

STUDY ON THE EFFECTIVENESS OF ORGANIZATIONAL CLIMATE IN A COMPANY

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Abstract:

Today's world is a competitive and challenging when concerned to organization. Without setting the organizational goal by knowing the efficiency of the employee or is not achieved to be successful in today's competitive world. To lead a successful organization many factors are included such as organizational climate, organizational culture, organizational environment, etc.. One of the main factor which revolves around the business is organizational climate. Organizational climate works as a guideline for employees who focus on motivation and productivity of both individual as well as group. It shape and employees motivation and perception towards organization. It gives clear view on clear vision of organizations mission. The paper focus on the organizational climate had impact on business performance. It includes the study of relationship between organizational climate and motivation, job satisfaction, job performance. It gives good validity and internal consistency reliability. It also plays important role in innovation of the organization. The recognition of employee skill is with a provision of employee participation in decision making. The main aim of the study is to factors that affect the organizational climate, level of satisfaction of workers in a company and suggestions to improve organizational climate.

Key words: Effectiveness, employees, organizational climate, performance, satisfaction.

Introduction:

Organization, the term is group of people with specific objective, climate refers to the opinion of the group of people and the term organizational climate talks about the people's

behavior within the organization to achieve organizational goal with effective functioning with use of organizational environment. Vyas (1985)- organizational climate and employee efficient potential. Organizational climate varies from organization to organization. It may be both positive or negative impact on the organization. Simply, organizational climate is concept of management and combination of job satisfaction, job performance and mentality of employee towards organization. James and Jones (1972) - 'organization climate: a review of theory and research' it speaks about definition, measurement approaches and divided it into 3 categories. It includes management or leadership styles, participation in decision making, recruitment process.

It is a factor in an organization for managers to achieve better performance in a business. Our is a real for an manager to manage and organize the employee in an effective way to achieve individual goal and organizational goal. Neal, Griffin and Hart (1986)- 'The impact of organizational climate on safety climate and individual behavior'. It takes about general significance of organizational climate and safety climate with safety regulations and procedures in a business. It helps in synthesis of the relationship between organizational climate, innovation and performance. It works as a building block of science which structure to analyses the climate of the organization.

The main aim of the study is to analyze the factor that influence organizational climate, to study the dimensions of organizational climate, to know the level of motivation in a company and to provide suggestion to improve organizational climate.

Review of literature:

1. Sharmila, A. Gokulakrishnan, (2012), A study on organisational courts in an information technology industry, Asian journal of management science, vol. 2(2), pp30-36: These are human and Organizational benefit as good climate and Susannah's as bad climate. It deals with people which influence on motivation, productivity. It improves involvement and commitment in an organization.
2. Dr. Harish Shukla, Aditi Pareta, (2012), A study on organizational climate perceived by a employees of a cooperative dairy, pacific business review international, vol. 6(6), pp 06-12: It act as an majorly influencing factor for employee behaviour. The characteristics are leadership style, decision making etc., It explains the impact of employee attitude towards organizational climate.

3. Payne, Fineman, Wall, (1992), organisational climate and job satisfaction: a conceptual synthesis, Elsevier, vol. 16(1), pp 45-62: Measurement of the concept of climate and job satisfaction, it is applicable to organizational individual. Organizational climate explicit the nature of concept and reveals the conceptual types.
4. Pradeep K. Tyagi, (1982), Perceived organizational climate and process of salesman motivation, journal of marketing research, vol. 19(2), pp 240-251: The linkage between the two factors such as Organizational process and psychological process, influence on the beliefs, rewards and opportunities which contributes more on motivation.
5. Zuzana Simoarora, (2007), Factors of organisational climate influencing learning in companies, European conference on educational research, pp 19-21: The relationship between employee and company is verified based on the organizational climate. Employees perception undersign the learning climate about the enterprise.

Hypothesis:

H1: There is a significant relationship between organizational climate and level of motivation.

H0 : There is no significant relationship between organizational climate and level of motivation.

Factors influencing organizational climate:

Organizational climate is one of the factors which affects organizational atmosphere. Every organization had its own organizational climate. Many philosophers analyzed and identify the factors influencing climate and categorized into five:

1. Organizational context- This the foremost factor which affect the climate of an organization. It is known to be people is management. If the organization utilizes the resources effectively, then the climate is said to be good in prevailing organization. Man power is the another criteria where it helps the employee to work and function efficiently. Employee must be adaptable and accept the changes if it matches perfectly, then the organizational goal is achieved.
2. Structure- Structure if the factor which aligns the responsibilities and functional authority. It results in high degree of employment which encourages and motivates active decision making. It

maintains the consistency in decision making which decentralize the operation. It helps in the influence of the employee towards organization.

3. Process- Process plays a vital role in case of organization. The main objectives of effective process are communication, decision making, leadership and motivation, etc.. It works as an bridge between the superior and the subordinate, there is a visible relationship is maintained by the process. It concerned on both business and performance, if it affects negatively then the business may result in loss.

4. Physical environment- External surrounding also affects the organization badly it may includes size, location, weather of the workplace, so on. Each noisy factor affects organizational climate where high level may bring negative feeling and lead to head and, frustration and aggression. It converts the workplace into market place due to less sound.

5. System norms and values- Every organization had its own norms and values in a formal way to make better employees behavior. The norms and values were in an organized firm with rules, regulations and policies. In an informal organization, the existence of behavior is difficult to control. It acts in both formal and informal way depending upon the type of organization which influence the organization powerfully.

Organizational climate brings both bad and good climates. The bad climate owes in turnover, stress, sickness, wastage, poor performance, accidents and so on. The good climate brings performance, achievements, confidence, job satisfaction, faith in organization, etc.. The behavior are risk taking, employee development, trust among organization, freedom and open communication whereas in bad climate the behavior are sabotage, bullying, absenteeism.

Dimension of the organizational climate:

1. Performance standard- Standard performance exerts more amount of pressure to improve organizational goal. It has an impact on organizational climate with high degree.

2. Communication flow- Communication is the vital role with higher hierarchy restricted to the authority.

3. Responsibility- Individual decision making, discretionary were allowed to make the job efficiently. Responsible for the work they do.

4. Conflict resolution- Good relationship avoid the conflict in an organization, it helps to perceive employee to encourage criticism.

5. Organizational structure- It helps in execution of rights and duties in decision making.
6. Motivation level- Motivation is the essential factor to make effective functioning of employee.
7. Decision making process- Based on decision, the employee act and accept and the goals have excellent chance to participate in activities in an organization.
8. Support system- It refers to trust and belief towards one another in an organization as a team to get the ability of superior.
9. Warmth- The relationship in organization is strong, supporting, friendly and people-oriented.
10. Identify the problems- The employee had to know what with he/she had been doing and it's deficiencies in the work.
11. Reward- Based on performance rewards are given both in positive and negative way. When it is positive, increment is given and when it is negative punishments are given.

Motivation:

Motivation is said to be foundation of target oriented. It helps in increasing the achievements and minimize the failure occurring in an organization. It is the factor which is present both in and out of the organization. Motivation affects both external and internal factor which helps to stimulate passion and desire among employees to achieve organizational or individual goals. It is the product of conscious and unconscious factor which includes strength, goals, achievements, rewards and incentives. It is classified into two types: extrinsic and intrinsic motivation.

Theories-

1. Theory X and theory Y : It refers to two types of managers where one refers to laziest worker who doesn't involve in the work with satisfaction. The other refers to the active or professional worker who involve in work with full satisfaction and concerns for productivity and profit.
2. Maslow's hierarchy theory: There are five levels of motivation according to Maslow; such as psychological need, safety and security, social need, esteem and self esteem and finally self actualization. The need which is not satisfied then it becomes source of motivation.
3. Herzberg's theory of motivation: There are two types one called as hygiene factor where one is absent or leads to dissatisfaction of job place is at and another called to be motivator which motivate the individual.

4. McClelland theory: It basically speaks about the needs of an individual at workplace. They are need for affiliation, need for power and need for achievement.
5. Vroom's expectancy theory: Here, behaviour of the individual is directly proportional to the expectation of the result. The employee prefer for the expectancy, performance and reward.

Organizational climate is differentiated as management type and marketing type good as positive when compared to technology type, whereas management type were more positive than production type. Marketing type were considered to be more positive than all kinds. Both technology type and production type shoe less satisfaction to strengthen communication. Marion effects on organizational climate effectiveness were education level, salary, leadership, group performance, rules, development and promotion.

Perception towards organization and motivation level in good conduct of organizational climate:

The meaning of the types to the relationship between the organizational climate and motivation where there is an requirement of hard work and carry a lot of potential towards a source of demonization. It is perceived that motivation is the important factor in case of organizational climate. Climate is the very important element which is necessary for successful organization including decision making, leadership styles, frustration, challenging job. Good organizational climate includes commitment towards work with high energy level and productivity which reduces the absenteeism.

If the work place of organization is good, then supervisors or managers are the supporters who motivate and encourage that increases employee commitment towards workplace. Without the support of the organization, it is not fulfilled to be comfortable to work as it is difficult to get committed towards the work in case poor support in organization, it leads to poor performance and low motivation. Motivation in an organization is not only by monetary terms but can make loyal towards the business in different way. If it is an healthy organization, it increases the motivating level and more dedicated I.e., commitment towards workplace.

Comparing the industries:

As organizational climate is different from every other organization, it is difficult to interpret the employee assumption on particular industry. When taken in account of metal

industries, due to hard work labour they feel frustrated in job and not satisfactory with their work. Here, the motivation has to be created in a better way to lose the employee in good manner of they mislead then it may face huge loss in an organization. As second, dairy industry is taken in account, here the work may not be hard as they enjoy at the work place. Here the workers almost includes women were women employee were dedicated when compared to make employee so motivation is required to some extent. When taken textile industry, to influence strongly organization relationship, work environment where effective supervision is required to create job satisfaction by motivation. Here communication is transparent and employee performance is smooth so motivation is not much required in the industry.

Findings:

1. Management concerns about the career development and opportunity in an organization.
2. Superiors only have the authority and trust on employee
3. Organization uses the talent and competencies of job.
4. Achievements and rewards are not given equal opportunity to the employees.
5. Some management provides freedom without reviewing the employee and left to their choice.
6. Every staff make their time limit within the reasonable decisions.
7. Highly concern in rules and responsibilities of an employees.
8. Maintains healthy relationship with colleagues with interest in job.
9. Employee must be satisfied with the decision made by the superior authority.
10. Some management understands the complaint, grievance of the employees.
11. Organization involves in the strategic planning in both present and future development.
12. Good decision making gives an opportunity to resolve conflicts in an organization.

Suggestions:

1. Managers play a vital role in decision making and providing concern information to every department.
2. Superior must entertain the efforts taken by the activities and events happening in the organization.

- 3.Improves the action of employee based on climate and morale which enhance the skills and capability of employee in an organization.
- 4.Superior employees must be provided with incentives, rewards and achievements at regular intervals.
- 5.Transparency in the feedback system should be maintained.
- 6.Customer satisfaction should be considered to be highest goal of organization and Corporation among employees can be invested towards team work.
- 7.Roles and responsibilities are explained clearly to avoid conflicts.
- 8.Necessary steps can be taken to make better commitment in work.
- 9.Make an employee to feel confident on the work what they do.
- 10.Abilities and skills of employee can be utilized properly.
- 11.Female employees must be provided with fair and equal opportunity as like make employee.
- 12.To achieve organizational goal effectively, new technology and can be adopted.
- 13.Motivates and encourages the employee in all situation of organization.

Conclusion:

As every department employee describes organizational climate in their own way, the abrupt meaning or definition is not explained to the employee. In an interactive sense, organizational climate is an indirect determinant of behavior. It is designed as a well or policies of decision making. The value paid must be recognized and also perception of an individual. The relationship between the employee and superior is maintained with experts which result in motivation of the employee. Organization will always think for the welfare of the individual and organizational commitment. The construction of environment maintains the relationship of climate of the organization and employees attitude called job satisfaction. There is a discuss that make employee perceive more organizational climate them female employee but is not true, as female employee is more satisfactory in better way. Likewise, lower level employee perceive more climate than higher level employees. There is a significant comparison of employee with less income and high income and even with more experience and high experience. Superior authority fails to set a standard form to excel in an organization. Organization may increase team works or group works to be more interactive which increases job satisfaction and develop their

decision making ability. Effective manager would likely to have effective motivational skill and role ambiguity.

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