

**Impact of Perceived organizational politics on Job satisfaction: With  
reference to BFIs in Kathmandu Valley**

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## **RECOMMENDATION**

## CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the SOMTU, Tribhuvan University, a Graduate Research Project (GRP) report submitted by Prabin Bhatt entitled “Impact of Perceived organizational politics on Job satisfaction: With reference to BFIs in Kathmandu Valley” in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Tribhuvan University.

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## **DECLARATION OF AUTHENCITY**

I, Prabin Bhatt, declare that this GRP is my own original work and that it has fully and specifically acknowledged wherever adapted from other sources. I also understand that if at any time it is shown that I have significantly misinterpreted material presented to SOMTU, any credit awarded to me on the basis of that material may be revoked.

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## **ABBREVIATIONS**

ANOVA:	Analysis of Variance
BFI:	Bank and Financial Institutions
GATGA:	Go Along to Get Ahead
GPB:	General Political Behavior
JS:	Job Satisfaction
MBA:	Master's in Business Administration
MS Excel:	Microsoft Excel
POP:	Perceived Organizational Politics
PPP:	Pay and Promotion Policies
SPSS:	Statistical Package for the Social Sciences

## EXECUTIVE SUMMARY

It has been argued that organizational politics is not a reality objective enough to be perceived as alike by every individual in the organization; rather, it is differently perceived by everyone. Therefore, it is better to entitle it as “perceived organizational politics” rather than “organizational politics” (Ferris, Russ, & Fandt, 1989). Perceived organizational politics is defined as a strategic action taken by an individual within an organization that will result in long-term or short-term personal gain at the expense of others (Ferris et al., 1989). The major objective of the study was to identify the impact of perceived organizational politics on job satisfaction.

In order to come up with the findings, research design used in the study was descriptive and explanatory casual research design. The study was quantitative in nature. The sampling method adopted was non-probability convenience sampling. For the purpose of the study, a survey was conducted by distributing questionnaire and necessary information was gathered from 300 respondents. The questionnaire employed in this study was adopted from the study of (Kacmar & Ferris, 1991; Kacmar & Carlson, 1997; Goyal, Pokhrel & Karki 2015). The collected data were organized, analyzed and managed using Microsoft Excel and SPSS. Descriptive as well as inferential analyses were carried out to meet the objectives of the study. Frequencies, percentage analysis, mean, standard deviations, correlation and multiple regression were done to meet the objectives of the study.

The results suggest that perceived organizational politics, has a significant and negative impact on job satisfaction. In addition, it was found that there was moderate level of perceived organizational politics and less than moderate level of Job satisfaction among employees working in BFIs. Similarly, general political behavior and pay and promotion policies had significant and negative impact on job satisfaction. Whereas, go along to get ahead has a negative but not significant impact on job satisfaction.

There is a reciprocal relationship between the degree of perceived organizational politics and job satisfaction of employees. Accordingly, high degree of perceived

organizational politics leads to reduce the job satisfaction of employees and low degree of perceived organizational politics lead to increase the job satisfaction of employees.

Based on the findings, BFIs need to ensure that there is no political environment in their organization and any political activity should be discouraged to motivate employee for job satisfaction.

# CHAPTER I

## INTRODUCTION

### **1.1 Background of Study**

Organizations consist of people with different beliefs, values, attitudes which bring changes in the way they perceive different events occurs at their workplace (Delle, 2013). Organizational politics arises in the organization life through the exercise of power and influencing others and it directly and indirectly in both ways has power to affect the employee's behavior and attitude at the workplace (Danish et al, 2014). Organizational politics refers to behaviors in which people achieve their goals without following established patterns. This demonstrates that people in the organization are only concerned with their own interests, even if it means at the expense of organizational goals or other employees (Gull & Zaidi, 2012).

Organizational politics is determined by the characteristics of the organization and the perception of the individual, which is why it is referred to as an intuitive concept (Gandz & Murray, 1980). Organizational politics is a deliberate activity because employees need to be recognized for their efforts, so they seek recognition by deceiving other employees (Andrews & Kacmar, 2001). Organizational politics is a questionable concept, and there is no doubt that internal politics prevail in every organization (Vigoda & Cohen, 2002).

Political tactics are widely used in organizations. Almost every American worker can recall a political incident in which he or she was directly or indirectly involved. The consequences of these political events cause those involved to see organizational politics in their own unique light. Some who have been negatively impacted by a political incident perceive it as a negative influence in organizations, whereas others, primarily those whose position has been advanced through political means, see it as a useful tool in an organization (Ferris & Kacmar, 1992).

Workers provide their talents and motivation in the hope of earning something in return (Randall, Cropanzano, Bormann & Birjulin, 1999). This return would include pay, of course, but also includes more intangible rewards (Cropanzano and Schminke, as cited

in Randall et al., 1999). When this return is not fulfilled, organization becomes political. Politics in organization is simply fact of life (Ferris & Kacmar, 1992). When the workplace is political; individuals attain reward by competition and by amassing power (Cropanzano, Howes, Grandey, & Toth, 1997). Perception of organizational politics involves the individual's subjective evaluation of observed situation or behaviors as political (Harrell-Cook, Ferris, & Dulebohn, 1999).

Political tactics are widely used in every organization. These political tactics can greatly affect employee's performance at work. Mintzberg (1985) explains that organizational politics is the behavior which is something more than accepted organizational behavior. Organizational politics, whether actual or perceived, has long been thought to have significant and largely negative effects on workers (Burns 1961; Gandz and Murray 1980).

It has been argued that organizational politics is not a reality objective enough to be perceived as alike by every individual in the organization; rather, it is differently perceived by everyone. Therefore, it is better to entitle it as "perceived organizational politics" rather than "organizational politics" (Ferris, Russ, & Fandt, 1989). Perceived organizational politics is defined as a strategic action taken by an individual within an organization that will result in long-term or short-term personal gain at the expense of others (Ferris et al., 1989).

Many studies have been done by Kacmar & Baron (1999) which indicate significant association between negative job-related outcomes and perceptions of organizational politics. Negative job-related outcomes include anxiety, stress, absenteeism and turnover intentions and lower level of organizational commitment, job performance, job satisfaction and organizational citizenship. Perceived organizational politics has many job-related outcomes. According to Campbell (1990), job related outcomes are factors that influence an employee's job performance.

Ferris & Kacmar (1991) developed a 31-item scale with three dimensions. Organizational politics and practices, coworker and clique behavior, and supervisor behaviors were among the three dimensions. They later developed a 40-item scale. It had a total of five dimensions. Coworker, pay and promotion, go along to get along, general political behavior, and self-serving behavior were among the five dimensions.

Finally, they completed their work on a 12-item scale to measure POP. It is built in three dimensions. The first is general political behavior (GPB). The second is known as "go along to get ahead" (GATGA). The third aspect is the pay and promotion policies (PPP). This scale of 12 items to measure POP is revised by Kacmar and Carlson (1997).

Talking about the bank and financial institution in Nepal, the formal establishment of the banking industry in Nepal began when Nepal Bank Limited was established as the official bank in 1937 (Bank Supervision Report 2018, 2019). Under the direct supervision of the owners, private banks are well managed, and employees are well focused in providing the services to their customers. But in the government banks, banks are owned by the Government and regulated by the officials where good governance is not assured. The growing trade union activities in the banking career make workers stick on to labor rules and follow working norms. As a result, it initiates dissatisfaction among employees, and they do not work so effectively as the employees in private sector banks.

In recent years, the banking sector has become one of the best professions to attract the maximum number of youngsters. The nature of work in the banking sector is challenging as the system gets updated along with the change of time and situation. The modern banking industry considers employee satisfaction to be the most important aspect of retaining their valuable skilled workforce (Mobarak. 2014). Customer attrition is very high after globalization due to poor banking services, particularly from public sector banks with lower facilities for both employees and customers. Customers prefer private sector banks as a result. Today, every commercial bank strives to make its employees happy in their jobs while also attracting more customers (Thangaswamy 2011). The working environment, relationships with supervisors and peers, corporate culture, managerial style benefits, and social security from the organization all have a significant impact on job satisfaction (Thangaswamy 2011). The customers are getting poor services in a bank due to lack of assistance by dissatisfied employees switch over to other banks. (Thangaswamy, 2011)

A commercial bank, also known as a Class A bank, is a financial institution that collaborates and deals with public deposits and loans. Commercial banking is also defined as the division of large banks into numerous small banks. Commercial banks

explicitly serve their customers by accepting deposits, dealing with business loans, and sharing investment profits (Pantha, 2020). In the present, there are 27 Commercial Banks in Nepal (Bank Supervision Report, mid-April 2021).

Development banks, also known as B Class banks, are banks that were established and expanded with the goal of developing other sectors such as industrial, infrastructural, and agricultural segments. They provide their services using advanced technologies, imitating modern systems and methodologies with financial, technical, and administrative assistance. Development banks in Nepal are responsible for the development of all other sectors that are required to improve Nepal's overall status. The operation contributes to the nation's economic growth (Pantha, 2020). There are 18 Development Banks in Nepal, which includes both nationalized and private banks (Bank Supervision Report, mid-April 2021).

It was assumed that the establishment and development of finance companies were not very old. In developed countries like the USA and the UK, the finance companies were established in 1960. They were developed and extended when the banking sectors started their services in finance. The development of the finance companies did not take so long to race the banking sectors worldwide. In the context of Nepal, no such finance companies were announced, but locals used to pool their savings in a public group called Dhukuti and so on, and then they began a program of helping each other in need. The program was being run illegally in order to organize their needs, but it was not entirely secure, as people were sometimes duped by the organizers as well. Later, the government decided that there should be some companies that manage the public's savings. As a result, the concept was developed for people who are willing to start their own businesses with capital from finance companies and return it according to their rules. Considering the public interest, the Government of Nepal announced the establishment of the Finance Companies in 2049 BS (Pantha, 2020). There are 20 Finance Companies in Nepal (Bank Supervision Report, mid-April 2021).

The D Class banks are mostly found in Nepal's rural areas. Despite the fact that Nepal is a landlocked and developing country, there are still people living in poverty in various parts of the country. It is estimated that approximately 38% of the total population is classified as poor and lives in the poverty region. People in those areas do not have



enough facilities and opportunities to work on their own due to a lack of diverse alternatives. In this situation, microfinance institutions assist people who are willing to push themselves beyond their comfort zones and work outside the lines. In this way, people work for their living (Pantha, 2020). In Nepal, there are 74 such Micro Finance Financial Institutions at present (Bank Supervision Report, mid-April 2021).

## **1.2 Statement of Problem**

Employees perceived organizational politics affect their behavior and organizational performance. Thus, perceived organizational politics is an important variable for understanding organizational functioning (Harrell-Cook et al., 1999). When organizational politics is viewed from the side of employees, it often takes a negative form and has been found to be a negative variable at workplace and is termed as perceived organizational politics (POP). Many scholars argued that politics often interferes with normal organizational processes (e.g., decision making, promotion, and rewards) and affect productivity and performance on individual and organizational levels. Vigoda (2000) found that studies related to organizational politics have been conducted in the public sector but in fact they were conducted mainly at universities or they used mixed samples of private and semipublic agencies like hospitals and government-owned industries.

In the context of Nepal very few studies have been conducted in the field of Perceived organizational politics and its impact on Job satisfaction as compared to different parts of the world. Hence, this research paper primarily focuses on assessing the impact of perceived organizational politics on job satisfaction in the Bank and Financial institutions.

However, as compared to Nepal many other countries have done research on identifying the impact of perceived organizational politics on job satisfaction and most of the research has shown both the positive as well as the negative and significant impact of perceived organizational politics on job satisfaction. With the aim to remove this confusion and fill the gap the researcher thus attempts to find out the positive or negative impact of perceived organizational politics on job satisfaction in the BFIs. The

researcher is motivated to carry out the research to understand the impact perceived organizational politics on job satisfaction.

### **1.3 Research Question**

The research questions addressed in this study are:

- What is the impact of perceived organizational politics on job satisfaction?
- Is there an impact of general political behavior on job satisfaction?
- Does go along to get ahead has an impact on job satisfaction?
- What is the effect of pay and promotion policies on job satisfaction?

### **1.4 Objective of the Study**

The major objective of this study is to identify the impact of perceived organizational politics on job satisfaction.

The specific objectives are:

- To explore the impact of general political behavior on job satisfaction.
- To identify the impact of go along to get ahead on job satisfaction.
- To assess the effect of pay and promotion policies on job satisfaction.

## **1.5 Hypothesis**

Based on the literature review following hypothesis have been formulated:

### **Perceived Organizational politics**

Gull & Zaidi (2012) found out that the perception of organizational politics is negatively connected to the job satisfaction level of the employees. Byrne (2005) found out that there is a significant relationship between perceived organizational politics and job satisfaction. Abbas et al. (2012) discovered a significant inverse relationship between perceived organizational politics and job satisfaction. According to the Harris (2005) perception of politics have negative impact on an individual's job satisfaction.

H1: There is a significant impact of perceived organizational politics on job satisfaction.

### **General Political Behavior**

Luqman, M. K., Javaid, M. F., & Umair, T. (2015) found general political behavior to have significant negative relationship with job satisfaction. Hochwarter, W. A., Kiewitz, C., Castro, S. L., Perrewè, P. L., & Ferris, G. R. (2003) found individuals were less satisfied with their jobs when levels of go-along-to-get-along politics increased. Akanbi, P. A., & Ofoegbu, O. E. (2013) found there was a significant difference between general political behavior and job satisfaction.

H2: There is a significant impact of general political behavior on job satisfaction.

### **Go Along to Get Ahead**

Khan & Hussain (2016) found out there is association between go along to get ahead and job satisfaction. Akanbi & Ofoegbu (2013) found that there was a significant effect of go along to get ahead and job satisfaction. Gull, S, & Zaidi, A.A. (2012) also found negative association between go along to get ahead and job satisfaction.

H3: There is a significant impact of go along to get ahead on job satisfaction.

### **Pay and Promotion Policies**

Akanbi & Ofoegbu (2013) found there was a significant relationship between pay and promotion policy and job satisfaction. Similarly, Gull, S, & Zaidi, A.A. (2012), found higher politics in pay and promotion policy lead to lesser job satisfaction.

H4: There is a significant impact of pay and promotion policies on job satisfaction.

### **1.6 Importance**

Bank and Financial sectors are considered as one of the important parts of the economy as it plays an important role for the economic development of the country. The growth of BFIs has been long considered as an indicator of a country's economic progress. The significance of BFIs in the economic progress of a country are it helps in making important contribution to GDP, providing jobs, inputs and public services for the economy and thus helps to reduces poverty from the country.

The main purpose of this study is to identify the impact of perceived organizational politics namely is General Political Behavior, Go Along to Get Ahead, Pay and Promotion Policies on job satisfaction. From academic perspective, this study will contribute to both information search literature and management literature by providing empirical evidence in Nepalese outlook determining impact of the perceived organizational politics on job satisfaction of Nepalese bank and financial institution. This study will be significant because it will provide the indispensable facts about impact of perceived organizational politics on job satisfaction among BFIs employees.

This study will help the researcher and readers to know about the importance of perceived organizational politics on job satisfaction, mainly focusing on decreasing perceived organizational politics and increase job satisfaction among employees. As employees are the major resource in an organization and the success and failure of any organization can be determined by how satisfied are employees with their job.

The study is also beneficial for the researcher who wants to conduct study on perceived organizational politics on job satisfaction. Similarly, future studies can be conducted on the similar area but in different sectors as this study will only conduct research on BFIs with in Kathmandu Valley.

### **1.7 Study Limitation**

The study tries to cover the dimension of perceived organizational politics and its impact on job satisfaction. However, the study is not free from any boundaries of limitations. The limitations of the study are as follows:

- Self-administrated questionnaire is used for the collection of the data for the study and therefore would lack the truthfulness of the respondents which can possibly affect the results.
- The study is based on primary data. So, the limitations of primary data may be inherent in the study.
- Data is collected only from Kathmandu valley. Therefore, the results obtained from this study cannot be generalized for entire service sectors of Nepal.
- The structured questionnaire survey method is used for the study. As a result, the study might be subjected to sampling and non-sampling errors.

### **1.8 Outline and Structure**

This study is illustrated and systematically arranged in five chapters. They are as follows:

First chapter of the study gives brief outline on topic of the study. It describes what the project work is all about and why the project is worth doing. This chapter states the broad problem objectives, help introduce the project subject and explain why the problem is worth solving. It includes other sub-topics such as: objectives of study, research questions, and hypothesis, definition of terms, limitations and scope and significance of the study.

In second chapter of this study includes the review of previous writings and studies that are relevant to the problem being explored, and the framework of the theory structure. It presents a summary of major findings of previous researchers being studies in separate headings. It explains why each literature was chosen for the critical review and how it helped to build the theoretical framework and identify problem statement needed for the study.

Third chapter includes the research methodology that was applied in this study along with the discussions of the variables and statistical techniques applied to test the hypotheses. It includes research design, population and sampling, instruments, sources and methods of data collection and data analysis.

Fourth chapter is analysis and result. Basically, this chapter analyzes various data gathered and tried to find out relationship between various factors identified for the research and presents the same with the help of tables. It identifies the degree of relationship between dependent and various independent variables. Then the later part reveals the major findings from the analysis of data which are predetermined as objectives of the study.

Discussions, conclusions and implications is the fifth chapter which summarizes the whole research findings and the appropriate recommendations are forwarded on the basis of the conclusion of the study. It shows the findings in a logical and rational fashion to the problem area and also shows practical implications of the study along with the area for further researches.

Besides these, references and appendices are presented at the end of GRP report. Similarly, acknowledgements, table of contents and list of tables and figures are includes in the beginning part of the report.

## **CHAPTER II**

### **RELATED LITERATURE AND THEORETICAL FRAMEWORK**

This chapter includes review of literature on perceived organizational politics and job satisfaction, Relationship between perceived organizational politics (general political behavior, go along to get ahead, pay and promotion policies) and job satisfaction. It also includes research gap and theoretical framework that relates to the study.

#### **2.1 Theoretical Review**

##### **Perceived organizational politics**

Perceived organizational politics is defined as “an individual's perceptions of others' self-interest acts or behaviors; where these supposed actions are frequently related to the manipulations and maneuvering of organizational procedures and often contains intimidating strategies even at the expense of other employees for short term advantages.” (Abbas, Darr, & Bouckenoghe, 2012).

Organizational politics has traditionally been defined as behavior that is “self-serving, contradictory to organizational objectives, and premeditated to cause individuals, groups or entities harm” (Hochwarter & Thompson, 2010). Kacmar and Baron (1999) similarly argued that organizational politics “involves actions by individuals that are directed toward the goal of furthering their own self-interests without regard for the well-being of others or their organization”

Organizations have been recognized as political entities in management literature since the early 1960s, though work on some aspects of organizational politics, such as power and bureaucratic dysfunctions, began in the 1950s (Drory & Romm, 1988). Perceived organizational politics, according to Ferris, Harrell-Cook, and Dulebohn (2000), “involves an individual's attribution of behaviors of self-serving intent and is defined as an individual's subjective evaluation about the extent to which the work environment is characterized by coworkers and supervisors who demonstrate such self-serving behavior.”

Perceived organizational politics has been organized into three components: General Political Behavior (GPB), which include overt self-centered behaviors to attain valued outcomes; Go Along to Get Ahead (GAGA), it include hidden self-centered behaviors consisting of tacit understanding by employees (e.g. to remain silent), so that they can achieve prized outcomes (Byrne, 2005); and Pay and Promotion Policies (PPP), which involves organizations working politically through its enacted policies (Kacmar & Ferris, 1991).

### **General Political Behavior**

It has been suggested that when rules and regulations are not available to govern actions, political behavior in organizations will increase (Drory & Romm, 1990; Fandt & Ferris, 1990; Ferris, Fedor, Chachere & Pondy, 1989; Ferris & King, 1991; Ferris, Russ & Fandt, 1989). In the absence of specific rules and policies for guidance, individuals have few clues as to acceptable behavior, and therefore, develop their own. When left to their own, individuals often develop rules that are self-serving and better the position of the rule maker. Individuals who are more adept at dealing with uncertain situations and persons who impose their own rules on others are more likely to have their rules adopted.

Decision making is another process that is influenced by uncertainty. It has been discovered that decision making under uncertainty is susceptible to political influence (Drory & Romm, 1990). When the information needed to make an informed decision is lacking or ambiguous, decision makers rely upon their own interpretations of the data. Multiple translations of the same information can result in ineffective decisions that may appear political to those not directly involved in the decision-making process (Cropanzano et al., 1995).

Competition arises from a scarcity of valuable resources (e.g., transfers, raises, office space, and budgets). Several researchers have proposed that jockeying for a position that will allow one to receive a valuable resource is the essence of political behavior (Drory & Romm, 1990; Farrell & Peterson, 1982; Kumar & Ghadially, 1989). This implies that political environments will exist for organizations with limited resources. Political activities can take place in almost any organization because most will have



limited resources in at least one area.

Examining why resources are scarce can help predict who will be the target of political activities, as well as how heated the competition may become. Any individual who has control over critical resources that cannot be obtained elsewhere will almost certainly be a target of political influence tactics (Frost, 1987). Furthermore, the attractiveness and immediate benefit of the resource will influence the decision to participate in political activities (Drory & Romm, 1990). In some cases, a scarce resource, such as the organization's tickets to a sporting event, may be valued by only a few individuals, and thus the actions taken to secure this resource may not be as competitive as those taken to secure a scarce resource valued by all, such as a raise or promotion.

According to Dubrin (2001), organizational politics is considered as an unofficial advancement for attaining power. Similarly, it could be explained by achieving power through various ways except merit or fortune. It could be described that politics are used mainly to achieve power, either by hook or by crook. These all have done for personal benefits for example for getting promotion, obtaining huge funds or other resources, or getting hankering projects.

### **Go Along to Get Ahead**

Conflict is consistently related to organizational politics in the literature (Drory & Romm, 1988; Frost, 1987; Gandz & Murray, 1980; Mintzberg, 1985; Porter et al., 1981; Tushman, 1977). The essence of this connection is that political behavior is self-serving, and thus, has the potential to threaten the self-interests of others. When a threat is followed by retaliation, conflict arises (Porter, Allen, & Angle, 1981). Conflict, according to Drory and Romm (1990), is a necessary underlying element of organizational politics. Furthermore, the actual influence attempts are an indication of the potential state of conflict between the two parties.

Some people may prefer to avoid conflict and thus do not resist attempts to influence them. While this may appear to be a nonpolitical act, it is in fact a form of political behavior. It has been proposed that in organizations, the distinction between political

and nonpolitical behavior can be made based on intent (Drory & Romm, 1990). That is, if a behavior is performed solely for the purpose of advancing one's own self-interest, the individual is engaging in political behavior (Frost, 1987). Individuals who "don't rock the boat" are not viewed as a threatening opponent by those who are acting politically. Hence, the nonthreatening individual may be welcomed into the "in-group" and receive valued outcomes simply for not interfering with a politically acting individual's or group's agenda. Lack of action, or going along to get ahead, can be a reasonable and profitable approach to take in order to advance one's own self-interests when working in a political environment.

### **Pay and Promotion Policies**

The final category of organizational politics is how organizations can reward and perpetuate political behavior through policy implementation (Ferris, Fedor, Chachere & Pondy, 1989; Ferris & King, 1991; Kacmar & Ferris, 1993). Even if organizational decision-makers are not consciously doing so, the human resource systems that are developed and implemented may reward individuals who engage in influence behaviors while penalizing those who do not. Such practices will result in a culture in which political activity is prevalent in almost every aspect of human resource decision-making.

Organizations can design reward systems in a variety of ways to perpetuate political behavior. Individually oriented rewards, for example, induce individually oriented behavior. Individually oriented behavior, as opposed to organizationally oriented behavior, is frequently self-serving and political. When this type of behavior is rewarded or reinforced, the methods used to obtain the reward are likely to be repeated. As a result, organizations may create environments that encourage and reward political behavior. Rewarding political behavior can also persuade those who have never acted politically to do so in the future. Individuals who believe they are unfairly rewarded in comparison to others who engage in organizational politics may be more likely to engage in political behavior in the future (Ferris, et al., 1989; Kacmar & Ferris, 1993).

## **Job Satisfaction**

Locke (1969) was one of the early researchers to provide a broad and acceptable conceptualization of job satisfaction, and he was later followed by other researchers in the field. Job satisfaction, according to Locke (1976), is an affirmative emotional situation that results from positive or favorable working conditions within an organization. Organizations that can create work environments that attract, motivate, and retain hard workers will be better positioned to succeed in a competitive environment that demands quality and cost-efficiency. By creating a positive workplace for their employees, they can increase their employees' job satisfaction (Kumari, 2011). Kacmar and Baron (1999) noted that job satisfaction has been the most frequently examined outcome of politics.

Job satisfaction is a pleasurable or positive emotional state that results from an evaluation of one's job experiences. It means that an optimistic attitude toward work and the environment in which one works leads to job satisfaction (Cadsby, Fei, and Francis, 2007)

According to Hoppock (1935), internal factors such as psychological influences have a greater impact on an individual's satisfaction than external factors such as environmental influences.

According to Celik (2011), job satisfaction is the general expression of worker's positive attitudes built up towards their job and its nature. Job satisfaction means delightful sentiment because of the advancement of worker's job or job familiarity (Gull and Zaidi, 2012). Job satisfaction is not a self-satisfaction, happiness, or self-contentment but it refers to an individual's feelings of satisfaction on the job, which display and present a motivation to work.

Determining job satisfaction of employees is crucial since their willingness and hence their performance is closely connected to the levels of job satisfaction they possess (Gul, Oktay, & Gokce, 2008). To that end, it is not surprising at all to witness in various studies that job satisfaction is emphasized as a major facilitator of productivity and efficiency (Lin, 2012). What is more, job satisfaction is usually associated with some

other key notions of the field like loyalty (Witt & Beokermen, 1991), organizational citizenship (Swaminathan & Jawahar, 2013), employee engagement (Lu, Lu, Gursoy, & Neale, 2016) in the workplace whereas with others of negative nature such as psychological distress (Moen, Kelly, & Lam, 2013), burnout, absenteeism (Tschopp, Grote, & Gerber, 2014) that leads to turnover (Al Rubaish, Rahim, Abumadini, & Wosornu, 2016) and thusly making the adverse effects of the phenomenon often times difficult to prevent (Altuntaş, 2014). In brief, job satisfaction is the worker's basic stance taken towards their job (Weiss, 2002).

## **2.2 Empirical Review**

### **2.2.1 Relationship between perceived organizational politics and job satisfaction**

Abbas et al. (2012) conducted a study with 231 employees from the telecom, banking, textile, and public sectors in Pakistan. The study discovered a significant inverse relationship between perceived organizational politics and job satisfaction. Vigoda-Gadot & Meisler (2010) found a negative relationship between perceived organizational politics and employee job satisfaction in a sample of 380 employees in Israel.

Kacmar and Andrews (2001) explained two different scenarios that consider high level of politics. For attaining personal benefits individual avoid the authority chain, use short cuts and going through informal channels. Sometimes silent political activities occur in organization for getting desired outcomes. These activities considered more dangerous than active political activities. It included only individual personal benefits at the cost of organizations objectives or other individuals.

Ferris et al., (1989) suggested the concept of the perception of organizational politics (Perception of Organizational Politics Scale – POPS) as a good measure of Organizational Politics. Moreover, Kacmar and Ferris (1991, pp. 193-194) and Ferris and Kacmar (1992, p. 93) argued that the higher the perceptions of politics are in the eyes of an organization member, the lower in that person's eyes is the level of justice, equity, and fairness.

Byrne (2005) found out that the perception of organizational politics has negative work outcomes and is harmful for employees as well as for organization. A study conducted by Khan & Hussain (2016) on analysis of the perception of organizational politics among university faculty it was found that there is an association between powerful political groups and employees' survival in higher education institutions. Which means there is a significant relationship between perceived organizational politics and job satisfaction.

A research was conducted by Gull & Zaidi (2012) on the impact of organizational politics on employees' job satisfaction in the health sector of Lahore Pakistan. It was found out that the perception of organizational politics is negatively connected to the job satisfaction level of the employees in the health sector. It means there is an inverse relationship between the perception of organizational politics and job satisfaction. The higher perception of organizational politics leads to decrease the level of employees' job satisfaction and lower perception of organizational politics leads to increase the level of employees' job satisfaction.

A study conducted by Akanbi & Ofoegbu (2013) to Influence of perception of organizational politics on job satisfaction among university workers in Oyo Town, Nigeria they concluded that there was a significant relationship between pay and promotion policy and job satisfaction. The result also indicated that there was main and interaction effect of going along to get ahead and pay and promotion policy on job satisfaction. In addition, there was a significant difference between general political behavior and job satisfaction.

In a study conducted by Kodisinghe (2010), 300 useful questionnaires were collected from the employees working in the banking sector and it was found out Perceived organizational politics has negative impact on job satisfaction.

Table 2.1

*Synthesis on key literature review of Perceived Organizational Politics and Job Satisfaction.*

Author	Objectives	Key Findings
Cropanzano, R., Howes, J. C., Grandey, A. A., & Toth, P. (1997).	The main aim of this paper was to examine the relationship of organizational politics and organizational support with work outcome.	The research found out there is negative relationship between organizational politics and work outcomes. while organizational support has positive relationship with work outcome. The study also suggested that perceived organizational politics and perceived organizational support are important variables for understanding organizational functioning.
Randall, M. L., Cropanzano, R., Bormann, C. A., & Birjulin, A. (1999).	The purpose of the study was to investigate the relationship of organizational politics and organizational support to various work attitudes and behaviors.	It was found out that organizational politics and organizational support were related to job satisfaction, commitment, turnover intentions, and supervisor ratings of organizational citizenship behaviors.
Valle, M., & Witt, L. A. (2001)	The aim of this research study was to examine the moderating Effect of Teamwork Perceptions on the Organizational Politics-Job Satisfaction Relationship.	The study found out that moderating effect of teamwork importance was most relevant at average-to high levels of perceived politics. It also emphasized that to address the negative impact of organizational politics is to try to ensure that employees value teamwork.

- By valuing teamwork, employees may have a greater sense of control over and understanding of the work place and, thus, be less affected by organizational politics.
- Malik, M. E., Danish, R. Q., & Ghafoor, M. (2009). This study investigated empirically the role of age in the relationship between perceptions of organizational politics (POP) and job satisfaction. The study showed that general political behavior, go along to get ahead and pay and promotions are highly and negatively correlated with different dimensions of job satisfaction, except satisfaction in general. It was found that Age is significantly positively correlated with only one dimension of perceptions of organizational politics, i.e., pay and promotion policies and negatively but not significantly correlated with job satisfaction.
- Kodisinghe, K. A. M. S. (2010). The major objective of this research was to identify the interrelationships among locus of control, perceived organizational politics, job satisfaction, perceived control and understanding. The study shows a significant relationship between locus of control and perceived organizational politics of employees. There is a reciprocal relationship between the degree of perceived organizational politics and job satisfaction of employees. Accordingly, high degree of perceived organizational politics leads

to reduce the job satisfaction of employees and low degree of perceived organizational politics lead to increase the job satisfaction of employees.

Salimäki, A., & Jämsén, S. (2010). The purpose of this paper was to investigate employee perceptions of politics and fairness in a workplace where a new merit pay system was recently implemented.

According to the findings, the higher the level of politics perceived by employees in pay decision-making, the less effective the pay system was perceived to be in achieving its objectives.

It was also found, a high level of favoritism in performance appraisal was associated with low levels of pay system effectiveness.

Vigoda-Gadot, E., & Talmud, I. (2010). The aim of this research was to examine the moderating effect of trust and social support on the relationship between organizational politics and job outcomes.

The findings supported the hypothesis that trust and social support are good moderators of the relationship between perceived organizational politics (POPs) and several job outcomes (i.e., job satisfaction, organizational commitment, stress, burnout). In other words, the potentially negative aftermaths of POPs can be controlled and reduced when trust and social support dominate the intra organizational climate.



- Abbas, M., Raja, U., Darr, W., & Bouckenoghe, D. (2012) To examine effects of perceived organizational politics and psychological capital on turnover intentions, job satisfaction, and supervisor-rated job performance. The findings support the assertion that when employees perceive politics in the workplace, it reduces their job satisfaction and performance and increases the likelihood of their leaving the organization. The findings also provide support for the idea of perceived politics being detrimental to desired outcomes at the workplace.
- Gull, S. & Zaidi, A.A. (2012) The purpose was to identify the effect of organizational politics on employees' job satisfaction in the health sector of Lahore Pakistan. The major finding was that there is an inverse relationship between the perception of organizational politics and the job satisfaction in the employees of health sector. The higher perception of organizational politics leads to decrease the level of employees' job satisfaction and lower perception of organizational politics leads to increase the level of employees' job satisfaction.
- Akanbi, P. A., & Ofoegbu, O. E. (2013). The objective of this paper was to critically examine the influence of perception of organizational politics on job satisfaction among teaching and non-teaching staff of a private university in Nigeria. The study revealed that going along to get ahead and Pay and Promotion Policy had significant effect on employees' job satisfaction. In addition, there was a significant difference

Asad, A., Saleem, M. B., & Durrani, A. B. (2014)	The purpose of this study is to investigate the relationship between emotional intelligence (EI), organizational politics (POP) and work outcomes.	between general political behavior and job satisfaction. The study showed positive relationship between emotional intelligence and perceived organizational politics. Similarly, it was found that EI is positively related to job satisfaction and negatively related to turnover intentions and negligent behavior. In addition, it was found POP is positively related to job satisfaction and negatively related turnover intentions and negligent behavior.
Muhammad, K. L., Muhammad F. J. & Tahira U. (2015)	The objective of the study was to test the effect of perceived organizational politics on Employees' job satisfaction and counterproductive work behaviors.	The findings undoubtedly support the claim that POP has negative effects on employee attitudinal and behavioral outcomes. It is found out that when employees perceive politics, it is more likely to reduce their level of job satisfaction and they are more likely to display Counterproductive Work Behaviors at the workplace.
Goyal, R., Pokhrel, S. K., & Karki, H. (2015).	The major objective of the study was to examine the Relationship between Overall Perceived Organizational Politics and Overall Employee Job	The study showed negative relationship between perceived organizational politics and job satisfaction in manufacturing and IT organizations in Nepal.

	Satisfaction in manufacturing and IT organizations in Nepal.	Moreover, there was inverse relationship between general political behavior, go along to get ahead and employee job satisfaction. But it was found out that there was positive relationship between pay-and-promotion policy and employee job satisfaction.
Saleem, H. (2015)	The major aim of the study was to investigate the impact of leadership styles on job satisfaction and to see if perceived organizational politics has a mediating role or not.	According to the findings, transformational leadership has a favorable effect on job satisfaction while transactional leadership has a negative effect. Furthermore, the findings suggest that perceived organizational politics mediate the relationship between both leadership styles and job satisfaction.
Atta, M., & Khan, M. J. (2016).	The objective of the study was to examine the impact of perceived organizational politics (POP) on organizational citizenship behavior (OCB), affective commitment (AC), and job involvement (JI).	The study found out that Perceived Organizational Politics (General political behavior, go-along-to-get-ahead and pay-and-promotions-policies) not only predicted organizational citizenship behavior (OCB) negatively but also found to be the significant negative predictors of affective commitment (AC) and job involvement (JI).

Salam, A. (2016)	The purpose of the study was to examine the relationship between Perceived Organizational Politics, Supportive Organizational Climate and Job Satisfaction in Thai Higher Education Sector.	The result of the study shows that faculty job satisfaction has significant positive relation with supportive organizational climate and significant negative relation with perceived organizational politics.
Hassan, H., Vina, T. M. H., & Ithnin, N. S. (2017).	The primary goal of this study was to investigate the predictive effect of perceived organizational politics on job satisfaction, as well as the role of personality (extraversion, openness, agreeableness, and conscientiousness) in moderating the relationship.	The finding showed a significant negative relationship between perceived organizational politics and job satisfaction. Furthermore, the findings revealed that only two of the four personality traits, openness and extraversion, moderate the relationship between perceived organizational politics and job satisfaction.
Julius, N. T., Ojiabo, U., & Alagah, A. D. (2017).	The study investigated the relationship between organizational politics and employee's job satisfaction in health sector of Rivers State.	The findings revealed a significant association between organizational politics and employee's job satisfaction and concluded that organizational politics affects employee's job satisfaction in the health sector of Rivers State
Ahmed, I. (2018)	The major objective of this study was to measure the relationship between organizational politics and employee turnover intention	According to the findings of this study, the antecedents of organizational politics of favoritism, pay and promotion, and scarcity of resources create a politics

- in private colleges of Pakistan. tendency in employees, which results in employee turnover intention.
- Yusof, J. M., Zulkiffli, S. N. A., Padlee, S. F., & Yusof, N. A. (2018). The study sought to investigate the relationship between organizational politics, employee job satisfaction, and turnover intention. Organizational politics was found to be positively related to turnover intention and negatively related to job satisfaction. Employees with a negative perception of organizational politics are less likely to be satisfied with their jobs and are more likely to leave.
- Durnali, M., & Ayyildiz, P. (2019) The study investigated faculty members' views on job satisfaction and their perceptions of organizational politics. The study showed that the higher the level of the faculty members' view of job satisfaction in total (JST), the higher the level of their perceptions of going along to get ahead (GAGAS), General political behavior (GPBS) and Honesty / Work ethics (H/WES) become.
- Meisler, G., Drory, A., & Vigoda-Gadot, E. (2019) The goal of this paper was to investigate hostility as a mediator of the relationship between organizational politics perceptions (POP) and counterproductive work behavior (CWB). Perceived organizational politics was found to be positively related to both hostility and counterproductive work behavior. Furthermore, hostility mediated the connections between perceived organizational politics and both organizational and interpersonal

<p>Ullah, S., Hasnain, S. A., Khalid, A., &amp; Aslam, A. (2019).</p>	<p>The primary goal of this research was to determine the relationship between employee well-being (EWB) and perceptions of organizational politics (POP), as well as the mediating effect of interpersonal conflicts at work (ICW) and interpersonal trust at work (ITW).</p>	<p>counterproductive work behavior.</p> <p>The study showed there is a significant negative relationship between perceptions of organizational politics and employee well-being. Additionally, interpersonal conflict has a moderating effect on employee well-being and perceptions of organizational politics. For instance, as POP rises, it has an influence on ICW, and ICW has a negative effect on EWB, therefore the mediating effect is greater than the direct relationship between POP and EWB. Finally, ITW has a role in moderating the link between POP and EWB. Employees with high POP, for example, will have a lower ITW, which will result in a lower EWB.</p>
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### 2.3 Research Gap

From the various research {Gull & Zaidi (2012), Akanbi & Ofoegbu (2013), Kodisinghe (2010)} it has been found that perceived organizational politics has a significant effect on the employee job satisfaction which ultimately affect the organizational performance/productivity. Most of the research has found a negative correlation between perceived organizational politics and job satisfaction. Therefore, to increase job satisfaction among employees, organizations should focus on how to

reduce perceived organizational politics. There have been a number of researches and studies conducted on perceived organizational politics on various fields. The researcher studied various research reports and studies on perceived organizational politics and its impact on job satisfaction.

During this study, the researcher found very few literatures and research in perceived organizational politics and job satisfaction in the bank and financial sector. However, the researcher found that there are many studies conducted on the impact of perceived organizational politics on job satisfaction in health, corporate, and academic sectors.

In the Nepalese context very, few studies were found conducted on perceived organizational politics and job satisfaction. However, the researcher was unable to find research studies examining the impact of perceived organizational politics on job satisfaction in Nepalese bank and financial sector. This is the knowledge gap for further research. This is the sincere attempt to fill the knowledge gap to link the impact of perceived organizational politics on job satisfaction research in Nepalese bank and financial sector with the international research.

## 2.4 Conceptual Framework

The purpose of this study is to identify the impact of perceived organizational politics on job satisfaction. The figure below shows the conceptual framework that has been developed for this study. The independent variables are general political behavior, go along to get ahead, pay and promotion policies whereas the dependent variable is Job satisfaction.

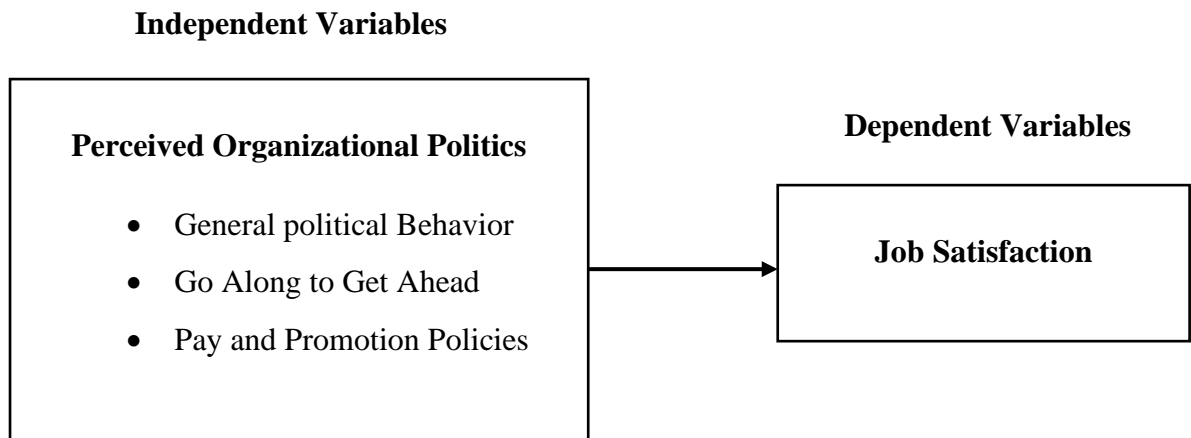


Figure 2. 1 Conceptual Framework

Source: Hassan et al., (2017) and Gull, S, & Zaidi, A.A. (2012).

### Definition of Terms

#### Perceived organizational politics

Organizational politics, according to Ferris, Russ, and Fandt [1989], is a strategic action taken by an individual within an organization that leads to long-term or short-term personal outcomes at the expense of others. Ferris, Russ & Fandt (1989) has defined perception of organizational politics as the degree that individuals view an environment of their work as the politics which are unfair. Ferris and Kacmar (1992) described that perception of politics is an employees' observation about others self-interested activities. Self-interested activities may be included the selective manipulation and management of organizational policies.



### **General political behavior**

This dimension consists of the behavior of the employees acting politically. It explained employees' self-serving way to attain valued outcomes (Gull, S, & Zaidi, A.A. 2012). These political activities specifically grow under the few situations like non availability of rules (Kacmar & Carlson, 1997), decision making under uncertainty (Drory & Romm, 1990), and scarcity of valued resources (Molm, 1997).

### **Go along to get ahead**

This dimension explained the employees' silent actions. It described how employees can achieve personal behavior through their silent actions (Gull, S, & Zaidi, A.A. 2012). Organizational politics creates several groups within the organization; people choose groups to maximize self-benefit, but doing so has a high potential to harm others' self-interest, making conflict unavoidable. To avoid such conflict, some individuals may silently support a specific group/person; however, according to Frost (1987), doing so to achieve self-interest is also political behavior. Kacmar and Carlson (1997) believe that in a political environment, this could be a very effective political strategy for gaining self-interest without exposing much.

### **Pay and promotion policies**

This dimension of organization politics indicates that organizational policies and practices regarding promotion and pay may lead individuals to behave politically (Kacmar & Ferris, 1993). It does not mean that senior management necessarily involved in the politics rather their policy and practice of promoting such people may give a wrong signal to the organization climate. In organizations where reward and promotion are not based on real evaluation of performance rather based on perceived performance and 'face value', employees are highly motivated to behave politically to attain self-gain. Once such behavior is rewarded it brings more such activities in future (Kacmar & Carlson, 1997).

### **Independent Variables**

Independent variables are those variables that affect the dependent variable. The independent variables describe the dependent variable. Here the independent variable

is perceived organizational politics, general political behavior, go along to get ahead and pay and promotion policies.

**Dependent Variable**

The dependent variables are the variables that depend on the independent variables. Here the dependent variable is Job Satisfaction.

## CHAPTER III

### RESEARCH METHODOLOGY

This section provides insight about the methodology used to answer the research questions and to carry out the study objectives. It consists of research design, population and sample, source and nature of data, instrumentation, method of data analysis and reliability and validity of the instrument used.

#### 3.1 Methodology

The research methodology includes all the variables and tools required to perform the research study and obtain desired result. The element included for the methods chosen has been discussed below:

#### 3.2 Research Design

The study aims to find out the impact of perceived organizational politics on job satisfaction in the Bank and Financial Sector. In order to perform this research study, quantitative approach towards descriptive and explanatory casual research design will be used for finding the research objective. The information provided by respondent will be analyzed using statistical tools.

#### 3.3 Population and Sampling Technique

The non-probability convenience sampling was applied to collect the desired data. Since, the population of employees working in the bank and financial sector of Kathmandu Valley is unknown, the researcher used Cochran's 1977 formula to determine the sample size for unknown population using following formula:

$$n = \frac{pqz^2}{e^2} \dots\dots\dots$$

(3.1)

Where, n= sample size

p = Population proportion with given characteristic

q = Population proportion without given characteristic

$z$  = Standard normal deviation at the required confidence level

$\epsilon$  = Error margin

For the unknown population it is recommended the value of  $p$  and  $q$  shall be set at 50%. By considering the confidence level of 95 %, with  $z$  value = 1.96 and sampling error  $\epsilon=5\%$ .

$$n = \frac{.50 * .50 *(1.96)^2}{0.05^2} = 384$$

..... (3.2)

So, the optimal sample size for this study is 384 employees working in different bank and financial sector in Kathmandu Valley. Hence, the sample size determined from this formula would be 384 which is the sample size of this research. However, only 300 responses were received that makes the response rate of 78.125% which is considered to be suitable for this research.

### **3.4 Nature and Sources of Data**

Both the primary and secondary data will be used for this research study.

- Primary Source: Primary data will be collected through the structured questionnaire, by distributing it to the employees of bank and financial Sector.
- Secondary Source: Secondary data will be collected through different journal articles, research papers, books, published research report and different online sites.

### **3.5 Data Generation Technique**

Survey method will be used for generating data and information from the targeted participants. A well-structured questionnaire will be administered to collect data pertaining Impact of Perceived organizational politics on Job satisfaction: With reference to BFIs in Kathmandu Valley. The questionnaire will contain questions related to respondent profile and 5-point Likert scale for the sake of uniformity for measuring the variables under study.

### **3.6 Data Analysis Tools**

In order to analyze the data, first of all the responses are coded and entered into the SPSS statistics 23. Then, SPSS and Microsoft Excel are used to organize, manage, analyze and interpret the data. The study uses the following methods of data analysis.

#### **3.6.1 Descriptive analysis**

Descriptive statistics consists of frequency, mean, percentage and standard deviation to describe the characteristics of the data. Frequency is used for respondent profile. Mean and standard deviation are used to assess the impact of perceived organizational politics on job satisfaction. Overall perceived organizational politics is measured by averaging the mean score of general political behavior, go along to get ahead and pay and promotion policies.

#### **3.6.2 Correlation analysis**

Correlation analysis is used to examine the relationship between variables. It indicates how or to what extent variables are associated with each other. The relationship between perceived organizational politics and job satisfaction is determined by correlation analysis.

The scale model suggested by Davies (1971) used to describe the relationship between the independent variables and the dependent variable.

#### **3.6.3 Regression analysis**

Multiple correlation coefficient (R), coefficient of determination ( $R^2$ ), adjusted  $R^2$ , and the standard error of the estimate is calculated through SPSS.

A regression analysis was undertaken to estimate the strength of independent and dependent variable. The regression equation between independent variables (general political behavior, go along to get ahead and pay and promotion policies) and dependent variable (job satisfaction) is as follows:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$$

Where  $Y$  = Job Satisfaction,

$\beta_0$  = Constant;

$\beta_1, \beta_2, \beta_3$  = the regression coefficient of the variables;

$X_1$  = General Political Behavior;

$X_2$  = Go Along to Get Ahead;

$X_3$  = Pay and Promotion Policies;

$\epsilon$  = the error or the difference between the predicted and the observed value of  $Y$ .

### 3.7 Reliability and Validity Analysis

The context validity was established by pretest in which fifty questionnaires were distributed to respondents. The reliability was used to test the internal consistency of survey instruments. Since, the questionnaire had been adapted to Nepalese context, the Cronbach's alpha was used to measure the reliability of the item scales i.e., perceived organizational politics and job satisfaction. Generally, a coefficient of at least 0.60 conform the homogeneity of the items and indicates that the reliability of data is accepted and good among the scale.

Table 3.1

#### *Reliability test of variables*

Variables	Number of items	Cronbach's alpha ( $\alpha$ )
General political behavior	3	0.528
Go along to get ahead	4	0.716
Pay and promotion policies	4	0.768
Job satisfaction	10	0.831

Table 3.1 illustrates the reliability statistics from the pilot test. Since all the measures were positive none of them were reverse scored to avoid biased response. Then, the standardized values were computed to determine the individual scores of general political behavior, go along to get ahead, pay and promotion policies, job satisfaction. The data presented above shows the Cronbach's alpha values for the General political

behavior as 0.528, Go along to get ahead as 0.716, Pay and promotion policies as 0.768, Job satisfaction as 0.831 which indicates an acceptable degree of reliability.

Table 3.2

*Final Reliability test of variables*

Variables	Number of items	Cronbach's alpha ( $\alpha$ )
General political behavior	3	0.779
Go along to get ahead	4	0.705
Pay and promotion policies	4	0.836
Job satisfaction	10	0.892

Table 3.2 illustrates the reliability statistics from the final data. Since all the measures were positive none of them were reverse scored to avoid biased response. Then, the standardized values were computed to determine the individual scores of general political behavior, go along to get ahead, pay and promotion policies, job satisfaction. The data presented above shows the Cronbach's alpha values for the General political behavior as 0.779, Go along to get ahead as 0.705, Pay and promotion policies as 0.836, Job satisfaction as 0.892 which indicates an acceptable degree of reliability.

## CHAPTER IV

### ANALYSIS AND RESULTS

This chapter presents the analysis of data, interpretation of results and findings of the study. The data collected were analyzed and presented in tabular form. It includes the respondents' profile, perceived organizational politics and job satisfaction with reference to Bank and financial institutions (BFIs), relationship between perceived organizational politics and job satisfaction. It further intends to answer the research questions, fulfill the objectives and test the hypotheses.

#### 4.1 Respondent's profile

The profile of respondents describes the status of respondents according to variables such as gender, age, marital status, education level, earning per month, currently working in, current job position, training in last 3 years and communication channel. The study is based on 300 sample size. The study relies on survey which consists of data collected from structured questionnaire.

Table 4.1

#### *Respondent's profile*

Particulars	Frequency	Percentage
<b>Gender</b>		
Male	163	54.3
Female	137	45.7
Others	0	0
<b>Age</b>		
Below 25	52	17.3
26-35	197	65.7
36-50	51	17
51 and above	0	0
<b>Marital Status</b>		
Married	132	44



Unmarried	168	56
Others	0	0
<b>Educational Level</b>		
Up to Plus-Two	1	0.3
Bachelors	124	41.3
Masters and above	175	58.3
<b>Earning per Month</b>		
Up to 35,000	66	22
35,001- 70,000	165	55
70,001- 1,00,000	61	20.3
1,00,001 and above	8	2.7
<b>Currently working in</b>		
Commercial Bank (Class A)	193	64.3
Development Bank (Class B)	60	20
Finance Company (Class C)	32	10.7
Micro Credit Development (Class D)	15	5
<b>Current job position</b>		
Assistant Level	168	56
Officer Level	122	40.7
Managerial level	10	3.3
<b>Training in last 3 years</b>		
0	32	10.7
1-3	141	47
4-6	63	21
Above 6	64	21.3
<b>Communication channel</b>		
Formal	286	95.3
Informal	14	4.7

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Table 4.1 reports the profile of respondents. Out of total 300 respondents, 54.3 percent were male and the remaining 45.7 percent were female. This shows that the majority of the respondents were male. 17.3 percent of respondents belong to the age group of below 25 years, 65.7 percent belong to the age group of 26-35 years, 17 percent of the

age group 36-50 years and no respondent were age group of 51 and above. Thus, most of the respondents belong to the age group of 26-35 years. Out of the total respondents, 44 percent were married respondents and 56 percent were unmarried. So, majority of respondents were unmarried. In terms of educational background, 0.3 percent of the respondents have educational qualification of up to plus two level (Intermediate), 41.3 percent have bachelor's level qualification and 58.3 percent have educational qualification of master's and above level. Maximum respondents were well educated and have qualification of masters and above.

22 percent respondents have earning of 35,000 per month, 55 percent have earning of 35,001-70,000 per month, 20.3 percent have earning of 70,001-1,00,000, 2.7 percent have earning of 1,00,001 and above.

The researcher had sent the questions to the employees working in the different BFIs sectors i.e., Commercial Bank, Development Bank, Finance Company, Micro Credit Development. Majority of respondents are working in commercial bank (64.3 percent), followed by development bank (20 percent), finance company (10.7 percent), micro credit development (5 percent).

When asked about current job position, majority of respondents have job position of assistant level (56 percent), followed by officer level (40.7 percent), managerial level (3.3 percent)

Majority of respondent have 1-3 training program in last 3 years, followed by above 6 training program (21.3 percent), 4-6 training program (21 percent), no training program (10.7 percent)

95.3 percent of respondent use formal channel of communication and remaining 4.7 percent use informal channel of communication.

## **4.2 Descriptive Statistics**

The following tables depicts the descriptive analysis of all Likert scale questions used for measuring the variable.

Table 4.2

*Descriptive statistics of variable: General political behavior*

	N	Min.	Max.	Mean	Std. Deviation
People in this organization attempt to build themselves up by tearing others down.	300	1	5	3.13	1.115
There has always been an influential group in this organization/department that no one ever crosses.	300	1	5	3.46	.951
The people from influential group are mostly transferred to better places.	300	1	5	3.62	.992

Table 4.2 exhibits the mean scale given by the respondents to each of the five-point Likert scale questions where 1 represent strongly disagree and 5 represent strongly agree and the variations in responses, as represented by standard deviation, regarding general political behavior. The means value of the statement, “People in this organization attempt to build themselves up by tearing others down” is lowest among the construct items. Whereas, the means value of the statement, “The people from influential group are mostly transferred to better places” is highest among the construct items.

Table 4.3

*Descriptive statistics of variable: Go along to get ahead*

	N	Min.	Max.	Mean	Std. Deviation
Agreeing with powerful others is the best alternative in this organization.	300	1	5	3.43	1.004
Sometimes it is easier to remain quiet than to fight the system in this organization.	300	1	5	3.92	.844
Telling others what they want to hear is sometimes better than telling the truth.	300	1	5	3.78	.998
It is safer to think what you are told than to make up your own mind in this organization.	300	1	5	3.57	.914

Table 4.3 exhibits the mean scale given by the respondents to each of the five-point Likert scale questions where 1 represent strongly disagree and 5 represent strongly agree and the variations in responses, as represented by standard deviation, regarding go along to get ahead. The mean value of the statement, “Agreeing with powerful others is the best alternative in this organization” is lowest among the construct items. Whereas, the mean value of the statement, “Sometimes it is easier to remain quiet than to fight the system in this organization” is highest among the construct items.

Table 4.4

*Descriptive statistics of variable: Pay and promotion policies*

	N	Min.	Max.	Mean	Std. Deviation
None of the raises I have received are consistent with the policies on how raises should be determined.	300	1	5	3.10	1.111
The stated pay and promotion policies have nothing to do with how pay raises and promotions are determined.	300	1	5	3.13	1.122
When it comes to pay raise and promotion decisions, policies are irrelevant.	300	1	5	3.16	1.159
Promotions around here are not valued much because how they are determined is so political.	300	1	5	3.22	1.127

Table 4.4 exhibits the mean scale given by the respondents to each of the five-point Likert scale questions where 1 represent strongly disagree and 5 represent strongly agree and the variations in responses, as represented by standard deviation, regarding pay and promotion policies. The mean value of the statement, “None of the raises I have received are consistent with the policies on how raises should be determined” is lowest among the construct items. Whereas, the mean value of the statement, “Promotions around here are not valued much because how they are determined is so political” is highest among the construct items.

Table 4.5

*Descriptive statistics of variable: Job satisfaction*

	N	Min.	Max.	Mean	Std. Deviation
I like the people I work with.	300	1	5	3.42	1.158
I like doing the things I do at work.	300	1	5	3.27	1.181
I feel a sense of pride in doing my job.	300	1	5	3.20	1.184
My job is enjoyable.	300	1	5	2.92	1.160
When I do a good job, I receive the recognition for it that I should receive.	300	1	5	2.67	1.104
I feel I am being paid a fair amount for the work I do.	300	1	5	2.61	1.091
I feel satisfied with my chances for salary increment.	300	1	5	2.72	1.074
Those who do well on the job stands a fair chance of being promoted.	300	1	5	2.92	1.130
I am satisfied with my chances for promotion.	300	1	5	2.69	1.077

Table 4.5 exhibits the mean scale given by the respondents to each of the five-point Likert scale questions where 1 represent strongly disagree and 5 represent strongly agree and the variations in responses, as represented by standard deviation, regarding job satisfaction. The mean value of the statement, “I feel I am being paid a fair amount for the work I do” is lowest among the construct items. Whereas, The mean value of the statement, “I like the people I work with” is highest among the construct items.

### 4.3 Test of Normality

In order to determine whether the data is normally distributed or not, Shapiro-Wilk test of normality was conducted. The summary of test is presented in the table below.

Table 4.6

*Summary statistics of item wise test of normality*

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
GPB1	.236	300	.000	.894	300	.000
GPB2	.333	300	.000	.819	300	.000
GPB3	.358	300	.000	.801	300	.000
GATGA1	.322	300	.000	.836	300	.000
GATGA2	.329	300	.000	.807	300	.000
GATGA3	.329	300	.000	.822	300	.000
GATGA4	.332	300	.000	.826	300	.000
PPP1	.228	300	.000	.890	300	.000
PPP2	.250	300	.000	.884	300	.000
PPP3	.243	300	.000	.891	300	.000
PPP4	.248	300	.000	.889	300	.000
JS1	.277	300	.000	.870	300	.000
JS2	.272	300	.000	.869	300	.000
JS3	.225	300	.000	.892	300	.000
JS4	.216	300	.000	.901	300	.000
JS5	.257	300	.000	.886	300	.000
JS6	.291	300	.000	.865	300	.000
JS7	.268	300	.000	.876	300	.000
JS8	.212	300	.000	.903	300	.000
JS9	.288	300	.000	.860	300	.000
JS10	.278	300	.000	.871	300	.000

a. Lilliefors Significance Correction

The table 4.6 displays the p-value of all the items are less than 0.01 i.e.,  $P < 0.01$ . Therefore, it can be said that data is normally distributed and ensures that further analysis can be done with the data.

Table 4.7

*Summary statistics of construct wise test of normality*

	Kolmogorov-Smirnov <sup>a</sup>			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
GPB	.164	300	.000	.937	300	.000
GATGA	.175	300	.000	.942	300	.000
PPP	.159	300	.000	.960	300	.000
JS	.065	300	.004	.985	300	.003

a. Lilliefors Significance Correction

The table 4.7 displays the p-value of all the construct are less than 0.01 i.e.,  $P < 0.01$ . Therefore, it can be said that data is normally distributed and ensures that further analysis can be done with the data.



#### 4.4 One sample T-test

With the hypothesis that the collected sample are exactly like the population, one sample t-test was conducted. The summary of the test is presented in the table below.

Table 4.8

*Summary statistics of item wise one sample t-test*

	t	Sig. (2-tailed)	Mean Difference
GPB1	48.608	.000	3.130
GPB2	62.954	.000	3.457
GPB3	63.242	.000	3.623
GATGA1	59.160	.000	3.430
GATGA2	80.391	.000	3.917
GATGA3	65.519	.000	3.777
GATGA4	67.605	.000	3.567
PPP1	48.333	.000	3.100
PPP2	48.353	.000	3.133
PPP3	47.175	.000	3.157
PPP4	49.521	.000	3.223
JS1	51.185	.000	3.423
JS2	47.952	.000	3.270
JS3	46.750	.000	3.197
JS4	43.614	.000	2.920
JS5	41.823	.000	2.667
JS6	41.401	.000	2.607
JS7	43.810	.000	2.717
JS8	44.741	.000	2.920
JS9	46.369	.000	2.667
JS10	43.224	.000	2.687

The table 4.8 shows the summary statistics of item-wise one sample t-test. The p-value of all items of one-sample t-test is 0.00, which is less than 0.01. Hence, it can be concluded that parametric test can be conducted further.

Table 4.9

*Summary statistics of construct wise one sample t-test*

	T	Sig. (2-tailed)	Mean Difference
GPB	69.252	.000	3.40333
GATGA	92.667	.000	3.67250
PPP	59.018	.000	3.15333
JS	63.323	.000	2.90733

The table 4.9 shows the summary statistics of construct wise one sample t-test. The p-value of all constructs of one-sample t-test is 0.00, which is less than 0.01. Hence, it can be concluded that parametric test can be conducted further.

#### **4.5 Perceived organizational politics factors and job satisfaction**

The research aimed at finding the impact of perceived organizational politics on job satisfaction. Mean and Standard Deviation was used to assess the perceived organizational politics level. The mean and standard deviation of all three factors of perceived organizational politics among three hundred respondents are listed on the table 4.10.

Table 4.10

*Perceived organizational politics factors*

	Mean	Min.	Max.	Std. Deviation
General political behavior	3.4033	1	5	.85121
Go along to get ahead	3.6725	1	5	.68643
Pay and promotion policies	3.1533	1	5	.92543

#### **General political behavior**

The level of general political behavior is measured with three indicators: 'People in this organization attempt to build themselves up by tearing others down', 'There has always

been an influential group in this organization/department that no one ever crosses', 'The people from influential group are mostly transferred to better places. The mean and standard deviation of general political behavior is 3.403 and 0.851 respectively. The mean value 3.403 indicate that majority of respondents agreed that there is general political behavior in their organization. The standard deviation indicates that the variance in responses of the respondents is 0.851. The standard deviation of 0.851 indicates that the respondents had some moderately divergent opinions regarding general political behavior. Moderate respondents agreed on general political behavior, others did not.

### **Go along to get ahead**

The level of go along to get ahead is measured with four indicators: 'Agreeing with powerful others is the best alternative in this organization', 'Sometimes it is easier to remain quiet than to fight the system in this organization', 'Telling others what they want to hear is sometimes better than telling the truth', 'It is safer to think what you are told than to make up your own mind in this organization'. The mean and standard deviation of go along to get ahead is 3.672 and 0.686 respectively. The mean of 3.672 indicates that majority of respondent agreed on go along to get ahead variable. The standard deviation of 0.686 indicate moderately divergent response of the respondents. Moderately agreed that people in their organization try to go along to get ahead and other didn't.

### **Pay and promotion policies**

The level of pay and promotion policies is measured with four indicators: 'None of the raises I have received are consistent with the policies on how raises should be determined', 'The stated pay and promotion policies have nothing to do with how pay raises and promotions are determined', 'When it comes to pay raise and promotion decisions, policies are irrelevant', 'Promotions around here are not valued much because how they are determined is so political'. The mean and standard deviation of pay and promotion policies is 3.153 and 0.925 respectively. The mean of 3.153 indicate that average number of respondents agreed that pay and promotion policies are determined politically. The standard deviation of 0.925 indicate moderately divergent response of the respondents. While average respondents agreed that pay and promotion policies are determined politically and others did not agree.

#### 4.6 Perceived organizational politics and Job satisfaction

The main purpose of the study was to identify the impact of perceived organizational politics on job satisfaction. Mean and standard deviation has been calculated to see the mean score as listed in the table 4.11.

Table 4.11

*Perceived organizational politics and job satisfaction*

	Mean	Min.	Max.	Std. Deviation
POP	3.4097	1	5	.66275
JS	2.9073	1	5	.79523

The respondents view about perceived organizational politics was measure on the basis of three scales: general political behavior, go along to get ahead, pay and promotion policies with various statements. There were all total of eleven statements of perceived organizational politics. The mean value for perceived organizational politics was 3.409 with standard deviation of 0.662. There was moderate level of perceived organizational politics with moderate level of variation in respondents' responses.

The respondents job satisfaction was measured with ten statements: 'I like the people I work with', 'I like doing the things I do at work', 'I feel a sense of pride in doing my job', 'My job is enjoyable', 'When I do a good job, I receive the recognition for it that I should receive', 'I feel I am being paid a fair amount for the work I do', 'I feel satisfied with my chances for salary increment', 'Those who do well on the job stands a fair chance of being promoted', 'People get ahead as fast here as they do in other places', 'I am satisfied with my chances for promotion'. The mean value of job satisfaction was 2.907 with standard deviation of 0.795. Mean 2.907 represents that average number of respondents disagreed when job satisfaction statements were asked. The moderate level of variation in responses with standard deviation of 0.795.

#### 4.7 Inferential statistics

#### 4.7.1 Relationship between perceived organizational politics factors and job satisfaction

Table 4.12

*Pearson's correlation analysis of dependent and independent variables*

	JS	GPB	GATGA	PPP
JS	1			
GPB	-.469**	1		
GATGA	-.404**	.518**	1	
PPP	-.470**	.418**	.502**	1

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

Where,

JS = Job satisfaction

GPB = General political behavior

GATGA = Go along to get ahead

PPP = Pay and promotion policies

Table 4.12 shows significant correlation of independent variables i.e., General political behavior, Go along to get ahead, Pay and promotion policies with job satisfaction.

The result shows that general political behavior is negatively related with job satisfaction as indicated by the correlation value of -.469. This shows there is moderate negative correlation. There exists moderate negative correlation between go along to get ahead and job satisfaction with correlation value of -.404. Similarly, the results shows that there exists moderate negative correlation between pay and promotion policies and job satisfaction with correlation value -.470. Among all the independent variables pay and promotion policies has higher correlation value with job satisfaction.

#### 4.7.2 Relationship between perceived organizational politics and job satisfaction

The study aims to identify the impact of perceived organizational politics on job satisfaction. Hence, correlation analysis between the independent and dependent variable is conducted to study the relationship between these variables. The independent variables in this study are: general political behavior, go along to get ahead, pay and promotion policies.

Table 4.13

*Relationship between overall perceived organizational politics and job satisfaction*

	JS	POP
JS	1	-.559**
POP	-.559**	1

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

Table 4.13 shows negative correlation between perceived organizational politics and job satisfaction ( $r = -.559$ ,  $p < 0.01$ ). This implies that there is strong negative relationship between perceived organizational politics and job satisfaction. Negative correlation between perceived organizational politics and job satisfaction is consistent with the result of previous research.

#### 4.7.3 Impact of Perceived organizational politics on job satisfaction

This study used multiple linear regression model. The regression analysis is divided into three sections, viz., Model summary, ANOVA and Coefficients.

Table 4.14

*Proposed Model summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.564 <sup>a</sup>	.318	.311	.66000

a. Predictors: (Constant), GPB, GATGA, PPP

The model summary presented on the table above presents the value of Coefficient of determination (R squared) as 0.318 or 31.8%. It indicates that 31.8% variation in dependent variable i.e., Job satisfaction is explained by the independent variable i.e., Perceived organizational politics. Furthermore, it also indicates that the remaining 68.2% is explained by other factors not included in the model.

Table 4.15

*Proposed ANOVA table of multiple regression*

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	60.147	3	20.049	46.027	.000 <sup>b</sup>
Residual	128.937	296	.436		
Total	189.084	299			

a. Dependent Variable: JS

b. Predictors: (Constant), GPB, GATGA, PPP

The ANOVA section helps to determine whether or not to reject the null hypothesis. If the F-test is  $>0$  and the p-value is  $<0.05$ , then the null hypothesis is rejected inferring that the regression model is a good fit for the data. Table 4.15 shows F-value as  $F=46.027$ ,  $p<0.05$ . This implies that overall regression model is a good fit and statistically significant.

Table 4.16

*Proposed Regression Coefficient*

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	5.081	.216		23.540	.000
GPB	-.273	.054	-.292	-5.086	.000
GATGA	-.121	.070	-.104	-1.729	.085
PPP	-.254	.049	-.295	-5.202	.000

a. Dependent Variable: JS

B represent co-efficient of the independent variable and Sig. Represent the statistically significant level of the model in the data presented in table 4.16.

The regression equation is therefore

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

$$\text{i.e., } Y = 5.081 - 273X_1 - 121X_2 - 254X_3 + \varepsilon$$

Where Y = Job Satisfaction,

$\beta_0$  = Constant;

$\beta_1, \beta_2, \beta_3$  = the regression coefficient of the variables;

X1 = General Political Behavior;

X2 = Go Along to Get Ahead;

X3 = Pay and Promotion Policies;

$\varepsilon$  = the error or the difference between the predicted and the observed value of Y.

Table 4.16 shows General Political Behavior (Beta value = -.292, t-value = -5.086, and p-value<.05) had a negative and statistically significant impact on job satisfaction. Go Along to Get Ahead (Beta value = -.104, t-value = -1.729, and p-value>0.05) had a negative but statistically insignificant impact on job satisfaction. Pay and Promotion Policies (Beta Value = -.295, t-value = -5.202, and p-value<0.05), had a negative and statistically significant impact on job satisfaction.

The beta value of -.273 in general political behavior explains that for every one unit of change in general political behavior, job satisfaction decreases by .273. Likewise, beta value of go along to get ahead also indicate that for every one unit of change in go along to get ahead, job satisfaction decreases by .121. For every one unit of change in pay and promotion policies, job satisfaction decreases by .254.



Table 4.17

*Final Model summary*

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.558 <sup>a</sup>	.311	.307	.66221

a. Predictors: (Constant), PPP, GPB

The final model summary presented on the table above presents the value of Coefficient of determination (R squared) as 0.311 or 31.1%. It indicates that 31.1% variation in dependent variable i.e., Job satisfaction is explained by the independent variable i.e., Perceived organizational politics. Furthermore, it also indicates that the remaining 68.9% is explained by other factors not included in the model.

Table 4.18

*Final ANOVA table of multiple regression*

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	58.844	2	29.422	67.095	.000 <sup>b</sup>
Residual	130.240	297	.439		
Total	189.084	299			

The final ANOVA section helps to determine whether or not to reject the null hypothesis. If the F-test is  $>0$  and the p-value is  $<0.05$ , then the null hypothesis is rejected inferring that the regression model is a good fit for the data. Table 4.18 shows F-value as  $F=67.095$ ,  $p<0.05$ . This implies that overall regression model is a good fit and statistically significant.

Table 4.19

*Final Regression Coefficient*

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
1 (Constant)	4.858	.174		27.924	.000
GPB	-.309	.050	-.331	-6.245	.000
PPP	-.285	.046	-.332	-6.257	.000

a. Dependent Variable: JS

B represent co-efficient of the independent variable and Sig. Represent the statistically significant level of the model in the data presented in table 4.19.

The regression equation is therefore

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

$$\text{i.e., } Y = 4.858 - .309X_1 - .285X_2 + \varepsilon$$

Where Y = Job Satisfaction,

$\beta_0$  = Constant;

$\beta_1, \beta_2$  = the regression coefficient of the variables;

X1 = General Political Behavior;

X2 = Pay and Promotion Policies;

$\varepsilon$  = the error or the difference between the predicted and the observed value of Y.

Table 4.19 shows General Political Behavior (Beta value = -.331, t-value = -6.245, and p-value<.05) had a negative and statistically significant impact on job satisfaction. Pay and Promotion Policies (Beta Value = -.332, t-value = -6.257, and p-value<0.05), had a negative and statistically significant impact on job satisfaction.

The beta value of -.309 in general political behavior explains that for every one unit of change in general political behavior, job satisfaction decreases by .309. For every one unit of change in pay and promotion policies, job satisfaction decreases by .285.

The results can be summarized as:

Table 4.20

*Summary*

General Political Behavior	Sig.	p<0.05
Go Along to Get Ahead	Not Sig.	p=0.085
Pay and Promotion Policies	Sig.	p<0.05

Table 4.21

*Summary of Hypothesis Testing*

Hypothesis	Result
H1 There is a significant impact of perceived organizational politics on job satisfaction.	Supported
H2 There is a significant impact of general political behavior on job satisfaction.	Supported
H3 There is a significant impact of go along to get ahead on job satisfaction.	Not Supported
H4 There is a significant impact of pay and promotion policies on job satisfaction.	Supported

**4.8 Major Findings:**

- Among 300 respondents, 54.3 percent were male and 45.7 percent were female.
- 17.3 percent of the respondents belonged to the age group of below 25 years, 65.7 percent belonged to the age group of 26-35 years, 17 percent belonged to 36-50 years of age and 0 percent were 51 and above years old.
- It was found that 44 percent of the respondents were married and 56 percent were found to be unmarried.
- Regarding the educational qualification of the respondents, 0.3 percent had the qualification of plus-two (intermediate) level, 41.3 percent had Bachelor's level qualification and 58.3 percent had qualification of master's and above level.

- 22 percent had earning per month of up to 35000, 55 percent had earning per month of 35001-70000, 20.3 percent had earning per month of 70001-100000 and remaining 2.7 percent had earnings of 100001 and above.
- The researcher had send the questions to the employees working in the different bank and financial institutions. 64.3 percent were working in commercial banks, 20 percent were working in development bank, 10.7 percent were working in finance company and remaining 5 percent were working in micro credit development.
- In terms of current job position, 56 percent were assistant level, 40.7 were officer level and 3.3 percent were managerial level.
- When asked about the training programs respondents had attained in the last 3 years, 10.7 percent had attained 0 training program, 47 percent had attained 1-3 training programs, 21 percent had attained 4-6 training program and remaining 21.3 percent had attained above 6 training programs.
- 95.3 percent used formal communication channel and remaining 4.7 percent used informal communication channel.
- It was found that there is moderate level of general political behavior with a moderate variation among the respondents working in BFIs. The mean value is 3.403 with the standard deviation of 0.851.
- It was found that there is moderate level of go along to get ahead with a moderate variation among the respondents working in BFIs. The mean value is 3.672 with the standard deviation of 0.686.
- It was found that there is moderate level of pay and promotion policies with a moderate variation among the respondents working in BFIs. The mean value is 3.153 with the standard deviation of 0.925.
- It was found that there is moderate level of perceived organizational politics with a moderate variation among the respondents working in BFIs. The mean value is 3.409 with the standard deviation of 0.662.
- Job satisfaction in BFIs was found to be below average level with the mean value of 2.907 and standard deviation of 0.795. Which means majority of respondents were not satisfied with their job.
- Perceived organizational politics and Job satisfaction had a strong negative correlation with correlation of -.559. The negative relationship indicates that when the employee perceived organizational politics, it makes a significant impact on the Job satisfaction.

- H1 was supported (p-value < 0.05). There is a significant impact of perceived organizational politics on job satisfaction.
- H2 was supported (p-value<0.05). There is a significant impact of general political behavior on job satisfaction.
- H3 was not supported (p-value>0.05). There is a not significant impact of go along to get ahead on job satisfaction.
- H4 was supported (p-value<0.05). There is a significant impact of pay and promotion policies on job satisfaction.

## **CHAPTER V**

### **DISCUSSION, CONCLUSION AND IMPLICATIONS**

This chapter presents discussion on findings of the study. It also draws conclusions based on the findings and suggests implications for future research.

#### **5.1 Discussion**

The study was oriented onto identify the impact of perceived organizational politics on job satisfaction with references to BFIs in Kathmandu valley. Furthermore, the research was conducted to identify the impact of general political behavior on job satisfaction, to identify the impact of go along to get ahead on job satisfaction, to assess the effect of pay and promotion policies on job satisfaction.

Perceived organizational politics involves actions by individuals that are directed toward the goal of furthering their own self-interests without regard for the well-being of others or their organization. Perceived organizational factors were measured on various factors: General political behavior, Go along to get ahead, Pay and promotion policies. There was moderate level of perceived organizational politics with moderate level of variation in responses. Job satisfaction among employees was found to be at moderate level with mean value of 2.907.

The study indicated that there was a negative relationship between perceived organizational politics and job satisfaction ( $r = -.559$ ). This finding was consistent with the study of Abbas, M., Raja, U., Darr, W., & Bouckenooghe, D. (2012) exhibited that when employees perceive politics in the workplace, it reduces their job satisfaction. Similar, result was found in the study of Gull, S, & Zaidi, A.A. (2012), where they found an inverse relationship between the perception of organizational politics and the job satisfaction in the employees of health sector. Another study conducted by Muhammad, K. L., Muhammad F. J. & Tahira U. (2015) found out that when employees perceive politics, it is more likely to reduce their level of job satisfaction. A study conducted by Malik, M. E., Danish, R. Q., & Ghafoor, M. (2009) found out there is negative correlation between perceived organizational politics and job satisfaction.

Similar result was found in the study conducted by Gull, S, & Zaidi, A.A. (2012). Therefore, first hypothesis (H1) was supported.

Regarding the relationship between the three perceived organizational politics factors and job satisfaction. General political behavior, go along to get ahead, pay and promotion policies had negative correlation with job satisfaction. The finding from second hypothesis showed that general political behavior negatively correlate with job satisfaction at beta value of  $-.292$  when p-value is  $.000 < 0.05$ . This indicated moderate negative relationship. The finding supported the second hypothesis (H2) i.e., there is a significant impact of general political behavior on job satisfaction. The finding is consistent with the finding of Kachmar (1997). Similar finding was obtained in the study conducted by Goyal, R., Pokhrel, S. K., & Karki, H. (2015).

The findings from third hypothesis showed that go along to get ahead negatively correlate with job satisfaction at beta value of  $-.104$  when the p-value is  $.085 > 0.05$ . This indicated that go along to get ahead had a negative but statistically insignificant impact on job satisfaction. Therefore, H3 was not supported. Similar finding was found in the study conducted by Salam, A. (2016). Which showed insignificant relationship between go along to get ahead and job satisfaction.

The findings of fourth hypothesis showed that pay and promotion policies had negative correlation with job satisfaction with beta value of  $-.295$  when P-value is  $0.00 < 0.05$ . This implies a negative and statistically significant impact on job satisfaction. Therefore, H4 was supported i.e., there is a significant impact of pay and promotion policies on job satisfaction. The finding is similar with the finding of Gull, S, & Zaidi, A.A. (2012), i.e., higher politics in pay and promotion policy lead to lesser job satisfaction.

Hence, from the various articles reviewed and the findings of the research, it can be seen that there is a significant negative impact of perceived organizational politics on job satisfaction. As such, the organization need to focus on the ways to minimize the perception on organizational politics to increase job satisfaction.

## 5.2 Conclusion

Previous research has suggested that organizational politics and job satisfaction could have differential effects on individuals in the workplace. Research work of Murphy and Cleveland (1995); Vigoda 2003; (Andrews & Kacmar, 2001; Cropan-zano & Kacmar, 1995; Dipboye & Foster, 2002; Fedor et al., (1998); Ferris & Kacmar, (1992); Vigoda-Gadot (2003) found that workplace politics was perceived as self-serving behavior by employees to achieve self-interests, advantages, and benefits at the expense of others and some-times contrary to the interests of the entire organization or work unit. In order to increase the job satisfaction among employee working in BFIs the organization should decrease/minimize the perception on organizational politics.

The formulated objective of this study was firstly to identify the impact of perceived organizational politics on job satisfaction. Secondly to identify the impact of general political behavior on job satisfaction, thirdly to identify the impact of go along to get ahead on job satisfaction and lastly to assess the effect of pay and promotion policies on job satisfaction.

This study concluded that there exists moderate level of organizational politics in BFIs in Kathmandu valley. A negative relationship was found between perceived organizational politics and job satisfaction. Which means when employee perceive organizational politics their job satisfaction level decreases and vice-versa. General political level had negative and statistically significant impact on job satisfaction. However, go along to get ahead had negative relationship but statistically insignificant impact on job satisfaction. Pay and promotion policies had negative and statistically significant impact on job satisfaction.

It is concluded form the research that there is moderate level of politics involved in the bank and financial institutions. As we know employee job satisfaction is one of the major factors for the development of organization so, the organization should try to minimize the organizational politics. Among all the three factors of perceived organizational politics, general political behavior and pay and promotion policies had negative and statistically significant impact on employee job satisfaction. So, these



factors should be kept on check by the organization. But go along to get ahead had negative but insignificant impact on job satisfaction so, this may not be as important as other two factors of perceived organizational politics. There is a reciprocal relationship between the degree of perceived organizational politics and job satisfaction of employees. Accordingly, high degree of perceived organizational politics leads to reduce the job satisfaction of employees and low degree of perceived organizational politics lead to increase the job satisfaction of employees. Therefore, the BFIs need to ensure that there is no political environment in their organization and any political activity should be discouraged to motivate employee for job satisfaction.

### **5.3 Implication and Future Research**

#### **5.3.1 Implications**

The significance of this study is found in the contribution to the existing body of knowledge on perceived organizational politics and its impact on job satisfaction. As we know BFIs is an important part of the economy. Organizations should decrease employee's perception on organizational politics to increase job satisfaction.

#### **Implications for employees and managers**

The finding of this study provides the empirical evidence that perceived organizational politics must be minimized in order to increase job satisfaction of employees working in BFIs. Hence, when the perception of organizational politics is decreases among employees their job satisfaction increases.

As per the finding, the perceived organizational politics has a significant negative impact on job satisfaction. With the proper assessment of this research, in addition to finding out whether or not employee perceive organizational politics, managers can further take efforts to make organizational politics free environment.

The findings will be useful to the various BFIs to improve job satisfaction of the employee in the long run via taking proper steps to minimize organizational politics. Similarly, The results generated from this study can be used to enhance theoretical

understanding and to guide management policies. Organizational development is possible through true human activities so, managers should conduct various seminar, workshops, training and development programs to minimize perception on organizational politics and maximize job satisfaction.

Management of the organizations should channelize their human resource towards ensuring that politics in their organizations do not become destructive. Organizations experts like organizational psychologists should be involved to recognize and handle the troubles of their institution. Therefore, organizations realize the employees' needs and work for the betterment of the organization environment. It may also propose that the organization should manage development curriculum periodically for their supervisors to better understand the political environment and enable them to take on time remedial actions. Every member of staff should be involved in the setting of the workplace and management should share success with their staff at lower level. It may also recommend that the organization should exercise the workers for enhancing the loyalty of the organization among workers. Research recommends that the organization motivated the human resources to work hard efficiently and effectively for attaining the higher satisfaction. For this organization must gratify the employees on the attainment of a specific task and should assist the human resources to feel excellent. In this way the employees of the organization psychologically and expressively associate with their institution. Organization must arrange orientations for the new employees, which will help them to learn their job tasks. In future the research can be applied in different sectors with others variables. Furthermore, mediation effect of different variables in between perception of organizational politics and job satisfaction can also be explored in future.

### **Implications for academicians**

This paper will help the researcher and practitioner to gain insights about significant impact of perceived organizational politics on job satisfaction. It will further help researchers and practitioners to enhance their knowledge on how perceived organizational politics affects job satisfaction and how important it is for the organization to try to minimize perception on organizational politics to maximize job satisfaction. It will also set a base for other researchers to include other variables and

conduct rigorous study related to similar topics. From academic perspective, the research contributes to impact of perceived organizational politics on job satisfaction literature.

### **5.3.2 Future Research**

This research is one of the few researches conducted in the sector of the impact of perceived organizational politics on job satisfaction. The findings of this study are consistent with most of the available literatures. Hence, this research can also be considered for future researches that could be conducted in the field of identifying the impact of perceived organizational politics on job satisfaction. The implications of this research for future researches are:

- The study only focused on the respondents of Kathmandu valley taken as a sample. The response from the employees regarding the impact of perceived organizational politics on job satisfaction outside the Kathmandu valley can be studied to get better insights in future study.
- The study is based on primary data. So, the limitations of primary data may be inherent in the study. Further study can be done by taking the secondary sources of data for some variable.
- The research only took limited perceived factors to study. However, perceived organizational politics may have significant impact on other factors. Further research can be conducted including other factor such as job stress, intention to leave, organizational commitment etc.
- The study doesn't include the moderating variable like gender and age. These moderating variables can be useful to identify the relationship between gender, age and perceived organizational politics.
- Also, in case of Nepal the number of studies conducted in the impact of perceived organizational politics on job satisfaction in BFIs are minimal. Thus, it would be a great contribution to the Nepalese literature if future research were to be conducted on BFIs.
- The study focuses only on BFIs. Further study can be conducted on other sectors like: Hotel sector, Airline sector, IT sector etc.



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## APPENDIX I

### Impact of Perceived organizational politics on Job satisfaction: With reference to BFIs in Kathmandu Valley

Dear Respondent,

I am Prabin Bhatt, a student of School of Management Tribhuvan University (SOMTU) conducting a purely academic study on “Impact of Perceived organizational politics on Job satisfaction: With reference to BFIs in Kathmandu Valley” to meet the partial fulfillment of the requirement for the Masters’ Degree in Tribhuvan University. I humbly request to all the respondents to fill up the questionnaire and feel free to answer the given questions according to your understanding. Your responses will be maintained absolutely confidential and used only for academic purposes.

#### SECTION A: Respondent’s Profile (Please make a (✓ ))

- Gender
  1. Male
  2. Female
  3. Others
- Age
  1. Below 25
  2. 26-35
  3. 36-50
  4. 51 and Above
- Marital Status
  1. Married
  2. Unmarried
  3. Others
- Educational Level
  1. Up to Plus-Two
  2. Bachelors
  3. Masters and Above
- Earning per Month
  1. Up to 35,000
  2. 35,001- 70,000
  3. 70,001- 1,00,000
  4. 1,00,001 and Above
- Currently working in
  1. Commercial Bank (Class A)
  2. Development Bank (Class B)
  3. Finance Company (Class C)
  4. Micro Credit Development (Class D)
- Current job position
  1. Assistant Level
  2. Officer Level
  3. Managerial level
- In the last 3 years how many training programs have you attained?
  1. Zero
  2. 1-3
  3. 4- 6
  4. Above 6

- Which channel do you mostly use to communicate with Upper level?
  1. Formal
  2. Informal

**SECTION B: Likert Type Questions**

Please make a tick mark (✓) on the following statement. The scale contains 4-point Likert Scale representing (1= Strongly disagree, 2= Disagree, 3= Agree, 4= Strongly agree.)

S.N.	Statements of General Political Behavior	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly agree (5)
1.	People in this organization attempt to build themselves up by tearing others down.					
2.	There has always been an influential group in this organization/department that no one ever crosses.					
3.	The people from influential group are mostly transferred to better places.					
S.N.	Statements of Go Along to Get Ahead	Strongly disagree (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly agree (5)
4.	Agreeing with powerful others is the best alternative in this organization.					
5.	Sometimes it is easier to remain quiet than to fight the system in this organization.					
6.	Telling others what they want to hear is sometimes better than telling the truth.					
7.	It is safer to think what you are told than to make up your own mind in this organization.					

<b>S.N.</b>	<b>Statements of Pay and Promotion Policies</b>	<b>Strongly disagree (1)</b>	<b>Disagree (2)</b>	<b>Neutral (3)</b>	<b>Agree (4)</b>	<b>Strongly agree (5)</b>
8.	None of the raises I have received are consistent with the policies on how raises should be determined.					
9.	The stated pay and promotion policies have nothing to do with how pay raises and promotions are determined.					
10.	When it comes to pay raise and promotion decisions, policies are irrelevant.					
11.	Promotions around here are not valued much because how they are determined is so political.					
<b>S.N.</b>	<b>Statements of Job Satisfaction</b>	<b>Strongly disagree (1)</b>	<b>Disagree (2)</b>	<b>Neutral (3)</b>	<b>Agree (4)</b>	<b>Strongly agree (5)</b>
12.	I like the people I work with.					
13.	I like doing the things I do at work.					
14.	I feel a sense of pride in doing my job.					
15.	My job is enjoyable.					
16.	When I do a good job, I receive the recognition for it that I should receive.					
17.	I feel I am being paid a fair amount for the work I do.					
18.	I feel satisfied with my chances for salary increment.					
19.	Those who do well on the job stands a fair chance of being promoted.					
20.	People get ahead as fast here as they do in other places.					

21.	I am satisfied with my chances for promotion.					
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