



A STUDY ON ORGANIZATION CLIMATE AND CULTURE AND ITS IMPACT ON EMPLOYEES AT MANUFACTURING SECTOR WITH REFERENCE TO COIMBATORE

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Abstract:

Organizational climate is often defined as the recurring patterns of behavior, attitudes and feelings that characterize life in the organization, while an organization culture tends to be deep and stable. Although culture and climate are related, climate often proves easier to assess and change. The main objective of the research is to study about the factors that contribute to the establishment of organizational climate and to find out the corrective measures to be taken by the management to improve the present organizational culture and climate. The study was analyzed with percentage analysis, and chi square and the conclusion is that if the companies gives more training programs to the employees then the creativity and productivity of the employees will be increased in future period of time.

Key Words: Organizational Climate, Training Programs & Productivity

Introduction to the Concept of Study:

Organizational Climate is a very popular subject for research in the domain of industrial and organizational psychology. The origin and the use of the specific term are found to be as old as the original concept of management itself. Organizational climate (sometimes known as Corporate Climate) is the process of quantifying the "culture" of an organization. Gregopoulos (1963) defined Organizational Climate as a 'normative structure of attitudes and behavioral standards which provided a basis for interpreting the situations and act as a source of pressure for directing activities.

Climate and culture are both important aspects of the overall context, environment or situation. Organizational culture tends to be shared by all or most members of some social group; is something that older members usually try to pass on to younger members; shapes behavior and structures perceptions of the world. Cultures are often studied and understood at a national level, such as the American or French culture. Culture includes deeply held values, beliefs and assumptions, symbols, heroes, and rituals. Culture can be examined at an organizational level as well. The main distinction between organizational and national culture is that people can choose to join a place of work, but are usually born into a national culture.

Statement of the problem:

Organizations derive number of benefits from developing strong and productive cultures like Better aligning the companies towards achieving its vision, mission, and goals; High employee motivation and loyalty; Increased team cohesiveness among the companies various departments and divisions; Promoting consistency and encouraging coordination and control within the companies, etc. A strong culture may be especially beneficial to firms operating in the service sector since members of these organizations are responsible for delivering the service and for evaluations important constituents make about firms. This has motivated the researcher to undertake a study on the topic "A Study On Organization Climate And Culture And Its Impact On Employees at Manufacturing sector"

Objectives of the Study:

Primary Objectives:

To study about the factors that contributes to the establishment of organizational climate.

Secondary Data:

- ✓ To analyse the employee satisfaction with regard to the present organisational culture and climate.
- ✓ To find out the corrective measures to be taken by the management to improve the present organisational culture and climate.

Need of the Study:

The study is conducted at manufacturing sector. The employees were taken as samples. Employees' satisfaction with regard to the following The Paradigm, the Control Systems, Organizational Structures, the Power Structures, and the Rituals and Routines were analyzed. Employees' opinion with regard to the corrective measures to be taken by the management to improve the present organizational culture and climate is also a part of the study.

Research Methodology:

Sampling Design/Techniques:

Sample Size: Out of total population size the study consisted of only 115 employees as sample size based on convenience sampling.

Data Collection Method: The primary source of data was collected from the employee collected through questionnaire. The secondary data was collected referring to the personnel manual of the organization.

Statistical Tools: To analyze the data the following tools were applied: Simple percentage, analysis, Chi square test, regression and correlation.

Analysis and Interpretation:

		Frequency	Percent
Age	Below 25	52	45.2
	25-35	53	46.1
	36-45	9	7.8
	Above 45	1	0.9
	Total	115	100
Marital Status	Single	78	67.8
	Married	37	32.2
	Total	115	100
Educational Qualification	Diploma	28	24.3
	HSC	16	13.9
	Degree Holders	71	61.7
	Total	115	100
Income	10000 To 20000	43	37.4
	20001 To 30000	37	32.2
	Above 30000	35	30.4
	Total	115	100
Work Environment	Satisfied	62	53.9
	Highly Satisfied	32	27.8
	Neutral	18	15.7
	Dissatisfied	2	1.7
	Highly Dissatisfied	1	0.9
	Total	115	100
Clean and comfortable with necessary equipment's	Satisfied	63	54.8
	Highly Satisfied	32	27.8
	Neutral	15	13
	Dissatisfied	5	4.3
	Total	115	100
Maintaining a good balance between work and other aspects of life	Satisfied	65	56.5
	Highly Satisfied	26	22.6
	Neutral	21	18.3
	Dissatisfied	3	2.6
	Total	115	100
Awareness of department functions	Satisfied	49	42.6
	Highly Satisfied	42	36.5
	Neutral	20	17.4
	Dissatisfied	4	3.5
	Total	115	100
Treating employees with respect	Satisfied	52	45.2
	Highly Satisfied	51	44.3
	Neutral	9	7.8
	Dissatisfied	3	2.6
	Total	115	100
Recognition of innovative ideas	Satisfied	57	49.6
	Highly Satisfied	28	24.3
	Neutral	28	24.3
	Dissatisfied	2	1.7
	Total	115	100
Satisfaction with pay and benefits	Satisfied	46	40

	Highly Satisfied	27	23.5
	Neutral	35	30.4
	Dissatisfied	6	5.2
	Highly Dissatisfied	1	0.9
	Total	115	100
Promotion based on performance	Satisfied	48	41.7
	Highly Satisfied	35	30.4
	Neutral	24	20.9
	Dissatisfied	7	6.1
	Highly Dissatisfied	1	0.9
	Total	115	100
Opinion on interpersonal relationship with other workers	Satisfied	50	43.5
	Highly Satisfied	50	43.5
	Neutral	10	8.7
	Dissatisfied	3	2.6
	Highly Dissatisfied	2	1.7
	Total	115	100

Interpretation:

45.2% of the respondents are from the age group of below 25, 46.1% are from the age group of 25-35, 7.8% are from the age group of 36-45 and 0.9% are from the age group of above 45. 67.8% are married and 32.2% are single in our survey. 24.3% have completed diploma, 13.9% have completed HSC, 61.7% are degree holders in our survey. 37.4% are earning between 10000 to 20000, 32.2% are earning from 20001 to 30000, 30.4% are earning above 30000. 53.9% of the respondents are satisfied with the work environment, 27.8% are highly satisfied, 15.7% are neutral, 1.7% are dissatisfied and 0.9% are highly satisfied with work environment of the organizations. 54.8% of the respondents are satisfied with the work environment, 27.8% are highly satisfied, 13% are neutral, and 4.3% are dissatisfied with Cleanliness and comfortableness with necessary equipment's of the organizations. 56.5% of the respondents are satisfied with work and other aspects of life, 22.6% are highly satisfied, 18.3% are neutral, and 2.6% are dissatisfied with work and other aspects of life of the organization. 46.5% of the respondents are satisfied awareness of department functions, 36.5% are highly satisfied, 17.4% are neutral, and 3.5% are dissatisfied with awareness of department functions. 45.2% of the respondents are satisfied on treating employees with respect, 44.3% are highly satisfied, 7.8% are neutral, and 2.6% are dissatisfied with on treating employees with respect. 49.6% of the respondents are satisfied on recognition of innovative ideas, 24.3% are highly satisfied, 24.3% are neutral, and 1.7% are dissatisfied with recognition of innovative ideas. 40% of the respondents are satisfied on satisfaction with pay and benefits, 23.5% are highly satisfied, 30.4% are neutral, 5.2% are dissatisfied and 0.9% are highly dissatisfied with pay and benefits. 41.7% of the respondents are satisfied awareness of department functions, 30.4% are highly satisfied, 20.9% are neutral, 6.1% are dissatisfied, and 0.9% are highly dissatisfied with the promotion based on performance. 43.5% of the respondents are satisfied on interpersonal relationship with other workers, 43.5% are highly satisfied, 8.7% are neutral, and 2.6% are dissatisfied with on interpersonal relationship with other workers.

Chi-Square Analysis:

Age Vs Satisfaction with Pay and Benefits:

H0: There is no significant relation between age and satisfaction with pay and benefits

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	9.812 ^a	12	.632

Interpretation:

The above table shows about the relationship between age and satisfaction with pay and benefits were the significance level is at 0.632 which is greater than .05. So null hypothesis is accepted which shows that there is no significant relation between age and satisfaction with pay and benefits and age need not be taken in to consideration while taking decision on satisfaction with pay and benefits.

Age Vs Opinion on Interpersonal Relationship with Other Workers:

H0: There is no significant relation between age and opinion on interpersonal relationship with other workers

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.696 ^a	12	.729

Interpretation:

The above table shows about the relationship between age and opinion on interpersonal relationship with other workers were the significance level is at 0.729 which is greater than .05. So null hypothesis is

accepted which shows that there is no significant relation between age and opinion on interpersonal relationship with other workers and age need not be taken in to consideration while getting opinion on interpersonal relationship with other workers.

Multiple Regressions:

Model Summary ^b									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.090 ^a	.008	-.010	.857	.008	.456	2	112	.635
a. Predictors: (Constant), Satisfaction with job setting and work environment , Satisfaction with pay and benefits									
b. Dependent Variable: Educational qualification									

The R column represents the value of R, the multiple correlation coefficients. R can be considered to be one measure of the quality of the prediction of the dependent variable, in this (Educational qualification). A value of 0.090 indicates a low level of prediction.

The "R Square" column represents the R² value, from the value of 0.008 that the independent variables explain 0.8% of the variability of the dependent variable educational qualification.

Correlation Between Factors Related to Level of Acceptance:

Correlations					
		Opinion About Top Executives	Reviewing Organizational Policies	Counseling programs conducted by the organisations	Training programs offered from other institutions
Opinion about top executives	Pearson Correlation	1	.485**	.347**	.279**
	Sig. (2-tailed)		.000	.000	.003
	N	115	115	115	115
Reviewing organizational policies	Pearson Correlation	.485**	1	.364**	.376**
	Sig. (2-tailed)	.000		.000	.000
	N	115	115	115	115
Counseling programs conducted by the organizations	Pearson Correlation	.347**	.364**	1	.612**
	Sig. (2-tailed)	.000	.000		.000
	N	115	115	115	115
Training programs offered from other institutions	Pearson Correlation	.279**	.376**	.612**	1
	Sig. (2-tailed)	.003	.000	.000	
	N	115	115	115	115
**. Correlation is significant at the 0.01 level (2-tailed).					

Findings:

- ✓ Most of the respondents are male in our survey.
- ✓ Maximum of the respondents are degree holders in our survey.
- ✓ Most of the respondents are earning above 15000 in our survey.
- ✓ Maximum of the respondents are satisfied with the work environment given by the companies.
- ✓ Most of the respondents are satisfied with the work and other aspects of life.
- ✓ Maximum of the respondents are satisfied with awareness of department functions.
- ✓ Most of the respondents are satisfied with on treating employees with respect.
- ✓ Maximum of the respondents are satisfied with recognition of innovative ideas.
- ✓ Most of the respondents are satisfied with pay and benefits.
- ✓ Maximum of the respondents are satisfied with promotion based on performance in the companies.
- ✓ In chi-square analysis while comparing age with other factors there is no significant relationship between two factors which shows that while taking decision on age there is no need of taking satisfaction with pay and benefits, reviewing organizational policies, opinion on relationship with supervisors, and opinion on interpersonal relationship with other workers in consideration.
- ✓ The variable satisfaction with job setting and work environment is directly proportional to educational qualification.

- ✓ Counseling programs conducted by the organizations have high impact towards training programs offered from other institutions.

Suggestions:

- ✓ Maximum of the respondents said that they are aware of department functions and they are treated with respect but some of the employees feel that they are dissatisfied on the respect given to them in the companies. It shows that if the companies look after the issue properly then all the employees will be treated with same respect which leads to increase in the productivity of the companies.
- ✓ If the companies try to create training programs for the employees then creativity of the employees can be tapped out which leads to a lead for new ideas for research and development of the companies and also with the employees.
- ✓ The respondents said that the counseling programs conducted by the organisations are organized sometimes which shows that if the companies tries to organize more programs in near future then the level of satisfaction f the employees can be increased.

Conclusion:

The main objective of the research is to study about the factors that contribute to the establishment of organizational climate and to find out the corrective measures to be taken by the management to improve the present organizational culture and climate. The study was analyzed with percentage analysis, and chi square and the conclusion is that if the companies gives more training programs to the employees then the creativity and productivity of the employees will be increased in future period of time.

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