

# ORGANISATIONAL CLIMATE AND ITS IMPACT ON JOB SATISFACTION: A CASE STUDY OF STEEL AND INDUSTRIAL FORGINGS LTD SHORANUR

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**ABSTRACT:** *Organizational climate is one of the important indicators which affect on business goals achieving by an organization. It means that employees are more productive in organization with better organizational climate. The climate should be viewed from a total system perspective. Organizations become dynamic and growth oriented if people are dynamic and proactive. Organization need to retain deserving and talented employees for long term growth and guaranteed success. This study is conducted so that the employees give their full, honest and frank opinion by remaining anonymous about their jobs. The survey is also useful way to access a tangible expression of the management's interest in the employee welfare, which would give the employees a cost to have and feel better towards the management. An employee survey was conducted taking a small size of 30 employees in Steel and Industrial Forgings Limited shoranur. This study is based on both primary and secondary data. Primary data was collected by administering questionnaire. Secondary data required for the study is collected from the organization profile, journals, company manuals etc. The findings reveal that the employees are highly satisfied when the company provide adequate organizational climate to them by considering their needs and the job satisfaction will improve the morale and loyalty of workers. This study aims to gain knowledge about key factors affecting organisational climate and this analysis may be vital for different companies, in order to improve and modify the working environment and job satisfaction level of the employees.*

**Keywords;** *Organizational Climate, Job satisfaction, Working environment*

## INTRODUCTION

The concept of organizational climate was formally introduced by the human relationists in the late 1940s. Now it has become a very useful metaphor for thinking about and describing the social system. Organizational climate is also referred to as the “situational determinants” or “Environmental determinants” which effect the human behavior. According to BOWBITCH and BUONO, “organizational culture is connected with the nature of beliefs and expectations about organizational life, while climate is an indicator of whether these beliefs and expectations are being full filled. Climate of an organization is somewhat like the personality of a person just as every individual has a personality that makes him unique and different from other persons. Each organization has an organizational climate that clearly distinguish it from other organizations. Basically, the organizational climate reflects a person's perception of the organization to which he belongs. It is a set of unique characteristics and features that are perceived by the employees about their organizations which serves as a major force in influencing their behavior. Thus organizational climate in a broad sense, can be understood as the social setting of the organization. Before understanding the meaning of organizational climate, we must first understand the concept of climate. “Climate in natural sense is referred to as the average course or condition of the weather at a place or a period of years as exhibited by temperature, wind, velocity and precipitation” however, it is quite difficult to define organizational climate incorporating the characteristics of natural climate. This is so because the most frustrating feature of an attempt to deal with situational variables in a model of management performance is the enormous complexity of the management itself. People have defined organizational climate on the basis of its potential properties. According to CAMPBELL, “organizational climate can be defined as a set of attributes specific to a particular organization that may be induced from the way that organization deals with its members and its environment. an outcome – outcome contingencies.” Thus organizational climate is relatively enduring quality of the internal environment that is experienced by its members, influences their behavior and can be described in terms of a particular set of characteristics of the organization considered collectively, the actions of the individuals become more meaningful for viewing the total impact upon the climate and determining the stability of the work environment. The climate should be viewed from a total system perspective. While there may be differences in climate within departments these will be integrated to a certain extent to denote overall organizational climate.

## COMPANY PROFILE

Steel an industrial forgings ltd is a Government of Kerala undertaking commenced commercial production in 1986 and gradually forged ahead to become a name to reckon with range of industries in defence, automobile, heavy engineering, aerospace, railways, earthmoving equipments, agriculture etc.

## REVIEW OF LITERATURE

Vijayalakshmi C, Benitas monica,MS siranjeevi(2018)conducted a study a recruitment firm to find factor that influence job satisfaction. The result that based on the age & hierarchy of the employees, the opinion of climate and job satisfaction varies. They also found that employees have moderate level of job satisfaction based on organisational climate.

Sonia Bangera & Indrajith Goswami (2018)conducted astudy on the effect of organisational climate on employee perception, job satisfaction & oorganisational outcomes. The present paper aims at understanding about how do employees perceive the organisational climate and its impact n their motivation, performance, job satisfaction &retention.

AysenBerbereglu(2018)conducted a study by BMC health service research from public hospitas, results reveal that organisational climate is highly correlated with organisational commitment &perceived organisational performance.

Yeepohhi & Ananthalakshmi Mahadevan(2018) conducts a study to analyse the impact of organisational climate on employee performance in a Malaysian consultancy. The beta coefficient for all the dimensions of organisational climate are positive and highly indicating the strong impact on employee performance

M S Ruchi Arya & Dr Monica (2017 )purpose of this study is to identify the drivers ofthe employee engagement in the banking sector with speciaa reference to SBI Indore. The result shows that there is a significant relation between organisational climate and employee engagement.

## SIGNIFICANCE OF STUDY

The study is conducted on the topic “Organisaton climate and its Impact on Job satisfaction : A Casestudy of Steel and Industrial Forgings Ltd Shoranur. The environment of a workplace is critical to the general mood of the employees. Having a pleasant working environment is the simple part,how to get it is hard work. Organization need to retain deserving and talented employees for long term growth and guaranteed success. Organizational climate is one of the important indicators which affect on business goals achieving by an organization. It means that employees are more productive in organization with better organizational climate. This study is conducted so that the employees give their full, honest and frank opinion by remaining anonymous about their jobs. The survey is also useful way to access a tangible expression of the management’s interest in the employee welfare, which would give the employees a cost to have and feel better towards the management.

## OBJECTIVES

- To study the social profile of the employees at Steel and Industrial Forgings Ltd Shoranur
- To study the critical factors such as work environment, organizational design, coworker relations ,direct supervisors, senior management , communication , technology , decision making, rewards and benefits.
- To study the satisfaction level of the job measures at Steel and Industrial Forgings Ltd Shoranur
- To find out the extent to which employees are satisfied with facilities and welfare measures provided by the company.
- To give suggestions to improve the organizational climate at Steel and Industrial Forgings Ltd Shoranur

## METHODOLOGY OF STUDY

Methodology is the systematic procedure involved in conducting a research process. The research is conducted in SIFL Ltd. An employee survey was conducted taking a small size of 100 employees. This study is based on both primary and secondary data. Primary data was collected by administering questionnaire. Secondary data required for the study is collected from the organization profile, journals, companies manuals etc. It is mainly used for the purpose of company profile. A descriptive study is done on the basis of employees response through the filled questionnaire.

## SAMPLE DESIGN

The sample size of the study is 100 employees and sample units are the employees of SIFL ltd.

## LIMITATIONS OF THE STUDY

- Many employees were reluctant to give information due to their busy schedule.
- The findings and suggestions are based only on the information given by the respondents.
- Certain areas are restricted, so detailed study is not possible.
- The time available for the study was limited.

## DATA COLLECTION

A survey was conducted taking a small size of 100 employees. This study is based on both primary and secondary data. Primary data was collected by administering questionnaire. A detailed questionnaire was developed and filled up through selected employees of SIFL ltd

## DATA ANALYSIS AND INTERPRETATION

TABLE – 1

Opinion regarding the clarity of organizational goals and objectives of the employees at SIFL ltd.

Options	No of respondents	Percentage
Highly Satisfied	7	7
Satisfied	80	80

Moderate	13	13
Dissatisfied	0	0
Total	100	100

From the above analysis we can find that 7% of respondents have a good clarity about the organizational goals and its objectives. 80% have responded as satisfied to the statement, 13% moderate and 0% responded as dissatisfied.

**TABLE – 2**

**Opinion about the extent to which the employees feel that the assigned jobs suits their qualification.**

Options	No of respondents	Percentage
Highly satisfied	30	30
Satisfied	53	53
Moderate	10	10
Dissatisfied	7	7
Total	100	100

It has been found that 30% are highly satisfied, 53% are satisfied, 10% are moderate and 7% are dissatisfied with the statement.

**TABLE – 3**

**Opinion about clear reporting structure have been established.**

Options	No of respondents	Percentage
Highly Satisfied	3	3
Satisfied	57	57
Moderate	37	37
Dissatisfied	3	3
Total	100	100

It has been found that out of the respondents only 3% responded as highly satisfied. 57% responded as satisfied, 37% are moderate and 3% are dissatisfied.

**TABLE – 4**

**Opinion on the extent of satisfaction with current job responsibilities.**

Options	No of respondents	percentage
Highly satisfied	17	17
Satisfied	60	60
Moderate	16	16
Dissatisfied	7	7
Total	100	100

From the above analysis 17% employees out of 100 respondents are highly satisfied with the current job responsibilities. 60% are satisfied, 17% react to moderate and 7% are dissatisfied.

**TABLE – 5**  
**Opinion towards the opportunity to further develop the skills and abilities.**

Options	No of respondents	Percentage
Highly satisfied	20	20
Satisfied	43	43
Moderate	37	37
Dissatisfied	0	0
Total	100	100

20% of the respondents are of the opinion that they are highly satisfied with the opportunity to further develop skills and abilities, 43% are satisfied, 37% react to moderate and 0% shows dissatisfaction.

**TABLE – 6**  
**Opinion about the working condition**

Options	No of respondents	Percentage
Highly Satisfied	7	7
Satisfied	40	40
Moderate	36	36
Dissatisfied	17	17
Total	100	100

#### INTERPRETATION

It is inferred that out of the respondents only 7% are highly satisfied, 40% are satisfied, 36% are moderate and 17% are dissatisfied with the working condition in the company.

**TABLE – 7**  
**Opinion regarding the balance between work and personal life of the employees**

Options	No of respondents	Percentage
Highly satisfied	14	14
Satisfied	50	50
Moderate	23	23
Dissatisfied	13	13
Total	100	100

14% of the respondents are highly satisfied with the balance between work and personal life. 50% are satisfied, 23% reacts to moderate and remaining 13% are dissatisfied.

TABLE -8

## Opinion about the healthy and safety programs provided

Options	No of respondents	Percentage
Highly Satisfied	13	13
Satisfied	60	60
Moderate	17	17
Dissatisfied	10	10
Total	100	100

## INTERPRETATION

13% of the respondents are highly satisfied with the opinion about the healthy and safety programs provided. 60% are satisfied, 17% reacts to moderate and remaining 10% are dissatisfied.

TABLE - 9

## Opinion on whether the employee enjoy being part of the organization

Options	No of respondents	Percentage
Highly Satisfied	20	20
Satisfied	57	57
Moderate	17	17
Dissatisfied	7	7
Total	100	100

## INTERPRETATION

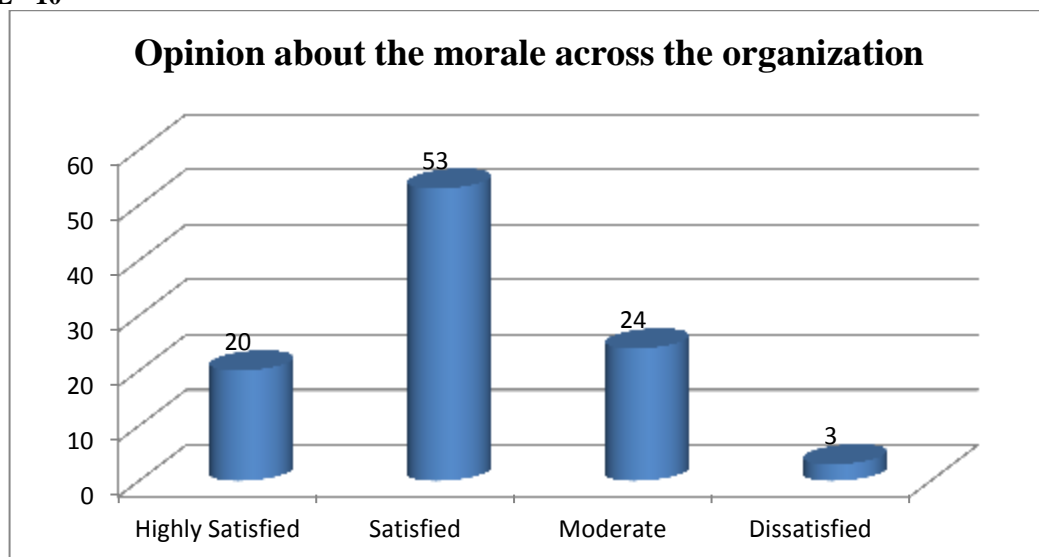
20% of the respondents are highly satisfied with the opinion on whether the employee enjoy being part of this organisation. 57% are satisfied, 16% reacts to moderate and remaining 7% are dissatisfied.

TABLE - 10

## Opinion about the morale across the organization

Options	No of respondents	Percentage
Highly Satisfied	20	20
Satisfied	53	53
Moderate	24	24
Dissatisfied	3	3
Total	100	100

FIGURE - 10



**INTERPRETATION**

20% of the respondents are highly satisfied with the opinion about the morale across the organisation. 53% are satisfied, 24% reacts to moderate and remaining 3% are dissatisfied.

TABLE – 11

**Opinion about the interpersonal relationship with co-workers**

Options	No of respondents	Percentage
Highly Satisfied	40	40
Satisfied	37	37
Moderate	13	13
Dissatisfied	10	10
Total	100	100

40% of the respondents are highly satisfied with the opinion about the interpersonal relationship with co-workers. 37% are satisfied, 13% reacts to moderate and remaining 10% are dissatisfied.

TABLE – 12

**Opinion on the statement workers appreciate the personal contributions of co-workers.**

Options	No of Respondents	Percentage
Highly Satisfied	7	7
Satisfied	73	73
Moderate	13	13
Dissatisfied	7	7
Total	100	100

**INTERPRETATION**

7% of the respondents are highly satisfied with the opinion on the statement workers appreciate the personal contributions of co-workers. 73% are satisfied, 13% reacts to moderate and remaining 7% are dissatisfied

TABLE – 13

**Opinion on whether disagreements are addressed promptly in order to resolve them**

Options	No of respondents	Percentage
Highly Satisfied	20	20
Satisfied	43	43
Moderate	30	30
Dissatisfied	7	7
Total	100	100

20% of the respondents are highly satisfied with the opinion on whether disagreements are addressed promptly . 43% are satisfied , 30 % reacts to moderate and remaining 7% are dissatisfied.

TABLE – 14

**Opinion on whether the supervisor serves as a positive role model**

Options	No of respondents	Percentage
Highly Satisfied	23	23
Satisfied	53	53
Moderate	10	10
Dissatisfied	14	14
Total	100	100

23% of the respondents are highly satisfied on the opinion on whether the supervisor serves as a positive role model 53% are satisfied , 10 % reacts to moderate and remaining 14% are dissatisfied.

TABLE – 15

**Opinion on whether the supervisor promotes an atmosphere of team work**

Options	No of respondents	Percentage
Highly Satisfied	34	34
Satisfied	43	43
Moderate	23	23
Dissatisfied	0	0
Total	100	100

FIGURE - 15

34% of the respondents are highly satisfied on the opinion on whether the supervisor promotes an atmosphere of teamwork. 43% are satisfied , 23 % reacts to moderate.

TABLE – 16

**Opinion on whether the supervisor listens to the employees' ideas and concerns and appreciate my job skills.**

Options	No of respondents	Percentage
Highly Satisfied	27	27
Satisfied	43	43

Moderate	30	30
Dissatisfied	0	0
Total	100	100

27% of the respondents are highly satisfied on the opinion on whether the supervisor listens to employee's ideas and concerns appreciate their job skills .43% are satisfied , 30 % reacts to moderate.

TABLE – 17

**Opinion about the management policies towards the employees**

Options	No of respondents	Percentage
Highly Satisfied	14	14
Satisfied	53	53
Moderate	23	23
Dissatisfied	10	10
Total	100	100

#### INTERPRETATION

14% of the respondents are highly satisfied on the opinion on the management policies towards the employees.53% are satisfied , 23 % reacts to moderate.10% are dissatisfied.

TABLE – 18

**Opinion on whether senior management treats employees fairly.**

Options	No of respondents	Percentage
Highly Satisfied	10	10
Satisfied	43	43
Moderate	40	40
Dissatisfied	7	7
Total	100	100

#### INTERPRETATION

10% of the respondents are highly satisfied on the opinion on the management policies towards the employees.43% are satisfied , 40 % reacts to moderate.7% are dissatisfied.

TABLE – 19

**Opinion about the communication from management to employees.**

Options	No of respondents	Percentage
Highly Satisfied	20	20
Satisfied	33	33
Moderate	33	33
Dissatisfied	14	14
Total	100	100



**FIGURE -19****INTERPRETATION**

20% of the respondents are highly satisfied on the opinion on the management communication towards the employees.33% are satisfied , 33% reacts to moderate.14% are dissatisfied

**TABLE – 20**

**Opinion on whether information are received at right time.**

Options	No of respondents	Percentage
Highly satisfied	13	13
Satisfied	67	67
Moderate	17	17
Dissatisfied	3	3
Total	100	100

13% of the respondents are highly satisfied on the opinion whether information are received at right time.communications.67% are satisfied , 17% reacts to moderate.3% are dissatisfied

**TABLE- 21**

**Opinion on whether the department have adequate tola and technologies to perform the job**

Options	No of respondents	Percentage
Highly Satisfied	27	27
Satisfied	40	40
Moderate	20	20
Dissatisfied	13	13
Total	100	100

27% of the respondents are highly satisfied on the opinion whether the department have adequate tola and technologies.40% are satisfied , 20% reacts to moderate.13% are dissatisfied

**TABLE – 22**

**Whether free to express your views and suggestions in the decision making process.**

Options	No of respondents	Percentage
Highly Satisfied	23	23
Satisfied	54	54
Moderate	23	23
Dissatisfied	0	0
Total	100	100

**INTERPRETATION**

23% of the respondents are highly satisfied on the opinion whether free to express views and suggestions in the decision making process time.54% are satisfied , 23% reacts to moderate.

**TABLE – 23**  
**Opinion about the job securities provided by SIFL ltd.**

Options	No of respondents	Percentage
Highly Satisfied	30	30
Satisfied	43	43
Moderate	20	20
Dissatisfied	7	7
Total	100	100

30% of the respondents are highly satisfied on the opinion whether the opinion about te job securities provided.43% are satisfied , 20% reacts to moderate.7% are dissatisfied

**TABLE – 24**  
**Main basis of Motivation: Salary , Career growth , incentive or job security.**

Options	No of respondents	Percentage
Salary	14	14
Career Growth	33	33
Incentive	20	20
Job security	33	33
Total	100	100

14% of the respondents choose salary as motivation basis. 33% choose career growth , 20% reacts to incentive.33% choose jb security.

**TABLE – 25**  
**Strength of the company**

Options	No of respondents	Percentage
Satisfied Costumers	23	23
Strong Management	23	23
Skilled Workers	47	47
Others	7	7
Total	100	100

23% of the respondents choose satisfied customers as strength of the compny. 23% choose strong management , 47% reacts to skilled workers.7% choose others.

#### Findings:

- ❖ 70 % of the respondents are Male and 30% are female.
- ❖ 40% employees are of the age group 20-29 , 30% of employees 30- 39 , 20% of employees 40-49 and 10% of employees 50-59 age groups in the company . The employees age group is different strata.
- ❖ 80% of the respondents are having below 5 years service , 10% are having 5-10 years of service , 7% are having 10-15 years of service , 3% are having 15-20 years of service .
- ❖ There is a good understanding of organizational goals and objectives. 87% of the respondents has a good understanding , 3% have a moderate clarity and no respondents are unaware of the organizational objectives.

- ❖ . It has been found that 30% are highly satisfied with the job assigned to them , 53% are satisfied , 10% are moderate and 7% are dissatisfied . 6. It has been found that out of the
- ❖ It has been found that out of the respondents only 3% responded as highly satisfied with the reporting structure established . 57% responded as satisfied , 37% are moderate and 3% are dissatisfied.
- ❖ 77 % of the respondents are satisfied with their current job responsibilities. 60% are satisfied , 17% react to moderate and 7% are dissatisfied.
- ❖ Opportunity to develop skills and abilities are available. Employees have enough opportunities for career progression.
- ❖ Employees react positively to the available working conditions , still 17% of the respondents show their dissatisfaction.
- ❖ 87% of the employees responds managed to have good balance between work and personal life.
- ❖ There is 97 % satisfaction in the welfare facilities provided. 12. 90% of the respondents are satisfied with the healthy and safety programs provided . Impact of organizational climate on the job satisfaction in SIFL Ltd
- ❖ More than 70% of employees enjoy being part of the organization.
- ❖ .Employees are satisfied with the morale across the organization. 14. Employees of 80% are highly satisfied with the appreciations among the co- workers.
- ❖ 60 % of employees are satisfied with the prompt addressing of disagreements to resolve them.
- ❖ 76% of the employees are satisfied with the supervisors being a positive role model.
- ❖ More than 50% employees are satisfied with the employees giving suggestions for improvements.
- ❖ 100% employees are satisfied with supervisors listening to the employees' ideas and concerns and appreciate their job skills.
- ❖ 14% are highly satisfied with the management policies toward the employees, 53% are highly satisfied and 10% are dissatisfied.
- ❖ 53% are satisfied with the treatment of senior management and 7% are dissatisfied.
- ❖ 53% of employees are satisfied with the management employee communication and 14% are dissatisfied.
- ❖ More than 90% of employees are satisfied with timely information and 3% gives an opinion that informations are not on time.
- ❖ The analysis shows that 33% of the employees gives an opinion delay in receiving important informations.
- ❖ The analysis shows that more than 50% of the employees are satisfied with the adequate tools and technologies available to perform the job.
- ❖ There is a 100% satisfaction in employees opportunity to express views and and suggestions in the decision making process.
- ❖ Employees of 73% are satisfied with the job securities provided by the organization
- ❖ Majority are highly satisfied with the reward they receive.
- ❖ 33% of the employees' motivation is career growth , another 33% are on job securities , 14% on salary and 20% on incentives. Impact of organizational climate on the job satisfaction in SIFL Ltd.
- ❖ 60% of the employees believes that natural growth and market conditions are the reasons for company's growth on an average. 23% believes it to be the management decisions and 17% on other reasons.
- ❖ 47% of the employees are of the opinion that the strength of the company lies on skilled workers , 23% on satisfied customers , another 23% on strong management and 7% on others.
- ❖ 83% of employees satisfied with the overall performance of the company and the reest of the 17% remains unsatisfied.

## SUGGESTIONS

- ❖ The company should make sure that all of its employees have a clear-cut knowledge about company's objectives by giving proper and timely awareness sessions.
- ❖ The company should offer opportunities to the employees for further development in the form of proper training and promotions .
- ❖ Better career development opportunities should be given to the employee for their improvement.
- ❖ The employees are not fully satisfied with the working environment. So provide complaint boxes ,working conditions should be improved.
- ❖ The company should implement periodic assessment of welfare and safety measures.
- ❖ Organization should give importance to communication between employees and gain coordination.
- ❖ Tour programs should be arranged from the part of the company for creating cooperation of all levels of employees.
- ❖ Suggestion boxes must be implemented for collecting suggestions and opinions from employees. It helps the company to ensure workers participation in management.
- ❖ The opinion and suggestions of the employees are to e taken seriously by the company. It helps to create a coordinial relationship with employees
- ❖ If the centralized system of management is changed to a decentralized one , then there would be active and committed participation of staff for the success of the organization as there is an atmosphere of worker participation in the decisions regarding organization worker should have opportunity expess viewpoints
- ❖ Employees hardwork should be appreciated properly.
- ❖ Promotion system should be communicated among the workers.
- ❖ Wages and salary administration should be made appropriate for their purpose wages should be revised annually.

## CONCLUSION

Organizations become dynamic and growth oriented if people are dynamic and pro-active. Organization cannot survive beyond a point unless they are continuously alert to the changing environment and continuously develop their employees to meet this changes. The organizational climate has a tremendous impact on it's success. Most of the problems in the organizational settings are human and social rather than physical, technical and economic. People come to work with certain specific motives to earn money, to get employment, to have better prospect in future, to be treated as a human being while at the place of work. They sell their labour for reasonable wages/salary and other benefits. In order to keep these human resources satisfied , the company should provide with adequate organizational climate to them by considering their needs. The job satisfaction will improve the morale and loyalty of workers.

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