

Perceived Organizational Climate and its Influence on Job Satisfaction of the Employees

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Abstract

Organizational Climate and job satisfaction in the globalization era play a major role in productivity and success of an organization. In an organization, a positive climate increases the level of job satisfaction and this satisfaction determines or influences the efficiency of the employees, thereby organizational climate is directly related to the effectiveness of an organization. The organizational climate affects the human behaviour in the organization through an impact on their performance, satisfaction and attitudes. The researcher affirms that dimensions of organizational climate have direct influence on the job satisfaction of its members and provides structural support to an organisation that includes improving coordination among members, encourages creativity and innovation, reduces stress and mediates managerial performance. Organizations are striving to create supportive organizational processes and structures in order to achieve notions of managerial excellence and a healthy climate. Therefore, there is always a need for continuous research to identify the factors responsible for the success or failure of organizational climate.

Introduction

Organizational growth depends on the efficient employees and they are the greatest assets for every organization. When employees have better perception about the organization, it will be more effective and such employees have increased level of job satisfaction and feel committed to the organization. Organizational climate has 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. The healthy organization gives due attention to meeting its required tasks and fulfilling its organizational and human needs by emphasizing continued growth and development. Organizational climate has a great impact on employees' behaviour. If the climate of an organization is open and friendly, employees feel comfortable and if it is very formal, then such a comfort level may not be felt. Organizational climate can be temporal too. Sometimes, when there is a pressure of targets to be achieved on demand from the business, one can say that the climate is hot. Climate includes stress level and moral at workplace.

Organizational climate

Organization climate is the manifestation of the attitudes of organizational members toward the organization itself. An organization tends to attract and keep a person who fit its climate so, that its patterns are perpetuated at least to some extent. When employees are cooperative, healthy and good organizational climate exists. Good organizational climate is instrumented to higher employee satisfaction, better human relations and higher productivity.

Organizational climate is something that is sensed rather than something that is recognised cognitively. Climate is "a set of attributes which can be perceived about a particular organization and or its subsystems, and that may be induced from the way the organization and or its subsystems deal with their members and environments" (Forehand and Gilmer 1964). So Climate can be described as 'the unwritten rules' or 'the way things are around here'. It is a complex blend of attitudes, expectations, policies and norms that effect motivations & behaviours. A number of studies have tested the proposition that organizational climate acts as a moderator variable and interacts with individual personality to influence both job satisfaction and job performance (Schneider, 1972).

Schneider (1975) distinguishes job satisfaction and organizational climate on the basis of three considerations: (a) the level of abstraction (micro versus macro); (b) the level of affect (descriptive vs evaluative) and (c) the level of analysis (individual vs organization). Organizational climate is conceptualized as a macro, descriptive, and organizational oriented variable. Schneider argues that climate represents what is "out there" while job satisfaction connotes some internal state of the perceiver.

Job satisfaction

Job satisfaction is one of the central concepts to organizational/industrial Psychology. A number of studies on human relation movement emphasizes the importance of workplace attitudes. Employee's job satisfaction is not only influenced by his or her own perceptions of the climate, but also by the shared perceptions of his or her work unit. It can be described as one's feelings or state of mind regarding the nature of the work. Locke, 1976 says that job satisfaction is a pleasurable or positive emotional state resulting from the appraisal of one's job experiences. It is worthy to note that Locke uses both cognition (appraisal) and affect (emotional state) as the key components of job satisfaction.

Oshagbemi, 2000 states that job satisfaction is a key factor in productivity. But one has to understand the fact that job satisfaction is not the only factor that causes people to produce at different rates (Daniels, 2001). However, findings of various researches bring out the importance of job satisfaction in an organization, especially, in terms of its efficiency, productivity, employee relations, absenteeism and turnover (Baron, 1996, Maghradi, 1999 and Fajana 2001).

Drivers and Techniques to improve the climate of the organisation

Organizational climate influences the human performance through its impact on individual motivation and job satisfaction. The organizational climate provides a type of work environment in which the individual employee feels satisfied or dissatisfied. As the individual satisfaction plays a major role in determining his/her efficiency organizational climate can be said to be directly linked to his/her performance in the organization. By improving in certain areas sound organisational climate can be created in an organisation.

Following aspects can be considered as effective techniques for improving the climate of the organization:

Role Clarity: Roles are actions or activities assigned to, or expected of, a person in different contexts and situations. Faculties should be aware of their own roles and responsibilities to be exercised in an institution. Where there are well defined roles and responsibilities there is higher level of accountability among the employees

Respect: In an organization everyone expects to be recognized and respected for his/her individual contribution. The term respect is nothing but the very human consideration for one's own self and of others. Lack of respect and support will lead to voluntary turnover of the faculties in the organisation.

Effective Communication System: In order to reduce the gap between the management and the employees there should be an open and two way communication so that the entire organization knows what is going on in the organization and could react to it accordingly. The management can modify/change its decisions on the basis of the feedbacks received.

Concern for People: The management should take efforts to build the human resources. It should understand that quality human resource is the base for organization's growth and development. It should employ different measures to improve the welfare of employees and their working conditions.

Reward System: Rewards reinforce specific behaviours. Consequently, what is rewarded in an organisation influences the motivational climate. It can be in the form of compensation, benefits, recognition and appreciation.

Career developments: It clearly describes how the individuals and organizations structure the career progress of their members. Individuals design, develop and implement their own plans in their career. It also helps an individual to know the priority given by the institution towards one's career progression.

Planning and Decision making: Through participative planning and decision making, particularly those decisions which are related to setting the goals and employee service conditions, the employees feel more responsible and committed to the organization. Taylor and Bowers (1970) state decisions made by involving the employees create trust and positive climate in an organization.

Innovation: Each employee has to be encouraged and empowered to innovate or to create new ideas. Imran and Haque, 2011 suggest that the managers should be aware of the role of their leadership style in creating a climate that is conducive for innovative work behavior among the faculties.

Relationship: Establishment of good relationships within and between the departments in an organization creates positive climate. It is a product of enduring and systematic characteristics of relationship among persons and divisions of any particular organization.

Team and support: The organization that promotes mutual support and coordination between the management and the employees both in work and personal matters can ensure an enabling work place environment for its employees.

Commitment and morale: Elaborating organizational climate Mowday et al. 1979 say that organizational commitment is an attitude, a belief, a sense of attachment to and in an organization. When employees are more committed then there is higher job satisfaction.

Training and learning: Training and learning are an ongoing process to improve the skill and knowledge base of the faculties in the institution for productivity. The employees resist any innovative changes at the beginning so they need constant training in order to cope up with their industry.

Balancing the Organizational Climate

According to Watkin and Hubbard (2003) organizational climate is "how one feels to work in a particular environment and for a particular boss, more precisely it is a measure of employees' perception of those aspects of their environment that directly impact how well they can do their jobs". They explain the steps and methods of balancing organization climate as given in the following table:

Balancing The Organizational Climate			
Step	Maximum Orderliness	Balanced	Maximum Flexibility
Purpose	Mission, strategy & structure clearly expressed, but overly rigid and not sympathetic to employee needs.	Mission, strategy & structure clearly expressed, but address individual needs; employees involved in their development.	Mission, strategy & structure not clearly established; direction is left to the individual.
Values	Organisational policies established in terms of permitted actions & strictly enforced, but do not consider individual needs.	Policies established in terms of value structures, and implemented in a flexible manner.	Policies not formulated: Individual behaviour is directed.
Resources	Procedures clearly documented and rigorously enforced, but does not allow for individual initiative.	Procedures prepared and adapted by those who need them in structured manner.	Procedures not documented; individually tasks carried our in many different ways.
Assessment	Performance parameters fixed and quantified, do not allow for subjective criteria	Combination of self-assessment and supervisor assessment; both objective & subjective criteria used; criteria subject to prior agreement from those involved.	Performance assessed ad hoc and only subjectively

Source: Chris Watkin & Ben Hubbard, (2003).

Impact of organisational climate over job satisfaction

For any organization establishment of a sound organizational climate is a long-term proposition. Every organization sets its climate through an organizational behaviour system. Hence the organizational behaviour model for a given organization is not a universal phenomenon. It is very specific to the given organization. When the employees are highly satisfied with the organisation, healthy climate exists.

Organizational climate exists in a contingency relationship with the organization, meaning that the type of climate that an organization looks for depends upon the type of people it has, the type of technology, level of education and expectations of the people in it.

It is very important to understand that every individual has different set of thinking, motivation, and hence, requires different organizational climates. The person who focuses more on his/her economic well being is basically motivated by money and long-range economic security, and hence, his/her reliance on economic factors is very high. For a person emphasising his/her social well being, positive social relations and interactions are a must; he/she seeks an affinity with fellow employees within his/her work environment. Therefore, creation of a family atmosphere is appropriate for such persons. The self-fulfilling person seeks achievement, accomplishment, and meaning in what he/she does. A climate with freedom is appropriate for this kind of individuals.

Thus, it becomes clear that each type of individuals requires a particular climate. In order to establish a sound organizational climate, managers must have enhanced understanding of their people in the organization. The emphasis should be on the factors that motivate job performance and job satisfaction. The managers have to take initiatives to build an enabling climate for the employees as to enhance their level of job satisfaction. Effective change and better performance can be achieved by developing the right climate.

Conclusion

Within every organisation a climate exists. Within every team or workgroup a micro-climate exists. So it is very important to find and bridge the gap constantly. Effective change can be achieved by developing the right climate. Conversely, an unhealthy or inappropriate climate will impede change, choking productivity, potentially for years. Regular assessment of employee job satisfaction, coupled with their perceptions of and satisfaction with the climate, is vital for leaders who want to craft a climate that supports all employees. Organization that want to reduce employee turnover, improve morale, and enhance organizational commitment need to understand their employees' satisfaction with their jobs as well as the organization's climate to help guide action in maintaining satisfaction. Therefore, by improving organizational climate relatively healthy it influences job satisfaction of the employees resulting in more productivity, efficiency and commitment towards the organization.

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