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Psychological Climate, Affective Commitment: Mediating Effect of Job Satisfaction – Evidence from Indian Private Sector Banks

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Abstract: Indian Private Banks are confronting challenges like turbulence in the worldwide and Indian economy, competition from public banks and foreign banks, changing client needs, the immense need of technological improvement, downturns in the capital market, deregulation, adjusting the outlook of the workforce with the changing needs of the banking business. These impacts have constrained the banks to investigate the most compelling usage of human resources and their potential. In this procedure, employees are encountering high pressure to meet their goals. This has a direct/indirect impact on employee psychological attachment and commitments levels, many studies, in fact, has proved it. The literature review uncovers that there are various studies that explain psychological climate, job satisfaction, and affective commitment independently. Nonetheless, it is clear that the coordinated connections between these factors have not been observed to be accounted for. Subsequently, we look at the relationship among these factors using a specimen of private bank employees in India. The study takes a look at the impact of psychological climate on affective commitment when mediated by job satisfaction. The present study has uncovered the existence of the significant relationship between psychological climate, job satisfaction, and affective commitment. The results have established mediation of job satisfaction in clarifying relationship between psychological climate and affective commitment.

Keywords: Psychological Climate, Affective Commitment, Job Satisfaction, Private Banks.

1. INTRODUCTION

Indian Banks in today's world facing competition from worldwide business players. Banks are searching for new and inventive approaches to work and accomplish competitive advantages under the worldwide financial conditions. This brought competition and technological overhauls among main companies in the banking industry. Strategic advantage for the business is, an organization can succeed in the event that it has a maintainable competitive upper hand than competitors at something and can hold that favorable position

over a supported timeframe (Noe *et al.*, 2007). Human resources are measured as a source of supportable competitive upper hand. In this progressive stage, the private sector banks have changed and furnished with the latest development and provide support to human resources to give better service to customers to the extent time and quality (Khan and Parveen 2014). Employees play an anchor role in Service sector to achieve the best outcomes regarding quality service and administration to customers. Which in the result of these progressions, bank employees are working under the high pressure to reach the standards set by the management. Basically, it is critical that Indian organizations audit their HR strategies and practices and developing policies to make a positive psychological climate. The optimisation of Knowledge based abilities thus requires administration attentions to developing climates in which representatives see the estimation of, requirement for, and open doors for constant learning and reinvestment in their skills. Individual psychological ability and impact are firmly connected with psychological climates that support and positive convictions about the significance of learning new skills and about the impacts of the delivery of new technical advancements on employees (Meyer and Dunphy 2016). To the extent of these approaches and practices are adjusted, the different aspects of psychological climates share a typical arrangement of strengthening desires and rewards. From the evidence of literature Mansor *et al.* (2012) studies related to job satisfaction revealed that competition is the most influential element among employees, followed by workplace, reward framework, motivational elements, and leadership/administration. Previous researchers have found that direct connection amongst productivity and the level of employee satisfaction. (Meena and Dangayach 2012) study related to work environment revealed that employees are more satisfied with private banks when compared to public sector banks. Many researchers studied job satisfaction in Indian banks e.g. employment type (Oloyede, 2012), job environment and financial components (Malik *et al.*, 2010), career choice (Zaidi and Iqbal 2012), internal marketing (Kameswari and Rajyalakshmi 2012), recruitment and selection techniques (Saleem *et al.*, 2013), organizational strategy and policies and nature of work (Panghal & Bhambu 2013), Hossain (2014) has studied job satisfaction as organizational components (work conditions, pay, equality, and advancement) individual factors (age and gender). The idea of Organizational Commitment has developed in popularity in the writing on modern and organizational psychology. Prior investigation among bankers revealed that organizational commitment has a significant association with job satisfaction (Kord and Tamini 2012). Kazlauskaitė *et al.*, (2012) have found that commitment stimulating the performance of employees. Carayon *et al.*, (2006) have found that with the low level of affective commitment will most likely to leave the occupation. There are various studies identifying with outcomes to psychological climate, affective commitment and job satisfaction individually. Present study plots to uncover the relationship between psychological climate, affective commitment and job satisfaction in private banking segment in India, while simultaneously examined the mediation effect of job satisfaction.

2. LITERATURE REVIEW

2.1. Psychological climate

The underlying foundations of the psychological climate can be followed to Lewin's (1936) utilization of the term of 'life space' as a method for clarifying people's motivational feeling responses to change. The further concept emerged as a climate in the year 1939 Lewin *et al.*, (1939). Climate, dependent upon whether definitive or psychological, continues being usually operationalized in association with individuals'

reactions to the appraisal of their standard job environment (Litwin and Stringer, 1968). Organisational climate is examined widely in terms of importance, content, idea, measurements and exploration (James and Jones, 1974). Further, the term climate is abstracted by denoting to organization level and individual level on a different note. Accordingly, stating them as organisational climate and psychological climate. Psychological climate defined as “The individual’s cognitive representations of relatively proximal situational conditions, expressed in terms that reflect the psychological meaningful interpretation of situation” as stated by James *et al.* (1978, p. 786). Psychological climate has been alternately defined as “an individual’s cognitive appraisal of his organizational environment that assesses the significance and meaning of work environments” (James, James, & Ashe, 1990, p. 51). A significant part of the examination of psychological climate explains the outline of the multidimensionality of construct (Kopelman *et al.*, 1990). The most generally utilized model, conceptualized by (Brown and Leigh, 1996), delineates a multidimensional develop made out of six measurements: “supportive management, role clarity, self-expect, contribution, recognition”. These different measurements show that people intellectually assess many sorts of work experiences. Many researchers have studied psychological climate in connection to adaptability of work (Colarelli *et al.*, 1987), supervisor support (Johnston *et al.*, 1990), organization climate (Swift and Campbell, 1998), reasonable process (Schaubroeck *et al.*, 1994), employee preparing program (Birdi *et al.*, 1997), appreciation of work (Norris-Watts and Levy, 2004), assignment and social context (Johns, 2006) and leadership style (Kara *et al.* 2013). Parker *et al.* (2003) perceived the differentiation between the psychological climate and psychological perspectives. He furthermore found that Psychological climate mediating connection between organizational events and employee attitudes like commitment and practices. Alexandrov *et al.* (2007) conceptualized psychological climate as an individual’s experiential impression of his/her standard encounters at their workplace. Climate, dependent upon whether definitive or psychological, usually operationalized in association with individuals’ reactions to the appraisal of their standard job environment (D’Amato and Zijlstra, 2008). Job satisfaction is constructed primarily with help of the psychological climate of an organization (Ang and Koh, 1997), apparently psychological climate and its association with levels of job satisfaction explained by Burke *et al.*, (2002), and psychological climate broadly examined with reference to job satisfaction (James *et al.*, 2008). To evaluate the levels of job satisfaction inside an organization precisely, it’s essential to one also should take a look at the psychological climate. From the employee’s view of their job satisfaction depend on their state of mind while restoring their attitudes and levels of happiness with the organization. Positive psychological climate drives individual to connect with their exercises beyond their formal commitments. Ideal psychological climate and individuals’ demonstrated extra part motivation and practices or, by the day’s end, affective commitment (Woodard *et al.*, 1994). Brian *et al.*, (2010) have found that affective commitment was observed to be stronger for employees with longer tenure; however, psychological climate gives the impression of less positive for these employees. Similarly, there are not many reviews available to examine the relationship between psychological climate, job satisfaction, and affective commitment. To understand these associations in the Indian private banking sector, the present study was organised.

2.2. Job satisfaction

Employee satisfaction is a vital achievement factor for all organizations, previous studies revealed that employee satisfaction has the remarkable impact on several monetary and social incidences, e.g. monetary development and living style Marcson (1960) displayed a contention and his discoveries recommending

that one of the ideal approaches to building profitability in organizations was to give employees jobs that are all the more demanding and challenging. Herzberg's (1968) theory effectually describes job satisfaction. As indicated by his two-factor concept, there are motivational and hygiene elements exhibit in one's job. Rewards and benefits are hygiene variables, absence of those variables will bring dissatisfaction, but there is no guarantee that presence them, will bring job satisfaction Pritchard *et al.*, (1972) discussed about sentiments of underpayment prompt to diminished performance and low efficiency. Locke (1976) characterizes job satisfaction as a pleasurable or positive emotional state because of the evaluation of one's job or job involvements. Literature review revealed that job satisfaction studied extensively, e.g., pay (Heneman *et al.*, 1988; Brown & McIntosh 1998; Singh & Kohli 2006; Green & Heywood 2008; Smith, J. C. 2015 and Safi & Kolahi 2016), corporate work place environment (Bolton 1991), Promotion (Witt & Nye 1992), productivity and commitment (Lease 1998), job insecurity (Blanchflower & Oswald 1999), overtime wages (Clark 1999), low wage workers (Leontaridi & Sloane 2001), economic conditions (Clark 2005), quality of work and salaries (Diaz Serrano *et al.*, 2005), job security (Jha *et al.* 2008), Inequality at Work (Card *et al.*, 2010) and turnover intention (Jeen Dorance Batty S 2014), From the evidence of literature review job satisfaction in banking sector studied by many authors, e.g comparative study (pay, promotion, work place and job security) between public and private sector banks (Shrivastava and Purang 2009), leadership style (Bushra *et al.*, 2011), Working with E-Channels (Jegan and Gnanadhas 2011), role shift (Mutsvunguma and Gwandure 2011), comparative study between public & private bank by considering pay , fringe benefits, administration, training and development (Suman Devi and Suneja 2013) , HRM practices (Hussain and Rehman 2013), training, performance appraisal, team work and compensation (Jeet and Sayeeduzzafar 2014) and Job related stress (Zakkariya 2015). Literature review substantiating job satisfaction as mediator, e.g. (Crawford, 2001;Yousef, 2002; Crede *et al.*, 2007; Rahman *et al.*, 2014 ; Wulandari 2015).

2.3. Affective commitment

Organization commitment (OC) explains the connection of employee's passion, identification and contribution in a specific organization. Steers (1977) studied organisation commitment influence on employee turnover, work efficiency and predictor of organizational performance. Meyer and Allen (1991) characterized OC as reflecting three wide subjects: affective, continuance and normative. In this way, commitment is seen as reflecting an affective introduction towards the organization, acknowledgment of the expenses connected with leaving the organization and an ethical commitment to stay with the organization. From the evidence of previous work, many researchers studied commitment in various aspects, e.g. HR administration ventures (Guthrie, 2001), turnover point and execution (Meyer *et al.*, 2002), job involvement and job satisfaction (Sahnawaz and Juyal 2006; DeVaro, Li, & Brookshire 2007; Samad 2007 ; Nawab and Bhatti 2011; Fu *et al.* 2011; Kenioua *et al.*, 2016; Huang, Y. H 2016), job performance (Khan *et al.*, 2010), organizational support (Darolia *et al.*, 2010), targets and behavioral results (Morin *et al.*, 2011), job stress and performance (Jamal 2011) , employee performance (Kazlauskaite *et al.*, 2012), work stress and performance (Panatik 2012), competition (Arhab *et al.*, 2013), leadership style (Atmojo, M. 2015), citizenship behaviour (Chib, S. 2016), emotional intelligence (Narayan & Narashiman 2016). Since affective commitment is a psychological attachment to the organization compared to continuation or normative commitment (Meyer *et al.*, 2002). Consequently, the present study will just concentrate on affective commitment. Affective commitment defined as "employee's emotional attachment to, identification with, and involvement in the organisation" Meyer and Allen (1991 p. 67). As indicated by Meyer and Herscovitch (2001), affective

commitment can be imagined as a binding power that is experienced as a mindset or as a psychological express that leads an individual towards a specific strategy, while as indicated by Zangaro (2001), employees are viewed as focused on an organization if they enthusiastically proceed with their relationship with the organization and give impressive push to accomplishing organizational objectives. In like manner, the perception of enthusiastic association is associated with the constructive outcome and a general interfacing of the goal (Jaussi, 2007). Affective commitment has been studied with various indicators, e.g. turnover intention and organizational equity (Ramamoorthy and Flood 2004), collective identity (Johnson and Chang 2006), leadership style (Kim and Brymer 2011), Age and tenure (chen *et al.*, 2012), turnover expectation (Flint *et al.*, 2013), autonomy support (Chang, Y *et al* 2015) work place happiness (Abdullah *et al.*., 2016), family supportive supervision (Basuil D.A *et al.*, (2016). But to address the relationship between psychological climate and affective commitment there are not many studies available.

2.4. Proposed model and hypothesis

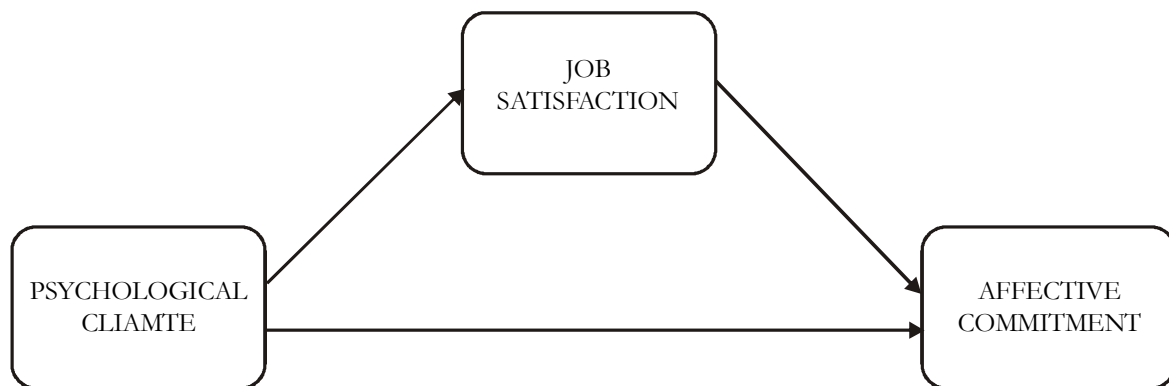


Figure 1: Theoretical Framework of the Study

3. OBJECTIVES OF THE STUDY

Principle point of the present examination is to inspect the relationship between psychological climate, job satisfaction and affective commitment among Indian Private Banks employees. This examination plots relationship among variable and give valuable proposals to Indian private Bank employees. The main objective of the study are:

1. To look at the relationship between psychological climate and affective commitment among private banks employees in India.
2. To analyze the relationship between job satisfaction and affective commitment among private bank employees in India.
3. To inspect relationship between psychological climate and job satisfaction in private bank employees in India.

3.1. Hypothesis

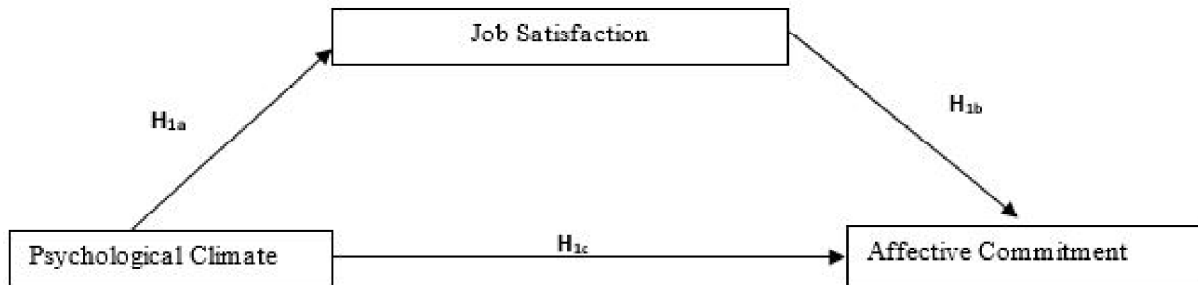


Figure 2: Hypothesised model

3.1.1. Main hypothesis

H1: There is a significant influence of Psychological climate on Affective Commitment with mediation effect of Job satisfaction.

Sub Hypothesis

H1a: There is a significance influence on Psychological climate and job satisfaction

H1b: There is a significance influence between job satisfaction and affective commitment.

H1c: There is a significance influence on Psychological climate and affective commitment.

4. RESEARCH METHODOLOGY

The exploration information was gathered from four banks which belonging to the private sector. The study embraced convenience sampling method. The banks chosen for current study are the main banks which have their presence in PAN India with numerous branches.

4.1. Participants

A quantitative survey was conducted among private bank employees in south India. A total of 300 questionnaires were distributed of which only 234 responses were returned. All the respondents chosen for the study were administrative staff and middle level managers. The purpose behind picking front end staff since they are known to be knowledgeable with bank strategies and practices. The respondents were, for the most part, aged between 25-40 years (78%) and rest above 40 years (22%).

Measurement & Reliability

Psychological Climate is measured by 21 items developed by Brown & Leigh (1996), Job Satisfaction is measured with 36 items of Job Satisfaction Survey (JSS) developed by Spector (1994) and Affective Commitment measured by using 8 items developed by Allen & Meyer (1990). The 5 point Likert scale was ranging from 1= strongly disagree; 2= disagree; 3= neither agree nor disagree; 4=agree; 5= strongly agree. Reliability of the constructs was tested by using SPSS (version 22.0). Reliability statics provided in table 1.

Table 1
Reliability Test

Construct	Scale used	Items	Cronbach's Alpha
Psychological Climate	Brown & Leigh (1996)	21	.907
Job Satisfaction	Spector (1994)	36	.928
Affective Commitment	Allen & Meyer (1990)	8	.872

5. DATA ANALYSIS AND RESULTS

5.1. Demographic Profile

The respondents in this study are 25-40 (78%) and rest above 40 (22%) years old. In this present review gender, dissemination is very higher for a male. Of the 234 respondents, 162 respondents (69 %) are male and

Table 1
Demographic Profile

Demographic parameters	Classifications	Percentage (%)
Age	25-30	39
	30-35	34
	35-40	27
	Above 40	22
Gender	Male	69
	Female	31
Marital status	Un Married	74
	Married	26
Role	Manager	72
	Senior Manager	28
Total Experience	Less than 5 years	27
	5 to 10 years	56
	Above 10 years	17
Tenure in the present org	Less than 2 years	11
	2 to 5 years	56
	Above 5 years	33

72 (31%) are female. The majority of the respondents 174 (74%) are found married while the remaining 60 (26%) of the respondents are unmarried. Respondents are also requested to mention their job type where 168 (72%) respondents are found as manager, 66 (28%) are working as a senior manager and role in the organization. Average work experience is found 8.8 years where the maximum is 15 years and the minimum is 1 year.

5.2. Model testing using Smart PLS

Based on Partial Least Square structural equation modeling (PLS-SEM) the measurement model was assessed first utilizing Smart PLS 2.0. Analysis of measurement model done by examining the convergent validity, discriminant validity, and reliability of the measurements. Statistical package for social science (SPSS) Version 22 used to import data and explain the descriptive statistics. Boot Strapping Method (5000 re samples) used to test the significance of path co efficient.

5.2.1. Convergent validity

With the assistance of convergent validity, researchers investigate measurement model. Hair *et al.* (2014) suggested normal average variance extracted value (AVE) be greater than 0.5 for setting up convergent validity. From the table 3, it can be seen that AVE values are greater than 0.5. Therefore, the measurements utilized for each variable as a part of this study are convergent valid.

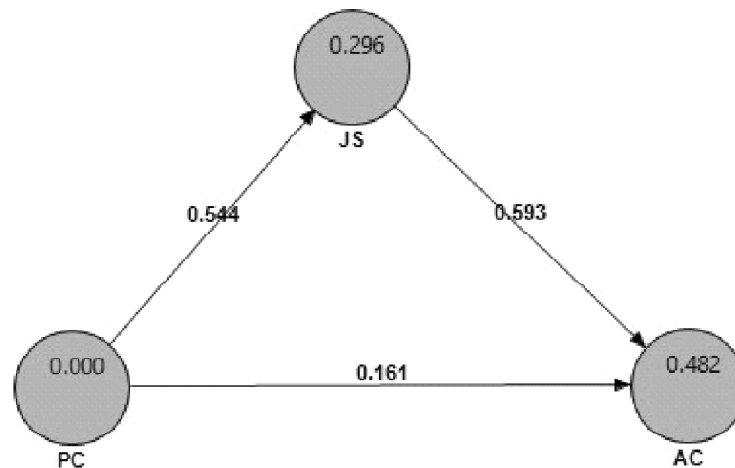


Figure 3: Proposed Model with path-coefficients and Regression Weights

Table 3
Internal Consistency and convergent validity of the Instrument

	AVE	Composite Reliability	R Square	Cronbach's Alpha
AC	0.5459	0.9128	0.482	0.9068
JS	0.6547	0.9265	0.296	0.9187
PC	0.5252	0.9142	0	0.9034

*PC= psychological climate , *JS=job satisfaction , *AC= affective commitment

5.2.2. Discriminant validity

Discriminant validity clarifies how one construct is different from the other construct in the model Churchill (1979). Discriminant validity ascertained by measuring the correlations between constructs and the square root of AVE for that construct. Table 4 shows the discriminant validity of this study, the square root of the AVE is higher than the correlations values. Therefore, the measurements used for each variable in this study are discriminately valid.

Table 4
Latent variable correlations with square root of AVE

	<i>AC</i>	<i>JS</i>	<i>PC</i>
AC	0.7388	0	0
JS	0.6809	0.8091	0
PC	0.4841	0.5440	0.7247

*PC = psychological climate, *JS = job satisfaction, *AC = affective commitment

Note: The bolded diagonals represent the square root of the AVEs while the other entires represent the correlations.

5.3. Assessment of the Structural Model

After analysing the measurement model, the structural model was evaluated using SPSS 22.0 and Smart PLS 2.0. The structural model evaluated by assessing collinearity, path coefficients, coefficient of determination, effect size, and predictive relevance. Couple with the utilization of SEM, independent variables are called exogenous factors while dependent variables are called endogenous factors. The mediating variable can be both an exogenous variable furthermore an endogenous variable.

5.3.1. Collinearity Assessment

Most importantly the variance inflation factor (VIF) values for all exogenous variables were examined to assess collinearity. Utilizing SPSS 22.0, psychological climate and job satisfaction were regressed against an affective commitment to obtain the VIF values. The VIF values are 1.086 for both competitive psychological climate and job satisfaction. None of the factors has a VIF value over 5.00, which is the prescribed cut-off value (Hair *et al.*, 2014). Subsequently, there is no collinearity issue in this study.

5.3.2. Hypothesis Testing

Bootstrapping was done with help of SmartPLS 2.0 to acquire the established path coefficients, and t values keeping in mind the end goal to assess the significance of each hypothesised relationship. From Table 5 empirical analysis explains that psychological climate accounted for 29.6% ($r^2=0.296$) variance with job satisfaction and 48.2% ($r^2=.482$) variance with affective commitment, thus psychological climate significantly influences job satisfaction and affective commitment. therefore sub hypothesis(H1a, H1b & H1c) proved.

From the table 5 path coefficients are found to be significant. the path from psychological climate to job satisfaction, job satisfaction to affective commitment and psychological climate to affective commitment are significant at $p = 0.01$ (99% CI).

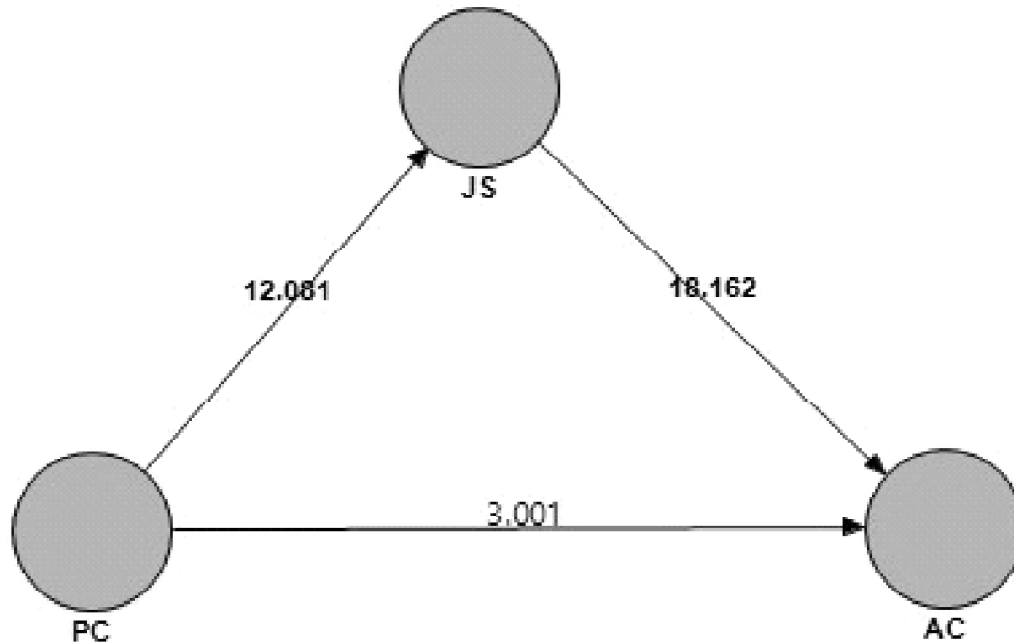


Figure 4: Picture representing t-values after bootstrapping

Table 5
Summary of Hypothesis Testing

Hypothesis	Relationship	β path coefficient	t- values	Decision
H1a	PC \rightarrow JS	0.544	12.081	supported
H1b	JS \rightarrow AC	0.593	18.162	supported
H1c	PC \rightarrow AC	0.161	3.001	supported

*PC= psychological climate , *JS=job satisfaction , *AC= affective commitment

5.3.2.1 Job Satisfaction as Mediator

The result of present research has investigated the mediating role played by the job satisfaction with the psychological climate in supporting towards affective commitment. This is accomplished by following the (Preacher and Hayes 2008) method, which is utilized rather than the conventional (Sobel 1982) test since it doesn't have strict distributional suppositions (Hair *et al*, 2013). From table 6, 39.4% of psychological climate's effect on affective commitment can be explained via the job satisfaction as a mediator. As per (Hair *et al*. 2013), partial mediation is shown when VAF surpasses the 20% limit level and that full mediation is exhibited when it surpasses 80%. Thus, conforming partial mediation effect of job satisfaction between psychological climate and affective commitment.

Table 6
Mediation analysis in PLS-SEM

Hypothesis	procedure	path	Path coef	Indirect effect	STDEV	Total Effect	VAF	t Values	Hypothesis
Main hypothesis H1	Step1:Direct effect (with out mediator)	PC-AC	0.491	n/a				9.472	Supported
	Step 2:	PC-AC	0.161	n/a		.811	.394	5.57	
	Indirect effect(with mediator)	PC-JS	0.544	.32	0.0574				
		JS-AC	0.593						

*VAF = indirect effect/total effect, *PC= psychological climate , *JS=job satisfaction , *AC= affective commitment

5.3.3. Effect Size

Along with the R², the adjustment in R² value when a particular exogenous variable is not there from the model was also observed in order to evaluate the degree of the impact of that specific exogenous variable on an endogenous variable (Hair *et al.*, 2014). Effect size assists as a handy manual to understand the practical significance of a particular relationship (Preacher & Kelley, 2011). This should be possible by looking at the f² effect size for every relationship (table 7). Manually computed the f² effect size (Hair *et al.*, 2014) and the equation is appeared beneath as a note straightforwardly underneath Table 7.

As indicated by (Cohen 1988), the general guideline is that the f² estimations of 0.02, 0.15, and 0.35 represent small, medium, and large effect size correspondingly. Based on the general guideline, it can be inferred that affective commitment has a strong effect on psychological climate to 43.1% and it has a small effect on job satisfaction amounting to 7.1%. However, a little effect size does not really suggest impact is not critical (Preacher & Kelley, 2011). Besides that all hypothesis were already statistically supported, all of the connections here are valid and significant by the effect sizes found.

Table 7
Effect Size for Direct Effects

Relationship	f ² Effect Size	Magnitude
JS → AC	0.071	Small
PC → AC	0.431	Large

Note: $f^2 = (R^2 \text{ included} - R^2 \text{ excluded}) / 1 - R^2 \text{ included}$

5.3.4. Predictive Capability of the Models

The predictive capability of the proposed model can be analysed by computing the predictive capability (Q²), which helps to understand the predictive relevance of the proposed model. Hair *et al.*, (2014) suggested

Table 8
Results of Coefficient of Determination (R²) and Predictive Relevance (Q²)

<i>Endogenous Latent Variable</i>	<i>R² Value</i>	<i>Q² Value</i>
Job satisfaction	0.296	0.0508
Affective commitment	0.482	0.1254

* Q² is the “1-SSE/SSO” value as shown in the “Construct Crossvalidated Redundancy” section in blindfolding.

that by measuring the cross-validated redundancy to evaluate Q². Chin (1998) proposes that a model shows great predictive relevance when its Q² value is bigger than zero.

6. DISCUSSION AND CONCLUSION

Present study fills the gap that is unexplored by earlier studies. The above findings of the research emphasize, job satisfaction significantly affects the relationship between psychological climate and affective commitment. In spite of the fact, this study is in line with past reviews. If viewed in isolation, there was a significant relationship between psychological climate and affective commitment and this was predictable with past reviews (Biswas 2012; Langkamer & Ervin 2008; Suliman 2002). This finding supports previous studies by (Ahmed *et al.*, 2014; O’neill and Arendt 2008; Rahimic 2013). who found a significant relationship between psychological climate and job satisfaction. When individuals experience pleasure in work, then they will do their jobs beyond the perception of their roles or obligations. Similarly, findings by (Panaccio *et al.*, 2014; Malhotra and Mukherjee 2004; Williams and Anderson 1991) showed a positive relationship between job satisfaction and affective commitment.

Along these lines, it can be said that job satisfaction played a significant role in mediating the relationship between psychological climate and affective commitment. Trivellas and Santouridis (2016) study have also proved that job satisfaction was a mediator although it mediated the relationship between service quality and organizational commitment. In perspective of the social cognitive philosophy, individuals are not just determined by the strength in themselves, nor naturally moulded and controlled by outer boosts. Indeed, human roles are defined in the corresponding relationship between behaviour and intellectual components (individual) and nature (Bandura, 1986). Psychological climate, therefore, is believed to be the key to performing the job effectively. In addition, psychological climate can also influence forms of thinking and behavior in decision making.

In other words, people with higher scores of psychological climate have higher job satisfaction, and in turn, this high level of job satisfaction influences the increase in affective commitment. A significant relationship between psychological climate and job satisfaction showed that when an individual has trust in his capacity, he will be effective in finishing the job. Subsequently, he will have the capacity to feel satisfaction in his work.

Results also emphasized the presence of the significant relationship between job satisfaction and affective commitment which showed that private banker who was satisfied at work would also have the capacity to do different jobs past their formal commitments. In other words, bank employees will effectively build up a feeling of compassion for colleagues and customers in finishing their errands and obligations.

Like other studies, this research also having a few restrictions. The present research has considered just private bank representatives as the respondents from the Banking sector which can't guarantee whether the outcomes acquired can be generalized for this industry and other industry in India.

CONCLUSION

Based on the findings, job satisfaction significantly mediated the relationship between psychological climate and affective commitment. Many kinds of literature have cited that committed workforce particular in service sector contribute to improving the organisation performance. To achieve this commitment variable like psychological climate and job satisfaction place a crucial role in service oriented organisations. Thus it becomes a mandate for the banking industry to focus on elements contributing to psychological climate, job satisfaction, and affective commitment. The advancement of psychological climates helps the organizations to design human resource management policies and practices with the end goal of making such climates are adjusted and have healthy impacts among employees. It is important for the private banks to have the committed work force. By equipping individuals with high level of job satisfaction, they can help to perform productive activities, have the courage to take risks and to maximize their capabilities at work. Moreover, private bankers aware of that banking profession is a challenging and rewarding profession. Positive psychological climate help bankers in carrying out their tasks and responsibilities effectively to achieve the profitability and goals of the organisation. Therefore emphasizing on the need to focus on psychological climate, job satisfaction, and commitment. The current study has empirically tested the proposed model bringing out a constructive inference to the private banking sector.

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