response;

1) Forehand, G.A. and Gilmer, B. (1964) "Environmental Variations in Studies of Organizational Behaviour." *Psychological Bulletin*, 62, pp. 361 - 382.

2) *ibid.* p. 363.

3) *ibid.* p. 369.

- frequently, it has to be defined in terms of the response it elicits;
- it exists in the environment and not just at the receptors;
- it can be a pattern or sequence of events; and
- it carries information about its sources in the environment. ¹⁾

In these terms, stimulus variation is equivalent to environmental variation. In the systems context, then, sets and subsets of stimulus events are perceived and responded to. The following elements may be singled out:

- the physical properties of organizational situations;
- the task-relevant information available to the individual;
- the behaviour of other individuals and the social interactions within the organization; and
- internally, the values, abilities and personality traits of the perceiver.

But there are yet additional restraints on behaviour, and these relate to the formal and informal structure of organization, routine, institutionalization. This general conceptualization allows for many dimensions of climate. Five are listed by Forehand and Gilmer, namely size, organization structure, systems complexity, leadership patterns and goal directions. Gilmer himself, later made minor revisions to this list - the five most important dimensions of organizational climate are seen now as size, leadership patterns, communication networks, goal-directions and decision-making procedures.

Forehand and Gilmer conclude that an analogy exists between the climate of an organization and the personality of the individual but they are, nevertheless, aware that such a view tends toward inflexibility and the placing of limitations on the individual's range of experience. They also point out that several implications of the climate concept will need to be investigated before the usefulness of climate as a construct is established:

- identification of comparable organizational units;
- homogeneity within the organizational unit, i.e., that the

1) Ibid., p. 369.

objective determinants of the organizational climate are applicable to all subunits;

- relative permanence; and
- the mode of combination of organizational properties.

In essence, Forehand and Gilmer stress the properties of organization. The kind of empirical research they are mainly interested in fostering is comparison of organizations in terms of their formal characteristics. There is a tendency toward reification. This approach, as Grant points out, may be interesting from an academic point of view but has little utility in terms of pragmatism.¹⁾ In seeking those characteristics which are enduring over time, they do not seem to appreciate the dynamics of organizations implied by the systems approach in relation to the macro environment.

2.2.2.5 Organizational Climate: A Configuration of Organizational Attributes.

It had been established thus far that the concept of organizational climate accounts for variation both in social stimuli -- the environment -- as well as human behaviour. In terms of its evolution, it is noticeable that it is a concept which possesses a capacity to summarize complex situations, that it is pragmatic as well as heuristic, that it reflects a strong foundation upon which to build an operational or strategic 'plan of attack'. In the landscape of organizational problems it fits somewhere between the concept of 'environment' on the one hand and more specific concepts like 'field', 'setting', 'situation' and 'condition' on the other. Each of these terms has a special meaning in terms of the distinctions it makes between various aspects of the environment and in terms of its specificity.

In the broadest terms, then, climate is a "particular configuration of enduring characteristics of the ecology; milieu, social system and culture"²⁾ in much the same way as a "particular configuration

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- 1) Grant, G. (1970) *Organizational Climate and its Measurement*. Unpublished paper: University of the Witwatersrand.
- 2) Tagiuri, R. and Litwin, G.H. (1968) *Organizational Climate: Exploration of a Concept*, op. cit., p. 23.

of personal characteristics(would) constitute a personality." This, for Tagiuri, is the basis for a theory of climate (see SECTION 2.2.2.1 Tagiuri's definition and other information).

It has already been noted that Gilmer referred to the concept of organizational climate on a level similar to that of human personality; i.e., on an organismic basis. Such a view is limited because it is paradoxically universal: it fails to make distinctions between macro and micro systems of organization. Tagiuri points out that climate should refer to the organization's *internal* environment as seen by the insider ¹⁾ but even this view is subject to qualification.

Tagiuri anticipates Litwin and Stringer's view when he remarks that we should lay greater stress on the idea that "organizational climate connotes that the environment is interpreted by the members of the organization to have a certain quality to which they are sensitive and which, in turn, affects their attitudes and motivation." ²⁾ But such a proposed definition fails to distinguish between the *attributes* or variables that are used to describe the organization and the *value* of these attributes.

Tagiuri is especially concerned with this issue; he tells us that climate as a concept is similar to the concept of an object, i.e., quality is defined in terms of a set of variables, but it is not the set of variables, rather, it is a *configuration* of values. The emphasis upon values is significant in view of the convergence, in the broader sphere, of science and the values of humanism. The experience of the values of an organizational attribute is a particularly profound observation. By values of characteristics or attributes, Tagiuri must mean the extent of the importance or relevance attached to the hypothetically innumerable dimensions of organizational climate. Climate is envisaged as a qualitative configuration of 'attributes' which presumably have meaning of different significance attached to them. The problem of translating this idea of quality

1) Ibid., p. 26.

2) Ibid., p. 27.

into operation is raised by Tagiuri.

Most measures of climate, until recently, have arbitrarily singled out a few aspects or dimensions of organizational life, for example, Forehand and Gilmer. The 'immaturity' of the conceptual and methodological status of the concept of climate probably accounts for Tagiuri's dubious concluding note; he points out that through one's operational definitions are 'somewhat arbitrary', a systematic and empirical approach to the problem should yield important results.

2.2.2.6 Human Needs and Organizational Climate.

Litwin and Stringer specifically deal with the relationship between human needs and organizational climate. They define the concept of organizational climate as follows:

"The term organizational climate refers to a set of measurable properties of the work environment, perceived directly or indirectly by the people who live and work in this environment and assumed to influence their motivation and behaviour." (see SECTION 2.2.2.1)

They point out that the concept of climate describes a set or "cluster of expectancies and incentives and represents ... a property of environments that is perceived directly or indirectly by the individuals in the environment ... It is a molar construct which:

- Permits analysis of the determinants of motivated behaviour in actual, complex, social situations.
- Simplifies the problems of measurement of situational determinants by allowing the individuals in the situation to think in terms of bigger, more integrated chunks of their experience.
- This makes possible the characterization of the total situational influence of various environments, so that they may be mapped and categorized; and so that cross-environmental comparison can be made." 1)

1) Goodman, R.A. (1968)

"On the operationality of Maslow Need Hierarchy." *British Journal of Industrial Relations*, 6. pp. 51 - 57.

Here, in essence, is a practical synthesis of the definitions of climate. Of all the definitions so far discussed this is the most satisfactory, since it is the most realistic, the most pragmatic and meets the kinds of requirements demanded of an operational definition. The emphasis is placed upon the *measurable* properties of the environment, and upon the direct and indirect perceptions of organizational members. Each element of the sequence -- organizational characteristics, perceptions, behaviour -- is amenable to measurement. Psychologists are certainly able to measure the last two elements of the sequence but it is the first that remains problematic. Which organizational dimensions are important and effective as far as the organization and its members are concerned?; which dimensions are relevant to the particular system?; how are these dimensions to be measured?; what is the significance of cross-organizational study? Which dimensions coincide with member motivation, i.e., productivity, or the description of 'energetic behaviour desired by management'. ¹⁾

Litwin and Stringer relate their conception of organizational climate to three main motives -- used in this study -- which they feel are important determinants of work-related behaviour:

- the need for achievement(nACH);
- the need for affiliation(nAFF); and
- the need for power(nPOW).

They are linked together by the use of the McClelland-Atkinson ²⁾ formulation. In terms of the dimensions of climate, the manager, according to Litwin and Stringer, is interested in three things:

- that the dimensions allow him to describe the situation accurately;
- that they allow him to relate the dimensions to specific motivations and motivated behaviour; and
- that they allow him to measure changes in the situation. ³⁾

In strategic terms, this is of the utmost significance. This concept of climate is thus the most pragmatic of all, and lends itself well to application in action-research and to the planning of change.

1) Litwin, G.H. and Stringer, R.A. Jr. (1968) *Motivation and Organizational Climate*, op. cit., p. 7.

2) Ibid., pp. 10 - 24.

3) Ibid., p. 46.

Litwin and Stringer delineate eight dimensions of climate, they are:

- structure and constraints;
- individual responsibility;
- warmth and support;
- reward and punishment/approval and disapproval;
- conflict and tolerance for conflict;
- performance standards and expectations;
- organizational identity and group loyalty; and
- risk and risk-taking.

A rationale for each factor is provided, and their hypothetical relationships with motivational needs are described (see Litwin and Stringer 1968, pp. 46 - 53). However, they point out that their approach is simplified for two reasons:

- They maintain that individual effects of each dimension have been categorized independently of other climate factor -- a more realistic approach would involve sets of dimensions interacting with each other in more complex patterns.
- They point out that they have categorized nine potential climate dimensions in terms of their effects on particular motives but, of course, it is not possible to speak of one of these motives as dominating a person's motivational 'network', i.e., the dynamics of nACH, for example, cannot be fully understood unless they are placed within the context of the individual's other motives tendencies. This view takes cognizance of the complexity of human motivation and behaviour. A further complicating factor reveals that all three of these motivational configurations may blur into each other because of the influence of external variables.

Of pragmatic importance, Litwin and Stringer have constructed a series of scales to measure the perceptions of individuals toward these organizational dimensions. Each of these dimensions are amenable to specification and measurement. However crude the initial scales might appear to be this nevertheless constitutes a great advance in the empirical determination of climate as a diagnostic as well as strategic instrument. It is interesting to note that they place weight on factors which manifest themselves at the individual-organization interface. Each factor is a linking device between individual and organization; the vehicle for measurement is to be found in the perception of this interface by organizational members.

This definition does not demand cross-organizational comparison. An organization may assess itself at a particular point in time and then at a later period; comparison can then be made of 'periodic norms' which prevail in the organization in the process of its development. In this manner, progress or regression within the company is identifiable well in advance and evasive action can be taken.

The concept of organizational climate has been explored in this part of the section, with particular reference to its relationship with human needs. Much discussion has revolved around human perception and the rôle it plays in influencing the individual's attitude toward the climate prevailing in the organization. The literature in this field is diverse and complex, what is needed is a macro theory uniting the main tenets of research that is able to clarify the concept of organizational climate. According to Gelfand the viability of the concept of organizational climate is to be found most probably in the areas of research and applied research, and in the basic motivational and behavioural paradigm of organization. ¹⁾

Through this paradigm it might be possible to integrate climate into a coherent whole. As Litwin and Stringer have said:

"...the realities of the organization are understood only as they are perceived by members of the organization, allowing climate to be viewed as a filter through which objective phenomena (the organizational characteristics) must pass." ²⁾

It is this very large achievement indeed -- the emphasis placed upon the phenomenological aspects of human perception, cognition and life-understanding -- rather than the mechanomorphic and fragmented details of behaviour divested of its humanness that has been the profound contribution of the work of Litwin and Stringer, the re-assertion of a new reality of human organization. ³⁾

1) Gelfand, J. (1972) *The Modification, Development and Application of a Measure of Organization Climate and its Relationship to Higher Needs*, op. cit., pp. 121 - 122.

2) Litwin, G.H. and Stringer, R.A. Jr. (1968) *Motivation and Organization Climate*, op. cit., pp. 43 - 44.

3) Op. cit., p. 122.

2.2.2.7 The Process of Man-Climate Fit.

The problem of matching the employee with a suitable environment for the purpose of improving organizational effectiveness, is dealt with through a process of interfacing the individual with the organization. This researcher believes that fundamentally the major issue of the individual-organization interface is one of opportunity for need satisfaction. The question is one of whether the employee's basic make-up, needs and aspirations are compatible with the present organizational climate. According to Nasser the major issue to be examined is the relationship or degree of overlap between individual needs and aspirations and organizational make-up, needs and aspirations as reflected in the climate. ¹⁾

Nasser sets forth a model using concentric circles to explain the importance of the relationship between human needs and organizational climate. The greater the overlap or commonality between the above-mentioned attributes, the more positive the fit, hypothesized between the individual and the organization. Nasser further believes that the more successful the organization is in generating a climate which is conducive to satisfying its employees' needs, the greater will be the zone of commonality between the concentric circles. The commonality (overlap) produces a common goal for organization and employees - i.e., because the employees' needs are being satisfied within the organization, they feel high identity with the organization and therefore its goals becomes their goals. ²⁾

According to Nasser where little or no commonality exists between the individual and the organizational climate one of two things happens:

- either the goals of employee and organization have very little in common and therefore the employee exerts the minimum of effort required to sustain organizational membership; or
- even worse, the goals of both individual and organization may be far removed and very different from each other. ³⁾

1) Nasser, M.E. et al. (1977) *Organizational Behaviour: Readings in Management*. South Africa: McGraw-Hill. pp. 120 - 122.

2) Ibid., pp. 120 - 122.

3) Ibid., pp. 120 - 122.

Nasser states:

"Traditionally the issue of fit between man and organization starts with the selection process. In this matching process, management is concerned with optimizing its return on human resources investment by 'selecting' into the organization the right 'type' of people. This process concerns matching the man qualities against those of the job specifications for the express purpose of obtaining the best possible fit." 1)

This is only the first step in the right direction, since the problem which is still ever-present is that of determining the permanency of this fit. According to Nasser organizational climate is the key to permanence since it provides the "glueing" properties which ensure that even in difficult circumstances the employee is able to weather the storm and deliver a positive contribution to the organizational goals. 2)

2.3 THE OUTCOME VARIABLES: JOB SATISFACTION AND WORK PERFORMANCE.

In this section literature and research is reviewed concerning the relationship between job satisfaction and work performance. A sizable portion of behavioural science research in organizations has focused on possible connections between these variables. Three major points of view are considered here:

- The view that satisfaction leads to human performance.
- The view that satisfaction-performance relationship is moderated by a number of variables.
- The view that performance leads to satisfaction.

2.3.1 Job Satisfaction Leads to Work Performance.

This position is generally associated with the human relations school of managerial philosophy. The human relationists have been incorrectly interpreted as saying that job satisfaction leads to human performance at work. However, the human relationists never stated this relationship

1) Ibid., p. 123.

2) Ibid., p. 123.

unequivocally. Roethlisberger who was one of the investigators involved in the Hawthorne studies noted that "...the factors which make for efficiency in a business organization are not necessarily the same as those factors that make for happiness, collaboration, teamwork, morale or any other word which may be used to refer to cooperative situations." ¹⁾

2.3.1.1 A Current Satisfaction-Performance Interpretation.

Herzberg has contributed to the current theory associated with the satisfaction-performance school of thought. He posits that it is the job itself that possesses the motivating factors; whereas company policies and administration, supervision, working conditions, interpersonal relations, and money and status, if present in the environment, act to prevent job dissatisfaction but make no contribution to motivating workers. It is only through the job itself that motivation or job satisfaction can be influenced. These motivational factors include: achievement, recognition, work itself, responsibility and professional growth. To operationalize this concept, Herzberg recommends a program of job enrichment designed to incorporate these motivational factors. ²⁾ Herzberg and others have done extensive research to support his theory and basically when using his methodology, researchers have found comparable results. Others, when using different research techniques, have not always found the same results. There probably has not been an area that has received as much professional attention and controversy as has this area.

2.3.2 Uncertainty About Satisfaction-Performance Relationship.

With the passage of time uncertainty began to occur concerning the satisfaction-performance relationship, both researchers and management started to notice that a happy worker was not necessarily an efficient one.

1) Roethlisberger, F.J. (1941) *Management and Morale.*
Cambridge: Harvard University Press.
p. 156.

2) Herzberg, F. et al (1959) *The Motivation to Work,*
op. cit., pp. 177 - 178.

At the forefront of this debate were Brayfield and Crockett; these researchers reviewed over fifty studies and encountered great difficulty explaining satisfaction and job performance linkages through the simple application of the hedonistic principle. They suggest that satisfaction and job performance might be concomitantly rather than causally related. In addition, one "...might expect high satisfaction and high productivity to occur together when productivity is perceived as a path to certain important goals and when these goals are achieved. Under other conditions, satisfaction and productivity might be unrelated or even negatively related." ¹⁾

According to Brayfield and Crockett there are three other theoretical expositions of the satisfaction-performance relationship further illustrating the influence of the mixed and uncertain research findings in this area. ²⁾ Each of these approaches suggests that both satisfaction and performance can be viewed as criteria of organizational effectiveness. Furthermore, each suggests that relationships between satisfaction and performance need be neither direct nor particularly strong.

2.3.2.1 A Theory of Work Adjustment.

This theory posits that work adjustment is a function of employee satisfaction and satisfactoriness (performance). ³⁾ Satisfaction is believed to result from the correspondence between the individual's need set and the organization's reinforcer system and has its major impact on individual decisions to remain with or withdraw from the organization. Satisfactoriness, alternatively, refers to the organization's evaluation (in terms of its goals) of the behaviour of its members. It is assumed to be a function of the correspondence between the requirements imposed by the job and the abilities possessed by the employee and can result in one of several consequences; e.g., promotion, transfer, termination or retention in the present position.

1) Brayfield, A.H. and Crockett, W.H. (1955) "Employee Attitudes and Employee Performance." *Psychological Bulletin*. 52. p. 415.

2) Ibid., p. 146.

3) Dawis, R.V., England, G.E. and Lodquist, L.H. (1968) *A Theory of Work Adjustment: A Revision*. Minneapolis: Minneapolis University. p. 8.

2.3.2.2 Satisfaction-Performance Related to Productivity.

Traindis has proposed a theory which shares with the Dawis et al work adjustment theory, the notion that satisfaction and performance need not covary under all conditions. ¹⁾ Traindis hypothesized that organizational pressure for high production influences both satisfaction and performance, but not in the same fashion. As pressure increases, job satisfaction is hypothesized to decrease irrespective of the concomitant variation in performance. Employee performance, alternatively, is hypothesized to be curvilinearly related to production pressure. At several locations with the typical range of employee satisfaction increasing pressure is hypothesized to result in increased performance, while at the other locations the relation between pressure and performance is assumed to be negative. ²⁾

Traindis also hypothesized that satisfaction and performance may be directly linked in certain circumstances. In conclusion, satisfaction may lead to moderate performance under the utopian condition of no pressure to perform. This would be the case where a minimum level of performance is caused by intrinsic job satisfaction plus certain activity drives or needs for stimulus inputs and variation. ³⁾

2.3.2.3 The Motivation to Produce.

A model proposed by March and Simon seems to suggest that both performance and satisfaction can serve as dependent variables. For example, let us start with performance as the dependent variable; March and Simon hypothesized: "Motivation to produce stems from a present or anticipated state of discontent and a perception of a direct connection between individual production and a new state of satisfaction," ⁴⁾

The hypothesis states that performance is a function of two variables:

- the degree of dissatisfaction experienced; and
- the perceived instrumentality of performance for the attainment of valued rewards.

1) Traindis, C. (1959) "A Critique and Experimental Design for the Study of the Relationship Between Productivity and Job Satisfaction," *Psychological Bulletin*, LVI (July) pp. 309 - 312.

2) Ibid., pp. 309 -312.

3) Ibid., pp. 309 - 312.

4) March, J.G. and Simon, H.A. (1958) *Organizations*. New York: Wiley, pp. 47 - 48.

This model indicates that a state of dissatisfaction is necessary, but not sufficient, condition for performance. It is necessary because dissatisfaction of some sort is assumed to be required to activate the organism toward search behaviour. It lacks sufficiency, however, because a dissatisfied employee may perceive performance as leading to satisfaction or may perceive nonperformance as leading to greater perceived satisfaction.

2.3.2.4 A Comparison of Models.

According to Schwab and Cummings these three models can most easily be contrasted on the independent variables hypothesized to influence employee performance. The theory of work adjustment implies that the major determinants of performance is the structural fit between employee skills and abilities on the one hand and technical job requirements on the other. Thus, its implications for organizational practice are largely in the areas of employee selection, placement and training. In contrast, March and Simon focus primarily on two motivational determinants of performance; namely, expected value of rewards and aspiration levels. Finally, Traindis emphasizes the importance of pressure for production, an organizational variable. As such, the Traindis model ignores the impact of either skill and ability or motivational differences between individuals. ¹⁾

Schwab and Cummings, furthermore, point out that it is interesting to contrast Traindis, March and Simon, and the Herzberg two-factor theory with regard to the circumstances leading to a causative linkage between performance and satisfaction. In the Traindis and March and Simon models, it is dissatisfaction which can have performance implications (negative in the former; positive in the latter). The two-factor theory alternatively suggests that it is predominantly satisfaction which leads to high performance. ²⁾

1) Schwab, D.P. and Cummings, L.L. (1975) "Theories of Performance and Satisfaction: A Review." in Steers, R.M. and Porter, L.W., *Motivation and Work Behaviour*. New York: McGraw-Hill. p. 230.

2) Ibid., p. 230.

2.3.3 Work Performance Leads to Job Satisfaction.

The performance-satisfaction theory represents an important departure from earlier views about the relationship between these two variables. Human relationists, not without some qualification, postulated that high levels of satisfaction would result in high levels of performance. Subsequent models focused on the complexity of the relationship, incorporating ambiguous findings of empirical studies. The performance-satisfaction theory, while it retains the idea of intervening variables, stresses the importance of variations in effort and performance as causes of variation in job satisfaction. ¹⁾

2.3.3.1 The Porter-Lawler Model.

Porter and Lawler put forth an explanation for the conflicting findings relative to job satisfaction and work performance. It was traditionally believed -- as we have already established -- that because a man was satisfied he must be a productive performer. As already indicated, research tended to reflect no significant correlation between job satisfaction and performance. Porter and Lawler, however, believed that "while it is true that very few well controlled investigations found highly positive relationships between satisfaction and performance, the trend of the relationships nevertheless seems to be in that direction." ²⁾

Most studies, as has also already been mentioned, have found a negative correlation between job satisfaction and turnover and absenteeism. ³⁾ With the evidence of findings relative to job satisfaction, Porter and Lawler believe that management can look to job satisfaction to give other clues about the environment. They postulate that since satisfaction tends to be the result of some of our needs being fulfilled, then it can be assumed that a worker who is satisfied is one who receives rewards from his job. Most research relative to job satisfaction has been carried out at the rank-and-file level of

1) *Ibid.*, p. 231.

2) Porter, L.W. and Lawler, E.E. (1968), III. "What Job Attitudes tell about Motivation." *Harvard Business Review*, XL. p. 120.

3) *Ibid.*, p. 120.

organizations. At this level, rewards are often largely beyond the control of the worker. A study conducted by these researchers on managers in five companies show that managers whose performance was ranked high by their superiors reported greater satisfaction than the lower-ranked managers. They found the greatest difference between high and low performance managers in terms of perceived rewards. High-performing managers reported more need fulfillment in areas concerned with opportunities to express autonomy and self-actualization in the job. That is, high performers perceived more intrinsic reward than low performers.

These researchers propose that if a company fails to find job satisfaction related to job performance then it may mean that the company is not differentially rewarding its best performers. ¹⁾ The desired goal then, becomes one in which management tries to strengthen the "effect-reward expectation" ²⁾ The premise is that more effort will be expended for a reward that is valued and the higher the expectation that effort will lead to this reward, the more effort will be put forth, and therefore the better the performance. ³⁾

Through a systematic assessment of workers' effort-reward expectations it then would be possible to regularly measure the motivational state of the organization. One could see that this could be used to pinpoint specific motivation needs by departments and areas throughout the organization.

One can assume that the most important part of using job satisfaction measures as a key to increasing job performance is through its reward practices. Workers must be able to see that increased effort and performance will bring about the rewards which they value. Therefore low satisfaction-performance relationships should alert management to examine the effort-reward expectations of its workers. ⁴⁾

1) Ibid., p. 122.

2) Ibid., p. 122.

3) Ibid., p. 125.

4) Ibid., p. 125.

This effort-reward expectation schema put forth by Porter and Lawler closely parallels the model reviewed earlier in this study by Atkinson and McClelland. That is, Aroused Motivation = Motivation x Incentives.

Cherrington, Reitz and Scott found similar results relative to rewards and satisfaction and productivity. They found significant positive correlations between satisfaction and productivity for task performance when rewards were appropriately administered to high performers and significant negative correlations were found when rewards were inappropriately applied. ¹⁾

The relationship between performance and value of motivators was studied by Friedlander with his results showing that the white-collar workers for whom the social environment and opportunity for advancement were perceived as important, were generally found to be poorer performers than for those who expressed less interest in these motivators.

It appeared that the need for achievement through task performance was more related to high performance while the need for achievement through the social aspect of their work or the opportunity for recognition and advancement was more closely related to poorer performance. The results of this organizational climate research focuses on a tentative typology of motivators. Potential motivators for *high* performers appeared in this order:

- intrinsic value of work;
- recognition; and
- social environment.

In contrast, the potential motivators of low performers were indicated in this hierarchy:

- social environment as most important;
- intrinsic work; and
- recognition. ²⁾

This closely parallels other findings that those for whom work is less

1) Cherrington, D.J., Reitz, H.J. and Scott, W.E. Jr. (1971) "Effects of Contingent and Noncontingent Reward on the Relationship Between Satisfaction and Task Performance," *Journal of Applied Psychology*, LV, No. 6. p. 531 - 536.

2) Friedlander, F. (1966) "Motivations to Work and Organizational Performance," *Journal of Applied Psychology*, L No 2, p. 149 - 149.

meaningful tended to prefer climates high in esprit de corp and low in disengagement while individuals who value their work as a primary opportunity for fulfillment wanted a climate that was significantly task oriented. ¹⁾

There appears to be an increased interest in job design as a significant factor in examining situational characteristics. Lawler's proposals are compatible with the previously discussed effort-reward expectations in that in order for job design to positively affect motivation it must enable the worker to see that by putting forth more effort he will be able to receive rewards he values. In order for jobs to arouse higher order needs of individuals, it appears they must possess these three characteristics:

- meaningful feedback about performance;
- use of valued abilities; and
- self-control over goal setting. ²⁾

Also in the area of job design, Hackman and Lawler carried out a study to test the effects on motivation and performance when jobs are designed around the four core dimensions of variety, autonomy, task identity and feedback. They found, as predicted, that when jobs are designed on these four dimensions that employees who are desirous of higher order need satisfaction tended to have high motivation, high job satisfaction, less absenteeism and rated by their supervisors as high performers. ³⁾ This finding lends support to the need to study both the individual characteristics and situational characteristics in an effort to assess motivation.

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| 1) Friedlander, F. and Margulies, N. (1969) | "Multiple Impacts of Organizational Climate and Individual Value Systems upon Job Satisfaction," <i>Personnel Psychology</i> , XXII p. 182. |
| 2) Lawler, E. (1969) III, | "Job Design and Employee Motivation," <i>Personnel Psychology</i> , XXII. pp. 426 - 434. |
| 3) Hackman, J.R. and Lawler, E.E. (1971) | "Employee Reactions to Job Characteristics," <i>Journal of Applied Psychology Monograph</i> , LV, No 3 (June) pp. 259 - 282. |

CHAPTER 3.METHODOLOGY AND PRELIMINARY ANALYSIS.

The contents of this chapter are divided into two main sections, entitled methodology and preliminary analysis. In order to avoid breaking the continuity of the material presented, this chapter is arranged in such a manner so as to permit the smooth flow of information from one section to the next. For this reason, the standard format for setting out a chapter on methodological procedure will not be adhered to in this dissertation. Therefore, a description of the sampling and administration procedures might appear to be misplaced because they are cited before a description of the instruments used to collect data in this study. The ordering of material is largely influenced by the dual function of this chapter. A preliminary analysis is necessary in this study because this researcher has used self designed instruments, the reliability and validity of which are hitherto unestablished. The aim of this preliminary analysis therefore, is to achieve the above mentioned objectives before conducting an in-depth analysis of the data associated with the hypotheses set down in this study.

3.1 METHODOLOGY.

This section is concerned with a detailed description of the various procedures involved in this study. The material is subdivided in the following manner:

- research design;
- sampling procedure;
- background information about each of the participating agencies;
- administration of questionnaires; and
- description of instruments.

3.1.1 Research Design.

Research design, in this study, refers to the overall plan for investigating the research problem (see Chapter 2, p. 28). The basic purpose of this research design is to determine the influence of two groups of predictor variables -- human needs and organizational climate -- on the

individual-organization interface and their effects on such outcome/criterion variables as job satisfaction, instrumentality belief and work performance.

3.1.2 Sampling Procedure.

Before drawing a research sample, this researcher felt that it would be worthwhile to first determine the feasibility of undertaking research in the Durban Customs Clearing and Forwarding Industry. This study is largely dependent on an organization's response; therefore, if customs clearing and forwarding agencies refused to participate in the study it would be pointless undertaking research in this industry. A comprehensive list of customs clearing and forwarding agencies in central Durban was obtained from the Durban Forwarding Association. A letter explaining the proposed research project was drafted and copies were sent to the managing director or branch manager of each agency on the list. The list consisted of approximately two hundred customs clearing and forwarding agencies.

Telephonic contact had been established with each of the agencies within fourteen days of sending the letters. The researcher introduced himself and asked three basic questions:

- How long has this company been operating in Durban?
- How many managerial and clerical personnel are employed in this agency?
- Should research eventually be undertaken in the Durban Customs Clearing and Forwarding Industry, would this agency be prepared to participate?

The response towards the idea of research was favourable with at least seventy companies indicating that they would be prepared to participate if they were called upon to do so. A further fifty organizations were in favour of the idea but unable to participate because of problems being experienced in the company. Many of these agencies initially agreed but were forced to decline because of pressure applied from their respective head offices which disapproved of research taking place in the company. Approximately seventy agencies refused outright to be in any way associated with this study.

The average agency employs between seventeen and twenty-one individuals in either a managerial or clerical capacity within the agency. The agencies were then divided into three categories according to the size of their staffs. Agencies employing between eight and sixteen employees in either one of the two above mentioned capacities are categorized as *small organizations*. Agencies employing between seventeen and twenty-one employees were categorized as *mid-sized organizations*, and those agencies with staff complements exceeding this figure, are *large organizations*.

Some sampling criteria were then established as follows:

- agencies that were in operation for a period of six months or less would not be included in the sample;
- agencies employing seven or fewer employees would not be included in the sample;
- agencies employing sixty or more employees would only be used in this study if a department employing around twenty individuals was sufficiently isolated from the rest of the agency so as to constitute an organization in itself.

This researcher firmly believes that agencies that are abnormally small -- employing seven or fewer staff -- or operating for a very short period of time could distort the data if included in the sample. The same can be said of agencies that are abnormally large. In the preliminary research -- see SECTION 1.2 -- it was learned that there were six large international freight forwarding companies in central Durban. If one or more of these companies were to be included in a sample with the "normal" range -- eight to forty employees -- this could lead to problems. However, it would be equally problematic to exclude these companies from participating in this study as this would constitute a bias. The researcher would no longer be able to argue that his sample is representative of even the fewer agencies that were able to participate in this study. The agencies that volunteered to participate all satisfied the sampling criteria; had even one of these failed to do so, this would have constituted a bias that would have been unavoidable. The researcher is aware that it can be argued that large organizations participating in this study are treated unequally in relation to the rest because they have to satisfy a further criteria, and this may constitute a bias. However, since there are six very large agencies -- larger than the "normal range" -- each of which have satisfied the sampling criteria, this argument associated with the possibility of bias is not of importance in this study. Furthermore, the

outcome of this study is not dependent on a representative sample because the results are only directly applicable to the agencies participating. The reader may then ask why this researcher argues for a representative sample? This researcher adopts this line of argument because he believes that the results are at least relevant to an understanding of behaviour prevailing in some agencies within the Durban Customs Clearing and Forwarding Industry.

In SECTION 1.2 dealing with the preliminary research it was learned that the Durban Customs Clearing and Forwarding Industry offers a wide variety of services to its users. Services could be utilized on a sub contractual basis from a competitor. This makes it difficult to classify agencies according to the scope of their business practices. Even the local companies can force their way into the international shipping market by establishing reliable contacts with overseas clearing and forwarding agents. This researcher therefore arrived at the conclusion that shipping agencies have sufficient in common with one another for the purpose of being grouped together as a single population. Therefore it was not necessary to stratify the sample according to activity.

In SECTION 1.2 it was also established that the Durban Forwarding Association influenced, in a meaningful way, the practices of its member agencies. This association sets the tariffs that its members are to charge for services rendered. They believe that norms have to be established in this regard because a great deal of "rate cutting" is taking place. It is not compulsory for an agency to be a member of this association; in fact, about half of all the agencies in Durban are non members. From the preliminary interviews conducted by this researcher with managing directors and branch managers of ten shipping agencies, it was learned that the problem of rate and tariff norms in the industry is a controversial topic for discussion. Many small and mid-sized organizations felt that they have a better chance for survival by setting their own rates and tariffs. The international freight forwarder could afford to be a member because it is in their interest to stabilize the pricing system and thus give them more control over the market. Since most of the international freight forwarders are members of the association, there is currently a certain amount of prestige attached to being a member agency. Some of the small and mid-sized

organizations that are part of larger industrial corporations have become members of the Durban Forwarding Association.

This researcher would have liked to base his study on a representative sample of Durban customs clearing and forwarding agencies. This has not been possible for two reasons:

- only some customs clearing and forwarding agencies were prepared to participate in this study if drawn from a random sample; and
- only some of the agencies within the industry would satisfy the sampling criteria outlined in this study.

3.1.2.1. Stratified Random Sample of Some Customs Clearing and Forwarding Agencies in Durban.

Having carefully reviewed the situation this researcher decided that it would be most appropriate to draw a stratified random sample of those agencies that volunteered and would actually participate if drawn from a random sample. It must be remembered that though many agencies expressed interest in this study they were not always firmly committed to participate.

According to Mendenhall et al, a *stratified sample* is obtained by separating the population elements into nonoverlapping groups, called strata, and then selecting a simple random sample from within each stratum. ¹⁾

Fifty-two shipping agencies were committed to participating in this research, all of which satisfied the sampling criteria. Twenty-four of these agencies were members of the Durban Forwarding Association while the remaining twenty-eight were non members. The names of these agencies were placed in two separate containers according to whether they were members of this association or not. A number were drawn randomly from each until there were approximately one hundred and fifty respondents in each group. This point was reached for the member group after eight agencies had been drawn while six were drawn for the non member group.

3.1.3 Organization Profiles of Participating Agencies.

Most shipping agencies do not keep a formal organization chart. Therefore, this researcher decided that a short description of each agency would

1) Mendenhall, W., Ott, L. and Scheaffer, R.L. (1971)

Elementary Survey Sampling.
Belmont, Ca. : Wadsworth. p 53.

be sufficiently informative, and therefore replace the formal organization chart. The agencies were divided into two basic groups:

- COMPANY A to H are members of the Durban Forwarding Association; and
- COMPANY I to N are non member agencies.

The information upon which these descriptions are based has been gleaned from two sources, namely through preliminary interviews conducted with the branch managers of these companies, and from the background information schedule (see APPENDIX B) completed by all the respondents.

COMPANY A: This agency provides a package consisting of three services, namely seafreight, airfreight and road transport. Other services such as warehouse and packaging facilities can be purchased on a sub contractual basis. This agency offers a door-to-door service in South Africa and has other branch offices in Europe with its headquarters in Germany. According to the branch manager, the airfreight operation is the most profitable for the agency in Durban. Seventeen out of nineteen individuals employed in this agency participated in the main fieldwork program while two employees were unavailable due to illness. Nine of the participants had been employed with the organization for at least five years. These respondents are listed according to race and employment capacity:

- White senior managers (1);
- White junior managers (departmental heads) (2);
- Asian " " " " (4);
- Asian shipping clerks (8);
- White general clerks (1); and ¹⁾
- African general clerks (1).

There are fourteen males and three females working in this agency.

COMPANY B: This agency is a branch of an international freight forwarder and it specializes in airfreight services. For this reason its offices are situated within close proximity of Louis Botha Airport. The seafreight and road transport divisions are housed in town offices near the Harbour Revenue and Customs Offices. The research has been undertaken with the airfreight unit and involved twenty-one employees. The branch managers did not participate but rated his staff's performance (see

1) General clerks refer to individuals who perform general clerical functions in a business organization, i.e., secretaries, bookkeepers, etc.

APPENDIX G. for the Performance Rating Schedule). Nine of these respondents had been employed in this agency for at least five years. This company offers its clientele a door-to-door service both locally in South Africa and abroad in Europe and America. These participants are listed according to race and employment capacity:

- White junior managers (departmental heads) (1);
- Asian shipping clerks (10); ¹⁾
- White shipping clerks (1);
- Asian general clerks (5);
- White general clerks (1); and
- White sales representatives (2).

There are sixteen males and five females employed in this organization.

COMPANY C: This is the seafreight unit of another international freight forwarder. This agency offers a service package to those individuals wishing to transport commodities by sea together with other activities of importance to the shipping fraternity per se, e.g., ships agents, ships brokage and chandling services. This company has its own warehouse and package facilities together with a large road transport fleet to support the services of its seafreight unit. This agency is able to offer its clientele a door-to-door service both locally in South Africa and abroad in Europe. Thirty of this agency's employees participated in the fieldwork program; only two were not available. Eighteen employees had been working in this agency for at least five years. The respondents in this organization are listed according to race and employment capacity:

- White junior managers (departmental heads) (1);
- White shipping clerks (7);
- Asian shipping clerks (12);
- White general clerks (2); and
- Asian general clerks (8).

Twenty-two males and eight females participated from this agency.

COMPANY D: This agency is similar, in many respects, to the one above. It is a seafreight unit of an international freight forwarder offering its clientele a service package associated with the transportation of commodities by sea. However, unlike the agency previously described,

1) Shipping clerks also referred to as documantations clerks perform the clerical activities associated with a seafreight or airfreight transaction.

it does not offer specific services to the shipping fraternity per se. The entire staff in this agency participated in this study. The resident director rated staff performance while the other members of staff were involved in the fieldwork program. Seventeen out of thirty-seven individuals, excluding the resident director, had been employed in this organization for at least five years. The participating staff consisted of thirty-two males and five females. These respondents are listed according to race and employment capacity as follows:

- White senior managers (2);
- Asian " " (2);
- White junior managers (departmental heads) (2);
- White shipping clerks (5);
- Asian " " (15);
- White general clerks (3);
- Asian " " (2);
- White sales representatives (3); and
- Asian " " (3).

COMPANY E: This agency offers essential seafreight services, other services can be purchased on a sub contractual basis. This company has its headquarters situated in Germany and operates throughout Europe and America. It specializes in containerization and holds a large share in this sphere of the market, particularly in Durban. This branch has been doing business for approximately ten years and the branch manager has worked here since its inception. The agency has undergone expansion at regular intervals. Like other international freight forwarders it offers a door-to-door service to its clientele. The full staff complement participated in this study and the branch manager rated his staff's performance. There are fifteen males and eight females employed in this agency, only three individuals had been employed for at least five years, this is possibly due to change that accompanies expansion. The respondents are listed below according to race and employment capacity:

- White senior managers (1);
- White junior managers (departmental heads) (3);
- Asian shipping clerks (12); and
- White general clerks (7).

COMPANY F: This is a small agency offering a service package consisting of seafreight and airfreight activities. Most of the essential services associated with these activities are secured on a sub contractual basis.

This agency is internationally based with the parent company situated in Germany. It is one of the few agencies in Durban that has an almost entirely Asian staff. Eleven employees participated in this study and the branch manager rated staff performance. This agency employees eight male members of staff and three females. One other employee was unable to participate due to work commitments. The respondents are listed according to employment capacity:

- Asian shipping clerks (7);
- African " " (1); and
- Asian general clerks (3).

COMPANY G: This agency employs an entirely Asian staff. It is very similar to the one described above offering essentially a seafreight and airfreight service. Road transport is arranged locally around the country on a sub contractual basis. This agency is not an international freight forwarder but has contacts in Europe. Fourteen employees participated in this study, eleven males and three females. Four employees had been working in this agency for at least five years. The respondents are listed according to their employment capacity:

- Junior managers (departmental heads) (3);
- Shipping clerks (8); and
- General clerks (3).

COMPANY H: This agency is relatively young in comparison to the rest of the sample and has been operating for six years. It is part of a larger group with international contacts in Europe and America, where it offers a door-to-door service. Locally it offers mainly airfreight and seafreight services. Only two employees had been with the Durban office for the last five years. Fourteen individuals participated in the fieldwork program, eleven males and three females. The branch manager rated staff performance. The respondents are listed according to race and employment capacity:

- White senior managers (1);
- White junior managers (departmental heads) (2);
- Asian shipping clerks (6)
- Coloured " " (1);
- White general clerks (1);
- Asian " " (2); and
- Coloured " " (1).

COMPANY I: This is a small agency that specializes in seafreight business. It is a locally based company with a few international contacts, these mainly in Europe. This is the head office with other branches in Cape Town and Johannesburg. Most business operations are conducted within the country with several new projects underway, e.g., container hiring and maintenance services. This is a young company that started operations in 1978 employing twelve individuals, eleven of whom participated in this study; one employee was absent at the time. Only the branch manager had been with the agency for the last five years, while more staff have been introduced to the organization to keep pace with developments. The respondents are listed according to race and employment capacity:

- White junior managers (departmental heads) (1);
- Asian shipping clerks (6); and
- White general clerks (3).

There are seven male members of staff and four females in this sample unit.

COMPANY J: This agency conducts its business activities only in this country. This is the head office with several other branches located throughout the country, particularly in the Johannesburg and Cape Town areas. This agency has its own warehouse and package facilities for containers. The package of services offered consists of seafreight together with those services required to meet the needs of ship owners, e.g., ship's agents and ship brokage, also airfreight and road transport services; altogether a very comprehensive network of services. Eighteen male and seven female members of staff participated in this study excluding the branch manager who rated staff performance. Ten employees had been working in this agency for at least five years. The respondents are listed according to race and employment capacity:

- White senior managers (1);
- White junior managers (departmental heads) (4);
- White shipping clerks (4);
- Asian " " (8);
- White general clerks (5);
- Asian " " (3); and
- White public Relations Officer (1).

COMPANY K: This agency is a local seafreight business which mainly consists of passing seafreight cargo through the customs authorities on behalf of the client. Other services associated with the transportation of goods between destinations are secured on a sub contract basis. This agency is mainly concerned with the shipment of containerized commodities. It also does a little airfreight business depending upon the state of the local market. Thirteen individuals were employed in this organization, eleven of whom participated in this study, namely seven male and four female members of staff. Only two of these respondents had been employed in this agency for five years or longer. At the time this fieldwork program was undertaken a further two members of staff were absent, and therefore did not participate. The participating employees are listed according to race and employment capacity, this excludes the branch manager who rated staff performance:

- White shipping clerks (1);
- Asian " " (5);
- White general clerks (3); and
- African " " (2).

COMPANY L: This agency is one of the few specialists in bulk cargo transportation, e.g., coal and other minerals. These are mainly transported by rail and sea. The agency works in conjunction with the mining houses. The agency offers a package of services such as ship's charterer, ship's agent and ship broker. The agency will be responsible for hiring the services of a suitable vessel, and provides the stevedores to load the cargo. This company is locally based with its head office in Johannesburg and other branches in Richard's Bay, Port Elizabeth and Capetown. This agency's business is mainly export related; however it does have some international trade links in Europe. The full staff complement of eight employees, five males and three females, participated in this study. Only two employees had been working in this agency for five years or longer. The respondents are listed according to race and employment capacity:

- White junior managers (departmental heads) (2);
- Asian shipping clerks (3);
- White general clerks (2); and
- Asian general clerks (1).

COMPANY M: This company offers its clientele airfreight and seafreight services. This branch in particular is very market oriented with several sales representatives in the field. It is able to provide a door-to-door service in this country and has international contacts to promote export and import business. Other services associated with these activities are secured on a sub contractual basis. Twenty-nine employees, twenty males and nine females, participated in this study while a further three were unavailable. Eight employees had been working in this agency for at least five years. These respondents are listed according to race and employment capacity as follows:

- White junior managers (departmental heads) (3);
- Asian " " " " (3);
- White shipping clerks (3);
- Asian " " (11);
- White general clerks (2); and
- Asian " " (7).

COMPANY N: This agency specializes in seafreight activities and offers a wide range of services to the shipping fraternity. It mainly concentrates its efforts on export transactions and has other offices in Johannesburg and Capetown. Most other essential services are secured on a sub contractual basis. Thirty-two employees, twenty males and twelve females, participated in this study while a further two were unavailable. Only four individuals had been employed in this agency for five years and longer. The respondents are listed according to race and employment capacity as follows:

- White junior managers (departmental heads) (1);
- Asian " " " " (2);
- White shipping clerks (3);
- Asian " " (14); ¹⁾
- White general clerks (10); and ²⁾
- Asian " " (2).

1) Individuals who perform ship's agents, brokers and charterers activities have been classified as shipping clerks for the purpose of this study because they fulfill a clerical function.

2) Many individuals in the category of general clerks are sales representatives and public relations officers.

3.1.3.1 Some Characteristics of the Sample.

It would be most appropriate to conclude this description of the various sample units with some statistics about the characteristics of the entire sample. These statistics are compiled from information contained in the Background Information Schedule (see APPENDIX B). A summary of this data for specific questions in the schedule is outlined in the passages to follow.

Regarding length of employment in the Durban Customs Clearing and Forwarding Industry (QUESTION 1), the following results emerged from the data:

- under two years employment in this industry (15.5%);
- more than two but less than five years in this industry (27.9%); and
- more than five years employment in this industry (56.6%).

At least half of the respondents in this sample had been employed in the Customs Clearing and Forwarding Industry for five years or longer.

Regarding time employed in present company (QUESTION 2), the following results emerged from the data:

- under two years employment in the present company (30%);
- more than two but less than five years employment in the present company (35.7%); and
- more than five years employment in the present company (33.3%).

This result seems to indicate that people are moving between companies quite frequently.

Regarding employment capacity (QUESTION 3), this is subdivided into five categories, namely managerial including branch managers, general managers or directors; sub managerial personnel including financial or sales managers together with other departmental heads; shipping clerical, are basically import and export documentation clerks; general clerical, are secretaries and accountants' assistants; and the category "other" includes the jobs that remain, sales representatives, etc. For the purpose of this statistical summary the managerial and sub managerial categories are combined. The results for this question

are listed as follows:

- combined managerial and sub managerial employment categories (13.8%);
- shipping clerical (53.7%);
- general clerical (27.6%); and
- other (3.9%).

The majority of respondents participating in this study are clerical employees. If the two clerical categories are combined we find that this accounts for 81.3% of the entire sample while managerial personnel accounts for 13.8%. The results of QUESTION 4a show that 21.6% of the respondents had been employed in their present position for five years and longer, while 25.8% of the sample hold a position in their respective agencies where they are in authority over other employees (see QUESTION 4b).

A question concerning an employee's previous job -- QUESTION 5a -- is subdivided into three categories, the following results emerge from this data:

- previous job in this company (14.1%);
- previous job in another company (67.5%); and
- never had a previous job (17%).¹⁾

This result seems to indicate that very few individuals become promoted within an organization but rather moved to another agency for this purpose. Furthermore, this result seems to reinforce this researcher's statement concerning employment (see QUESTION 2).

QUESTION 5b examines in greater detail some changes in the employment status of those individuals who move between agencies, these are listed below as follows:

- | | | | |
|-------------------|----------------|--------------------------|----------------|
| - pay | "more" (70.9%) | "no real change" (19.4%) | "less" (9.7%); |
| - authority | " (45.5%) | " " " (38.6%) | " (15.9%); |
| - responsibility | (71.9%) | " " " (17.4%) | " (10.9%); |
| - decision making | (55.7%) | " " " (29.2%) | " (15.1%); |
| - rate of work | (69.9%) | " " " (22.8%) | " (7.3%); |

1) The values do not always add up to one hundred percent because there are missing cases.

- degree of supervision "more" (25.1%) "no real change" (37.4%) "less" (37.5%); and
- personal skills " (57.5%) " " " (32.2%) " (10.3%).

There are 72.8% males as apposed to 27.2% females in this sample, these respondents belong in one of the following race group categories:

- Whites (32.6%);
- Asians (64.9%);
- Coloureds (.7%); and
- African (1.8%).

Furthermore, at least 59.9% of the sample have a matric education while 23% have had some form of tertiary education, e.g., a certificate, diploma or degree. Some 12% of the respondents in this sample hold the South African Shipping Diploma.

3.1.4 Administration of Questionnaires.

Copies of all the instruments used in this study were first reviewed by branch managers and directors of the participating agencies before being administered to their respective staffs. Having obtained their approval arrangements were made to carry out the fieldwork programme which extended over a period of eight weeks. Since most of the participating agencies employ approximately twenty individuals, everyone was encouraged to participate. An agreement was reached with all branch managers in the sample so that a minimum of eighty percent -- see TABLE 1 -- of each company's staff were to participate in order to make the fieldwork programme in the organization worthwhile. The study is largely dependent on an organization's response and if too few people had participated the results would not have been a reflection of the organization's behaviour. Furthermore, the branch managers had to be prevented from consciously or unconsciously selecting those members of their staffs whom they might have felt to be appropriate for this purpose.

The staff complements of each of the participating agencies was divided into two or more test groups so as to prevent the activities within the agency from being brought to a standstill. The fieldwork was conducted in as many as four stages, particularly in the larger agencies. There were between four and ten individuals per test group depending upon the size of the organization and the number of people a branch manager could

TABLE 1.

PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES.

COMPANY CODE	MEMBER(M)/NON-MEMBER(N/M)	ELIGIBLE STAFF	NUMBER OF PARTICIPANTS	PERCENTAGE
COMPANY A	M	19	17	98.47
COMPANY B	M	22	21	95.45
COMPANY C	M	32	30	93.75
COMPANY D	M	37	37	100.00
COMPANY E	M	23	23	100.00
COMPANY F	M	12	11	91.7
COMPANY G	M	15	14	93.4
COMPANY H	M	15	14	93.4
COMPANY I	N/M	12	11	91.7
COMPANY J	N/M	25	25	100.00
COMPANY K	N/M	13	11	84.60
COMPANY L	N/M	8	8	100.00
COMPANY M	N/M	32	29	90.63
COMPANY N	N/M	34	32	94.12

afford to have away from their work without too much disruption to the agency's daily activities. Each test session took place over a period of two hours with a fifteen minute rest period after the first hour. Each test session followed closely after the previous one, at a tempo of approximately three per day. Each group was instructed not to discuss the material with other members of the agency who had yet to participate. There was no evidence of fatigue and the subjects went about the task with enthusiasm.

This researcher conducted the test sessions assisted by a third year Psychology student specifically trained for this purpose. Before the subjects arrived at the venue where the fieldwork was to be conducted -- usually a room in the agency set aside by the branch manager -- a set of five documents were placed face down on the table for each individual. After the introductions were made the subjects were instructed to turn over the first document which was the background information schedule (see APPENDIX B). They were told that this schedule was to be completed in their own time, and would be collected from them after one week. The next document was a set of instructions about the three tests that were to be completed within the two hour period. The tests were at no time specifically named as it was felt that this might have the effect of distorting the data. The instruments were basically three sets of scaled statements. The fieldworker carefully read through the instructions with the group checking that they fully understood what was required of them. Each test had to be completed within a specific time and were administrated in the following order:

- Gelfand's Climate Scale consisting of forty statements - 15 minutes;
- this researcher's self designed Satisfaction-Performance Scale consisting of one hundred and fifty statements - 50 minutes; and
- this researcher's self designed Need Scale consisting of one hundred and seventy statements - 60 minutes.

A time limit of approximately thirty seconds per statement was enforced so that the subjects would make a spontaneous response. This researcher believes that a spontaneous response accurately reflects human sentiments and attitudes; this of course, is an arguable point.

3.1.5 Description of Instruments.

Besides the interviews conducted with managing directors and branch managers of certain shipping agencies, and the Background Information Schedule, both

of which have already been discussed in some detail (see APPENDIX A and B), a further five instruments were administered in this study. This section will be concerned with describing the design and application of the latter mentioned instruments. These are listed below as follows:

- Company Evaluation Schedule (APPENDIX G);
- Work Performance Rating Schedule (APPENDIX F);
- Gelfand's Organizational Climate Scale (APPENDIX C);
- A Scale of Primary and Secondary Work Related Needs (APPENDIX D); and
- Instrumentality Belief / Job Satisfaction Scale (APPENDIX).

One of the above mentioned instruments -- Company Evaluation Schedule -- was not used in the final analysis of this study. The apparent problems with this instrument will be discussed later (see SECTION 3.1.5.1).

3.1.5.1 Company Evaluation Schedule.

The Company Evaluation Schedule was designed by this researcher for the purpose of measuring organizational effectiveness of each participating agency in comparison to the other agencies within their respective company groups. For example, the organizational effectiveness of COMPANY A in relation to other branch offices within this specific group. The organizational effectiveness criteria upon which this instrument is based are mainly intuitive. This researcher has observed the practices of customs clearing and forwarding agencies for a number of years and drawing upon this experience, it seemed feasible to design this instrument in order to collect some baseline data as a means of evaluating agency effectiveness. The agencies in the sample could have then been divided into two groups separating the effective agencies from the less effective ones, permitting one to observe the effects of these differing groups on the data.

It had been decided that the best possible way to collect information would have been to secure the cooperation of a senior director from each of the companies in the sample. This individual should preferably be employed at head office were the information required is mostly on record. However, this was not always the case, and many of these directors were not prepared to spend time gathering data for each branch office as this involved a fair amount of work. Few of these schedules were returned, and of these, even fewer were completed. Some directors failed to secure the cooperation of senior personnel at some branches leading to so much missing information. It was appropriate to exclude this

instrument from the final analysis.

3.1.5.2 Work Performance Rating Schedule.

Work performance is one of the three criterion variables in this study. It would have been too time consuming to derive a performance score for each of the two hundred and eighty-three respondents based on observations or information gathered from agency records. Furthermore, agency records are classified confidential and therefore not readily obtainable - observations would be too disruptive for the agency. The most feasible alternative therefore, was to design a performance rating schedule. A suitable instrument of this sort could not be found to fulfil this function. The criteria upon which the designed schedule is based are formulated specifically from the activities that occur in the shipping industry. These criteria are divided into two groups for the purpose of analysis, namely general performance (PERG) and advanced performance (PERA).¹⁾ The former -- PERG -- is concerned with measuring the speed and efficiency of work output; the latter -- PERA -- with personal skills required to perform the assigned tasks. PERA is of particular importance in this industry because virtually all employees have to interact with the client at some stage during a business transaction.

The branch manager for each agency did not participate in the main fieldwork programme for two reasons. Firstly, he reviewed the instruments before they were administered to the staff and therefore was acquainted with the contents of each document. Secondly, he had to rate his staff's performance, it would have been difficult in some cases to find a superior -- say a resident director or even someone else from outside the branch -- to rate and evaluate his own performance. The branch manager has intimate social contact with the various members of his staff and therefore is in the best position to furnish the researcher with this information. In some agencies with several departments the branch manager instructed each of his sub managers (departmental heads) to rate the members of their respective departments. The branch manager then rated the performance of his departmental heads.

1) PERG criteria are denoted by a single asterisk in APPENDIX F.
PERA criteria are denoted by a double asterisk in APPENDIX G.

3.1.5.3 Gelfand's Organizational Climate Scale.

Gelfand has taken the original Litwin and Stringer ¹⁾ scales of their FORM B Climate Questionnaire and adapted it for South African conditions. This refinement was meant to move from the essential subjectivism of the original measure towards the establishment of an accurate and objective measure of Organizational Climate.

Subjecting the original questionnaire to: Factor Analysis; Oblique Rotation (VARIMAX/PROMAX); Item Analysis; Multiple Correlation; and Profile Analysis, Gelfand reduced the number of items from the original fifty to forty and the number of dimensions from nine to seven. The elimination of these ten items and two dimensions were essentially the result of discovering large areas of duplication. It is significant that these ten discarded items universally reflect a common factor of vagueness and diffusion as well as a large degree of overlap.

According to Gelfand the final factorial structure of Organizational Climate has accurately and objectively identified the following factors instead of the original nine: Structure; Affiliation; Involvement; Bureaucracy; Support; Standards; and Risk- Taking.²⁾

Nasser found when using the above mentioned dimensions that there was a great deal of confusion and overlap. After discussing the problem with Gelfand it was recommended that the original dimensions be used.³⁾ Following Nasser's example, this researcher decided to administer this instrument analyzing the data in the same manner.

Basically the questionnaire requires the participant to give an honest reflection of his personal feelings on each item by crossing the appropriate response. A semantic differential scale with the following options was used: definitely agree; inclined to agree; inclined to disagree; and definitely disagree. The scale forces a decided

1) Litwin, G.H. and Stringer, R.A. (1968)

Motivation and Organization Climate,
op. cit., pp. 204 - 207

2) Gelfand, J. (1972)

The Modification, Development and Application of a Measure of Organization Climate ... Higher Order Needs, op. cit., p. 241.

3) Nasser, M.E. (1975)

Organizational Climate - A New Dimension for Managerial Selection, op. cit., pp. 73 - 74.

choice from the participant.

3.1.5.4 A Scale of Work Related Needs.

Human needs, particularly higher order needs, are frequently measured by the administration of a projective test. ¹⁾ A projective technique requires the subjects to answer a set of simple questions to explain what appears to be taking place in certain pictures. The picture usually involves one or more individuals performing an activity. Or alternatively individuals interacting with one another. The pictures are vague in content so that the subjects can give different interpretations of what is taking place. The questions are a guide to interpreting the picture. The answers should form a coherent description which reflects the projection of the subject's attitude, values and opinions on the situation.

This researcher felt that the above mentioned technique might be unsuitable in this study for several reasons. Firstly, the subjects were drawn from all levels of the agency, unlike other studies that use this method -- for example Nasser (1972) -- ²⁾ which use only managers. The researcher believes that if this method were to have been employed it might not have been feasible to combine the scores of all the subjects in this analysis. Secondly, the researcher was not sure if the subjects were given a task that involved a fair amount of thought and effort, they would cooperate satisfactorily. In other words, it was feared that the respondents might return material inadequate for scoring the needs. Thirdly, branch managers might have been unhappy about this instrument realizing that the respondent could express feelings about the agency that are negative, thus evoking a poor image of the organization. Many of the managers and directors, for this reason, were not altogether happy with the idea of a projective test as an instrument, and for this reason these were not used in this study. Finally, the researcher decided that it would be of

1) See Atkinson, J.W. (1958) *Motives in Fantasy, Action, and Society*, op. cit.

2) See Nasser, M.E. (1975) *Organizational Climate - A New Dimension for Managerial Selection*, op. cit.

greater benefit to use an instrument specifically related to their work context since this could stimulate interest in the exercise.

A suitable instrument of the type discussed -- Need Scale -- was unavailable. It was decided that one would have to be designed. This questionnaire consists of five groups of statements tapping the following needs:

- need for money (nMON);
- need for job security (nJS);
- need for affiliation (nAFF);
- need for achievement (nACH); and
- need for power (nPOW).

These needs have already been defined in SECTION 2.1.2 of this dissertation. These statements are personalized and related to the various activities of shipping agencies wherever possible. Furthermore, they are colloquially worded. The statements were formulated in pairs, the one member was positively oriented and the other negatively oriented. However, this is not readily noticeable, so that it is possible to test for internal consistency of the statements.

There are a total of one hundred and seventy statements in the entire questionnaire. They are distributed as follows:

- nMON (36);
- nJS (30);
- nAFF (36);
- nACH (36); and
- nPOW (32).

The statements were carefully mixed in the questionnaire so that it is virtually impossible to identify to which scale a particular statement belongs and which statements are paired together. This is done for the purpose of preventing the subjects falling into a response set.

The statements for nMON and nJS have been intuitively formulated while those for nAFF, nACH and nPOW are based on the following descriptions cited in Litwin and Stringer (1968):

"If a man spends his time thinking about the warm, friendly, companionate relationships he has, or would like to have, the psychologist says that he has a need for affiliation.

Thoughts about restoring close relationships that have been disrupted, consoling or helping someone, or participating in friendly, companionate activities. Since they want others to like them, men with a strong need for affiliation are likely to pay attention to the feelings of others. In group meetings they make efforts to establish friendly relationships, often by agreeing or giving emotional support. Men with strong need for affiliation seek out jobs which offer opportunities for friendly interaction." ¹⁾ (nAFF)

"If a man spends his time thinking about doing his job better, accomplishing something unusual and important, or advancing his career, the psychologist says he has a high need for achievement. A man with a strong need for achievement thinks not only about the achievement goals, but about how he can attain them, what obstacles or blocks he might encounter, and how he will feel if he succeeds or fails. He likes situations in which he takes personal responsibility for finding solutions to problems. Another characteristic is the tendency to set moderate achievement goals and take calculated risks. The man who has a strong concern for achievement also wants concrete feedback as to how well he is doing. " ²⁾ (nACH)

"If a man spends his time thinking about the influence and control he has over others, and how he can use this influence, say, to win an argument, to change other people's behaviour, or gain a position of authority and status, then the psychologist says he has a high need for power. Men with this need will usually attempt to influence others directly." ³⁾ (nPOW)

1) Litwin, G.H. and Stringer, R.A. (1968)

Motivation and Organizational Climate, op. cit., pp. 22 - 23.

2) Ibid., p. 14 - 17.

3) Ibid., p. 18.

These statements are scaled along the same dimensions as those found in the Gelfand Climate Scale. The positively oriented statements are scored from left to right 4,3,2,1 and the negatively oriented ones are scored in the opposite direction, namely 1,2,3,4. In the scoring all the negatively oriented statements are recoded to the same direction as their positive counterparts. This second set of statements creates an alternate-form of reliability which will be discussed later.

3.1.5.5 A Scale of Instrumentality and Job Satisfaction.

This instrument consists of two separate scale groups, namely job satisfaction and instrumentality belief. Job satisfaction is further subdivided into three categories with a specific number of statements in each:

- satisfaction with pay and working conditions (SMON)(20);
- satisfaction with job security (SJS)(22); and
- satisfaction with personal development (SDEV)(48).

In the final analysis SMON and SJS are combined to form the criterion variable of job dissatisfaction (DISSAT). The items scaling personal development remain as a group to form the criterion variable of job satisfaction (SATIS). Herzberg's two-factor theory of hygiene and motivators discussed in chapter two, was taken as a basis for these variables.

The scale measuring instrumentality belief is further subdivided into five categories similar to those which appear in the Need Scale. The wording of these statements are directed towards the measurement of an individual's instrumentality belief. It should be remembered from chapter two that the instrumentality belief is an outcome-outcome belief, i.e., how important is the attainment of the first outcome towards the attainment of the second. For example, let us consider for a moment the following statement:

"If I work hard this year, I will be promoted to supervisor."

Hard work is believed to be instrumental for the purpose of obtaining promotion to supervisor. These statements are an attempt to gauge the instrumentality of certain needs for the attainment of certain desired outcomes. The categories together with the number of statements in each

are listed as follows:

- instrumentality associated with the fulfilment of the need for money (IMON)(18);
- instrumentality associated with the fulfilment of the need for job security (IJS)(8);
- instrumentality associated with the fulfilment of the need for affiliation (IAFF)(10);
- instrumentality associated with the fulfilment of the need for achievement (IACH)(14); and
- instrumentality associated with the fulfilment of the need for power (IPOW)(10).

For the purpose of this analysis IMON and IJS are combined to form the criterion variable of extrinsic instrumentality (EX.INSRT). This form of instrumentality is associated with the attainment of goals extrinsic to the performance of the work itself. IAFF, IACH and IPOW are combined to form the variable of intrinsic instrumentality (IN.INSTR). This form of instrumentality is associated with the attainment of goals intrinsic to the performance of the work itself. The impetus for these variables also emerges from the writings of Herzberg, particularly his two-factor theory.

3.2 PRELIMINARY ANALYSIS.

In this section the reliability and validity of the Need Scale and the Job Satisfaction-Instrumentality Belief Scale will be established and discussed. Following this, the factor analysis performed on the data emerging from the Need Scale will be outlined. The types of factors that emerge and their application in the main analysis will be examined. The material in this section will be dealt with systematically:

- statistical procedure;
- reliability and validity of the Job Satisfaction-Instrumentality Belief Scale;
- reliability and validity of the Need Scale; and
- factor analysis of the Need Scale.

3.2.1 Statistical Procedures.

For both the preliminary and main analysis five statistical procedures

were used on the data, these are listed as follows:

- Reliability (ALPHA);
- Factor Analysis (VARIMAX and OBLIQUE rotations);
- Pearson's Correlation;
- Multivariate Analysis (MANOVA); and
- Canonical Correlation (CANCORR).

These techniques will be discussed wherever necessary in the analysis. This data was processed with the use of the Sperry Univac 1100 computer and the statistics were drawn from the Statistical Package for the Social Sciences (SPSS). ¹⁾ Two of these procedures -- reliability and factor analysis -- will be used in this chapter to refine the data. The procedures that remain will be used in the following chapter to test the hypotheses in this study.

3.2.2 Validity and Reliability.

Before advancing to the stage of hypothesis testing in any research it is important to establish the reliability of the instruments that have been employed. This researcher is confident that the Gelfand Organizational Climate Scale is sufficiently reliable for use in this study because it was rigorously refined from the Litwin and Stringer FORM B climate schedule. Furthermore, it appears to have been used to good effect by Nasser. It must also be remembered that the original scale has been refined and improved for use in South African conditions. However, the reliability of this researcher's self designed Need Scale and Job Satisfaction-Instrumentality Belief Scale are hitherto unknown. It would be pointless trying to argue what may have emerged in the data without first establishing if the data are sufficiently reliable to tell us anything of value. The aim of this subsection therefore, is to explain how the reliability and validity was demonstrated and present the results of this analysis.

1) Hull, C.H. and
Nie, H.N. (1981)

*SPSS UPDATE 7 -9: New Procedures and
Facilities.*
U.S.A. : McGraw-Hill.

Selltiz et al define the validity of a measuring instrument "as the extent to which differences in scores on it reflect true differences among individuals on the characteristics that we seek to measure, rather than constant or random errors." ¹⁾ Bailey further suggests that any definition of validity has two parts:

- that the measuring instrument is actually measuring the concept in question, and not some other concept; and
- that the concept is being measured accurately. ²⁾

Reliability is simply defined as the consistency of the measurement. According to Bailey, if a measure is valid it will be accurate every time, and thus must be reliable also. It can be said that the relationship between validity and reliability is asymmetrical, as validity means reliability but not vice versa. ³⁾

There are various types of validity and reliability but these will not be discussed here. The ones of relevance to this study are face validity and alternate reliability. Face validity is a matter of judgement and two major questions must be considered;

- whether the instrument is really measuring the kind of behaviour that the investigator assumes it is; and
- whether it provides an adequate sample of that kind of behaviour.

According to Bailey face validity is simply assessed by the evaluators studying the concept to be measured and determining, in his or her best judgement, whether the instrument arrives at the concept adequately. It is partially a definitional or semantic judgement. If the measure clearly measures another concept, then obviously it does not have face validity. However, if the item does not seem to be measuring any recognizable concept other than the one it is supposed to be measuring, the instrument can be said to have face validity. ⁴⁾

The alternate, also known as the parallel form of reliability was used in this study. This approach involves the simultaneous administration of two scales that are parallel to one another. The items in each scale are similar and mixed to form a single instrument. The correlation

1) Selltiz, C., Wrightman, L.J. and Cook, S.W. (1976) *Research Methods in Research Relations*. Third ed. New York: Holt, Rinehart and Winston. pp. 168 - 169.

2) Bailey, K.D. (1978) *Methods of Social Research*. New York: Free Press, op. cit., p. 57.

3) Ibid., p. 57.

4) Ibid., p. 58.

between the scores obtained on the two forms represents the reliability coefficient of the tests.

3.2.2.1 Reliability of the Job Satisfaction / Instrumentality Belief Scale.

The programme Reliability ALPHA (Cronbach's alpha and standardized item alpha) ¹⁾ was used to test for reliability. This took place over several stages; on each occasion the less reliable items were removed and the procedure was repeated. To begin with, all one hundred and fifty statements were used in this test -- the negatively oriented ones were recoded to form the parallel instrument -- and after several runs the final result emerged. There were reliability coefficients for the fifty-six statements that remained with ALPHA .87563 and the standardized item alpha .88612. This result means that the remaining statements grouped together to form an instrument which is nearly 90% reliable. This result was then checked by re-entering all the statements, but first arranging them into their respective criterion categories, namely SATIS, DISSAT, EX.INSTR and IN.INSTR. The results of this calculation are cited in TABLES 2, 3, 4 and 5 respectively. The initial result was undoubtedly confirmed. The statements within each of these categories were then evaluated by item-whole correlations. These coefficients compare favourably with each of the corresponding alpha coefficient values. Even if these values are squared to establish the amount of variance that each item is contributing to the whole, the average squared coefficient is around .3000 which is moderate. In TABLE 2, SATIS has twenty-two items with ALPHA .88133 and the standardized item alpha .88237. The corrected item-total correlation coefficients range from .20365 to .71232 many of which are .3500 or larger. In TABLE 3, DISSAT has ten items with ALPHA .82260 and the standardized item alpha .82050. The corrected item-total correlation coefficients range from .22563 to .61074 many of which are .4800 or larger. In TABLE 4, EX.INSTR has nine items with ALPHA .70704 and the standardized item alpha .71669.

1) Hull, C.H. and Nie, H.N. (1981)

SPSS UPDATE 7 - 9: New Procedures and Facilities, op. cit., p. 255

TABLE 2.

ALPHA RELIABILITY ANALYSIS WITH RELATED PEARSON'S PRODUCT MOMENT
CORRELATION COEFFICIENTS - JOB SATISFACTION(SATIS)

ITEM NO.	ITEM	ALPHA RELIABILITY **(CITC)	ITEM WHOLE CORRELATION *(PPMCC) P < .001
255	I have a clear conception of the objectives that I am required to attain.	.32312	.3870
391	I am happy in this company.	.51943	.5885
370	This company can offer it's employees the opportunity for job satisfaction.	.45998	.5207
326	This company is what you make of it.	.34686	.4183
304	I usually get satisfactory information back regarding my performance.	.44607	.5177
357	My boss frequently asks my opinion in those areas where I have special knowledge.	.39238	.4692
371	My superior encourages me to extend my existing knowledge and skills.	.71232	.7590
358	When I am bored I fell free to ask for more challenging work.	.39702	.4717
305	I have assumed certain powers in order to decide various things for myself.	.20365	.2813
345	My job has helped me to understand people better.	.50055	.5545
328	My job has helped me to handle personal relationships.	.48948	.5490
282	Through my job I've learned to cope better in difficult situations.	.51171	.5941
272	My job has helped me to understand better both my basic strengths and weaknesses.	.54043	.5837
300	Through my job I've learned to overcome some personal difficulties.	.42789	.4935
292	My job has taught me to be a more responsible person.	.51247	.5583
316	I am a better person for the work I do.	.36721	.4311
381	My job satisfies my needs for realizing my abilities.	.55081	.6038
349	There is sufficient opportunity for me to advance in the company.	.51594	.5839
388	I obtain personal satisfaction from doing my job.	.52274	.5727
289	My boss encourages and promotes the extension of my existing knowledge.	.52336	.5927
380	My knowledge is put to full use in the company.	.54591	.6016
362	Some aspects of my job are specifically aimed at my personal development.	.35346	.4261

** (CITC) = Corrected Item Total Correlation

* (PPMCC) = Pearson's Product Moment Correlation Coefficients

Reliability coefficients for 22 items
Alpha = .88133

Standardized Item Alpha = .88237

TABLE 5.

ALPHA RELIABILITY ANALYSIS WITH RELATED PEARSON'S PRODUCT MOMENT
CORRELATION COEFFICIENTS - INTRINSIC INSTRUMENTALITY(IN.INSTR)

ITEM NO.	ITEM	ALPHA RELIABILITY **(CITC)	ITEM WHOLE CORRELATION *(PPMCC) P < .001
302	I have come to realize that I can achieve a great deal in my work due to the support of my fellow colleagues and superiors.	.54936	.6338
335	A relationship of mutual trust and concern exists between me and my superiors.	.48956	.5830
393	If I perform well when confronted with a challenging assignment I regard this as a fair personal achievement.	.33175	.4170
387	Taking small risks in my job usually leads to increased personal performance.	.35000	.4461
348	When I solve difficult problems at work it improves my general level of performance.	.52459	.6009
360	I feel better about my overall level of performance when I have regular success at solving small problems.	.35718	.4443
389	I can achieve much personally in my job through hard work.	.47007	.5552
321	I find that if I try to perform better than my colleagues they encourage me by competing.	.29466	.4138
261	If you perform well at work people in general will seek your advice.	.47433	.5580
318	When I work well in the office I earn the respect of both colleagues and superiors.	.59414	.6689
347	I believe that by performing well at work I may eventually become accepted as a leader amongst my colleagues and superiors.	.51938	.6149
333	My level of authority in the office improves with the general improvement in my performance.	.59328	.6705
372	A consistently high level of personal performance improves my chances for holding a position of control in this company one day.	.59203	.6762
361	A consistently high level of performance at work improves my chances for later holding a position of control in another company - if one isn't available here.	.42047	.5107
284	I am able to obtain more influence and power to persuade others in the office when I am performing well myself.	.43625	.5399

** (CITC) = Corrected Item Total Correlation

* (PPMCC) = Pearson's Product Moment Correlation Coefficients

Reliability coefficients for 15 items
Alpha = .84128

Standardized Item Alpha = .84057

The corrected item-total correlation coefficients are all .4000 and higher. In TABLE 5, IN.INSTR consists of fifteen items with ALPHA .84128 and the standardized item alpha .84057. The lowest corrected item-total correlation is .29466 and the majority of these values exceed .4500.

The ALPHA values for the criterion variables are greater than 70% in reliability. Three of the four -- SATIS, DISSAT and IN.INSTR -- are at least 80% reliable. The refined instrument is now suitable to use in the main analysis and hypothesis testing. Furthermore, it can be argued that these scales at least have face validity.

3.2.2.2 Reliability of the Need Scale.

Using the procedure outlined above the Need Scale was refined and yielded very positive results. The original one hundred and seventy statements were reduced to ninety-five with ALPHA .88202 and the standardized item alpha .89732. After factor analysis, the number of statements were further reduced to fifty-five for three scales, namely nAFF, nACH and nPOW. The nMON and nJS scales were very reliable, but the results of these are not presented here because they are completely absorbed in the factor analysis. By this, it is meant that though the initial scales were reliable, when subjected to the factor analysis procedure they were rejected with insufficiently high factor loadings. It was therefore decided that only the factors which emerged and the three higher order needs just mentioned would be treated as predictor variables in this analysis. In TABLE 6, nAFF consists of twenty-two statements with ALPHA .77241 and the standardized item alpha .80656. There are fifteen corrected item-total correlation coefficients of at least .3000 and higher. In TABLE 7, nACH has seventeen items with ALPHA .73482 and the standardized item alpha .73783. There are ten corrected item-total correlation coefficients of .3000 and higher. In TABLE 8, nPOW consists of sixteen items with ALPHA .73427 and the standardized item alpha .74467. There are twelve corrected item-total correlation coefficients larger than .3000. These predictor variables in their present form are 70% reliable according to these results. This is an acceptable level of reliability for the purpose of this study. It can be argued that the instrument in its present form has face validity, albeit as a test for shipping personnel.

TABLE 6.
ALPHA RELIABILITY ANALYSIS WITH RELATED PEARSON'S PRODUCT MOMENT
CORRELATION COEFFICIENTS - NEED FOR AFFILIATION(nAFF)

ITEM NO.	ITEM	ALPHA RELIABILITY **(CITC)	ITEM WHOLE CORRELATION(nAFF) *(PPMCC) P < .001
205	I like to work in a group with fellow members of staff.	.33660	.4376
223	I find that to be warm and friendly to those in the office is personally satisfying.	.48003	.5493
102	If a fellow colleague has a personal problem outside the office I will try to assist him/her wherever possible.	.51202	.5739
241	I don't get involved with personal problems that my fellow colleagues bring to the office.	.23958	.3540
131	If two of my fellow colleagues have differences of opinion which creates an unfriendly atmosphere in the office I will try and help them to resolve their differences.	.53544	.5977
232	If two of my fellow colleagues have differences of opinion which creates an unfriendly atmosphere in the office I will not become involved.	.30988	.4211
186	I get along fine in my job by being warm and friendly towards both colleagues and clients.	.49851	.5541
83	I get along fine in my job by being courteous when the need arises, but otherwise remain aloof towards colleagues and clients.	.14901	.2754
172	I believe in sitting down and discussing differences of opinion with a fellow colleague to help maintain peaceful, friendly relations in the office.	.42457	.4900
192	When I am involved in an argument with another member of staff which leads to unfriendliness, I try to put things right.	.58191	.6426
212	I like to participate in social gatherings with colleagues after hours.	.32314	.4387
183	I don't like to participate in social gatherings with other members of staff very much.	.46959	.5596
173	It is important for me to work with people who make an effort to be friendly.	.27202	.3654
141	I will accept assistance from a colleague if I have personal problems.	.36351	.4584
174	I tend to step down in an argument with a fellow colleague rather than lose his friendship.	.08262	.2228
238	I like to have supportive fellow colleagues at the office.	.34317	.4140
156	I would sometimes volunteer to give a bit of help to fellow colleagues if they are unable to cope with the workload.	.42560	.4831
171	I would only ever help a fellow colleague who was unable to cope with the workload if the supervisor/manager instructed me to do so.	.15960	.2775
136	I feel uneasy when an unfriendly atmosphere prevails in the office.		
112	An unfriendly office atmosphere does not worry me.	.15746	.2826
166	I feel concerned when a fellow colleague is experiencing personal or work problems and I am unable to help him.	.56758	.6311
224	I feel if I can't help a fellow colleague experiencing a personal or work problem then that is "just one of those things".	.18506	.2978

** (CITC) = Corrected Item Total Correlation
 Reliability coefficients for 22 items
 Alpha = .77241

* (PPMCC) = Pearson's Product Moment Correlations Coefficients
 Standardized Item Alpha = .80656

TABLE 7.
ALPHA RELIABILITY ANALYSIS WITH RELATED PEARSON'S PRODUCT MOMENT
CORRELATION COEFFICIENTS - NEED FOR ACHIEVEMENT(nACH)

ITEM NO.	ITEM	ALPHA RELIABILITY **(CITC)	ITEM WHOLE CORRELATION(nACH) *(PPMCC) P < .001
138	I don't like working with competitive people.	.35240	.4732
94	I rather enjoy competing with my fellow colleagues to see who can do the work best.	.21233	.3531
220	I can't really enjoy tackling new tasks without help or advice.	.35410	.4775
132	Having to resolve a difficult work problem by myself doesn't leave me with a good feeling.	.34212	.4776
225	I don't mind taking small risks in my work especially if it means getting results.	.18802	.2941
242	I wouldn't consider doing anything risky in my work routine, even if it offered the prospect of saving a lot of time and money.	.28500	.4102
125	I feel that I must try to do my job better than my colleagues.	.22352	.3443
201	I am quite satisfied to do my job to just the same standard as my fellow colleagues.	.40630	.5313
153	I like to assume personal responsibility for the consequences of decisions that I make in my work.	.41403	.4964
142	I am always searching for new ways of doing my work better.	.30705	.3940
175	I see no need to search for new ways to do my work better.	.42111	.5348
155	When I have completed a difficult problem successfully, I am keen to tackle the next one.	.27262	.3550
204	It does not really matter to me if I have not done my job as well as my fellow colleagues of comparable skill.	.38719	.5072
113	I like my superiors to tell me straight about any problems they might be experiencing with the quality of my work.	.23466	.3229
91	In my work I like to make my own decisions most of the time.	.27264	.4062
167	In my work I like superiors to help me make decisions most of the time.	.36518	.4835
194	I don't like making any decisions in my work that involve an element of risk.	.40088	.5207

** (CITC) = Corrected Item Total Correlation * (PPMCC) = Pearson's Product Moment Correlation Coefficients

Reliability coefficients for 17 items
 Alpha = .73482

Standardized Item Alpha = .73783

TABLE 8.
ALPHA RELIABILITY ANALYSIS WITH RELATED PEARSON'S PRODUCT MOMENT
CORRELATION COEFFICIENTS - NEED FOR POWER(nPOW)

ITEM NO.	ITEM	ALPHA RELIABILITY **(CITC)	ITEM WHOLE CORRELATION(nPOW) *(PPMCC) P < .001
179	I find that people who try to influence others probably make successful salesmen of the services that this company offers.	.33787	.4463
147	I like to think that I have influence over other people	.33075	.4590
215	If requested, I would feel a bit uneasy to take charge of the company in the brief absence of a superior.	.36354	.4943
106	I feel pretty comfortable in a position of leadership when dealing with people at work.	.53989	.6319
187	I feel a bit awkward in a position of leadership when dealing with people at work.	.29508	.4197
228	I'd be happy to assume leadership of a small group at work if given the opportunity.	.43236	.5297
109	I wouldn't be all that keen to be the leader of a small group at work even if given the opportunity.	.34650	.4925
203	I enjoy trying to convince clients that this company offers services that will best meet their needs.	.46208	.5549
165	I don't like having to convince a sceptical client that this company does in fact offer services that will meet his/her needs.	.15840	.3065
79	I like to get people around to my way of thinking in the work context.	.40329	.5140
104	I like the people around me to do the work the way I would do it.	.25492	.3937
230	The ability to persuade people is absolutely vital in my job.	.36587	.4876
182	When it comes to dealing with people at work, I like to think that I can give as good as I can take.	.32560	.4099
114	When it comes to dealing with people at work, I can't really give as good as I can take.	.06128	.2232
126	To get anywhere in the shipping industry you have to be tough minded in all that you do.	.31597	.4353
223	Everyone needs to strive to attain a certain amount of influence to survive in the shipping industry.	.36697	.4693

** (CITC) = Corrected Item Total Correlation

* (PPMCC) = Pearson's Product Moment Correlation Coefficients

Reliability coefficients for 16 items
 Alpha = .73427

Standardized Item Alpha = .74467

3.2.3 Factor Analysis of the Need Scale.

Initially it was decided to perform a factor analysis on the Need Scale to determine whether or not the items obtained from the original reliability analysis would arrange themselves into their scaled groups. In other words, this researcher believed that if these five scales were as reliable as the ALPHA results appeared to indicate, it was assumed that they would fall into five factor groups, each approximating one of the five need indices. However, this did not occur because needs do not exist in a vacuum but are an interacting component of the human personality. In fact a patterned relationship between human needs can tell us a great deal about the individual, particularly in the case of higher or needs such as nAFF, nACH and nPOW.

Using the VARIMAX and OBLIQUE factor programmes ¹⁾ for this data proved to be beneficial to the analysis. The ninety-five statements obtained from the reliability analysis were entered on the VARIMAX programme which continually rotates the items until the maximum number of factors -- orthogonal to one another -- are extracted. Orthogonal means that the factors have no relationship with one another. There are several methods for extracting the correct number of factors. This researcher plotted a Cattell Scree Test for this purpose. Child suggests that the extraction of the correct number of factors is an art and not a science, much depends on what end result makes the most sense. Furthermore, one should always perform several analysis simultaneously in order to achieve the best results. ²⁾

To use the Cattell Scree Test method for the extraction of the maximum number of factors, a graph is plotted of the latent roots against the number (i.e., the order of extraction) and the shape of the result curve employed to judge the cut-off point. Starting at the highest latent root, the plot is curved at first, then after a few eigenvalues it begins to straighten to become approximately horizontal. The point at which the curve straightens out is taken as the maximum number of factors. This is known as the elbow, and is usually difficult to pin-point exactly. Beyond this point we have what Cattell calls factorial litter or scree.

1) Ibid., p. 312.

2) Child, D. (1970)

The Essentials of Factor Analysis.
London: Holt, Rinehart and Winston. p. 43.

The cut-off point is difficult to establish because the points on the scree slope are situated very close to one another as the turning-point in the curve is reached. To ensure that the correct number of factors were extracted, this researcher computed three separate factor runstreams. The first runstream was computed for the data based on the point where it was believed the actual number of factors were situated on the scree slope. The other runstreams were a precautionary measure using one point above and below the predicted elbow. This ensured that we did not have too many or too few factors. In this regard, one has to allow common sense to prevail when deciding which is the correct number of factors since there are no hard-and-fast rules.

Items that failed to load at a value of .3500 were removed from the analysis and the remaining ones were fed back into the computer. This was repeated for the three runstreams. Once all the remaining items loaded on at least one of the factors at the required value the process was then terminated. The runstream with four factors seemed to make a great deal of sense. It was evident that the runstream with three factors failed to make much sense because the items needed to spread themselves over a fourth factor. The absence of a fourth factor meant the exclusion of many items that would appear in the other factors. This makes it difficult to interpret what the factor is really all about. A similar argument can be advanced for the runstream based on the extraction of five factors. Only in this instance a fifth factor has given rise to too many statements thus confounding an interpretation of the other four factors.

The data for four factors was then fed back into the computer using the OBLIQUE factor programme as a means of double checking this result. The basic difference between the VARIMAX and OBLIQUE methods of factor rotation is that the former rotates the items through an angle of ninety degrees while the latter, an angle of one hundred and eighty degrees. The OBLIQUE method uses an obtuse angle for rotation which provides a mirror image of the factor. This enables the researcher to compute correlations between the factors. The VARIMAX rotation method, on the other hand, is based on an acute angle -- ninety degrees or smaller -- for this reason correlations between factors can not be obtained, hence the factors are said to be orthogonal (no relationship between factors).

TABLE 9.

FACTOR ANALYSIS : NEED SCALE(NS)

OBLIQUE ROTATION(4 FACTORS) : RESCALED CRITERION = 0.001**

		FACTORS				
		1	2	3	4	
ITEM NO.	139	.01912	.19017	.04241	.60190*	
	176	.01244	.21841	.12902	.62703*	
	160	.22827	.15003	.16369	.48493*	
	130	.01231	.18642	-.02017	.59738*	nMON
	88	-.03090	.38438*	.17177	.60941*	
	86	-.07403	.23412	.19483	.50902*	
	110	.02925	.22057	.10518	.57675*	
	122	.04068	-.40398*	-.02981	-.26457	
	221	.43144*	-.25276	.18726	-.03180	
	128	.19783	-.41840*	-.04934	-.14210	nJS
	98	.15198	.12467	.09647	.47602*	
	169	.00561	.28797	.02781	.56373*	
	205	.43214*	.09944	.15480	.06931	
	233	.53641*	-.11544	.25116	-.08779	
	102	.56166*	-.10561	.25766	.06154	
	241	.09579	-.40086*	.02897	-.16073	
	131	.58477*	-.11897	.14316	.05541	
	232	.19175	-.38262*	.06677	-.21697	
	186	.62609*	-.12290	.10367	.05564	
	83	.09353	-.39689*	-.01470	-.19854	
	172	.54167*	-.12819	.26699	.00999	
	192	.69947*	-.05065	.25431	-.00786	
	212	.40585*	.04887	.14656	.07469	nAFF
	183	.45220*	-.23548	.06701	.00095	
	173	.40216*	.13159	.14007	.14739	
	141	.41328*	-.06495	.10684	-.01033	
	174	.24303	.36575*	.11621	.36222*	
	238	.46627*	-.15613	.20332	-.17264	
	156	.52083*	-.06592	.03790	.11554	
	171	.02638	-.59406*	-.10235	-.23993	
	136	.38755*	.01394	.05658	.04821	
	112	.07570	-.39378*	-.04413	-.19207	
	166	.67365*	-.07732	.23223	.07221	
	224	.01779	-.41573*	-.06363	-.24117	
	138	.10199	-.45631*	.16007	-.06403	
	94	.17425	.01856	.44496*	.14064	
	220	.06195	-.53892*	-.03115	-.15487	
	132	.02363	-.55788*	.03138	-.29909	
	225	.40027*	.01368	.34392	.14315	
	242	-.03031	-.42156*	.10797	-.18878	
	125	.36409*	.00733	.41564*	.17222	
	201	-.04902	-.62877*	.02663	-.27976	
	153	.40751*	-.24484	.38102*	-.08034	nACH
	142	.61292*	-.11760	.30996	.11251	
	175	.25698	-.41375*	.06336	-.16093	
	155	.56706*	-.13046	.30485	.02202	
	204	.03573	-.48191*	.01329	-.17252	
	113	.43735*	-.10094	.23416	.16758	
	91	.08935	-.10373	.52214*	.09932	
	167	.06606	-.51988*	-.06266	-.15566	
	194	-.04865	-.49172*	.14370	-.13028	
	179	.20134	.02241	.41214*	.15920	
	147	.01186	-.11588	.48181*	-.13198	
	215	.13673	-.48876*	.24578	-.02087	
	106	.21613	-.12160	.66810*	-.00484	
	187	.16914	-.40724*	.22781	-.10863	
	228	.41593*	-.24536	.36047*	-.02832	
	109	.19751	-.47765*	.24225	-.18556	
	203	.40562*	-.15270	.45476*	-.01715	nPOW
	165	.06173	-.43541*	.07897	-.20182	
	79	.14847	-.04929	.48248*	.18807	
	104	.23206	.08495	.42696*	.19640	
	230	.21626	-.02894	.40044*	.07784	
	182	.56238*	-.12932	.27967	.06616	
	114	-.03373	-.38149*	-.03305	-.11565	
	126	.30508	.15309	.45119*	.22771	
	233	.25252	.03164	.47053*	.10698	

* loading \geq .35000

**4 factors specified

TABLE 10.

FACTOR LOADINGS FOR FACTOR 1 : SURGENCY (FAC 1)

ITEM NO.	ITEM	LOADING
192	When I am involved in an argument with another member of staff which leads to unfriendliness, I try to put things right.	.69947
166	I feel concerned when a fellow colleague is experiencing personal or work problems and I am unable to help him.	.67365
186	I get along fine in my job by being warm and friendly towards both colleagues and clients.	.62609
142	I am always searching for new ways of doing my work better.	.61292
131	If two of my fellow colleagues have differences of opinion which creates an unfriendly atmosphere in the office I will try and help to resolve their differences.	.58477
155	When I have completed a difficult problem successfully, I am keen to tackle the next one.	.56706
182	When it comes to dealing with people at work, I like to think that I can give as good as I can take.	.56238
102	If a fellow colleague has a personal problem outside the office I will try to assist him/her wherever possible.	.56166
172	I believe in sitting down and discussing differences of opinion with a fellow colleague to help maintain peaceful, friendly relations in the office.	.54167
233	I find that to be warm and friendly to those in the office is personally satisfying.	.53641
156	I would sometimes volunteer to give a bit of help to fellow colleagues if they are unable to cope with the workload.	.52083
238	I like to have supportive fellow colleagues at the office.	.46627

/contin...

TABLE 10a.

FACTOR LOADINGS FOR FACTOR 1 : SURGENCY (FAC 1)

ITEM NO.	ITEM	LOADING
183	I don't like participating in social gatherings with other members of staff very much.	.45220
113	I like my superiors to tell me straight about any problems they might be experiencing with the quality of my work.	.43735
205	I like to work in a group with fellow members of staff.	.43214
221	If this company became computerized, I would be prepared to undergo the necessary training to function in the new system.	.43144
228	I'd be happy to assume leadership of a small group at work if given the opportunity.	.41593
141	I will accept assistance from a colleague if I have a personal problem.	.41328
153	I like to assume personal responsibility for the consequences of decisions that I make in my work.	.40751
212	I like to participate in social gatherings with colleagues after hours.	.40585
203	I enjoy trying to convince clients that this company offers services that will best meet their needs.	.40562
173	It is important for me to work with people who make an effort to be friendly.	.40216
225	I don't mind taking some small risks in my work especially if it means getting results.	.40027
136	I feel uneasy when an unfriendly atmosphere prevails in the office.	.38755
125	I feel that I must try to do my job better than my colleagues.	.36409

In TABLE 9, the results of the OBLIQUE factor rotation are presented and the various needs are outlined. It is of interest to note that FACTOR 4 consists of highly loaded items from the scale nMON. For this reason it was decided to remove the nMON scale as a predictor variable because it is adequately replaced by this factor. There are only five items remaining in the nJS scale, thus necessitating the removal of this scale as a predictor variable. The items in FACTORS 1 and 2 are mainly from the scales representing the higher order needs. All the positive statements have arranged themselves into FACTOR 1 and the negative ones into FACTOR 2. This is known as a two-factor theory. The first explains the positive aspects of an employee's sentiments; the second, the negative aspects.

Let us now consider these factors individually.

FACTOR 1: This factor seems to show a tendency in the data associated with a sense of competence, particularly social competence. Individuals who score high on this factor are most probably well integrated with the work environment in which they find themselves. This factor reflects an achievement orientation to work. The person who scores high on this factor is not likely to be intimidated by a challenging task. The factor also reflects a tendency in the data associated with assertiveness and a concern for others. Both these tendencies are indicative of high self-esteem. In Chapter 2 it was mentioned that one of the criteria for self-esteem is a concern for others. Another characteristic of self-esteem is that of a positive self-image which can be argued to involve a certain amount of assertiveness. The individual who scores high on this factor can be said to have found a way to release psychological energy for productive activity. There is a tendency in this data associated with a sense of well-being and a certain amount of enthusiasm for work can be argued here. An examination of TABLE 10 reveals that the items with a factor loading of .5000 and higher are connected with statements that reflect a tendency in the data of keenness to help other - an affiliation orientation. It was very difficult to name this factor. Eventually after much thought it was decided to call it "surgency" because of the many tendencies in the data which pointed towards a positive orientation to work.

TABLE 11.

FACTOR LOADINGS FOR FACTOR 2 : PASSIVITY (FAC 2)

ITEM NO.	ITEM	LOADING
201	I am quite satisfied to do my job to just the same standard as my fellow colleagues.	-.62877
171	I would only ever help a fellow colleague who was unable to cope with the workload if the supervisor/manager instructed me to do so.	-.59406
132	Having to resolve a difficult work problem by myself doesn't leave me with a good feeling.	-.55788
220	I can't really enjoy tackling new tasks without help or advice.	-.53892
167	In my work I like a superior to help me make decisions most of the time.	-.51988
194	I don't like making any decision in my work that involves an element of risk.	-.49172
215	If requested, I would feel a bit uneasy to take charge of the company in the brief absence of a superior.	-.48876
204	It does not really matter to me if I have not done my job as well as my fellow colleague of comparable skill.	-.48191
109	I wouldn't be all that keen to be the leader of a small group at work even if given the opportunity.	-.47765
138	I don't like working with competitive people.	-.45631
165	I don't like having to convince a sceptical client that this company does in fact offer services that will meet his/her needs.	-.43541
242	I wouldn't consider doing anything risky in my work routine even if it offered the prospect of saving a lot of time and money.	-.42156

/contin...

TABLE 11a.

FACTOR LOADINGS FOR FACTOR 2 : PASSIVITY (FAC 2)

ITEM NO.	ITEM	LOADING
128	If this company became computerized, I would rather resign than undergo the necessary training to function in the new system.	-.41840
224	I would rather pay someone else to run my business one day.	-.41573
175	I see no need to search for new ways to do my work better.	-.41375
187	I feel a bit awkward in a position of leadership when dealing with people at work.	-.40724
122	I would not be keen to learn to take on new tasks in the company so as not to risk being made redundant.	-.40398
241	I don't get involved with personal problems that my fellow colleagues bring to the office.	-.40086
83	I get along fine in my job by being courteous when the need arises, but otherwise remain aloof towards colleagues and clients.	-.39689
112	An unfriendly office atmosphere does not worry me.	-.39378
88	The most important aspect of my job is the amount of money that I earn.	.38262
232	If two of my fellow colleagues have differences of opinion which creates an unfriendly atmosphere in the office I will not become involved.	-.38262
114	When it comes to dealing with people at work, I can't really give as good as I can take.	-.38149
174	I tend to step down in an argument with a fellow colleague rather than lose his friendship.	.36575

FACTOR 2: This factor is associated with tendencies in the data for subservience. An individual who scores high on this factor is likely to prefer being led as opposed to occupying a leadership position and having control over others. There is also a tendency in the data pointing towards the absence of competence, particularly social competence. Social competence may be suppressed due to circumstances of the work environment. An individual who scores high on this factor is likely to abide strictly by the rules in the organization and not challenge the authority structure. This factor seems to indicate that a tendency exists where little or no gratification is acquired from the job. The job seems to be a means to an ends -- money, etc. -- rather than an end in itself. This factor seems to indicate that psychological energy for productive activity is at present being blocked. Individuals who score high on this factor might be experiencing psychological failure in their work. This researcher believes that high scores on this factor would indicate a poor fit or even no fit between the individual and the organization. This factor is associated with all the negatively oriented higher order need statements and is called "passivity" because there is a definite tendency in the data for subservience.

FACTOR 3: This factor consists mainly of nPOW statements followed by a few nACH ones. The individual who scores high on this factor is likely to respond favourably in a position of leadership. It seems that the data in FACTOR 1 associated with a sense of competence applies for this factor as well. It can also be argued that individuals who score high on this factor might have authoritarian tendencies. This factor reflects confidence to cope in challenging situations. It is also apparent that psychological energy is being released and directed towards functional activities in the organization. This factor has been named "assertiveness" due to the presence of the positively oriented nPOW contingent of items. In TABLE 12 it can be observed that most of these factor loadings are higher than .4000.

It is difficult to name a factor because one can quite easily fall into the trap of reading too much into the situation. All the items that are a part of the factor analysis are cited by a double asterisk in APPENDIX D. Single asterisk that are cited next to items in both APPENDIX D and E indicate that those items appear in the final ALPHA analysis.

TABLE 12.

FACTOR LOADINGS FOR FACTOR 3 : ASSERTIVENESS (FAC 3)

ITEM NO.	ITEM	LOADING
106	I feel pretty comfortable in a position of leadership when dealing with people at work.	.66810
91	In my work I would like to make my own decisions most of the time.	.52214
79	I like to get people around to my way of thinking in the work context.	.48248
147	I like to think that I have influence over other people.	.48181
233	Everyone needs to strive to attain a certain amount of influence to survive in the shipping industry.	.47053
203	I enjoy trying to convince clients that this company offers services that will best meet their needs.	.45476
126	To get anywhere in the shipping industry you have to be tough minded in all that you do	.45119
94	I rather enjoy competing with my fellow colleagues to see who can do the work best.	.44496
104	I like the people around me to do the work the way I would do it.	.42696
125	I feel that I must try to do my job better than my colleagues.	.41564
179	I find that people who try to influence others probably make successful salesmen of the services that this company offers.	.41214
230	The ability to persuade people is vital in my job.	.40044
153	I like to assume personal responsibility for the consequences of decisions I make in my work.	.38102
228	I'd be happy to assume leadership of a small group at work if given the opportunity.	.36047

TABLE 13.FACTOR LOADING FOR FACTOR 4 : FINANCIAL INCENTIVE (FAC 4)

ITEM NO.	ITEM	LOADING
176	I would volunteer to stay back at the office most evenings if this was treated as overtime.	.62703
88	The most important aspect of my job is the amount of money that I earn.	.60941
139	I would not mind taking extra work home each evening if this was recognized as overtime.	.60910
130	I am not satisfied that the amount of money I'm presently earning is fair for the job I do.	.59738
110	If I earned a larger salary I would be more satisfied with my job.	.57675
169	I would like to work for a government owned shipping company for the job security.	.56373
86	I would work even harder than I do now if the management offered me a small incentive bonus for fast efficient work.	.50902
160	I'd be prepared to study hard part-time if I received some more pay for each course successfully completed.	.48493
98	I reckon that government organizations offer the best job security.	.47602
174	I would step down in an argument with a fellow colleague rather than lose his friendship.	.36222

FACTOR 4: This factor consists of those statements to be found in the nMON scale. They seem to indicate a general interest with extrinsic rewards. In other words, rewards that are not attained from the actual performance of the task itself that which is not intrinsic to the job. Individuals who score high on this factor might be motivated by an incentive system; this is the typical carrot-and-stick approach to motivation spoken about by Herzberg. It was decided to call this factor simply "financial incentive" because of its close association with the nMON scale. In TABLE 13 there are ten items, nine of which have factor loadings of .4500 and higher. Seven of these statements are extracted from the nMON scale.

One of the advantages of applying an OBLIQUE factor rotation method to the data is that it gives the relationship that exists between the factors. What is of interest is that FACTORS 1 and 3 -- surgency and assertiveness -- correlate with one another, the coefficient is .3817 with the probability less than .001. In the description of these factors it could be readily observed that they share the need for achievement which gives them a good deal in common. It is also fair to assume that an individual who scores high on FACTOR 1 should at least score reasonably high on FACTOR 3 since the confidence and positive self-image are themes common to both these factors.

FACTORS 2 and 4 -- Passivity and Financial Incentive -- are also correlated. The relationship is considerably more substantial than that between FACTORS 1 and 3. The correlation coefficient is .49561 with a probability less than .001.

CHAPTER 4.DATA ANALYSIS.

The results of the testing of the hypotheses in this study are presented and discussed through the course of this chapter. There are six hypotheses -- see SECTION 1.1.3 -- each covering a specific aspect of the research model. It can be recalled from Chapter 2 that this investigation is concerned with examining factors that influence the individual-organization interface and their effects on criterion/outcome variables such as job satisfaction, instrumentality belief and work performance. Interaction between predictor variables -- human needs "group 1 predictors" and organizational climate "group 2 predictors" -- that explain variance in one or more of the above mentioned outcome variables are believed to contribute significantly towards a "fit" -- congruency -- between the individual and the organization. It is assumed that the closer the fit, the more appropriate the individual to the organization. The two interact to achieve both personal and organizational goals. These goals must, overlap to obtain the maximum with regard to job satisfaction and human performance.

This chapter is subdivided into several sections each covering one of the six hypotheses tested. In each of these sub sections the development of the particular hypothesis, application of statistics, and the results are discussed. These hypotheses are repeated for the convenience of readers:

- Hypothesis 1; there is a relationship between an individual's manifest needs and his perception of the organization's climate.
- Hypothesis 2; no relationship exists between job satisfaction and work performance.
- Hypothesis 3; a relationship exists between job satisfaction and instrumentality belief.
- Hypothesis 4; there is a relationship between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and job satisfaction.
- Hypothesis 5; there is a relationship between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and instrumentality belief.
- Hypothesis 6; there is a relationship between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and work performance.

4.1 Relationship between Human Needs and Organizational Climate (Hypothesis 1).

Before actually measuring the interaction between group 1 and 2 predictors in relation to the dependent variables(see footnote 2 in FIGURE 4), it would be interesting to see if these predictor groups intercorrelate. Several studies can be cited which illustrate that a relationship exists between higher order needs and the dimensions of organizational climate: *inter alia*, Litwin and Stringer (1968), Lair (1972) and Nasser (1974).¹⁾ As already argued, this researcher found no reason to assume otherwise. Therefore it is hypothesized that a relationship exists between an individual's needs and his perceptions of organizational climate. Furthermore, it has been argued that these predictors should show inter-correlations if they are going to interact significantly with the dependent variables in this study.

In order to test the first hypothesis in this study it was necessary to compute an intercorrelation matrix -- using Pearson's Product-Moment Correlation -- of these predictor groups. These intercorrelations were conducted for three groups of participants:

- with the two hundred and eighty-three subjects combined to form one group;
- using the one hundred and thirty-nine subjects from the member agencies; and
- with the one hundred and forty-four participants from the non member agencies.

The intercorrelations are presented in TABLES 14, 15 and 16 respectively.

When all two hundred and eighty-three subjects from the fourteen agencies in this sample -- member and non member organizations -- were used, thirty-nine out of the possible sixty-three cells showed significant correlations with a probability of 0.05 and smaller(see TABLE 14). Of this number:

- seventeen cells showed correlations with a probability of 0.001 and smaller;
- ten cells showed correlations with a probability of 0.01 and smaller;

1) Litwin and Stringer (1968) op. cit., and Nasser (1974) op. cit.

Lair, M.J. (1972) *A Study of Congruency of Individual Needs and the Motivational Aspects of the Organizational Climate.*
Doctoral Thesis: University of Michigan: U.S.A.

TABLE 14.

MATRIX OF SIGNIFICANT INTERCORRELATIONS AMONG THE NEEDS AND
THEIR ASSOCIATED FACTORS, AND THE NINE DIMENSIONS OF ORGANIZATIONAL CLIMATE

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

	FAC 1	FAC 2	FAC 3	FAC 4	nAFF	nACH	nPOW
STRUCTURE	.1737**			-.2135***	.1730**		
RESPONSIBILITY	.2165***	.2314***	.1984***	.1192*			.1096*
REWARD	.2076***	.1639**	.1082*		.1748**	-.1195*	.0991*
WARMTH	.1951***			-.1944**	.1708**		.1212*
SUPPORT	.1359*	.1141*				-.1069*	
STANDARDS		.1961***	.2445***	.2458***			.1625**
CONFLICT	.2024***	.1140*	.2027***		.1527**		.1793***
IDENTITY	.1027*	.2620***	.2429***	.2440***		-.1048*	.1395**
RISK		.1915***	.1410**	.2139***			

*** $p \leq .001$

** $p \leq .01$

* $p \leq .05$

- twelve cells showed a correlation with a probability of 0.05 and smaller. The correlations for the remaining twenty-four cells were insignificant because they occurred with a probability greater than the stipulated value of 0.05 and therefore are not presented in TABLE 14. ¹⁾ The factors -- FAC 1, 2, 3 and 4 -- correlate more substantially with the nine dimensions of organizational climate than do the indices of higher order needs. This seems to indicate that the factors are a richer source of information. This is possibly due to the fact that these factors are derived from the need indices.

FAC 1 and 2 each correlate with the dimensions of organizational climate on seven out of a possible nine instances. This would appear to indicate that surgency, passivity and organizational climate influence one another. In other words, certain types of organizational climate can result in high positive scores on surgency or passivity and vice versa. FAC 3 and 4, -- assertiveness and financial incentive -- each correlate with organizational climate in six out of a possible nine calculations. These results seem to indicate that organizational climate and FAC 3 and 4 appear to have a substantial impact upon one another, possibly equivalent to that of FAC 1 and 2 with climate. Not only do the higher order need indices correlate in fewer instances with organizational climate -- as mentioned earlier -- but the probabilities -- levels of significance -- are larger and range from 0.01 to 0.05. The number of correlations between the need indices and the dimensions of organizational climate are listed together with the probability at which they are significant:

- nAFF (4), p 0.01;
- nACH (3), p 0.05; and
- nPOW (1), p 0.001; (2), p 0.01; and (3), p 0.05.

The need for power seems to correlate with organizational climate more closely than the other higher order needs, showing six significant coefficients.

It can be observed from TABLE 14 that higher order needs and their associated factors intercorrelate with the nine dimensions of organizational climate sixty-two percent of the time. The researcher therefore rejects the null hypothesis and concludes that a relationship exists between an individual's needs and perception of organizational climate.

1) Correlations that occur at a significance level greater than 0.05 are also not presented in TABLES 15, 16, 17 and 18.

4.1.1 The Difference Between Member and Non Member Agencies on Need-Climate Intercorrelations.

When examining the results of need-climate intercorrelations for the member and the non member agencies, it can be observed that the member group (N =139) has thirty-one correlations significant at a probability level of 0.05 and smaller; the non member group (N = 144), twenty-six correlations at 0.05 and less. This means that human needs and the dimensions of organizational climate correlate forty-nine percent of the time for the member group and forty-one percent for the non member group. These results would appear to indicate that these groups are fairly similar. It is at least evident that they are drawn from broadly the same population within the Durban Customs Clearing and Forwarding Industry.

When the results for these groups are more closely examined some fundamental differences can be argued to exist between them, particularly with reference to organization climate. Both groups each have five intercorrelations between the dimensions of organization climate and FAC 1 "surgency" (see TABLE 15 and 16).

The data for the member group (TABLE 15) shows significant correlations between FAC 1 and such dimensions of organizational climate as structure, warmth, support, reward and conflict. These results can be compared with the four correlations between organizational climate and the need for affiliation (nAFF) which are similar, namely structure, warmth, support and conflict. Now it will be remembered -- see Chapter 3 -- that FAC 1 consists of positive nAFF, nACH and nPOW statements, with nAFF having some of the highest factor loadings. It can be argued that this factor seems to be related to the affiliation aspect of the organizational climate for this particular group of agencies. This argument is supported by the following evidence extracted from TABLE 15:

- There are four correlations -- as already mentioned -- with the dimensions of organizational climate that are common to both FAC 1 and the nAFF index. Three of these correlations with climate, namely structure, reward and warmth occur for both FAC 1 and nAFF at a probability of 0.001 and smaller.
- There are four inverse correlations between the nACH index and the dimensions of organizational climate such as responsibility, support,

TABLE 15.

MATRIX OF SIGNIFICANT INTERCORRELATIONS AMONG THE NEEDS AND
 THEIR ASSOCIATED FACTORS, AND THE NINE DIMENSIONS OF ORGANIZATIONAL CLIMATE
 COMPUTED FOR THE EMPLOYEES IN THE EIGHT MEMBER CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 139)

	FAC 1	FAC 2	FAC 3	FAC 4	nAFF	nACH	nPOW
STRUCTURE	.2595***	-.2505***		-.1564*	.2570***	.2463**	
RESPONSIBILITY		.3849***				-.2616***	
REWARD	.3227***				.2549***		
WARMTH	.3334***			-.1654*	.3053***	.1425*	.1589*
SUPPORT	.1435*	.1640*				-.1450*	
STANDARDS		.2241**		.2389**		-.1961**	
CONFLICT	.2162**		.1877*		.1826*		.1674*
IDENTITY		.3215***	.1655*	.2958***		-.1977**	
RISK		.2107**	.1810*	.2021**			

*** p ≤ .001 ** p ≤ .01 * p ≤ .05

TABLE 16.

MATRIX OF SIGNIFICANT INTERCORRELATIONS AMONG THE NEEDS AND
THEIR ASSOCIATED FACTORS, AND THE NINE DIMENSIONS OF ORGANIZATIONAL CLIMATE
COMPUTED FOR THE EMPLOYEES IN THE SIX NON MEMBER CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 144)

	FAC 1	FAC 2	FAC 3	FAC 4	nAFF	nACH	nPOW
STRUCTURE				-.2783***			
RESPONSIBILITY	.3519***		.3957***		.2772***	.1703*	.3612***
REWARD		.1977**				-.1726*	
WARMTH				-.2272**			
SUPPORT	.1469*						
STANDARDS	.1450*	.1675*	.3583***	.2615***			.2633***
CONFLICT	.2088**		.2313**		.1376*		.2054**
IDENTITY	.2009**	.1738*	.3393***	.1706*			.2829***
RISK		.1683*		.2235**			

*** p ≤ .001

** p ≤ .01

* p ≤ .05

standards and identity. In this instance it is of particular significance to note the inverse correlations of responsibility and standards with nACH. These climate dimensions are also dimensions of the achievement motive. The inverse correlations here, would appear to indicate that the climate for the member group of agencies is not achievement oriented even if the other two correlations -- structure and warmth -- are taken into consideration.

- The nPOW index like FAC 3 correlates on only a few occasions with the dimensions of organizational climate. In instances where these do occur the probabilities -- levels of significance -- are relatively high, around 0.05. Power or assertiveness do not appear to influence the climate for this group of agencies in any meaningful way.

It can be concluded from the evidence drawn from TABLE 15 that the organizational climate for the member group of agencies is predominantly affiliation oriented. Individuals possibly best suited to working in this climate should have a strong need for affiliation with a lesser need for achievement and power. This climate, on the other hand, would appear to be associated with a warm, supportive and structured environment where conflict is handled in a "constructive" manner. Furthermore, it would appear that such an organization is oriented toward reward as opposed to punishment.

In TABLE 15 it can be observed that organizational climate correlates with FAC 2, "passivity" on such climate dimensions as structure (inverse), responsibility, support, standards, identity and risk. It must be remembered -- see Chapter 3 -- that FAC 2, "passivity", consists of all the negatively oriented statements for nAFF, nACH and nPOW. Individuals who score positive on this factor appear to dislike a structured environment. It can be argued that possibly a structured environment imposes too many constraints on such individuals thus resulting in a high score on this factor. The data for this factor seems to indicate that individuals who score high on FAC 2 possibly have a strong need for achievement or power which is not being adequately satisfied in this affiliation oriented climate. Such individuals are likely to be better suited to working in an organization where such needs can be satisfied by performing assigned tasks. The researcher's argument concerning a strong need for achievement is supported by relationships in the data on FAC 2 with responsibility, standards, support and risk. These climate dimensions are elements of the achievement motive. The frustration associated

with a blocked path to higher order need satisfaction might be responsible for the high positive scores on this factor, particularly for the subjects from the member group of agencies.

With reference to the data for the non member group (TABLE 16) it can be observed that FAC 1, "surgency", correlates with dimensions of organizational climate such as responsibility, support, standards, conflict and identity. The nPOW index correlates with organizational climate in a similar manner as for FAC 1, and involves such climate dimensions as responsibility, standards, conflict and identity. Furthermore, these are the same climate dimensions that correlate with FAC 3, "assertiveness". Three of these correlations occur for both nPOW and FAC 3 at probabilities less than 0.001. There are only two correlations between nAFF and organizational climate involving the dimensions of responsibility and conflict. The correlation between nACH and organizational climate is shown with the dimensions of responsibility and reward(inverse).

When considering FAC 2 for non member participants it can be observed that four organizational climate dimensions correlate significantly with this factor; reward, standards, identity and risk. Except for reward, these dimensions are similar to those noted for the member group. It can be argued that these individuals are unlikely to be assertive because a high score on the factor of surgency is associated with this characteristic among non member participants. However, such individuals might have a need for achievement which is not being adequately met under this relatively assertive oriented climate, hence the positive score on FAC 2. The data seems to point towards the need for achievement with a correlation between FAC 2 and organizational climate involving such dimensions as reward, standards, identity and risk.

Then to FAC 4 for a moment; it is interesting to observe that the correlations with organizational climate are identical for both member and non member groups. There are six correlations: responsibility, support, standards, identity, risk and an inverse correlation on the dimension of structure. Furthermore, it will be recalled from a discussion in chapter three that FAC 2 and 4 have a moderately high (.49) correlation with one another. This information seems to indicate that individuals who score positive on the factor of passivity, in both these groups, are preoccupied with the material gains that the job has to offer. It should be apparent

from the discussion thus far that member and non member participants are unlikely to score high on FAC 1 or 2 for the same reason. Nevertheless the outcome in terms of congruency or incongruency should be similar.

These groups also differ on FAC 3, "assertiveness". In the case of the member organizations (TABLE 15) it can be seen that this factor correlates with climate on three dimensions, namely conflict, identity and risk. In the case of non member companies (TABLE 16) there are four correlations with this factor, namely responsibility, standards, conflict and identity. The dimensions of conflict and identity are common to both groups. The assertiveness-climate relations for the non member group correspond with FAC 1, "urgency", for this group. This form of assertiveness is associated with the right to exercise responsibility in a situation, strive continually to maintain high standards in performance, and deal firmly with interpersonal conflict. In the case of the member group, the correlations between the climate dimension - "risk" and FAC 3 (TABLE 15) seems to indicate that individuals who score high on this factor might have a high need for achievement. This depends upon the type of risk they are prepared to take. A high score on the achievement motive is associated with individuals who take moderate risks in their work.

In conclusion it is evident from the data in TABLES 15 and 16 that different types of organizational climate appear to prevail within the member and non member groups. An organizational climate associated predominantly with the need for affiliation seems apparent among member agencies. The organizational climate described for the member group of agencies is fairly appropriate when one considers that the managerial and clerical employees in these organizations are encouraged to participate in all available social skills and communication training programmes.

A nPOW oriented organizational climate seems to prevail among the non member group of agencies. It has already been stated that this climate is in keeping with their need for survival and ability to compete in the market place. However, it is important to note that a need for power or assertiveness can not explain the existence of the type of climate prevailing among non member agencies. These need characteristics can only provide us with broad indications concerning the nature of the climate.

The number of correlations between human needs and the dimensions of organizational climate for both the member and non member subsamples were sufficient to further this researcher's decision to accept this

research hypothesis.

4.2 The Relationship Between Job Satisfaction and Work Performance (Hypothesis 2).

There appears to be some controversy in the literature concerning the relationship between job satisfaction and work performance. There are basically three approaches to this problem which have already been cited and discussed in chapter two. This researcher, having carefully reviewed the situation decided that it would be most appropriate to hypothesize that no relationship exists between job satisfaction and work performance in this particular study.

A Pearson's Product-Moment Correlation was computed to test this hypothesis. This procedure was carried out for the same three groups used to test hypothesis 1 and the results are documented in TABLE 17. Once again, only correlations that are significant at a probability level of 0.05 and smaller are presented in this table. These criterion variables were broken down into their constituent parts for the correlation; i.e., PERA, PERG were correlated with SATIS and DISSAT. The results for the entire sample (N = 283) show that there is a relationship between job satisfaction and work performance. These correlations occur at significant levels of 0.01 and smaller. We must therefore accept the null hypothesis and conclude that a relationship does actually exist between job satisfaction and work performance.

The results for the member group of agencies (see TABLE 17) shows one relationship between general performance -- speed and efficiency of work output -- and job satisfaction (satisfaction with personal development). This correlation is significant at a probability of 0.05.

The results presented in TABLE 17 for the non member group show stronger correlations than those cited for the entire sample and for member companies. This is possibly related to the assertiveness-climate relationship for these companies.

4.3 Work Performance and Instrumentality Belief (Hypothesis 3).

Instrumentality belief is the belief that the attainment of one goal

TABLE 17.

MATRIX OF SIGNIFICANT INTERCORRELATIONS BETWEEN THE CRITERION VARIABLES
OF JOB SATISFACTION (SATIS, DISSAT) AND PERFORMANCE (PERA, PERG)

	<u>SAMPLE (N = 283)</u>		<u>MEMBERS (N = 139)</u>		<u>NON MEMBERS (N = 144)</u>	
	SATIS	DISSAT	SATIS	DISSAT	SATIS	DISSAT
PERA	.1450**	.1624**			.2713***	.3302***
PERG	.2265***	.1975***	.1445*		.3093***	.3173***

*** $p \leq .001$

** $p \leq .01$

* $p \leq .05$

will lead to the attainment of a second more desired goal. For example, a job well done can lead to a salary increase. This is essentially a performance belief which is hypothesized to relate to work performance in this study.

A Pearson's Product-Moment Correlation was computed for the three groups to test this hypothesis. The results for the entire sample reveal three out of a possible four correlations (see TABLE 18). SATIS and DISSAT correlate substantially with IN.INSTR at a significance level of 0.001 and smaller. DISSAT and EX.INSTR show a small correlation at a probability level of 0.05. These correlations are sufficient evidence for the purpose of rejecting the null hypothesis. This researcher therefore concluded that a relationship exists between work performance and instrumentality belief.

The associations for the member group of agencies are weaker than those for the non member organizations. However, the correlations between SATIS, DISSAT and IN.INSTR are moderate and occur at a probability of 0.01. When examining the results for the non member group of agencies it can be seen that there are significant correlations in all four cells. A common denominator underlying the results across these sets of data is that SATIS and DISSAT correlate with IN.INSTR with great regularity than with EX.INSTR.

4.4 Interactions at the Individual-Organization Interface in relation to the Criterion Variables.

Having examined the intercorrelations between predictor groups 1 and 2 -- human needs and the dimensions of organizational climate -- it is appropriate at this point to examine some interactions that occur between these groups of predictors and their influence upon the individual-organization interface. This is a central aspect of the investigation and involves the testing of three hypotheses. These hypotheses are concerned with interactions between pairs of predictor variables in relation to one or more of the criterion variables, namely SATIS, DISSAT, IN.INSTR, EX.INSTR, PERA and PERG.

TABLE 18.

MATRIX OF SIGNIFICANT INTERCORRELATIONS BETWEEN THE CRITERION VARIABLES
OF INSTRUMENTALITY BELIEF (IN.INSTR, EX.INSTR) AND JOB SATISFACTION (SATIS, DISSAT)

	<u>SAMPLE (N = 283)</u>		<u>MEMBERS (N = 139)</u>		<u>NON MEMBERS (N = 144)</u>	
	IN.INSTR	EX.INSTR	IN.INSTR	EX.INSTR	IN.INSTR	EX.INSTR
SATIS	.2451***		.2076**		.3155***	.2244**
DISSAT	.2588***	.1354*	.2307**		.3063***	.2116**

*** $p \leq .001$

** $p \leq .01$

* $p \leq .05$

This researcher believes that need-climate interactions that explain variation in one or more of the criterion variables can be used to estimate "fit" between the individual and the organization. Both sets of predictors were originally continuous variables with categories to classify the subjects' scores. To be able to classify the subjects' scores in this manner these predictors were converted into integer variables. To perform this operation a frequency distribution had to be computed for each of the existing predictor variables. It was found that the need indices and their associated factors could each be appropriated subdivided into three levels, namely high, medium and low. The same procedure was adopted for the climate dimensions which were subdivided into two levels(categories), namely high and low. A sound distribution of cases for these climate dimensions seemed to be obtained in this way.

The next step was to compute cross tabulations for each pair of predictors -- a need index with a climate dimension -- and in this way sixty-three tables were produced. These tables were then carefully examined to ensure that a satisfactory number of cases appeared in each of the six cells. A multivariate analysis (MANOVA)¹⁾ was computed for each pair of predictors together with each of the six criterion variables. The SPSS command for this calculation is written as follows:

MANOVA CRITERION VARIABLE with PREDICTOR 1 x PREDICTOR 2

Each of these calculations involved one criterion -- dependent variable -- together with two predictors -- independent variables -- namely human needs and organizational climate. Three hundred and seventy-eight calculations were computed involving all possible combinations of the predictors with the criterion variables. The printout contains three results; (1) relationship between the criterion variable and predictor 1 (dimension of organizational climate); (2) relationship between the criterion variable and predictor 2 (higher order need indices or their associated factors); (3) relationship between the criterion variable and the combined effects of predictor 1 x predictor 2 (climate dimension x human need index).

1) Hull, C.H. and
Nie, N.H. (1981)

*SPSS UPDATE: New Procedures and Facilities
for Release 7 - 9, op. cit., pp 42 - 47.*

The results of interest in this study were those showing the variation between combined pairs of predictors with one or more of the criterion variables. Only those relationships in the data that occurred at a probability level of 0.05 and smaller were of relevance. There were a total of twenty-six interactions that occurred at a probability of 0.05 and smaller, but only twenty-two of these account for a significant amount of variation in one or more of the six criterion variables. These significant interactions are cited in TABLE 19. It is interesting to note that some interactions occurred at a probability of 0.05 but failed to show a correlation between predictors in TABLES 14, 15 and 16. An example of this phenomenon is COM A, where originally there was no relationship between the climate dimension "risk" and FAC 1 "urgency". This could possibly be attributed to the fact that an interaction between two variables in relation to a third is quite different from a straight forward correlation. In the latter instance there are only two variables involved in the computation while in the former, there are three. It can also be observed from TABLE 19 that unlike in the correlation tables discussed earlier, the factors do not account for as many significant relationships. In fact, the higher order need indices are involved in nine significant combination variables; the factors, thirteen combinations. These interactions between pairs of predictors that explain significant amounts of variation in a criterion variable were then converted into combination variables (see TABLE 19). These variables are believed to represent, measure, an approximation of the relationship between the individual and the organization "fit" as represented by the individual-organization interface.

Climate is a characteristic of the organization; human needs, a characteristic of the individual. Therefore this researcher predicts that "high" scores on both of these predictors would be indicative of "good fit" between the individual and the organization. Low scores, would be indicative of a "poor fit" between the individual and the organization. Scores that are situated at the opposite ends of these scales would be indicative of "no fit" or mismatch between the individual and the organization. The predictors were converted into combination variables in the following manner:

TABLE 19.

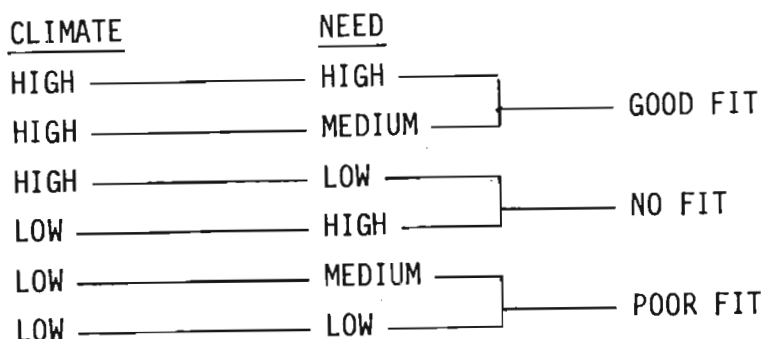
MATRIX OF NEED-CLIMATE PREDICTOR COMBINATIONS

THAT EXPLAIN VARIANCE IN ONE OR MORE OF THE CRITERION VARIABLES

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

	FAC 1	FAC 2	FAC 3	FAC 4	nAFF	nACH	nPOW
STRUCTURE	COM B	COM D			COM M	COM P	
RESPONSIBILITY							
REWARD		COM F		COM U		COM R	
WARMTH	COM C	COM T	COM H		COM N	COM Q	COM X
SUPPORT	COM S				COM W		
STANDARDS		COM L					
CONFLICT		COM G		COM V	COM O	COM Y	
IDENTITY				COM K			
RISK	COM A						

Predictor combinations E, I, J and Z do not appear in this table since they do not explain variance in any of the criterion variables (SATIS, DISSAT, IN.INSTR, EX.INSTR, PERA AND PERG).



These new combination variables, rough measures of how well each individual "fits" into his ambient organization climate, were then stored on this researcher's computer file and used to compute canonical correlations which are discussed later on in this chapter.

The next three hypotheses are each directed towards a pair of criterion variables. For example, job satisfaction is now SATIS and DISSAT. In order to reject the null hypothesis one or more of the combination variables must relate significantly with each of the criterions in the pair.

4.4.1 The relationship between Job Satisfaction and Predictor Combinations (Hypothesis 4).

The results of the combined predictor variables as they interact with the criterion variables of SATIS and DISSAT are cited in FIGURES 5 and 6. In FIGURE 5 there are nine significant interactions that account for variation in SATIS. These interactions have an F ratio range of values from 3.044 to 5.478 which occur at a probability of 0.05 and smaller. It is of interest to note that the climate dimensions "structure" and "warmth" are involved in five of these interactions. Together FAC 1 and FAC 2 are also involved in five interactions. It can be argued that these four variables -- structure, warmth, FAC 1 and FAC 2 -- play an important rôle in determining how appropriate the individual and organization are for one another with reference to job satisfaction.

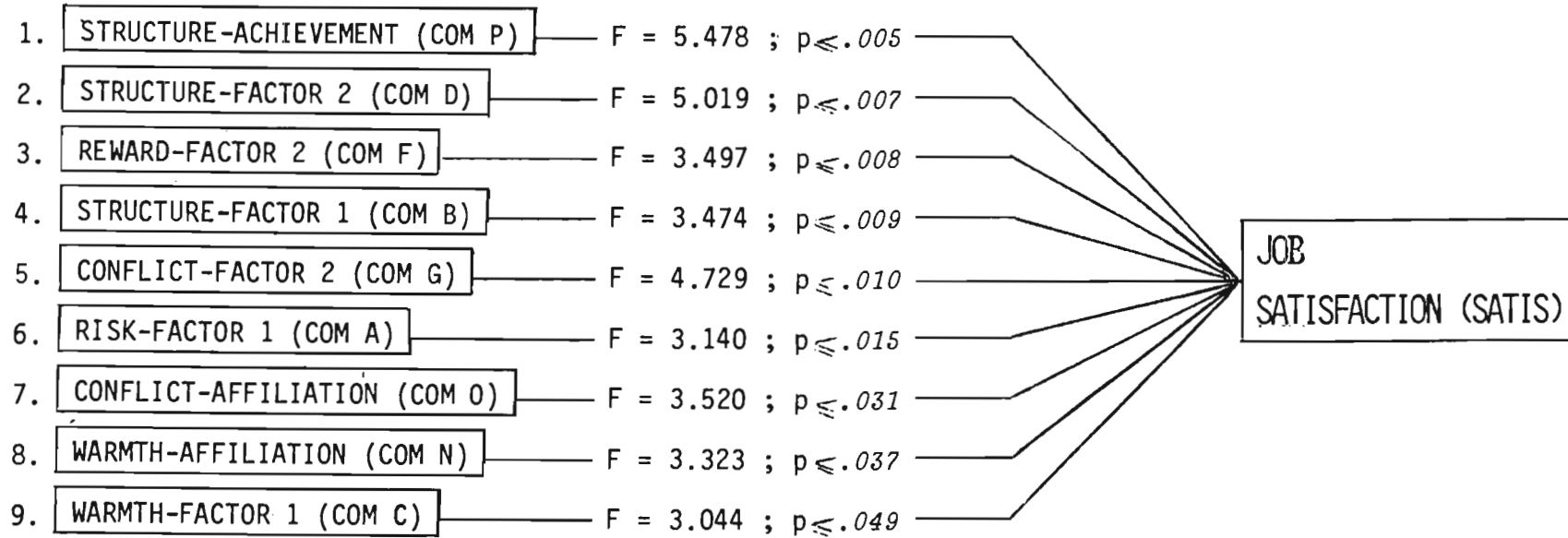
In FIGURE 6, eight predictor combinations are presented. Of these, the organizational climate dimensions "structure" and "warmth" feature predominantly in seven of these interactions while FAC 1 and FAC 2 appear in four interactions. The F ratio consists of values ranging from 3.396 to 12.618 and occur at a probability of 0.01 and smaller. The organizational climate dimensions of "structure" and "warmth" together with FAC 1 "surgency" and FAC 2 "passivity" are involved in several interactions that account for variation in both SATIS and DISSAT. We can therefore reject

FIGURE 5.

PAIRS OF PREDICTOR COMBINATIONS -- INTERACTIONS BETWEEN NEEDS AND CLIMATE --

THAT VARY WITH THE CRITERION VARIABLE JOB SATISFACTION (SATIS)

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)



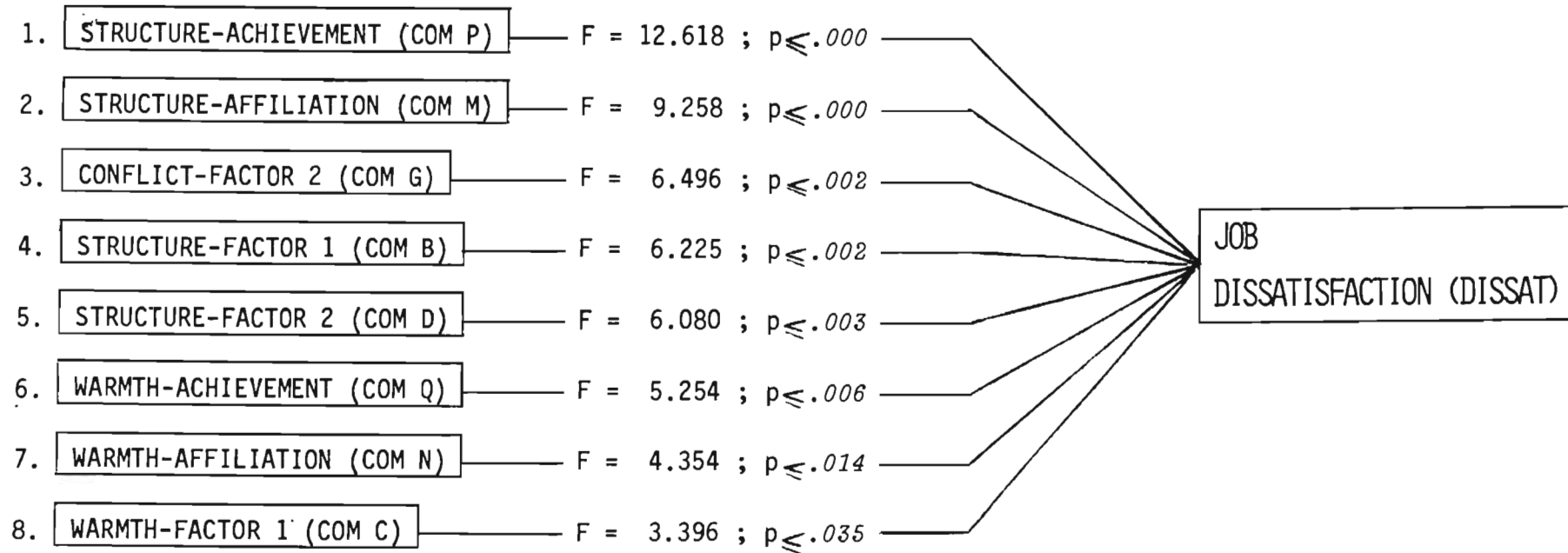
This is based on a Multivariate Analysis.

FIGURE 6.

PAIRS OF PREDICTOR COMBINATIONS -- INTERACTIONS BETWEEN NEEDS AND CLIMATE --

THAT VARY WITH THE CRITERION VARIABLE JOB DISSATISFACTION (DISSAT)

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)



This is based on a Multivariate Analysis.

the null hypothesis and conclude that a relationship exists between the individual-organization interface -- interaction between human needs and organizational climate -- in relation to job satisfaction.

4.4.2 The relationship between Instrumentality Belief and Predictor Combinations (Hypothesis 5).

In FIGURE 7 there are six combination variables showing significant relationships with the criterion, IN.INSTR. The organizational climate dimensions -- structure and conflict -- are involved in four of these interactions. The F ratio values range from 3.396 to 5.407 and occur at a probability of 0.05 and smaller. No variables or predictor combinations stand out as having a major influence on the variation of IN.INSTR.

EX.INSTR (FIGURE 8) has nine predictor combinations varying with it at a probability of 0.05 or less. As in the case of SATIS, EX.INSTR has five organizational climate dimensions interacting across the nine predictor combinations. The F ratio range is larger than that for IN.INSTR with values from 3.029 to 7.575 occurring at a probability of 0.05. There are three combination variables common to both IN.INSTR and EX.INSTR, namely COM O, COM B and COM P. Two of these combinations -- COM B and COM P -- are cited in FIGURES 5 and 6 for the criterion variables, SATIS and DISSAT. There are a number of interactions involving the predictor combinations with each of the criterion variables, namely IN.INSTR and EX.INSTR. We therefore reject the null hypothesis and conclude that a relationship exists between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and instrumentality belief.

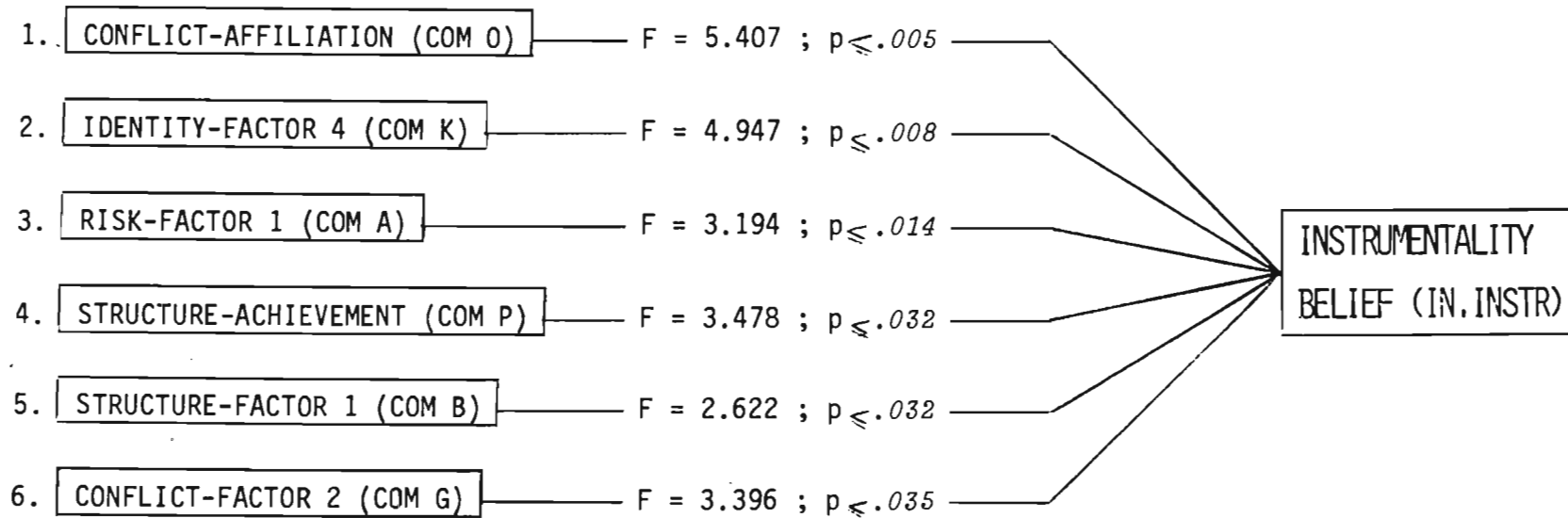
4.4.3 The relationship between Work Performance and Predictor Combinations (Hypothesis 6).

In FIGURE 9 (PERA) there are four predictor combinations accounting for variation of this criterion variable. The organizational climate dimension "conflict" features in three of these interactions, namely COM Y, COM O and COM V. FAC 4 "financial incentive" appears twice in these interactions. The first two combinations -- COM O and COM Y -- show the highest variation with PERA. This is most appropriate since PERA is measuring performance associated with social skills and the ability to respond to a challenge. It is difficult to establish a reason why the second pair of predictor combinations -- COM V and COM U -- vary

FIGURE 7.

PAIRS OF PREDICTOR COMBINATIONS -- INTERACTIONS BETWEEN NEEDS AND CLIMATE --
THAT VARY WITH THE CRITERION VARIABLE INSTRUMENTALITY BELIEF (IN.INSTR)

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

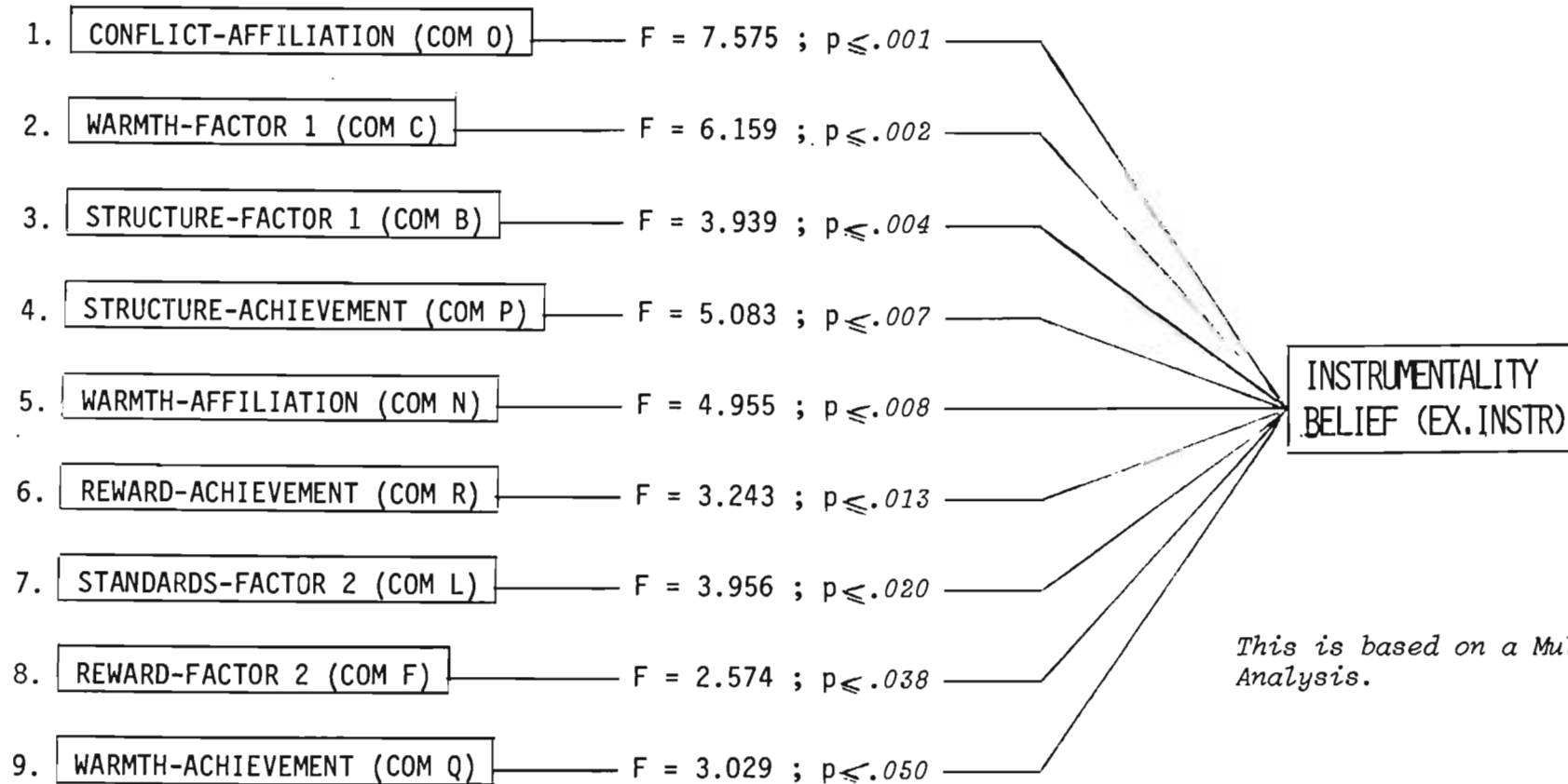


This is based on a Multivariate Analysis.

FIGURE 8.

PAIRS OF PREDICTOR COMBINATIONS -- INTERACTIONS BETWEEN NEEDS AND CLIMATE --
THAT VARY WITH THE CRITERION VARIABLE INSTRUMENTALITY BELIEF (EX.INSTR)

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

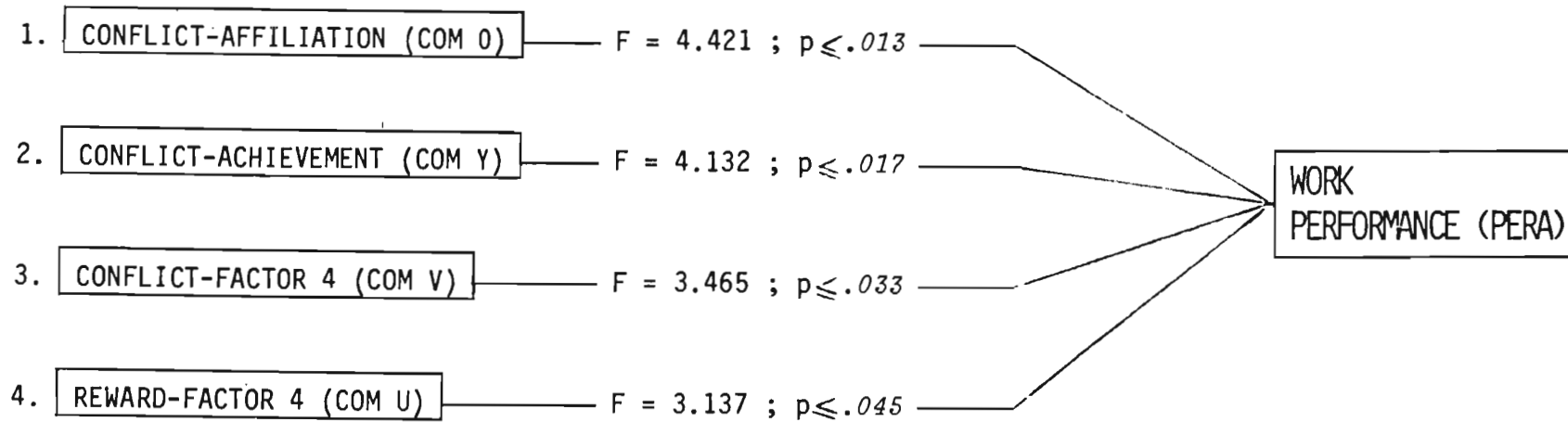


This is based on a Multivariate Analysis.

FIGURE 9.

PAIRS OF PREDICTOR COMBINATIONS -- INTERACTIONS BETWEEN NEEDS AND CLIMATE --
THAT VARY WITH THE CRITERION VARIABLE WORK PERFORMANCE (PERA)

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)



This is based on a Multivariate Analysis.

with PERA, since these are associated with material rewards and not rewards of a psychological nature. The F ratio value range is very short, from 3.137 to 4.421 at a significance level of 0.05 but not less than 0.01.

In FIGURE 10, PERG, there are six combination variables accounting for variation in this criterion. The organizational climate dimensions of warmth and support feature in five of these interactions. It can also be observed that FAC 1, 2, 3 and 4 are involved in these combinations. The F ratio values range from 3.445 to 5.891 at a probability less than 0.05 but greater than 0.001. Both PERA and PERG have a total of ten significant interactions with the predictor combinations. There are sufficient interactions in each to enable us to reject the null hypothesis. One may conclude that there is a relationship between the individual-organization interface -- i.e., the interaction between human needs and perceived organizational climate -- and work performance.

There were six hypotheses tested in this study, five of which have been verified. The second hypothesis which stated that no relationship exists between job satisfaction and work performance, was found to be false. It is evident from these results that an individual's need dispositions do interact with his perceptions of the organization climate to effect such criterion variables as job satisfaction, instrumentality belief and work performance. It should be noted that some predictor combinations have more impact on all criterion variables than do others. A careful examination of FIGURES 5 to 10 reveals the following:

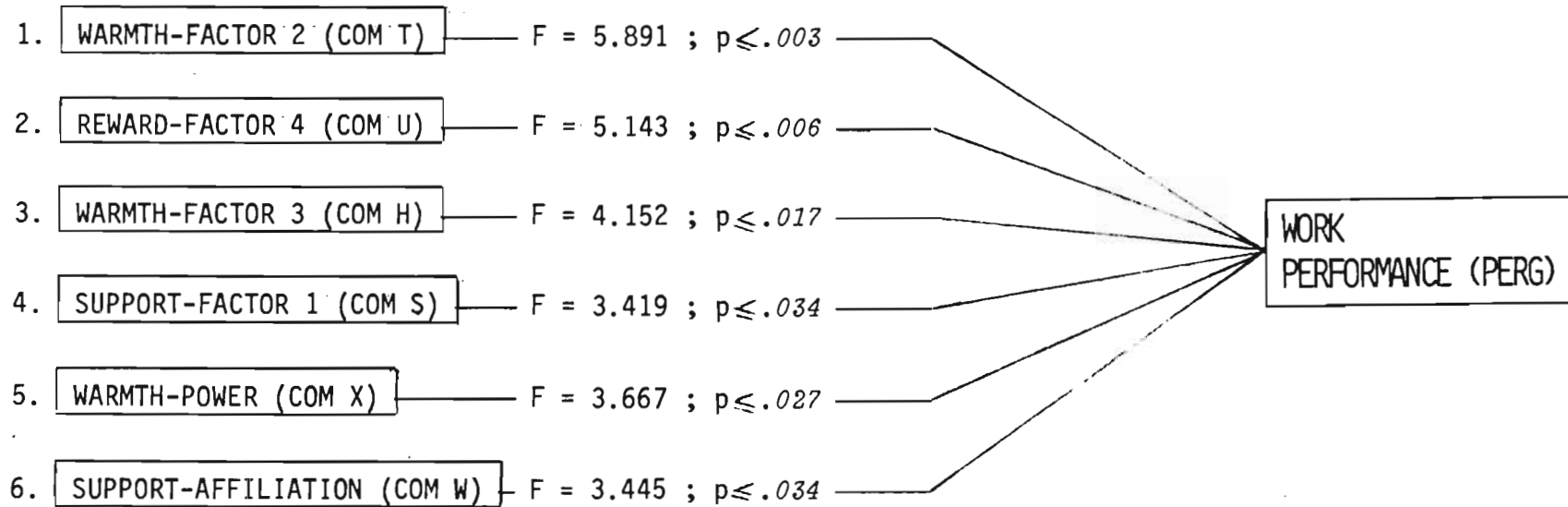
- COM P interacts with four of the six criterion variables, namely SATIS, DISSAT, IN.INSTR and EX.INSTR.
- COM B features in three predictor groupings with the criterion variables - SATIS, DISSAT and IN.INSTR.
- COM G features in three predictor groupings with the criterion variables - SATIS, DISSAT and EX.INSTR.
- COM N is found to be interacting in three predictor groupings with such criterion variables as SATIS, DISSAT and EX.INSTR.
- COM C features in the above mentioned predictor groupings interacting with SATIS, DISSAT and EX.INSTR.
- COM O accounts for variation with such criterion variables as SATIS, IN.INSTR and PERA.

These six predictor combinations feature most prominently in relation to some of the criterion variables.

FIGURE 10.

PAIRS OF PREDICTOR COMBINATIONS -- INTERACTIONS BETWEEN NEEDS AND CLIMATE --
THAT VARY WITH THE CRITERION VARIABLE WORK PERFORMANCE (PERG)

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)



This is based on a Multivariate Analysis.

4.5 Multiple Influence of the Predictor Combinations on the Criterion Variables.

Having established which of the sixty-three possible need-climate interactions are accounting for significant variation in the criterion variables, it was decided to calculate the multiple influence of the predictors for each criterion variable. Canonical correlations were computed for this purpose. Allen states that "the canonical procedure -- via the squared correlation coefficient -- gives an indication of the relative, if any, stipulated 'predictor' variables upon a given dependent variable. More specifically, by dividing each squared correlation coefficient by the number of predictors within that particular calculation, the procedure is able to indicate for each predictor the quantity of the influence which it independently exerts upon the dependent. The resulting discrete values can then be ranked independently or added to show the degree of explanation achieved by a complex hypothesis." ¹⁾

A regression analysis is usually employed for this purpose. However, after reviewing multivariate statistics, this researcher decided that canonical correlation is simple to perform and adequate for this task. This researcher rarely encountered the use of this statistical procedure, and therefore, it is discussed here before the results are presented. According to Cooley et al, the intercorrelation between two sets of measurements made on the same subjects can be studied by canonical correlation methods. ²⁾ Canonical correlation analysis was introduced by Hotelling in an effort to contribute a model whereby the "concept" of correlation and regression may be applied not only to ordinary one-dimensional variates but also to variates of two or more dimensions. ³⁾

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- 1) Allen, R.D.J (1983) *Some Social and Attitudinal Antecedents of Black Commitment to Work and Advancement in South African Industry.* Master's Thesis: University of Natal. p. 139.
- 2) Cooley, W.W. and Lohnes, P.R. (1962) *Multivariate Procedures for the Behavioural Sciences.* New York: John Wiley and Sons, Inc. p. 35.
- 3) Hotelling, H. (1936) "The Most Predictable Criterion," *Journal of Educational Psychology*, No. 26. pp]39 -]42. and Hotelling, "Relations Between Two Sets of Variates," *Biometrika*, XXVIII (June]962) pp. 321 - 377.

"Suppose we have a set of n_1 predictor variables and a set of n_2 criterion variables for the same individuals. We wish to determine that linear combination of the predictor variables and the linear combination of the criterion variables which will yield the highest possible correlation between the two composites. Having determined these two linear functions, we wish to determine a second pair of linear functions which will yield two composites maximally correlated with each other but with the condition that each will correlate zero with each of the first pair of composites. We then seek a third pair of linear functions yielding maximally correlated composites but orthogonal to the first pairs. This procedure may continue until we have n_1 or n_2 pairs, whichever is the smaller." ¹⁾

Cooley and Lohnes state that "geometrically the canonical correlation analysis can be understood as a measure of the degree to which individuals occupy the same relative positions in the p predictor-dimensional space as they do in the q criterion-dimensional space." ²⁾

The analysis is described by Cooley and Lohnes beginning with the partitioning of R , the matrix of intercorrelations for the predictor and criterion variables, into four submatrices:

R_{11} = intercorrelations among the p predictors.

R_{22} = intercorrelations among the q criteria.

R_{12} = intercorrelations of predictors with criteria.

R_{21} = the transpose of R_{12} .

$$R = \left[\begin{array}{c|c} R_{11} & R_{12} \\ \hline R_{21} & R_{22} \end{array} \right]$$

1) Horst, P. (1961) "Relations Among m Sets of Variables," *Psychometrika*, XXVI, June. pp. 129 - 149.

2) Cooley, W.W. and Lohnes, P.R. (1962) *Multivariate procedures*, op. cit., p. 36.

The partitioned portions of R are then used in the following canonical equation:

$$(R_{22}^{-1} R_{21}^{-1} R_{12}^{-1} - \hat{\lambda}_i I) b_i = 0. \quad 1)$$

The solution then involves finding latent roots $\hat{\lambda}$ for which $\begin{vmatrix} R_{22}^{-1} R_{21}^{-1} \\ R_{12}^{-1} - \hat{\lambda} I \end{vmatrix} = 0$.

Bartlett² contributed procedures for testing the significance of canonical correlations. He defined lambda:

$$A = \prod_{i=1}^q (1 - \hat{\lambda}_i), \quad q < p.$$

The χ^2 approximation for the distribution of A provides a test for the null hypothesis that the predictor variables are unrelated to the criterion variables:

$$\chi^2 = - [N - .5(p + q + 1)] \log_e$$

with pq degrees of freedom. If the null hypothesis can be rejected, the contribution of the first root to A can be removed the significance of the q - 1 roots can be tested.

Early investigators of this statistical tool thought that only $\hat{\lambda}_1$ and the corresponding canonical correlation were of interest. Other workers have expanded on this technique and have shown that other roots may be meaningful; that is, one or more subsets of the predictor variables may be related to one or more subsets of the criterion variables.³⁾

4.5.1 Results of Canonical Analysis.

The results of this canonical analysis are cited in TABLES 20 to 25.

1) Ibid., p. 36.

2) Bartlett, M.S. (1947) "Multivariate Analysis," *Journal Royal Statistical Society* (Supplement 9) pp. 176 - 190.

3) Op cit., p. 37

TABLE 20.

ABSOLUTE AND CUMULATIVE PERCENTAGES OF VARIANCE FOR "SATIS"

EXPLAINED BY NINE PREDICTOR COMBINATIONS -- NEED-CLIMATE INTERACTIONS -- AS INDICATED BY CANONICAL CORRELATION

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

PREDICTOR COMBINATIONS	CANONICAL CORRELATION	$c^2 \div 9$	ABSOLUTE PERCENTAGE	CUMULATIVE PERCENTAGE
COM P	-.1792	.004	.4	.4
COM D	.0669	.000	.0	.4
COM F	.2062	.005	.5	.9
COM B	.6265	.044	4.4	5.3
COM G	.0064	.000	.0	5.3
COM A	.0758	.001	.1	5.4
COM O	.4030	.018	1.8	7.2
COM N	-.0910	.001	.1	7.3
COM C	.1944	.004	.4	7.7

TABLE 21.

ABSOLUTE AND CUMULATIVE PERCENTAGES OF VARIANCE FOR "DISSAT"

EXPLAINED BY EIGHT PREDICTOR COMBINATIONS -- NEED-CLIMATE INTERACTIONS -- AS INDICATED BY CANONICAL CORRELATION

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

PREDICTOR COMBINATIONS	CANONICAL CORRELATION	$c^2 \div 8$	ABSOLUTE PERCENTAGE	CUMULATIVE PERCENTAGE
COM P	-.2005	.005	.5	.5
COM M	-.1520	.003	.3	.8
COM G	.1104	.002	.2	1.0
COM B	.4933	.030	3.0	4.0
COM D	.4882	.030	3.0	7.0
COM Q	.1063	.001	.1	7.1
COM N	.4355	.023	2.3	9.4
COM C	-.0676	.001	.1	9.5

TABLE 22.

ABSOLUTE AND CUMULATIVE PERCENTAGES OF VARIANCE FOR "IN.INSTR"

EXPLAINED BY SIX PREDICTOR COMBINATIONS -- NEED-CLIMATE INTERACTIONS -- AS INDICATED BY CANONICAL CORRELATION

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

PREDICTOR COMBINATION	CANONICAL CORRELATION	$C^2 \div 6$	ABSOLUTE PERCENTAGE	CUMULATIVE PERCENTAGE
COM O	.3236	.017	1.7	1.7
COM K	.0072	.000	.0	1.7
COM A	.1390	.003	.3	2.0
COM P	.0899	.001	.1	2.1
COM B	.6212	.064	6.4	8.5
COM G	.1125	.002	.2	8.7

TABLE 23.

ABSOLUTE AND CUMULATIVE PERCENTAGES OF VARIANCE FOR "EX.INSTR"

EXPLAINED BY THE NINE PREDICTOR COMBINATIONS -- NEED-CLIMATE INTERACTIONS -- AS INDICATED BY CANONICAL CORRELATION

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

PREDICTOR COMBINATIONS	CANONICAL CORRELATION	$C^2 \div 9$	ABSOLUTE PERCENTAGE	CUMULATIVE PERCENTAGE
COM O	.1515	.003	.3	.3
COM C	.6890	.053	5.3	5.6
COM B	.5473	.033	3.3	8.9
COM P	-.2254	.006	.6	9.5
COM N	.0269	.000	.0	9.5
COM R	.8303	.077	7.7	17.2
COM L	-.1875	.004	.4	17.6
COM F	-.7902	.069	6.9	24.5
COM Q	-.7892	.069	6.9	31.4

TABLE 24.

ABSOLUTE AND CUMULATIVE PERCENTAGES OF VARIANCE FOR "PERA"

EXPLAINED BY FOUR PREDICTOR COMBINATIONS -- NEED-CLIMATE INTERACTIONS -- AS INDICATED BY CANONICAL CORRELATION

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

PREDICTOR COMBINATIONS	CANONICAL CORRELATION	$C^2 \div 4$	ABSOLUTE PERCENTAGE	CUMULATIVE PERCENTAGE
COM S	.7582	.144	14.4	14.4
COM T	-.1592	.006	.6	15.0
COM U	-.7375	.136	13.6	28.6
COM V	-.0134	.000	.0	28.6

TABLE 25.

ABSOLUTE AND CUMULATIVE PERCENTAGES OF VARIANCE FOR "PERG"

EXPLAINED BY SIX PREDICTOR COMBINATIONS -- NEED-CLIMATE INTERACTIONS -- AS INDICATED BY CANONICAL CORRELATION

COMPUTED FOR THE EMPLOYEES IN ALL FOURTEEN PARTICIPATING CUSTOMS CLEARING AND FORWARDING AGENCIES (N = 283)

PREDICTOR COMBINATIONS	CANONICAL CORRELATION	$C^2 \div 6$	ABSOLUTE PERCENTAGE	ABSOLUTE PERCENTAGE
COM W	.8148	.111	11.1	11.1
COM X	.0908	.001	.1	11.2
COM Y	.1258	.003	.3	11.5
COM U	.4568	.035	3.5	15.0
COM H	.3714	.023	2.3	17.3
COM T	-.1510	.004	.4	17.7

It can be observed from TABLE 20 that the nine predictor combinations explain a moderate 7.7 percent of the total variance for the criterion SATIS. COM B -- structure - surgency -- alone, accounted for more than half of this variance, with a value of 4.4 percent. DISSAT (TABLE 21) consists of eight predictor combinations that explain 9.5 percent of the total variance for this criterion variable. COM B and COM G -- conflict-job apathy -- each account for 3 percent of this variance. COM N -- warmth-affiliation -- explains a lesser 2.3 percent of the total variance. It can be observed from TABLE 22 that six predictor combinations account for 8.7 percent of the total variance for this particular criterion variable. COM B, by itself, explains 6.4 percent of the variance. The criterion variable in TABLE 23 -- EX.INSTR -- has nine predictor combinations that explain 31.4 percent of the total variance. This is exceptionally high -- approximately one third of the variance -- with substantial contributions from the following predictor combinations:

- COM C (warmth-surgency), 5.3 percent;
- COM B, 3.3 percent;
- COM R (reward-achievement), 7.7 percent;
- COM F (reward-job apathy), 9.6 percent; and
- COM Q (warmth-achievement), 9.6 percent.

It is appropriate that variables such as warmth, achievement, reward and passivity should together in the form of three predictor combinations explains 26.9 percent of the variance for extrinsic instrumentality belief. It should be remembered that EX.INSTR is defined as the individual's belief that through performance of the task, goals extrinsic to that task can be fulfilled. For example, if I work hard, I will receive a raise in salary. Working hard, it will be agreed, is intrinsic to the performance of most tasks, however, the concomitant material reward is extrinsic to the task.

Both the performance criteria -- PERA and PERG -- have substantial amounts of explained variance. In TABLE 24 there are four predictor combinations explaining 28.6 percent of the variance in the criterion variable PERA. COM S -- support-job enthusiasm -- and COM U -- reward-financial incentive -- account for 14.6 and 13.6 percent respectively, this is more than 28 percent of the explain variance. PERG has six predictor combinations that account for 17.7 percent of the average variance. The following predictor combinations individually explain a large quantity of this variance (TABLE 25):

- COM W (support-affiliation), 11.1 percent;
- COM U, 3.5 percent; and
- COM H (warmth-assertiveness), 2.3 percent.

It seems apparent from this result that the interaction between support and affiliation is very important for explaining the variance in general performance. This researcher thought that financial incentive would feature more prominently in this calculation. It can be concluded, therefore, that higher order factors such as assertiveness are important predictors of general performance. This is possibly as a result of the fact that performance was rated by the branch manager, who would probably score high on assertiveness, his attitudes are effecting the data. This can be expected since this is a very subject method of gauging performance. A more reliable method, would have been to collect statistics from the agency records on work performance. Many agencies do not keep such records for their staffs; others, failed to grant this researcher access to this form of information.

In the final analysis when the quantities of variance are summed and divided by the six criterion variables it is found that these predictor combinations explain an average of 17.27 percent of the total variance in this study. This is quite substantial considering the moderate scope of this investigation. The results of this study could be improved upon if the instruments are further refined. The least reliable instrument being the performance rating scale as it was employed in this study without alteration or refinement. Possibly a recognized instrument -- performance scale -- could be employed together with the other existing schedules for improved results.

The six predictor combinations -- page 173 -- that are believed to be the best indicators of FIT between the individual and the organization individually account for small average amounts of variance across several criterion variables:

- COM P explains an average of .4 percent variance across four criterions.
- COM B " " " " 4.28 " " " four " .
- COM G " " " " .14 " " " three " .
- COM N " " " " .8 " " " three " .
- COM C " " " " 2.0 " " " three " .
- COM O " " " " 1.27 " " " three " .

Just these few predictor combinations explain 8.89 percent of the average variance.

CHAPTER 5.CONCLUSIONS.

This investigation into some factors influencing the interface between individuals and the organization and the effects on job satisfaction and work performance, has yielded conclusions which are at least strongly suggestive concerning the nature of organization behaviour that prevails in the Durban Customs Clearing and Forwarding Industry. A preliminary investigation to determine the feasibility of conducting research in this industry was the point of departure for this study. This exploration established that shipping agencies were suitable for this project and allowed the researcher to acquaint himself with shipping activities and practices.

Exploratory interviews were conducted with branch managers and other senior personnel from approximately ten customs clearing and forwarding agencies. The information gathered from these sessions is collated and documented in SECTION 1.2 of this dissertation. Some of the instruments designed by the researcher for use in his study are based upon this information, particularly the scales measuring five work related needs as well as the performance rating schedule. The preliminary information also formed the basis of the specific content of statements which appear in these schedules. It was believed that if the statements could be related to the general work context, this would stimulate interest among the participants.

Sampling has been one of the most difficult problems encountered in this study. This is due to the fact that agencies are vastly different from one another and have very little in common. In this regard the following is cited from the preliminary investigation:

- Customs clearing and forwarding agencies offer a wide variety of services associated with the transportation of commodities on behalf of the commercial and industrial sectors. There is also a specific package of services directed towards ship owners' per se.
- Some agencies belong to the Durban Forwarding Association. This association sets the rates and tariffs that its members are encouraged to charge their clients for services rendered.

- Managerial personnel employed in non member agencies point out that they prefer to determine their own price and tariff structure which can fluctuate with changes in the market.

The latter remarks concerning the price structure are of particular importance with reference to the sampling procedure adopted in this study. It has a direct bearing on the nature of an organization's business activities and thus influences organizational behaviour in general.

Most agencies within the industry were eligible to participate in this study except a few who failed to meet the sampling requirements. A stratified random sample was drawn consisting of eight member and six non member agencies. There were two hundred and eighty-three participants employed in managerial or clerical capacities. These groups -- member and non member agencies -- were found to be distinctly different from one another. Member agencies tended to be large established organizations with international ties, usually international freight forwarders. Non member agencies, on the other hand, tended to be small locally based organizations without international contacts. Each group consisted of a proportional number of agencies subdivided into three categories, namely small, medium and large organizations.

This is essentially an exploratory study specifically directed towards investigating the relationship between the individual and the organization. Organizations are very complex entities and human beings are arguably their most important components. In accordance with the macro theoretical framework upon which this study is based (Argyris' theory of integrating the individual and the organization)¹⁾ the following is of importance:

- human beings release physical and psychological energy which is necessary for the transformation of organizational inputs, namely raw material;
- psychological energy is postulated to help explain observable human behaviour that is not adequately explained by physiological energy;
- psychological energy is said to be released by the individual as he attains a measure of "psychological success" through tasks that may be performed in the organization;

1) Argyris, C. (1964) *Integrating the Individual and the Organization*. op. cit., pp. 20 - 22.

- if the organization is to successfully achieve its goals and objectives a way must be found of enabling organization members to attain psychological success thus facilitating the flow of psychological energy directed towards productive activities; and
- should the individual experience "psychological failure" the flow of psychological energy is likely to be blocked as a result of frustration. ¹⁾

According to Litwin and Stringer a need, want or desire that an individual wishes to satisfy can result in some form of energetic behaviour on the part of that individual. This is known by management as motivation when the individual is doing or exceeding what is expected of him. ²⁾ It is argued throughout this dissertation that motivated behaviour is marked by a release of psychological energy. Psychological energy is believed to be a force underlying aroused human needs. As the individual is able to satisfy such needs the flow of psychological energy is enhanced. Litwin and Stringer point out that an environment needs to be created within the organization that facilitates the arousal of the higher order needs. ³⁾ The fulfilment of these needs is closely associated with personal development -- both social and psychological -- task performance, motivation to work, and job satisfaction. It can be argued that higher order need satisfaction can be derived intrinsically from the work itself. For example, an individual who is achievement oriented, i.e., scores high on the need for achievement, will be suited to a job that is challenging, involves taking calculated risks, and the outcome of which can be attributed to personal skill rather than to chance.

The organization behaviour prevailing within customs clearing and forwarding agencies is investigated in this study by measuring the concept of organizational climate as defined by Litwin and Stringer. According to these writers, "*organizational climate embraces a set of measurable properties of the organization,*" namely structure, responsibility, reward, support, standards, conflict, identity and risk. ⁴⁾ These properties are measured through the individual's

1) Ibid., pp. 20 - 22.

2) Litwin, G.H. and Stringer, R.A. Jr (1968) *Motivation and Organizational Climate.* op. cit. p. 7.

3) Ibid., p. 5.

4) Ibid., p. 1.

perception of the organization as he responds along these nine dimensions. This is a subjectively located procedure because human perception is coloured by the individual's experiences.

According to Lawrence and Lorsch an organization can be developed along several interfaces. This study is concerned specifically with an examination of the individual-organization interface and its effects on human behaviour in customs clearing and forwarding agencies. ¹⁾ To begin with, this researcher had to select factors, which in accordance with theory, are compatible in an analysis of the individual-organization interface. For the purpose of this study five work related needs and the nine dimensions of organizational climate (proposed by Litwin and Stringer 1968) were selected. These are known as group 1 and group 2 predictors. The interaction between these groups of predictors in relation to such outcome variables as work performance, instrumentality belief and job satisfaction are relevant to an interpretation of the relationship between the individual and the organization.

It has been argued that interactions between human need indices and the dimensions of organizational climate that account for significant variation in one or more of the outcome variables can be used as an indicator of "fit" (congruence) for the individual and the organization. Individuals who score high on any of the outcome variables are believed to be compatible with the organization in which he is employed. In other words, the individual's goals closely overlap with those of the organization. On the other hand, individuals who score low on one or more of the criterion variables could be incompatible (a "poor fit") with the organization of employment.

It is necessary to consider for a moment some of the consequences of the individual-organization relationship. Organizations that have succeeded in attaining a high degree of congruence between themselves and their members are believed to function more effectively than do other organizations. Thus it can be said that organizations lacking in congruence are likely to be less effective. Their potential to function effectively and fulfil the purpose for which they were

1) Lawrence, P.R. and Lorsch, J.W. (1969) *Developing Organizations: Diagnosis and Action*, op.cit., p. 4.

designed is likely to be reduced. The consequences of mismatch -- poor fit or incongruence -- between the individual and organization are likely to become overtly manifest in the form of poor performance, employee discontent, lack of motivation for work, and ultimately high turnover. Covert manifestations of this phenomenon take the form of under employment. Here the individual's skills are not appropriately developed or correctly used in the organization.

This investigation was not directed towards identifying problems that occur as a result of a mismatch between the individual and the organization. However, it was concerned about developing a procedure for assessing the nature of the relationship that prevails between man and organization. This procedure was then applied to the data which emerged from this study.

This investigation was divided into two distinct parts; the first was concerned with establishing if such factors as human needs and organizational climate actually influence the individual-organization interface. Secondly, the study aimed to assess whether or not the factors interact sufficiently to effect change in job satisfaction, instrumentality belief and work performance. Due to the exploratory nature of this study, the researcher was not interested in specifically predicting which need-climate interactions would effect change in the outcome variables. It was assumed that all the possible need-climate combinations could bring about a result. Six research hypotheses were formulated predicting the general relationship between the factors in this study.

The first part of this study was successfully completed when research hypothesis 1 predicting a relationship between an individual's need dispositions and his perceptions of the organization climate was tested and verified. The intercorrelation matrix computed for the entire sample revealed that thirty-nine cells yielded correlations between human need indices and the nine dimensions of organizational climate at a probability of 0.05 and smaller. The data for the member group showed thirty-one need-climate relationships at a probability of 0.05 and smaller. The non member group of agencies had twenty-six cells that showed correlations at a probability of 0.05 and smaller.

It was concluded that these factors must therefore influence the individual-organization interface. In subsequent intercorrelations it was established that the member and non member groups account for substantially different organization climates. It could be argued that the prevailing climate of each group influenced the need disposition of that group. The member group was described as tending towards an affiliation oriented climate; the non member group, an assertive or power oriented climate.

It was established by means of research hypotheses 4, 5 and 6 that interactions between need indices and dimensions of organizational climate did effect outcomes in job satisfaction, instrumentality belief and work performance. It can be argued that the effects emerging from these outcomes are likely to be fed back into the model. In this way they may continually influence the individual's needs and perceptions of organization climate, thereby effecting the individual-organization interface.

It must be remembered that needs are an attribute of the individual while the dimensions of organizational climate are attributes of the organization. These factors interact to constitute an interface between the individual and the organization. Problems between the individual and the organization are understood and sometimes resolved by explorations at this interface. An Organizational Development (OD) Consultant may ask the question, "Given a specific organizational climate, what type of human need dispositions must prevail in order for the individual to be congruent with the organization?" For example: an individual who exhibits a high score on the nPOW motive would be unsuited to working in an organization with a predominantly affiliation oriented climate. However this individual would be suited to working under an assertive or even a competitive climate.

In this study the researcher has attempted to distinguish those strands or interactions between specific need indices and climate dimensions that are related to the outcome variables. If the data applied to a specific organization the investigation could have been taken a step further by analyzing individual-organizational problems (problems common to both the individual and the organization) in the light of these findings.

The individual's perception of the organization does influence the types and strength of motive dispositions. For example, if an employee has a need for affiliation (desires warm friendly relationships with his colleagues) and perceives the organization (through perceptions of organization climate) as the instrument for satisfying this need, there is likely to be positive outcomes in terms of job satisfaction and increased work performance. The researcher would argue that such outcomes are of mutual benefit to both the individual and the organization. Furthermore, it can be argued that every need-climate interaction that accounts for an increase in the stated outcomes further serves to strengthen the existing bond between the individual and the organization. This is particularly true in cases where a certain need-climate interaction is responsible for improvements in several outcomes simultaneously.

Organizations, as stated at the beginning of this dissertation, are extremely complex phenomenon. No study of the individual-organization interface, which is just one small aspect of organizational phenomenon, can take account of all the relevant variables and the manner in which they interact with one another to effect organizational behaviour, Or to be more precise, human behaviour with reference to work within the context and constraints of an organization. This study is based on an investigation of a few variables and has yielded substantial results. An average of 17.8 percent of variance in this study is explain by each of the outcome variables. In other words, human need indices and dimensions of organizational climate do actually interact to influence changes in the stated outcomes.

The statistical procedure (MANOVA) employed to calculate which specific need-climate interactions are significantly related to the outcome variables, is an extremely complex procedure and involves a great deal of work, even with the use of a computer. For this reason, interactions were only computed using the entire sample and not the member and non member subsamples. It would have been of interest to analyze the data that would have emerged had this procedure been applied since there were differences in the organizational climate of these subsamples. It would also have been possible to divide this sample into two further groups; one consisting of managerial personnel; the other, clerical personnel. Then subject the data to this statistical

procedure. This would have been a rigorous procedure and the work involved to compute the relevant interactions can possibly be cited as an argument against the use of this procedure. However, it should be noted that under normal circumstances research is undertaken in one organization at a time, this would not necessitate successive repetitions of the procedure.

Perhaps one of the most valuable outcomes emerging from this study were the factors extracted from the five need scales. This indicated that human needs, particularly higher order needs, do not exist in isolation but rather combine to provide information about personality patterns. A great deal had been learned about the subjects of this study through an analysis of these factors, particularly FAC 1 "surgency" and FAC 2 "passivity". Any future studies in this area involving the use of an instrument to measure higher order needs should be subjected to a statistical procedure for factor analysis. The factors that emerged in this study proved to be a rich source of information because they provided a more holistic picture of the subjects than the need indices alone.

The factors in this study, particularly FAC 1 "surgency" and FAC 3 "assertiveness" are in keeping with the theoretical framework and contribute substantially to the conceptual base. FAC 1 "surgency" embraces such concepts as self-esteem, self-confidence, self-awareness and social competence which have been discussed in Chapter 2. A high positive score on this factor is indicative of the level of psychological success and personal development being experienced. It is important for the individual and the organization to be congruent because it facilitates personal development. Furthermore, this researcher would argue that fully functioning individuals, through their activities, enable the organization to become effective in its task.

The method by which this study was undertaken is arguably of greater importance than the results themselves. It must be remembered that the method can be repeated in future studies, but the results are only applicable to the organizations concerned. It is not appropriate to draw conclusions relevant to organizations in general on the basis of specific findings in this study.

The procedure developed in this study could be used by an OD consultant as a diagnostic tool upon which an intervention programme for resolving problems in an organization would be based. On the basis of this data the OD consultant could determine the extent of congruency between human needs relevant to work and the climate that prevails in the organization. After assessing the need-climate situation a course of action could be planned and implemented which would either (1) restructure the work environment to make it more compatible with the dominant needs of that particular worker or (2) move the employee to an already existing environment that would be compatible with his needs. For example, an individual with a high need for achievement could be placed in a work environment where he would be given feedback, receive responsibility and allowed to take risks.

The results of this study have led to the following suggestions and implications for future research efforts:

Instruments: Human need patterns and perceptions of organizational climate could be determined by using different instruments. For example, it would be useful to compare the results obtained after fielding the need scale used in this study together with a thematic apperception test measuring the same set of needs. This would further serve to help validate the findings of the former instrument.

Subjects: It would also be relevant to repeat the study using subjects from other clerically oriented organizations. The query concerning the possibility of individuals with certain need patterns gravitating to specific organizations could also be examined.

Situations: This study could possibly be restructured -- using the same variables -- to take the form of a field experiment. Here the researcher would be able to manipulate some dimension of organizational climate, such as warmth, then observe the effects this has upon the level of congruency between the individual and the organization. In this way one is able to cope with the complexities of organizations in the real world by introducing changes into these systems then observe their effects. One of the major problems to be encountered is the fact that the subjects would be blocked

from open system behaviour and our findings might not always be of relevance to organizations in the real world.

Throughout his study this researcher has discussed the relationship between the individual and the organization as if it were a simple one-to-one relationship. However, matters are far more complex than the author may have led the reader to believe. It would be corrects to refer to this study as one involving "individuals" and the organization. The practitioner has to resolve the problem of determining the dominant needs of all employees at various levels in the organization as apposed to concentrating on the needs of a specific individual. The organizational climate is also the product of perceptions of all individuals in the organization. The planned change initiated by an OD consultant must take all these things into consideration.

In closing, the resercher wishes to suggest that the procedure used in his study for determining the need-climate interactions and their effects on organizational outcomes, be applied in future studies of other organizations. The first step towards resolving a problem between individuals and the organization is diagnosis. It has already been stated elsewhere that a study of this nature can be undertaken as a means of diagnosing the prevailing relationships between individuals in the organization. An attempt can be made by the OD consultant to help the organization build a climate which is congruent with the dominant need patterns of its members. Thus promoting the concept of healthy social functioning individuals and effective organizations.

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APPENDIX A.

A PRELIMINARY INTERVIEW
WITH SOME DIRECTORS/BRANCH MANAGERS
OF CUSTOMS CLEARING AND FORWARDING AGENCIES
IN DURBAN.

Interview Schedule 1.

AIM: The aim of this interview is twofold; firstly I wish to collect information about the practices of customs clearing and forwarding agencies in general, and secondly learn about the practices of this organization in particular.

METHOD: To achieve these objectives I wish to record this interview with the use of a tape recorder so that it may be transcribed at a later date. I understand that you may be a little apprehensive about the recording of this interview. However, via this method I can promise that you will be fully in control of the information you wish to release. This material will be treated as confidential in my final report and under no circumstances will this agency's name be mentioned.

By holding this recording instrument in your hand you will be able to stop and start it as you see fit. Should you at any stage in the interview mention anything that may in any way endanger the agency whatsoever, you may stop the machine at this point and record over what you have just said.

INSTRUCTION: Please take care NOT to mention any of the following:

- names of clients;
- sources of finance; and
- any other information that might endanger the practices of this agency.

PROCEDURE: I will put the question to you. Think about it for a

moment before answering. When you are ready to reply, press both the record and play buttons simultaneously and speak. Once you have completed answering, press the pause button and wait for the next question. In certain instances you may be asked to elaborate so extending the existing information. In such cases you will be requested to release the pause button and continue (this will then take the form of a discussion). When you are ready to answer the next question, release the pause button a few seconds before replying so that a space appears between each of your answers. The questions need not be recorded because I already have them before me on paper.

1. In terms of the following criteria, sketch the historical background of this branch/head office including any other information that might be of relevance to this description:
 - i) How long has this particular office been in operation?
 - ii) Is this office part of an international or local customs clearing and forwarding company.
 - iii) Are there any other branches of this company in South Africa?
YES/NO
 - iv) YES: In which parts of the country are these situated?
 - v) How many persons are employed in this office - only those persons holding clerical and/or administrative positions in the organization?
 - vi) From which population group/s is this agency's clerical staff drawn?
 - vii) Outline the reason/s why this population group/s is/are predominant in the Durban Customs Clearing and Forwarding Industry?

2. Outline some of the advantages and disadvantages of the international customs clearing and forwarding company?

3. "Customs clearing and forwarding agencies seem to perform a wide variety of activities besides passing seafreight and/or airfreight entries."
 - i) Define Customs Clearing and Forwarding as separate terms?
 - ii) Outline the activities performed by this organization - please mention each activity followed by a detailed explanation of the work involved.

4. "Customs clearing and forwarding agencies seem to offer a 'package of services' to their clients. For example, a client may instruct the agency to arrange an insurance cover for the goods he/she wishes to export."
How does this agency deal with a client who may require other "essential services" which are not offered in its daily package?

5. "There seems to be a fairly large number of customs clearing and forwarding agencies in central Durban (in excess of one hundred) some very large in their sphere of operation."
 - i) How does a relatively small agency such as this manage to compete for its share in the market?
 - ii) Does this agency have a specific strategy for attracting clientele?
 - iii) What gives this agency the "edge" over its opponents - opponents being agencies of a similar size offering similar services?

6. Customs clearing and forwarding agencies may adopt one of two basic positions with regards to the employment of sales representatives:
 - a) the Managing Director/Branch Manager may be the only sales representative negotiating new accounts for the agency; OR
 - b) certain members of the clerical and/or administrative staff may be appointed to perform this task under the general supervision of a sales manager.
 - i) What is the position in this organization with regards to the employment of sales representatives?
 - ii) Outline some of the advantages and disadvantages of the above-mentioned positions?

7. What is your function/s as Managing Director/Branch Manager of this particular office?

8. "In the literature on Organization Science, the influence of leadership style upon organizational effectiveness is a recurring theme."
 - i) As Managing Director/Branch Manager of this agency, do you think that your personal leadership is felt by the staff? YES/NO
 YES: In what way/s?
 NO: Explain why.
 - ii) In your present capacity, how much authority are you really able to exercise when managing this agency? For example, think in terms of staff matters, capital outlay, etc.

9. What is the most responsible task (if any), performed by your clerical members of staff?
 10. Describe what you would consider to be the "effective operation" of a customs clearing and forwarding agency.
 11. What sort of staff is required for the effective operation of a customs clearing and forwarding agency?
 12. Do you have any problems in this organization that can be attributed to staff demotivation? YES/NO
YES: How are you dealing with these problems?
NO: Should you encounter such problems in the future how would you set about resolving them?
-

APPENDIX B.

A GENERAL INFORMATION SCHEDULE FOR RESPONDENTS
EMPLOYED IN THE PARTICIPATING
CUSTOMS CLEARING AND FORWARDING AGENCIES.

CONFIDENTIAL

RESPONDENT NUMBER

--	--	--

COMPANY NUMBER

--	--

A STUDY OF SOME SMALL BUSINESS ORGANIZATIONS IN
THE DURBAN SHIPPING/CLEARING AND FORWARDING INDUSTRY

BACKGROUND INFORMATIONINTRODUCTION:

I would like to learn a little about the people employed in the Shipping/Clearing and Forwarding Industry, as this information will assist me in my research. Please complete this short questionnaire at the office today, or take it home tonight. Be sure to return it the following day as this information is urgently required. A member of my fieldwork team will call to collect these questionnaires tomorrow. If you have a problem with a particular question(s), the fieldworker will be glad to discuss the matter with you privately.

Thank you.

INSTRUCTIONS: 1

This information is classified as confidential:

- a) Please do not put your name on this questionnaire.
- b) Please do not discuss the contents of this questionnaire with your fellow colleagues, and/or superiors.
- c) If you are not sure that your answers are altogether correct, record them anyway, and discuss the matter in private with the fieldworker.

- 2 a) Most of the questions simply require you to mark with a cross (X) in the appropriate box.

For example; in the case of Mrs R.

Sex:	Male	Female
	1	2

- b) Ignore the numbers in the answer boxes. They are purely for office use, and not for the purpose of assigning a numerical value (score) to your answer. Therefore, your answer is in no way prejudiced by the numbers in these boxes. It is just a handy way of enabling the researcher to group the information before feeding it into a computer.
 - c) Ignore the columns on the righthand side of the page marked "FOR OFFICE USE ONLY", as they are also for computational use by the researcher.
- 3 a) In the few cases where a detailed description is required, please provide the researcher with what is asked of you in the question, as this is of utmost importance to this study.
- b) Finally, in the case where a question requires a Yes/No answer, for example: "Are you married?", if you answer in the affirmative, you may be required to answer the next part(s) of the question.
For example: Yes: "Do you have children to support?"
in cases where you answer NO the remaining part(s) of the question are not applicable to you.
Please just mark N/A to these part(s).

1. How many years have you been working in the Shipping/
Clearing and Forwarding Industry?

under 1,9 years	1
2 - 4,9 years	2
5 - 7,9 years	3
8 - 10,9 years	4
11 - 15,9 years	5
16 - 20,9 years	6
21 years & above	7

-6

2. How long have you been working in this company?

under 1,9 years	1
2 - 4,9 years	2
5 - 7,9 years	3
8 - 10,9 years	4
11 - 15,9 years	5
16 - 20,9 years	6
21 years & above	7

-7

3 a) What capacity are you employed in at present?

For example: Managerial - branch manager, general manager or director.

Sub-managerial - financial manager or sales manager, who is accountable to a branch manager or director.

Shipping clerical - documentation clerk, import and export clerk, etc.

General clerical - secretaries, accountants, assistants, etc.

Managerial	1
Sub-managerial	2
Shipping clerical	3
General clerical	4
Other	5

-8

b) If Other, please state: _____

-9 -10

c) Outline in detail the work you do in your present capacity. (Continue on the back of this page if you run short of space.)

-11 -12

-13 -14

4 a) How long have you held your present position in this company?

under 1,9 years	1
2 - 4,9 years	2
5 - 7,9 years	3
8 - 10,9 years	4
11 years & above	5

-15

8

b) Are you in charge of other employees in this position?

Yes	No
1	2

-16

9

c) Yes: How many employees? _____

-17

-18

1

d) Outline in detail your duty as a person in charge.
(Continue on the back of this page if you run short of space.)

-19

-20

1

-21

-22

1

e) What position does your immediate superior hold in this company? (State his official title or designation.)

-23

13

5 a) Was your previous job:

In this company	1
In another company	2
Not applicable: I've never had a previous job	3

-24

14

b) How does your present work compare with the work you did in your previous job?

Indicate with a cross (X) how the move from your previous to your present job affected the following:

	More	No real change	Less
Your pay	1	2	3
Your authority	1	2	3
Your responsibility	1	2	3
Your discretion to make independent decisions without referring to others (or seniors).	1	2	3
Rate of work/output/or accomplishment required of you by the job.	1	2	3
The degree to which you are personally supervised.	1	2	3

-25

15

-26

16

-27

17

-28

18

-29

19

-30

20

-31

21

P.T.O./end of Question 5b.

The social skills, i.e., in dealing with other people, required of you by the job.

More	No real change	Less
1	2	3

-32

6 a) Have you held a similar position in another Shipping/ Clearing and Forwarding company?

Yes	No
1	2

-33

b) Yes: How long did you hold this position in that company?

under 1,9 years	1
2 - 4,9 years	2
5 - 7,9 years	3
8 - 10,9 years	4
11 years & above	5

-34

c) Yes: Outline in detail your job in that company.
(Continue on the back of this page if you run short of space.)

-35

-36

-37

-38

7. Sex:

Male	Female
1	2

-39

27

8. Race Group:

White	Asian	Coloured	African
1	2	3	4

-40

28

9. Age:

under 20,9 years	1
21 - 25,9 years	2
26 - 30,9 years	3
31 - 35,9 years	4
36 - 40,9 years	5
41 - 45,9 years	6
46 - 50,9 years	7
51 years & older	8

-41

29

10 a) Marital Status:

Single	Married	Separated	Divorced
1	2	3	4

-42

30

b) If Married: Is your spouse employed?

Yes	No
1	2

-43

31

c) If Married, Separated or Divorced: Are you supporting children?

Yes	No
1	2

-44

32

d) Yes: How many children? -----

-45 -46

11 a) Last standard passed at school:

under standard 7	1
standard 7	2
standard 8	3
standard 9	4
matric	5

-47

b) Highest qualification:

Degree	1
Diploma	2
Certificate	3
None of these	4

-48

Name of highest qualification: -----

-49 -50

APPENDIX C.

GELFAND'S SCALE OF
ORGANIZATIONAL CLIMATE.

My Job in this Company

Introduciton: There are three tests under the broad heading "My Job in this Company". These tests are intended to build up a picture of the "real you", and your true preferences; not some ideal image that you might think your employer or work colleagues expect of you! Throughout this study you will remain anonymous, and your responses to these statements are completely confidential. No-one else in your firm will ever see your answers. You should therefore be frank and accurate in your responses as you can.

Thank You.

- Instructions:
1. Your name must NOT appear on any of these test schedules and/or questionnaires. You will be given a number to be written in the box marked RESPONDENT NUMBER. This number MUST appear on all test schedules and/or questionnaires.
 2. Each test must be completed within the time limit stipulated below;
 - a. 40 statement test — 15 MINUTES
 - b. 170 statement test — 60 MINUTES
 - c. 150 statement test — 50 MINUTES
 3. The fieldworker will read through the instructions together with you. Should you encounter any difficulties don't hesitate to call on the fieldworker to clarify the matter.
 4. Should you encounter difficulty with any of the statements, try to resolve your problem alone, first. If you are still unhappy about the issue at hand, you may then request the assistance of the fieldworker.

5. Please use a ruler, book or any other object with a straight edge to ensure that you are recording your response in the set of boxes directly parallel to the statement.
6. Please indicate your response to each statement by making a cross (X) over that number which most accurately reflects your view.

For example: I like my work.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE
2	1X	-1	-2

In this case, the respondent felt inclined to agree with the statement. If the respondent definitely disagreed, for example, he/she would have placed a cross in the box marked -2, and so forth.

7. The response categories appear at the top of each page of statements. The numbers below have no quantitative value in themselves, but are merely a guide to your response. Ignore the column on the far right hand side of each page marked FOR OFFICE USE ONLY.
8. Once a page of statements have been completed, you must NOT turn back to that page as this will waste valuable time. If you think that an error has been made along the way, discuss this matter with the fieldworker at the end of each session.

WHEN THE GROUP IS READY YOU MAY START.

1. The jobs in this company are clearly defined and logically structured.
2. We don't rely heavily on individual judgement in this company; almost everything is double-checked.
3. We have a promotion system here that helps the best man rise to the top.
4. A friendly atmosphere prevails among the people in this company.
5. You don't get much sympathy from higher ups in this company if you make a mistake.
6. In this company we set very high standards for performance.
7. The best way to make a good impression around here is to steer clear of open arguments and disagreements.
8. People are proud of belonging to this company.
9. In this company it is sometimes unclear who has the formal authority to make a decision.
10. Around here management resents you checking everything with them; if you think you've got the right approach you must go ahead.
11. In this company rewards and encouragements rather than criticisms are emphasized.
12. Our business has been built up by taking calculated risks at the right time
13. Management makes an effort to talk with you about your career aspirations within the company.
14. Our management believes that no job is so well done that it couldn't be done better.
15. The attitude of our management is that conflict between competing units and individuals can be very healthy.
16. I feel that I am a member of a well-functioning team.
17. The policies and organization structure of the company have been clearly explained.
18. Supervision in this company is mainly a matter of setting guidelines for your subordinates; you let them take responsibility for the job.
19. In this company people are rewarded in proportion to the excellence of their job performance.
20. Decision-making in this company is too cautious for maximum effectiveness

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR USE	OFFICE ONLY
2	1	-1	-2	-51	37
2	1	-1	-2	-52	38
2	1	-1	-2	-53	39
2	1	-1	-2	-54	40
2	1	-1	-2	-55	41
2	1	-1	-2	-56	42
2	1	-1	-2	-57	43
2	1	-1	-2	-58	44
2	1	-1	-2	-59	45
2	1	-1	-2	-60	46
2	1	-1	-2	-61	47
2	1	-1	-2	-62	48
2	1	-1	-2	-63	49
2	1	-1	-2	-64	50
2	1	-1	-2	-65	51
2	1	-1	-2	-66	52
2	1	-1	-2	-67	53
2	1	-1	-2	-68	54
2	1	-1	-2	-69	55
2	1	-1	-2	-70	56

21. It's very hard to get to know people in this company.
22. Around here there is a feeling of pressure to continually improve our personal and group performance.
23. We are encouraged to speak our minds, even if it means disagreeing with our superiors.
24. As far as I can see, there isn't much personal loyalty to the company.
25. Red-tape is kept to a minimum in this company.
26. You won't get ahead in this company unless you stick your neck out and try things on your own sometimes.
27. Our management is willing to take a chance on a good idea.
28. People in this company tend to be cool and aloof towards each other.
29. The philosophy of our management emphasizes the human factor, how people feel, etc.
30. In management meetings the goal is to arrive at a decision as smoothly and quickly as possible.
31. In this company people pretty much look after their own interests.
32. Excessive rules, administrative details, and red-tape make it difficult for new and original ideas to receive consideration.
33. There is not enough reward and recognition given in this company for doing good work.
34. We have to take some pretty big risks occasionally to keep ahead of the competition in the business we're in.
35. There is a lot of warmth in the relationship between management and workers in this company.
36. When I am on a difficult assignment I can usually count on getting assistance from my boss and co-workers.
37. To get ahead in this company it's more important to get along than it is to be a high producer.
38. If you make a mistake in this company you will be punished.
39. In this company people don't seem to take much pride in their performance.
40. In some of the projects I've been on, I haven't been exactly sure who my boss was.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR USE	OFFICE ONLY
2	1	-1	-2	-71	57
2	1	-1	-2	-72	58
2	1	-1	-2	-73	59
2	1	-1	-2	-74	60
2	1	-1	-2	-75	61
2	1	-1	-2	-76	62
2	1	-1	-2	-77	63
2	1	-1	-2	-78	64
2	1	-1	-2	-79	65
2	1	-1	-2	-6 C2	66
2	1	-1	-2	-7	67
2	1	-1	-2	-8	68
2	1	-1	-2	-9	69
2	1	-1	-2	-10	70
2	1	-1	-2	-11	71
2	1	-1	-2	-12	72
2	1	-1	-2	-13	73
2	1	-1	-2	-14	74
2	1	-1	-2	-15	75
2	1	-1	-2	-16	76

APPENDIX D.

A SCALE OF SOME
PRIMARY AND SECONDARY
WORK RELATED NEEDS.

1. I fear retrenchment in my job.
- **2. I would like to run my own business one day.
- **3. I like to get people around to my way of thinking in the work context.
4. I would most probably reject a job offer in a lower position if it meant a 15% salary increase and/or improved service benefits.
- **5. When I have managed to resolve a difficult problem alone, it gives me a feeling of satisfaction.
6. Arguments between members of staff leads to animosity, unfriendliness and tension in the office.
- **7. I get along fine in my job by being courteous when the need arises, but otherwise remain aloof towards colleagues and clients.
- **8. I really don't like to work with people who are aloof.
9. Having supportive fellow colleagues at the office is not all that important to me.
- **10. I would work even harder than I do now if the management offered me a small incentive bonus for fast efficient work.
11. I would be glad to work overtime over long weekends if this was treated as time and a half.
- **12. The most important aspect of my job is the amount of money that I earn.
13. I am happy with any standard of work that I do, just as long as it is to my superiors' satisfaction.
14. I would be reluctant to take a similar job in another company just for a bit more money and/or improved service benefits.
- **15. In my work I like to make my own decisions most of the time.
- **16. If the company retrenched employees tomorrow due to an economic recession I'd be prepared to do the work of two or more people in order to keep my job.
17. I would be reluctant to take a similar job in another company just for a bit more money and/or improved service benefits.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-17	77
2	1	-1	-2	-18	78
2	1	-1	-2	-19	79
2	1	-1	-2	-20	80
2	1	-1	-2	-21	81
2	1	-1	-2	-22	82
2	1	-1	-2	-23	83
2	1	-1	-2	-24	84
2	1	-1	-2	-25	85
2	1	-1	-2	-26	86
2	1	-1	-2	-27	87
2	1	-1	-2	-28	88
2	1	-1	-2	-29	89
2	1	-1	-2	-30	90
2	1	-1	-2	-31	91
2	1	-1	-2	-32	92
2	1	-1	-2	-33	93

- **18. I rather enjoy competing with my fellow colleagues to see who can do the work best.
19. As far as I'm concerned the people around me can do their work by any method they like just as long as they "deliver the goods in time".
- **20. When I am involved in an argument with another member of staff which leads to unfriendliness, I try to avoid contact with him/her.
- **21. I like to tackle a difficult work problem alone.
- **22. I reckon that government organizations offer the best job security.
23. When deciding to take this job, the amount of money and the quantity of service benefits being offered was not my most important consideration.
24. If I earned more money I would work a lot harder.
- **25. If I was retrenched tomorrow, in due course I would find another job in this capacity with the same salary.
- **26. If a fellow colleague has a personal problem outside the office I will try to assist him/her wherever possible.
27. I would rather not deal with an aggressive client.
- **28. I like the people around me to do the work the way I would do it.
29. I hate doing work that seems to take ages to show a positive result.
- **30. I feel pretty comfortable in a position of leadership when dealing with people at work.
31. I set myself a personal standard higher than the company requirements, for evaluating how well I am doing my work.
- **32. I wouldn't be all that keen to be the leader of a small group at work even if given the opportunity.
- **33. If I earned a larger salary I would be more satisfied with my job.
- **34. I have never really learned to live with the thought of possible retrenchment.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-34	94
2	1	-1	-2	-35	95
2	1	-1	-2	-36	96
2	1	-1	-2	-37	97
2	1	-1	-2	-38	98
2	1	-1	-2	-39	99
2	1	-1	-2	-40	100
2	1	-1	-2	-41	101
2	1	-1	-2	-42	102
2	1	-1	-2	-43	103
2	1	-1	-2	-44	104
2	1	-1	-2	-45	105
2	1	-1	-2	-46	106
2	1	-1	-2	-47	107
2	1	-1	-2	-48	108
2	1	-1	-2	-49	109
2	1	-1	-2	-50	110
2	1	-1	-2	-50	111

- **35. An unfriendly office atmosphere does not worry me.
- **36. I like my superiors to tell me straight about any problems they might be experiencing with the quality of my work.
- **37. When it comes to dealing with people at work, I can't really give as good as I can take.
38. The amount of money that I earn is not the most important aspect of my job.
39. I would take on a similar job in a very remote part of the country if it meant a bit more money and improved service benefits.
40. I work for other reasons besides earning a living.
41. The nicest thing about work for me is that I am able to earn money.
42. The skills from my job, (clerk, secretary, accountant, manager, etc.,) can't be readily employed in other jobs other than shipping.
43. I do not avoid an argument with a colleague even if it leads to harsh words.
44. I think that people who are aggressive in their approach to their work tend to get to the top in Shipping.
- **45. I would not be keen to learn to take on new tasks in the company so as not to risk being made redundant.
46. I like to chat while working.
- **47. I am not interested in studying part-time for the sake of earning more money.
- **48. I feel that I must try to do my job better than my colleagues.
- **49. To get anywhere in the shipping industry you have to be tough minded in all that you do.
50. If I inherited a fortune, I would never work again.
- **51. If this company became computerized, I would rather resign than undergo the necessary training to function in the new system.
- **52. Job security is of particular importance to me.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-51	112
2	1	-1	-2	-52	113
2	1	-1	-2	-53	114
2	1	-1	-2	-54	115
2	1	-1	-2	-55	116
2	1	-1	-2	-56	117
2	1	-1	-2	-57	118
2	1	-1	-2	-58	119
2	1	-1	-2	-59	120
2	1	-1	-2	-60	121
2	1	-1	-2	-61	122
2	1	-1	-2	-62	123
2	1	-1	-2	-63	124
2	1	-1	-2	-64	125
2	1	-1	-2	-65	126
2	1	-1	-2	-66	127
2	1	-1	-2	-67	128
2	1	-1	-2	-68	129

- **53. I am not satisfied that the amount of money I'm presently earning is fair for the job I do.
- **54. If two of my fellow colleagues have differences of opinion which creates an unfriendly atmosphere in the office I will try and help them to resolve their difference.
- **55. Having to resolve a difficult work problem by myself doesn't leave me with a good feeling.
56. I believe that where differences of opinion occur with my colleagues "the least said the better" is the best way to help maintain diplomatic relations in the office.
- **57. I like to do work that shows positive results quickly.
58. I am content to allow people to adopt their own line of thought in the work context.
- **59. I feel uneasy when an unfriendly atmosphere prevails in the office.
60. The thought of being made redundant doesn't worry me.
- **61. I don't like working with competitive people.
- **62. I would not mind taking extra work home each evening if this was recognized as overtime.
- **63. Striving to attain influence in the shipping industry is not important for survival.
- **64. I will accept assistance from a colleague if I have a personal problem.
65. I am always searching for new ways of doing my work better.
- **66. The skills from my job, (clerk, secretary, accountant, manager, etc.,) can be readily employed in other jobs other than shipping.
67. I doubt that any organization can really offer job security.
- **68. Financially unstable shipping companies offering jobs with appealing prospects for promotion are not "my cup of tea".
69. Working for a government owned shipping company wouldn't appeal to me, even though the job security is said to be better.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-68 130
2	1	-1	-2	-70 131
2	1	-1	-2	-71 132
2	1	-1	-2	-72 133
2	1	-1	-2	-73 134
2	1	-1	-2	-74 135
2	1	-1	-2	-75 136
2	1	-1	-2	-76 137
2	1	-1	-2	-77 138
2	1	-1	-2	-78 139
2	1	-1	-2	-79 140
2	1	-1	-2	-4 C3 141
2	1	-1	-2	-5 142
2	1	-1	-2	-6 142
2	1	-1	-2	-7 144
2	1	-1	-2	-8 145
2	1	-1	-2	-9 146

- **70. I like to think that I have influence over other people.
- **71. I couldn't work any harder even if the management offered me a small incentive bonus for fast efficient work.
- 72. I would be prepared to move to a job that was no different, in another company for a bit more money and/or improved service benefits.
- 73. I like to work alone.
- **74. I would not mind learning to perform other extra tasks in the company so as not to be made redundant.
- 75. I find that people who try to influence others, probably won't get very far selling the services that this company offers.
- **76. I like to assume personal responsibility for the consequences of decisions that I make in my work.
- **77. If requested, I would enjoy to take charge of the company in the brief absence of a superior.
- **78. When I have completed a difficult problem successfully, I am keen to tackle the next one.
- **79. I would sometimes volunteer to give a bit of help to fellow colleagues if they are unable to cope with the work load.
- 80. It does not worry me to work with people who don't make an effort to be friendly.
- 81. If a work problem is difficult, then I like to tackle it in consultation with other fellow colleagues and superiors.
- 82. I would accept a job that offered appealing prospects for promotion even though the company was rumoured to be financially unstable.
- **83. I'd be prepared to study hard part-time if I received some more pay for each course successfully completed.
- 84. I live in dread of the day that I may be made redundant.
- 85. I am satisfied with the amount of money that I'm presently earning.
- **86. I don't mind dealing with an aggressive client.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-10	147
2	1	-1	-2	-11	148
2	1	-1	-2	-12	149
2	1	-1	-2	-13	150
2	1	-1	-2	-14	151
2	1	-1	-2	-15	152
2	1	-1	-2	-16	153
2	1	-1	-2	-17	154
2	1	-1	-2	-18	155
2	1	-1	-2	-19	156
2	1	-1	-2	-20	157
2	1	-1	-2	-21	158
2	1	-1	-2	-22	159
2	1	-1	-2	-23	160
2	1	-1	-2	-24	161
2	1	-1	-2	-25	162
2	1	-1	-2	-26	163

	DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
87. I become concerned about my job security when/if the company starts retrenching fellow employees.	2	1	-1	-2	-27	164
**88. I don't like having to convince a sceptical client that this company does in fact offer services that will meet his/her needs.	2	1	-1	-2	-28	165
**89. I feel concerned when a fellow colleague is experiencing personal or work problems and I am unable to help him.	2	1	-1	-2	-29	166
**90. In my work I like a superior to help me make decisions most of the time.	2	1	-1	-2	-30	167
91. The size of my salary has no influence on my job satisfaction.	2	1	-1	-2	-31	168
**92. I would like to work for a government owned shipping company for the job security.	2	1	-1	-2	-32	169
93. Few would like to hold a position of control in a shipping company.	2	1	-1	-2	-33	170
**94. I would only ever help a fellow colleague who was unable to cope with the work load if the supervisor/manager instructed me to do so.	2	1	-1	-2	-34	171
**95. I believe in sitting down and discussing differences of opinion with a fellow colleague to help maintain peaceful, friendly relations in the office.	2	1	-1	-2	-35	172
**96. It is important for me to work with people who make an effort to be friendly.	2	1	-1	-2	-36	173
**97. I tend to step down in an argument with a fellow colleague rather than lose his friendship.	2	1	-1	-2	-37	174
**98. I see no need to search for new ways to do my work better.	2	1	-1	-2	-38	175
99. I would volunteer to stay back at the office most evenings if this was treated as overtime.	2	1	-1	-2	-39	176
100. I quite like working in a company with fellow colleagues who are competitive.	2	1	-1	-2	-40	177
101. If the company started retrenching people tomorrow, I would rather look for another job than accept a lower position in the company.	2	1	-1	-2	-41	178
**102. I find that people who try to influence others probably make successful salesmen of the services that this company offers.	2	1	-1	-2	-42	179
103. I would turn down a job that was in the same position but for a bit more money and better service benefits if it meant moving to a remote part of the country.	2	1	-1	-2	-43	180

104. I like silence even while working with others.
- **105. When it comes to dealing with people at work, I like to think that I can give as good as I can take.
- **106. I don't like participating in social gatherings with other members of staff very much.
- **107. I think that a decision involving a small risk will lead to the successful outcome of a difficult work problem.
108. When I have completed a difficult problem successfully I feel like a well deserved rest.
- **109. I get along fine in my job by being warm and friendly towards both colleagues and clients.
- **110. I feel a bit awkward in a position of leadership when dealing with people at work.
111. I would certainly consider a similar job to mine that involves working eight hour shifts around the clock, if it paid a 20% bonus together with improved service benefits.
112. Even if the company retrenched employees tomorrow, I would be reluctant to do the work of two or more retrenched fellow employees in order to improve my chances of survival.
- **113. I would not consider working overtime over a long weekend even if this was treated as time and a half.
114. If the company had to start retrenching people tomorrow, I would be prepared to take a lower position in the company so as not to be made redundant.
- **115. When I am involved in an argument with another member of staff which leads to unfriendliness, I try to put things right.
116. Even if I inherited a fortune, I would still continue working.
- **117. I don't like making any decisions in my work that involves an element of risk.
118. If I was retrenched tomorrow it would be difficult to get another job in this capacity with the same salary.
119. It is not necessary to be tough minded to get anywhere in the shipping industry.
- **120. I won't accept assistance from a colleague if I have a personal problem.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-44	181
2	1	-1	-2	-45	182
2	1	-1	-2	-46	183
2	1	-1	-2	-47	184
2	1	-1	-2	-48	185
2	1	-1	-2	-49	186
2	1	-1	-2	-50	187
2	1	-1	-2	-51	188
2	1	-1	-2	-52	189
2	1	-1	-2	-53	190
2	1	-1	-2	-54	191
2	1	-1	-2	-55	192
2	1	-1	-2	-56	193
2	1	-1	-2	-57	194
2	1	-1	-2	-58	195
2	1	-1	-2	-59	196
2	1	-1	-2	-60	197

121. When deciding to take this job my most important consideration was the amount of money and quantity of the service benefits being offered.
122. I think that the company should ultimately be responsible even for the consequences of decisions that I have to make in my work.
123. If there are problems with the quality of my work I would rather my superiors be patient and say nothing for a while, in case I improve myself.
- **124. I am quite satisfied to do my job to just the same standard as my fellow colleagues.
- **125. Every so often I enjoy a challenging task.
- **126. I enjoy trying to convince clients that this company offers services that will best meet their needs.
- **127. It does not really matter to me if I have not done my job as well as my fellow colleague of comparable skill.
- **128. I like to work in a group with fellow members of staff.
129. I think that people who are aggressive in their approach have trouble in getting promotion in shipping.
130. I would most probably accept a job in a lower position if I received a 15% salary increase and/or improved service benefits.
131. I don't feel threatened when I see fellow employees being laid off from the company.
132. I don't believe in competing too much with my fellow colleagues in the realm of work.
133. In shipping the thought of possible retrenchment is something I have learned to live with.
134. It is my experience that a decision involving a small risk will jeopardize the successful outcome of a difficult work problem.
- **135. I like to participate in social gatherings with colleagues after hours.
136. I would certainly consider taking a job that has a reputation for being dangerous if the salary was 50% more than what I'm earning at present with good service benefits.
- **137. The ability to persuade people is not all that useful in my job.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-61 198
2	1	-1	-2	-62 199
2	1	-1	-2	-63 200
2	1	-1	-2	-64 201
2	1	-1	-2	-65 202
2	1	-1	-2	-66 203
2	1	-1	-2	-67 204
2	1	-1	-2	-68 205
2	1	-1	-2	-69 206
2	1	-1	-2	-70 207
2	1	-1	-2	-71 208
2	1	-1	-2	-72 209
2	1	-1	-2	-73 210
2	1	-1	-2	-74 211
2	1	-1	-2	-75 212
2	1	-1	-2	-76 213
2	1	-1	-2	-77 214

- **138. If requested, I would feel a bit uneasy to take charge of the company in the brief absence of a superior.
139. I would not care to take extra work home each evening even if this was recognized as overtime.
140. I find that being warm and friendly to those in the office is not worth all the time it takes.
141. I evaluate how well I am doing my work simply according to the standards set by the company manager.
- **142. For me, job security is by no means the major concern in a job.
- **143. I can't really enjoy tackling new tasks without help or advice.
- **144. If this company became computerized, I would be prepared to undergo the necessary training to function in the new system.
- **145. The amount of money that I may earn will not influence how hard I will work.
- **146. Every one needs to strive to attain a certain amount of influence to survive in the shipping industry.
- **147. I feel if I can't help a fellow colleague experiencing a personal or work problem then that is "just one of those things".
- **148. I don't mind taking some small risks in my work especially if it means getting results.
- **149. If some rumours were going around that this company was soon going into liquidation I would energetically start looking for another job.
150. I'm not the type that feels they've got to have influence over other people.
- **151. I'd be happy to assume leadership of a small group at work if given the opportunity.
152. I don't mind making risky decisions in my work.
- **153. The ability to persuade people is absolutely vital in my job.
154. The only reason I work is to earn a living.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-78	215
2	1	-1	-2	-79	216
2	1	-1	-2	-4 C4	127
2	1	-1	-2	-5	218
2	1	-1	-2	-6	219
2	1	-1	-2	-7	220
2	1	-1	-2	-8	221
2	1	-1	-2	-9	222
2	1	-1	-2	-10	223
2	1	-1	-2	-11	224
2	1	-1	-2	-12	225
2	1	-1	-2	-13	226
2	1	-1	-2	-14	227
2	1	-1	-2	-15	228
2	1	-1	-2	-16	229
2	1	-1	-2	-17	230
2	1	-1	-2	-18	231

- **155. If two of my fellow colleagues have differences of opinion which creates an unfriendly atmosphere in the office I will not become involved.
- **156. I find that to be warm and friendly to those in the office is personally satisfying.
- **157. I feel that I have failed when the job I have done is not to my satisfaction.
158. I would be reluctant to take a job that has a reputation for being dangerous if it offered a salary 50% more than I'm earning at present together with good service benefits.
159. It would take more than rumours to worry me about my job tenure here; I'd need convincing proof that the company and our jobs were at risk before looking for another job.
160. For me, there are nicer things about working than just being able to earn money.
- **161. I like to have supportive fellow colleagues at the office.
162. I would not consider the idea of working eight hour shifts around the clock even if I was offered a 20% bonus with improved service benefits.
163. I don't mind working with people who are aloof.
- **164. I don't get involved with personal problems that my fellow colleagues bring to the office.
- **165. I wouldn't consider doing anything risky in my work routine, even if it offered the prospect of saving a lot of time and money.
166. I would not bother to stay back at the office in the evenings even if this was treated as overtime.
- **167. I would rather pay someone else to run my business one day.
168. I seldom fear retrenchment in my job.
- **169. I feel disappointed when I have not done my job as well as a fellow colleague of comparable skill.
170. An argument helps to "air the washing" and clear up the tension, animosity and unfriendliness between staff members in the office.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-19	232
2	1	-1	-2	-20	233
2	1	-1	-2	-21	234
2	1	-1	-2	-22	235
2	1	-1	-2	-23	236
2	1	-1	-2	-24	237
2	1	-1	-2	-25	238
2	1	-1	-2	-26	239
2	1	-1	-2	-27	240
2	1	-1	-2	-28	241
2	1	-1	-2	-29	242
2	1	-1	-2	-30	243
2	1	-1	-2	-31	244
2	1	-1	-2	-32	245
2	1	-1	-2	-33	246
2	1	-1	-2	-34	247

APPENDIX E.

A SCALE MEASURING SOME CRITERIA
OF INSTRUMENTALITY BELIEF AND JOB SATISFACTION.

1. The annual increments that we get here are too small to try and keep pace with the basic cost of living.
2. The way this company operates, I can never say with any reasonable degree of confidence that I will be employed here next month.
- **3. I am always told for what reason a pay increase has been granted.
4. My annual or half yearly increment is not based on my performance for that period.
5. I just have to live with the state of my job security in this capacity, since other shipping companies can't offer me a better deal in this respect.
6. You have to perform outstandingly in every aspect of the job before you get promoted in this company.
7. I feel that a person isn't given a fair chance to prove his worth around here, before being asked to leave.
- **8. I have a clear conception of the objectives that I am required to attain.
9. You are expected to do better than your best in this company before you receive a salary increase.
10. My job is at risk because the work that I do in this company is fairly straightforward, i.e. I can be easily replaced.
11. My job includes too many unrelated functions.
12. I have the discretion to decide how to do the work I am expected to do and prefer it this way.
13. When I solve difficult problems it doesn't do much to improve my overall level of performance.
- **14. If you perform well at work people in general will seek your advice.
15. I could use my knowledge and skills more effectively if my work was less defined.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-35 248
2	1	-1	-2	-36 249
2	1	-1	-2	-37 250
2	1	-1	-2	-38 251
2	1	-1	-2	-39 252
2	1	-1	-2	-40 253
2	1	-1	-2	-41 254
2	1	-1	-2	-42 255
2	1	-1	-2	-43 256
2	1	-1	-2	-44 257
2	1	-1	-2	-45 258
2	1	-1	-2	-46 259
2	1	-1	-2	-47 260
2	1	-1	-2	-48 261
2	1	-1	-2	-49 262

16. Pay is a "bone of contention" in this company.
17. My abilities are stretched to the limit in my present job.
18. I seldom receive a salary increase for work consistently well done.
- **19. If I continue to work the way I am at present, it won't be too long before a promotion comes my way.
20. If I under quote on a large assignment, and the company loses on the deal, it is unlikely that I will be asked to resign.
21. There is a lack of teamwork in this office.
22. I am encouraged to have many interests at work.
23. I am not developing sufficiently in my job.
- **24. This company takes care of its staff, and won't lay off an employee until all other alternatives have been explored.
- **25. My job has helped me to understand better both my basic strengths and weaknesses.
26. If I feel that my job is "on the line", I would be too afraid to discuss this matter with my superiors in case they suggest that I resign immediately.
27. The design of my job is virtually static, i.e., much the same for long periods of time.
28. When I make mistakes in my work I feel that my job is at risk.
29. When I try to do well in my work I can seldom count on the support of my superiors and fellow colleagues.
30. The salary for the job I do, is comparable to that of individuals employed in other shipping companies doing the same work.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-50	263
2	1	-1	-2	-51	264
2	1	-1	-2	-52	265
2	1	-1	-2	-53	266
2	1	-1	-2	-54	267
2	1	-1	-2	-55	268
2	1	-1	-2	-56	269
2	1	-1	-2	-57	270
2	1	-1	-2	-58	271
2	1	-1	-2	-59	272
2	1	-1	-2	-60	273
2	1	-1	-2	-61	274
2	1	-1	-2	-62	275
2	1	-1	-2	-63	276
2	1	-1	-2	-64	277

31. This company gives a "fair day's pay for a fair day's work".
32. When you try to work hard in this office people "help more than they hinder you".
- **33. You really have to do something bad, (e.g., criminal act), before you are asked to leave this company.
34. Only the "blue eyed boys" get preferential treatment when it comes to job security.
- **35. Through my job I've learned to cope better in difficult situations.
- **36. If I can get a few new clients each month, to do business with this company or likewise, I have earned my salary increase.
- **37. I am able to obtain more influence and power to persuade others in the office when I am performing well myself.
38. I am not altogether happy about my job security situation in this company.
39. My superior waits until I approach him about a pay increase before he gives the matter due consideration.
40. If it was job satisfaction that I was looking for I would not be working here.
41. My level of authority remains static for long periods of time despite an improved level of performance.
- **42. My boss encourages and promotes the extension of my existing knowledge.
- **43. If you work consistently well, but not necessarily perform brilliantly in any aspect of your work, you can still get promotion in this company.
- **44. This company offers a job for life.
- **45. My job has taught me to be a more responsible person.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-65 278
2	1	-1	-2	-66 279
2	1	-1	-2	-67 280
2	1	-1	-2	-68 281
2	1	-1	-2	-69 282
2	1	-1	-2	-70 283
2	1	-1	-2	-71 284
2	1	-1	-2	-72 285
2	1	-1	-2	-73 286
2	1	-1	-2	-74 287
2	1	-1	-2	-75 288
2	1	-1	-2	-76 289
2	1	-1	-2	-77 290
2	1	-1	-2	-78 291
2	1	-1	-2	-79 292

46. When I try my best at work I can depend on the support from my superiors and fellow colleagues.
- **47. I will be employed with this company for many years to come, unless I decide to leave for a different/better job.
48. I find that I have to work until I am "blue in the face" before a salary increase is granted.
49. Taking all things into consideration I am not altogether satisfied with my job at present.
- **50. If I am regularly successful in working through difficult (problems) and/or set of documents without assistance from either superiors or colleagues I am in line for a salary increase.
51. The announcement that you have been laid off should not come as a shock since a warning to this end is issued in advance of any action being taken.
52. I can get a better salary if I move to another company.
- **53. Through my job I've learned to overcome some personal difficulties.
54. This company leaves much to be desired.
- **55. I have come to realize that I can achieve a great deal in my work due to the support of my fellow colleagues and superiors.
56. The company may not be able to give you a salary increase or promotion every time you perform well, but they show their gratitude in other ways.
- **57. I usually get satisfactory information back regarding my performance.
- **58. I have assumed certain powers in order to decide various things for myself.
- **59. My superiors try their best to see that I get a pay increase for good work.
60. If I perform well when confronted with a difficult assignment I don't regard this as much of a personal achievement.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-4 C5 293
2	1	-1	-2	-5 294
2	1	-1	-2	-6 295
2	1	-1	-2	-7 296
2	1	-1	-2	-8 297
2	1	-1	-2	-9 298
2	1	-1	-2	-10 299
2	1	-1	-2	-11 300
2	1	-1	-2	-12 301
2	1	-1	-2	-13 302
2	1	-1	-2	-14 303
2	1	-1	-2	-15 304
2	1	-1	-2	-16 305
2	1	-1	-2	-17 306
2	1	-1	-2	-18 307

61. I have little opportunity to do "quality" work as I am merely regarded as a "cog-in-the-wheel".
62. Only the "blue eyed boys" get pay increases and promotions around here.
63. Even if I work harder than at present, it will still be sometime before I get promoted in this company.
64. I am frustrated because I have little authority and therefore cannot make decisions relating to my own work.
65. Taking small risks in my job seldom leads to an improved level of personal performance.
66. Performing well at work is not the "be all and end all" of being accepted as a leader by my colleagues and superiors.
67. Rules are necessary in any organization in order to ensure maximal functioning even at the expense of my individual feelings.
68. By solving difficult problems in my work my level of confidence increases.
- **69. I am a better person for the work I do.
70. When I am given a salary increase, I am not always sure for what reason it has been granted.
- **71. When I work well in the office I earn the respect of both colleagues and superiors.
72. When I make mistakes in my work the thought that my job may be at risk does not enter my head.
73. I don't have to over exert myself to get a salary increase.
74. I find that if I try to perform better than my colleagues they encourage me by competing.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-19	308
2	1	-1	-2	-20	309
2	1	-1	-2	-21	310
2	1	-1	-2	-22	311
2	1	-1	-2	-23	312
2	1	-1	-2	-24	313
2	1	-1	-2	-25	314
2	1	-1	-2	-26	315
2	1	-1	-2	-27	316
2	1	-1	-2	-28	317
2	1	-1	-2	-29	318
2	1	-1	-2	-30	319
2	1	-1	-2	-31	320
2	1	-1	-2	-32	321

- **75. This company rewards you for hard work - in the way of pay increases and/or promotion
- **76. The saying "easy come, easy go" is true of this company as far as its retrenchment policies are concerned.
77. The announcement that you have been laid off may come as a shock because it was so unexpected.
78. There is a lack of understanding between my boss and I with the measure by which my success is gauged.
79. This company is what you make of it.
- **80. Questions of policy are only the concern of top management with the results that I am disregarded as an individual worker in this organization.
81. My job has helped me to handle personal relationships.
- **82. At my present level of performance I run the risk of being retrenched.
83. When you try to work hard in this office people "hinder more than they help you".
84. I prefer to solve large problems "now and again", I find that it does more for my overall level of performance than solving small ones regularly.
85. If I maintain my present level of performance, my job will remain secure for sometime to come.
- **86. My level of authority in the office improves with the general improvement in my performance.
- **87. I can't really achieve much personally through hard work in this company.
88. A relationship of mutual trust and concern exists between me and my superiors.
- **89. It is irrelevant to know the various aspects of organizational life as I have little power to change anything.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-33 322
2	1	-1	-2	-34 323
2	1	-1	-2	-35 324
2	1	-1	-2	-36 325
2	1	-1	-2	-37 326
2	1	-1	-2	-38 327
2	1	-1	-2	-39 328
2	1	-1	-2	-40 329
2	1	-1	-2	-41 330
2	1	-1	-2	-42 331
2	1	-1	-2	-43 332
2	1	-1	-2	-44 333
2	1	-1	-2	-45 334
2	1	-1	-2	-46 335
2	1	-1	-2	-47 336

90. There is always room for a salary increase, but I can't complain at present.
91. This company tries to give their staff an annual increase that keeps pace with the cost of living.
92. I have found that it does not pay to work hard in this company since appreciation is seldom shown.
93. My job in this company is satisfactory in terms of the job security it affords me.
- **94. If I feel that my job is "on the line", I can discuss the matter with my superiors, free in the knowledge that they won't suggest that I resign on the spot.
- **95. Those at the top are pretty fair in their judgement about who to lay off.
96. I am misled into believing that I have a say in things but in reality I have little influence.
97. The policy of the organization limits the type of work I can do.
98. My job has helped me to understand people better.
- **99. No matter how well I perform it does not improve my level of influence and power to persuade others in the office.
100. I believe that by performing well at work I may eventually become accepted as a leader amongst my colleagues and superiors.
- **101. When I solve difficult problems at work it improves my general level of performance.
- **102. There is sufficient opportunity for me to advance in the company.
- **103. I think it is important to find meaning in one's work beyond the work situation.
- **104. I have to achieve more in my work than just having success when working through difficult sets of documents or other problems before I am in line for a salary increase.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY	
2	1	-1	-2	-48	337
2	1	-1	-2	-49	338
2	1	-1	-2	-50	339
2	1	-1	-2	-51	340
2	1	-1	-2	-52	341
2	1	-1	-2	-53	342
2	1	-1	-2	-54	343
2	1	-1	-2	-55	344
2	1	-1	-2	-56	345
2	1	-1	-2	-57	346
2	1	-1	-2	-58	347
2	1	-1	-2	-59	348
2	1	-1	-2	-60	349
2	1	-1	-2	-61	350
2	1	-1	-2	-62	351

105. I feel secure in my job because the work that I do in this company is very complex - i.e. it would be difficult to replace me.
106. My salary is "shocking" for the work that I do.
107. You have really got to kick up a fuss around here before those high up pay some attention to your personal complaints.
108. My job in this company is marginal in terms of the job security it affords me.
109. The job security offered in this company is to my satisfaction.
- **110. My boss frequently asks my opinion in those areas where I have special knowledge.
- **111. When I am bored I feel free to ask for more challenging work.
- **112. If I under quote on a large assignment and/or something equally harmful, the company loses on the deal, I may be asked to leave.
113. I feel better about my overall level of performance when I have regular success at solving small problems.
- **114. A consistently high level of performance at work improves my chances for later holding a position of control in another company - if one isn't available here.
- **115. Some aspects of my job are specifically aimed at my personal development.
- **116. Other shipping companies offer better services benefits than this company.
117. Salary increases and promotions are granted according to a fair merit system.
118. This company often retrenches people unexpectedly.
119. I feel insecure because little that I do is appreciated.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-63 352
2	1	-1	-2	-64 353
2	1	-1	-2	-65 354
2	1	-1	-2	-66 355
2	1	-1	-2	-67 356
2	1	-1	-2	-68 357
2	1	-1	-2	-69 358
2	1	-1	-2	-70 359
2	1	-1	-2	-71 360
2	1	-1	-2	-72 361
2	1	-1	-2	-73 362
2	1	-1	-2	-74 363
2	1	-1	-2	-75 364
2	1	-1	-2	-76 365
2	1	-1	-2	-77 366

120. The service benefits in this company are reasonable.
- **121. My superiors are not prepared to stick their necks out to see that I get a pay increase when I deserve one.
122. I feel that every employee in this company is given a fair chance to prove his worth before he/she is asked to resign.
- **123. This company can offer its employees the opportunity for job satisfaction.
- **124. My superior encourages me to extend my existing knowledge and skills.
- **125. A consistently high level of personal performance improves my chances for holding a position of control in this company one day.
- **126. I feel that little is being done to develop me, to occupy a more senior position in the firm.
127. You only have to try your best in all that you do at work in this company, to receive a salary increase.
- **128. When I work consistently well, I usually receive a salary increase.
- **129. I have to do more than just get a few new clients or likewise, to do business with this company each month before I have earned my salary increase.
130. When I perform well at work it is a solo effort, since I seldom get support from my fellow colleagues and superiors.
131. I receive an annual or half yearly increment which is based on how hard I've worked for this period.
- **132. Solving difficult problems at work does little to improve my general level of confidence.
133. My knowledge is put to full use in the company.
- **134. My job satisfies my needs for realizing my abilities.

DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
2	1	-1	-2	-78 367
2	1	-1	-2	-79 368
2	1	-1	-2	-4 06 369
2	1	-1	-2	-5 370
2	1	-1	-2	-6 371
2	1	-1	-2	-7 372
2	1	-1	-2	-8 373
2	1	-1	-2	-9 374
2	1	-1	-2	-10 375
2	1	-1	-2	-11 376
2	1	-1	-2	-12 377
2	1	-1	-2	-13 378
2	1	-1	-2	-14 379
2	1	-1	-2	-15 380
2	1	-1	-2	-16 381

	DEFINITELY AGREE	INCLINED TO AGREE	INCLINED TO DISAGREE	DEFINITELY DISAGREE	FOR OFFICE USE ONLY
**135. I think if I had to move to another company in my present capacity, my job could be more secure.	2	1	-1	-2	-17 382
136. Even a dedicated worker can get retrenched from this company during times of economic hardship.	2	1	-1	-2	-18 383
137. It is not "what you know" but "who you know" that lands you salary increases and promotions in this company.	2	1	-1	-2	-19 384
138. My only concern is whether the organization makes a profit.	2	1	-1	-2	-20 385
**139. The tasks and duties in my job are so closely defined that I feel as though I am in a straight-jacket.	2	1	-1	-2	-21 386
140. Taking small risks in my job usually leads to increased personal performance.	2	1	-1	-2	-22 387
**141. I obtain personal satisfaction from doing my job.	2	1	-1	-2	-23 388
**142. I can achieve much personally in my job through hard work.	2	1	-1	-2	-24 389
**143. I find that if I try to perform better than my colleagues, they ridicule me for trying to become a favourite amongst those high up in the company.	2	1	-1	-2	-25 390
144. I am happy in this company.	2	1	-1	-2	-26 391
**145. I have to do other things besides just performing well before I am able to earn the respect of my colleagues and superiors.	2	1	-1	-2	-27 392
146. If I perform well when confronted with a challenging assignment I regard this as a fair personal achievement.	2	1	-1	-2	-28 393
**147. I don't receive enough recognition in this company for accomplishments.	2	1	-1	-2	-29 394
148. If you perform well at work people won't really seek your advice on work matters.	2	1	-1	-2	-30 395
149. I am able to attain more influence over others when I perform well.	2	1	-1	-2	-31 396

APPENDIX E.

WORK PERFORMANCE
RATING SCHEDULE.

STRICTLY CONFIDENTIALEMPLOYEE PERFORMANCE EVALUATION SCHEDULE

INTRODUCTION: One of the central aspects of this study is the notion that the employee's beliefs about the work situation may relate to some objective criteria of performance. In order to establish whether or not, this notion is plausible, the researcher has to use a device for rating employee performance. In your capacity as Managing Director/Branch Manager of this branch operation you are requested to complete this rating schedule, which is designed for that purpose. As always, the information collected will remain private and confidential.

Thank You.

- INSTRUCTIONS:
1. Employees holding a clerical position or higher in this office, are to be rated.
 2. Write the names of participating employees in the spaces provided on the table.

EXAMPLE:

PERFORMANCE SCALE
LOW 1 2 3 4 5 HIGH

RATING CRITERIA	SURNAMES AND INITIALS OF EMPLOYEES					
Criteria irrelevant to the performance of an employee must be marked N/A in the appropriate box.	MRT. DAVIS	MR. V. ROBERTS	Miss L. KING	ETC	ETC	ETC
The employee's ability to: Communicate in writing, Communicate telephonically.	4	N/A	4			
	3	4	2			

Above is the tabulated form of the data which is required in this schedule.

3. Most of the statements are prefaced by the phrase, "The employee's ability to:". This is to be found at the top of each tabulated page. If a statement does not appear to be clear, refer back to this phrase.
4. A particular criteria may be regarded as irrelevant for rating, only if it is not part of the employee's job, e.g., it may not be company policy to allow clerical staff to write letters to a client in connection with a business transaction.
5. Enter your rating figures in the appropriate boxes alongside the rating criteria, as shown in the example on page (a.).
6. Your estimation in rating employees should make every effort to be an objective and unbiased reflection of each employee's performance. Every organisation has high and low performers. Do not be afraid to give an honest rating of any employee's performance, regardless of the position he/she may hold in the organisation. Remember this information is strictly confidential, and the employees concerned will never know about it. You may find it difficult to admit that individuals performing below the required standards of this company are working in your office. You may rest assured that this happens in other companies as well, so your branch operation is not unique in this respect.
7. Pages I and 2 of this schedule consists of a table, listing performance criteria, (a - x). You are required to rate each staff member against the criteria, using the five point scale set out above each table.

8. Branch operations employing twenty or more employees eligible to participate in this study, will be provided with extra tabulated paper.
9. Should you experience difficulty in understanding any of the rating criteria please bring the matter to the notice of the fieldworker in charge.

STRICTLY CONFIDENTIAL
EMPLOYEE PERFORMANCE EVALUATION SCHEDULE

Rate your employees performance on the five point scale set out below by selecting the score which best reflects your estimation of each individual working in this office.

PERFORMANCE SCALE
LOW 1 2 3 4 5 HIGH

RATING CRITERIA	SURNAMES AND INITIALS OF EMPLOYEES	FOR OFFICE
Criteria irrelevant to the performance of an employee must be marked N/A in the appropriate box.		<u>USE ONLY</u>
The employee's ability to:		
** a. Cope with ambiguous situations at work, i.e., deal with problems not regularly encountered in his/her daily activities.		-32 C6 397
* b. Make rationally acceptable decisions in his/her work.		-33 398
* c. Learn new tasks or procedures in his/her work.		-34 399
* d. Carry out instructions issued by a superior.		-35 400
* e. Spot errors in his/her work before they are pointed out by a superior.		-36 401
** f. Communicate: in writing.		-37 402
telephonically.		-38 403

PERFORMANCE SCALE

LOW 1 2 3 4 5 HIGH

RATING CRITERIA	SURNAMES AND INITIALS OF EMPLOYEES												FOR OFFICE USE ONLY	
Criteria irrelevant to the performance of an employee must be marked N/A in the appropriate box.														
The employee's ability to:														
** g. Deal with an aggressive client.													-39	404
** h. Verbal communication face-to-face with: superiors. colleagues. clients.													-40	405
* I. Work fast without making mistakes in his/her work.													-41	406
* j. Perform a task taking the shortest most effective route.													-42	407
* k. Perform several tasks simultaneously.													-43	408
* l. Cope with a heavy work load.													-44	409
* m. Work under stress.													-45	410
* n. The employee's level of initiative shown in his/her work.													-46	411
* o. The employee's level of enthusiasm to work.													-47	412
* p. How responsible is the employee at work?													-48	413
* q. How effective is the individual in his present job?													-49	414
** r. Coperate with his/her colleagues and superiors.													-50	415
** s. Work as a team member.													-51	416
													-52	417
													-53	418

PERFORMANCE SCALE

LOW I 2 3 4 5 HIGH

RATING CRITERIA	SURNAMENES AND INITIALS OF EMPLOYEES														FOR OFFICE				
															USE ONLY				
Criteria irrelevant to the performance of an employee must be marked N/A in the appropriate box.																			
The employee's ability to:																			
* t. The employee's level of loyalty to the company.																		-54	419
* u. The employee's level of integrity when dealing with a client, colleague or superior.																		-55	420
** v. How tolerant is the individual towards others in the office?																		-56	421
** w. How supportive is the individual towards a colleague with a problem?																		-57	422
** x. Win the trust and cooperation of: fellow workers.																		-58	423
clients.																		-59	424

250.

APPENDIX G.

COMPANY EVALUATION SCHEDULE.

INSTRUCTIONS: The information required to complete RATING CRITERIA must be obtained from company records held by head office or kept by each branch operation. This information is obviously confidential in nature, and therefore a ten-point scale for rating performance-effectiveness on each of these items is provided in the table on page one of this questionnaire schedule, so that you do not have to reveal more specific information about your operations.

Completing the table

STEP 1 Read the items (a - k) of the table on page one carefully. Once you understand what is required to answer the questions accurately, collect the relevant information of each office/operation's records. THIS INFORMATION SHOULD BE COMPILED FOR THE PERIOD, 1 SEPTEMBER 1983 TO MARCH 1984.

STEP 2 With the relevant information for each office/operation recorded on a piece of paper, consider the following FACTORS upon which your rating should be based;

- a) size of operation - number of people employed and the variety of services offered to the consumer,
- b) quality of the market in which the operation competes for profit,
- c) scope for success of the operation as a competitor in this market.

STEP 3

Rate the performance -effectiveness of each operation in this country on the ten-point scale as seen above the table on page one. In effect you are rating by comparing each individual operation with your idea of the "group average".

For Example: Rating criteria item a. The number of new accounts secured.

PERFORMANCE-EFFECTIVENESS SCALE

HIGH 9 8 7 6 5 4 3 2 1 0 LOW

Head Office	Branch Offices (names of operations)				
JHB	DBN	PE	CT	PMB	
5	7	3	6	4	

Now, in terms of the information from records for item a., for each operation, a score reflecting your rating (taking into account the FACTORS set out in step 2) is recorded in the box in the table.

RATING CRITERIA AND OPEN ENDED QUESTIONS a - u;

are to be based on your knowledge of company procedures and practises. When asked here to rate the performance of any operation on a ten-point scale provided, just circle the score which best reflects your estimation.

THE SCALES REQUIRED FOR EACH OF THE ITEMS TABULATED BELOW:

- i) ARE BASED UPON BUSINESS TRANSACTIONS WHICH HAVE BEEN UNDERTAKEN BY EACH OFFICE/OPERATION IN THE PAST SIX MONTHS,
- ii) THIS INFORMATION SHOULD BE OBTAINABLE FROM THE COMPANY RECORDS KEPT BY EACH OFFICE/OPERATION, OR HELD AT HEAD OFFICE.

PERFORMANCE-EFFECTIVENESS SCALE

HIGH 9 8 7 6 5 4 3 2 1 0 LOW

Rate the performance-effectiveness of each operation (starting with head office), in terms of the RATING CRITERIA in the table on the left hand side of this page.

RATING CRITERIA	NAMES OF OPERATIONS											FOR OFFICE USE ONLY
	HEAD OFFICE											
All items below are addressing the past six months of business, undertaken by each office/operation;												
a) The number of new accounts secured.												
b) The number of clients that have ceased doing business with the company. (Excluding accounts closed due to bad debts.)												
c) The number of transactions that have been successfully concluded within 7 days, or on receipt of the invoice.												
d) The number of transactions successfully concluded within 30 days.												
e) The number of transactions successfully concluded within 60 days.												
f) The number of transactions successfully concluded within 90 days.												
g) The number of accounts closed after the recovery of funds from bad debts.												
h) The number of bad debtors at present.												
i) The number of penalties incurred with the Department of Customs and Excise.												
j) The number of transactions registering a loss for this company due to the client becoming insolvent.												
k) The number of transactions where this company has "broken square" or registered a loss due to an erroneous quotation or other penalties (excluding losses due to Custom's penalties).												

- 1) Does this company have "in house business", i.e., business from another organisation within the group.
(Circle one answer.)

YES	NO
1	2

IF YES: What percentage of the successfully concluded transactions can be accounted for in this manner?

- m) At present which one of your operations (branches/head office) is performing most effectively? _____

Rate this operation on the ten-point performance-effectiveness scale provided below;

HIGH 9 8 7 6 5 4 3 2 1 0 LOW

- n) Which operation is performing least effectively at present?

Rate this operation on the ten-point performance-effectiveness scale provided below;

HIGH 9 8 7 6 5 4 3 2 1 0 LOW

- o) If the Durban operation does not feature in either questions m) or n) above, please rate this operation's performance on the ten-point performance-effectiveness scale provided below;

HIGH 9 8 7 6 5 4 3 2 1 0 LOW

t) How important do you think credit control is, in this business?

Explain: _____

u) What do you think are the necessary elements for operation effectiveness in this industry?

Explain: _____

