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**SERVICE CLIMATE AND ORGANIZATION TRUST IN SARA-  
ED TRADING SDN. BHD**

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# **CHAPTER 1**

## **INTRODUCTION**

### **1.0 INTRODUCTION**

This chapter focuses on the background of the study, which is about the service climate and organization trust amongst the staffs in Sara-Ed Trading Sdn. Bhd. Section 1.1 is discussing about the background of the study, Section 1.2 is focusing on the problem statement and Section 1.3 states the research questions. Section 1.4 explains about the research objectives, Section 1.5 is explaining about the scope of our study and Section 1.6 is focusing on the significance of the study. Section 1.7 explains about the definitions of terms and concepts.

### **1.1 BACKGROUND OF THE STUDY**

Research is about creation and development; this is essential to increase the understanding of service quality and service climate and the trust in the organization. Climate can be defined as employee's perception of kinds of behaviour that are rewarded and supported in a particular setting (Schneider, 1990). An organizational climate, for example describes the shared perception of all individuals in an organization aggregated to the organizational level. Management on the basis of the trust is new expression of old ideas that is certain in today relations and using of the ways can affect individual and

## **CHAPTER 2**

### **LITERATURE REVIEW & CONCEPTUAL FRAMEWORK**

#### **2.0 INTRODUCTION**

This chapter provides a review of the literature on service climate and organization trust. Section 2.1 explains the concept of service climate and organization trust. Section 2.2 is determining of dimension of service climate and organization trust. Section 2.3 explains the research of service climate and organization trust. Section 2.4 explains the relationship between service climate and organization trust.

#### **2.1 CONCEPT OF SERVICE CLIMATE AND ORGANIZATIONAL TRUST**

##### **2.1.1 CONCEPT OF SERVICE CLIMATE**

Tagiuri (1968 in Powell and Butterfield, 1978) refers to service climate as the quality of the organization's environment as experienced by its members and can be described in terms of values or the meaning of a particular set of characteristics of the environment and how organizational environments importance are perceived and interpreted by employees (James and James, 1989; 1990; Johnson, 1996). The employees will behave due to policies, practices, procedures, and routines to facilitate the excellence of services that has been outlined by the organization to achieve goals or other organizational imperatives (Schneider and Bowen, 1993). This includes the extent of the