

## **A Study on Organizational Climate and Its Effects on Job Satisfaction of Employees**

**Sujatha.M**

**Department of Management Studies,  
J. B. Institute of Engineering and Technology,  
Moinabad, Hyderabad, Telangana – 500075, India.**

### **ABSTRACT:**

The aim of the research paper is to study about the organizational climate and job satisfaction in educational institutions. In this era of intense competition and globalization very few people will disagree that the success of any organization is a direct reflection of its managerial effectiveness and efficiency. Even though organizational development depends upon number of factors but to understand needs, concerns, and perceptions of employees the organizational climate needs to be assessed. Organizational climate is a set of properties of the work environment, perceived directly or indirectly by the employees, that is assumed to be a major force in influencing employee behavior. The study concluded that organizations are able to create environments in which employees are able to achieve their full potential and are seen as a key source of competitive advantage. Therefore, organizational climate can be regarded as a key variable in successful organizations.

### **Key words:**

**Organizational development, organizational climate, employee's perception, work environment, job satisfaction.**

### **1. INTRODUCTION:**

Organizational climate is a meaningful construct with significant implications for understanding human behavior in organizations. Organizational climate and job satisfaction are distinct but related constructs, and both appear to influence employees' understanding of the work environment and their level of job satisfaction [1].

Job satisfaction is the level of contentment employees feel about their work, which can affect performance. It can be influenced by a person's ability to complete required tasks, the level of communication in an organization and the way management treats employees. According to Wendell L. French and Cecil H. Bell, "Organizational climate is defined as people's perception and attitude about the organization - whether it is good or bad place to work, friendly or unfriendly, hardworking or easy-going, and so forth." There are two difficulties in defining organization climate: how to define climate, how to measure climate effectively on different levels of analysis. Furthermore, there are several approaches to the concept of climate. Two in particular have received substantial patronage: the cognitive schema approach and the shared perception approach [2].

The cognitive schema approach regards the concept of climate as an individual perception and cognitive representation of the work environment. From this perspective climate assessments should be conducted at an individual level. The shared perception approach emphasizes the importance of shared perceptions as underpinning the notion of climate. Organizational climate has also been defined as "the shared perception of the way things are around here". There is great deal of overlap in the two approaches [3].

### **2. OBJECTIVES OF THE STUDY:**

- To study the inter-relationship of the two variables; organizational climate and job satisfaction
- To find out the effect of organizational climate's sub-factors on job satisfaction.

### 3. RESEARCH METHODOLOGY:

The study that has been carried out is conclusive in nature; it describes the expectations, attitudes, opinions, views and level of satisfaction. For the collection of various data requirements, questionnaire was used as research instrument.

### STATISTICAL TOOLS:

The data collected in the form of Questionnaire was tabulated and analyzed using basic statistical method percentages and Z test [4].

### DATA COLLECTION FORM & GENERATION OF SCALE ITEMS:

Primary data has been collected by administering a Questionnaire through direct contact method and secondary data has been collected from the websites, books, and magazines. The study has been conducted in one of the collages at Hyderabad and 300 questionnaires were distributed to the faculties. Only 130 questionnaires were returned that have been utilized to analyze and draw interpretations and the analysis was done through the received questionnaires.

### 4. LIMITATIONS:

- The study was done for a period of one month
- No attention was given to demographic variables.
- The study has been limited to 130 respondents.

### 5. LITERATURE REVIEW:

Climate is generally considered to be a major construct that can change over time. It is perceived by and shared among organizational members, which can result in consensus among individuals. It consists of global impressions of the organization that members form through interacting with each other and organizational policies, structures and processes. Climate perceptions are descriptions of environmental events and conditions rather than evaluations of them. The climate construct is multidimensional. It refers to the 'feeling of an organization' [5]. Climate can potentially influence an individual's behavior [6-7].

Organizational climate is the key factor to explain the innovativeness of the employees. If the climate is healthy, employees will be more innovative as comparison to other organization's stressful climate. Good and healthy climate increases productivity level of employees. Organizational climate represents how the employees feel about the atmosphere. Employees are the key resources of an organization. For the development of an organization it is necessary to make them feel good. With changing scenarios in the world economy. Job satisfaction is often thought to be the gratification of strong needs in the workplace or the degree of discrepancy between what a person expect to receive from work and what that person perceives is actually received. Employees with high job satisfaction do exhibit higher organizational citizenship behavior, which ultimately does have positive effects on the productivity of the entire organization.

### ELEMENTS OF ORGANISATIONAL CLIMATE

#### Individual Autonomy:

It implies the degree to which employees are free to manage themselves, have considerable decision-making power and are not continuously accountable to higher management.

#### Position Structure:

The degree to which objectives of jobs and methods for accomplishing it are established and communicated to the employees.

#### Reward Orientation:

It means the degree to which an organization rewards individuals for hard work or achievement. It is high when an organization orients people to perform better and rewards them for do the work.

#### Task Orientation:

If the management is task oriented, the leadership style will be automatic do the work.

#### Relations Orientation or Consideration:

The organizational climate will be considerate and supportive if the managers are Relation- oriented while

dealing with employees. Employee needs are very important in any organizations. This will give motivation to employees.

### Job Satisfaction:

Employee satisfaction is very important for any organization, and it is very important in organizational climate. It gives motivation to employees to work more and more.

### Morale:

It gives attitudes and sentiments of organizational members towards the organization members. If it is high, there will be an atmosphere of cooperation in the organization. But if the morale is low, there will be conflicts between employees.

### Control:

Having full control over the workers. Control is either two types either flexible or flexible.

## 6. DATA ANALYSIS AND INTERPRETATION:

**TABLE 1:**

ORGANIZATIONAL CLIMATE FACTORS		RESPONSE IN PERCENTAGE
1. ADMINISTRATION	Communication flow	76.92
	Organization structure	96.15
	Organizational climate	65.38
	Better than other Organization	76.92
2. MANAGEMENT POLICIES	Consulted in decision making	53.84
	Satisfied with management	63.84
	Opportunities	70.76
	Rewarded for good work	53.07
3. PERSONNEL TREATMENT	No exploitation	65.38
	No worst treatment	76.92
4. INFRASTRUCTURE	Good classroom	92.30
	Good staffroom	76.92
	Adequate infrastructure	92.30
5. PHYSICAL FACILITIES	Peon do their job	92.30
	Good toilet	38.46
	Satisfied with physical Environment	77.69
	Housing facilities	93.07
	Medical facility	46.15
6. PAY RELATED MATTERS	Get pay on fix day	38.46
	Retirement benefits	23.07
	Regular increment	42.30

**TABLE 2:**

JOB SATISFACTION FACTORS		RESPONSE IN PERCENTAGE
1. COLLEAGUES	Stimulating	92.30
	Smart	73.07
	Friendly	96.92
	Respect each other	76.92
	Understand their work	68.46
	Team-work	96.15
	Help in need	92.30
	Unite in crisis	76.92
2. JOB CHARACTERISTICS	Enjoyable	84.61
	Appropriate	69.23
	Idealistic	76.92
	Fascinating	57.69
	Autonomy	67.69
	Job enrichment	70.76
	Sense of achievement	83.84
	Creativity	92.30
3. STUDENTS	Course of choice	76.92
	No antisocial element	92.30
	Do not insult	100.00
	Cheerful in the class	76.92
	Impress	80.76
	Consult library	96.15
	Interact with faculty	96.92
	Satisfied with students	84.61
4. H O D	Impartial	61.53
	Fit for job	76.92
	Interested	69.23
	Appreciates you	38.46
	Good administrator	76.92
	Satisfied with HOD	61.53
5. PAY	Financial rewards	15.38
	Pay appropriate	46.15
	Sanction requests	92.30
	Satisfied with pay	69.23
	Deserve	61.53
	Resources for academic	76.92
	Extra emoluments	76.92
6. ADVANCEMENT & RECOGNITION	Training	69.23
	Societal recognition	50.00
	Opportunities for advancement	69.23
	Satisfied with Promotion & Rewards	69.23
	Recognition in reward form	38.46

### STATISTICAL TOOL:

#### Z Test for Difference of Means:

Let X be the no. of employees satisfied with organizational climate and Y be the no. of employees satisfied with job.

#### Hypothesis:

**Null hypothesis ( $H_0$ ):** the organizational climate will not effect the job satisfaction of employees.

**Alternative hypothesis ( $H_1$ ):** the organizational climate will effect the job satisfaction of employees.

From the survey we have  $n_1=130$ ,  $n_2=130$ ,  $\bar{X}=66.83$ ,  $\bar{Y}=72.5$ ,  $S_x^2=12.991$ ,  $S_y^2=6.273$

Therefore, test statistic,

$$Z = \frac{\bar{X} - \bar{Y}}{\sqrt{\left(\frac{S_x^2}{n_1} + \frac{S_y^2}{n_2}\right)}} \sim N(0,1), \quad \sigma_x^2 = S_x^2 \text{ and } \sigma_y^2 = S_y^2 \text{ for large}$$

sample.

$$= \frac{66.83 - 72.5}{\sqrt{\frac{12.991}{130} + \frac{6.273}{130}}} = 14.7349$$

Since, the calculated value of Z is greater than tabulated value (1.976) at two-tailed test at 5% level of significant. Hence, accept  $H_1$  and concluded that the organizational climate will effect the job satisfaction of employees.

## 7. CONCLUSION:

1. The study concluded that the organizational climate will effect the job satisfaction of employees and organizations are able to create environments in which employees are able to achieve their full potential and are seen as a key source of competitive advantage. Therefore, organizational climate can be regarded as a key variable in successful organizations.
2. Employees with high job satisfaction do exhibit higher organizational citizenship behavior, which ultimately does have positive effects on the productivity of the entire organization.
3. If people are satisfied from their jobs, and if there exist the right type of climate, effectiveness can certainly be brought in the functioning of the organization. Therefore this specific aspect of effectiveness should be studied along with organizational climate and job satisfaction
4. Good management policies contribute maximum to job satisfaction especially participative decision making, providing opportunities for professional growth and rewarding for good performance.

## 8. REFERENCES:

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