

# A STUDY ON ORGANIZATIONAL CLIMATE OF COOPERATIVE BANKS IN VILLUPURAM DISTRICT

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**Abstract:** Organizational climate explained about employee's opinion as well as perspectives of an organization. In this study makes an attempt to evaluate the organizational climate in Co-operative banking sector through the organizational climate several dimensions which are more pervasive. Hence the study was focused to climate as perceived by employees working in Co-operative banking sector. The sample was consisted of 75 employees, Findings of the study indicated that organizational climate is significantly different selected cooperative sector banks. The study revealed that, the centralized authority in the organization motivates employees; organizational climate motivates employees and makes them feel part of the organization. Employees gain adequate training related to their job and to meet professional standards, The valid conclusions based on such an investigation would result in suggestions for bringing about a perception affecting organizational climate selected cooperative sector banks. Further it stimulates thinking among researchers on dimensions to be incorporated in a study of organizational climate.

**Key words:** Organizational climate, Employee, Perception, Co-operative banks

## I. INTRODUCTION

Organizational climate is an important aspect of organization and management. The increasing research in this field and the concentrated deliberations on the subject contributed to its conceptualization and meaning which helped to develop a wide-ranging outlook of organizational climate as an important concept. Organizational climate is the shared perception of employees who work and subsist in the organization. It is the sum of individual perceptions regarding the organizational procedures, policies and practices. It is the set of measurable properties of the work environment, perceived directly or indirectly by the members, influencing their work and satisfaction. Organizational Climate is about the perceptions of the climate and about complete measures. The 'Climate' may be regarded in absolute terms and measured by instruments, but is 'felt' differently by individuals. The absolute climate may suit one person and not another. All organizational theoreticians and researchers collectively agree that a social Climate is extremely important for the ultimate achievement of organizational goals. Organizational Climate is comprised of a combination of norms, values, expectations, policies and procedures that influence work motivation.

## II. NEED FOR THE STUDY

Managing the employees today is an increasingly difficult task. The involvement, sincerity, creativity and dedication to the job that the management expects do not seem to be the outcome of financial incentives as was believed earlier. Performance can be improved in two ways. Good employees can be attracted, who could perform the task in a defendable manner and also use their creativity in their job performance. On the other hand, the organization should give them a working climate that enhances their growth and fulfills their expectations.

Studies on organizational climate in banking sectors, and studies on cooperative sectors are few in India. The studies of organizational climate carried out in India are almost, always case studies usually of individual organizations. Such studies make it difficult to draw any meaningful generalizations. These resources prompted the researchers to undertake a study on the cooperative credit institutions in Villupuram district, to find at the critical factors that determine the organizational climate. Therefore this study proposes to fill the void albeit on a small scale. It was also decided to confine to employees of cooperative credit institutions of - Villupuram, Tamilnadu because of nearness and the cooperation extended by the authorities and employees to the researcher.

## III. STATEMENT OF THE PROBLEM

The growth of an organization is directly related to the Organizational climate. One of the key factors that may influence on employees' perception is organizational climate. Organizational climate helps to set the quality of the organization. The present study the researcher makes an attempt to examine the organizational climate prevailing in Co-operative sector banks through the organizational climate dimensions which are more widespread. It has been empirically proved in many organizations that employee-centered climate and achievement oriented climate ultimately improve performance. The valid conclusions based on such an investigation would result in developing suggestions for bringing about a work environment, motivational and training & development are essential for scaling new heights in employee productivity in banking sector. Further it encourages thinking among researchers on dimensions to be incorporated in a study of organizational climate.

#### IV. OBJECTIVES OF THE STUDY

The researcher following objectives are framed :

- To describe demographic characteristics of the respondents..
- To analysis organizational climate through the nature of perception of the employees towards their job supporting activities.
- To offer suitable suggestions on the basis of the study.

#### V. METHODOLOGY

##### V.1 Research Methodology

In this study pertaining to a study on organization climate of cooperative banks in Villupuram district. The researcher selected samples from selected cooperative banks. This study is exploratory in character and therefore the survey method of data collection was adopted.

##### V.2 Sources of data

The study is based on a primary data and secondary data. The primary data has been collected using the Questionnaire. The secondary data has been collected from other sources like journals, Articles, and websites.

##### V.3 Period of the study

The required primary data were collected from the selected respondents during Three months period, from January 2018 to May 2018. Secondary data were collected for ten years period from 2008 to 2018

##### V.4 Sample size of the study

This study was carried out among the cooperative bank employees. The sample selection was totally random without any bias. 75 employees are randomly selected from selected cooperative banks.

##### V.5 Sampling Technique

The 75 respondents were selected by Convenience sampling technique.

#### VI. LIMITATIONS OF THE STUDY

This study is restricted to the cooperative credit institutions of Villupuram District alone. It is quite possible that the organizational climate of cooperative Banks in other Districts may have similar characteristics and problems. Therefore, the generalization of the results of this study may be done, taking care of the likely differences. The emphasis in this study is to identify the crucial organizational climate factors that determine the healthiness of the Cooperative Banks, and to find out the ways and means of improving them. However, the results are only indicative and not imperative because of the size of sample covered.

#### V. ANALYSIS AND INTERPRETATION

**Table-1: Personal and Demographic Information**

Demographic factors	Category	Frequency	Percent
Age	below-30	10	13.33
	31-40	29	38.67
	41-50	16	21.33
	above 50	20	26.67
Gender	Male	61	81.3
	Female	14	18.7
Education	School	26	34.7
	Diploma	14	18.7
	UG/PG	18	24.0
	Others	17	22.7
Monthly income	Below10000	24	32.0
	10001-20000	20	26.7
	20001-30000	12	16.0
	Above 30000	19	25.3
Experience	Below 10 years	17	22.67
	10years-15years	32	42.67
	15years-20years	18	24.00
	Above 20years	8	10.66
Category	Non managerial	51	68.0
	Managerial	24	32.0

Above the table-1 Indicate the important age groups of the 29 respondents are in the age group 31 to 40 years, 16 respondents are in the age group 41-50 years likewise 20 respondents are in the age group above 50 years and 10 respondents are in the age group below 30 years.

In the cooperative sector banks, the percentage of male customers is 81.30, whereas he female respondents constitute 18.70 per cent to its total in selected banks.

Table reveals that the level of education status among the selected respondents. That the important levels of education among them are diploma graduation 18.70 percent , 26 respondents (34.70 percent) are in school education, 18 respondent (24.00

percent) are in UG/PG level and others are 17 respondents (22.70 percent) of respondents others in selected co-operative sector banks,

It is observed from Table that in the selected 24 respondents (32.00 percent) earned below Rs.10000, 20 respondents(26.70 percent) are earned Rs.10001 to Rs.20000, 12 respondents (16 percent) are earned below Rs 20001 to 30000, and 19 respondents (25.30 percent) earned above 30000

It is observed from that in the selected co-operative sector banks, 51 of the respondents non managerial (60.00%), whereas 24 respondents of the constitute managerial category (32.00%) in selected banks.

It is observed from Table-1 that in the selected co-operative sector banks, 32 respondents are 10years-15years (42.67%), whereas 18 respondents are 15years-20years experienced (24.00%), 17 respondents are below 10 years experienced and 8 respondents are above 20 years experienced.

## VI. OVERALL PERCEPTION OF ORGANIZATIONAL CLIMATE

On the basis of organizational climate score obtained the overall perception of the cooperative bank employees were presented in the Table 2

**Table 2: Organizational Climate: An Overview of Respondents Perception Score**

Level	Score Range	No of sample respondents	Percentage
Good	46-50	18	24.00
Moderate	39-45	43	57.33
Not good	Below 39	14	18.67

Table 2 indicates that out of 75 respondents, 18 (24.00 per cent) have rated organizational climate as moderate and 43 (57.33 per cent) rated organizational climate as good and remaining 14 (18.67 per cent) rated organizational climate prevailing in the study units are not good.

**Table-3: Age and Level of Opinion Organizational Climate: Chi-Square Test**

Particulars	Value
Calculated value	3.166
Table value	11.592
Degrees of freedom	6
Inference	Not Significant

It is clearly evident from Table 3 that in the selected cooperative sector banks, the calculated value is less than the table value. Hence, the null hypothesis is accepted. Therefore, it could be inferred that Age does not influence the perception of respondent towards selected cooperative sector banks.

**Table-4: Gender and Level of Opinion Organizational Climate: Chi-Square Test**

Particulars	value
Calculated value	5.485
Table value	5.891
Degrees of freedom	2
Inference	Not Significant

It is clearly evident from Table-4 that in the selected cooperative sector banks, the calculated value is less than the table value. Hence, the null hypothesis is accepted. Therefore, it could be inferred that Age does not influence the perception of respondent towards selected cooperative sector banks.

**Table-5 Education and Level Of Opinion Organizational Climate: Chi-Square Test**

Particulars	value
Calculated value	12.572
Table value	12.592
Degrees of freedom	6
Inference	Not Significant

It is clearly evident from Table-4 that in the case of selected cooperative sector banks, the calculated value is less than the table value. Hence, the null hypothesis is accepted. Therefore, it could be inferred that Educational Qualification does not influence the perception of respondent .

## VII.SUMMARY OF FINDINGS

➤ That the important age groups of the 29 respondents are in the age group 31 to 40 years, 16 respondents are in the age group 41-50 years likewise 20 respondents are in the age group above 50 years and 10 respondents are in the age group below 30 years.

- That in the cooperative sector banks, the percentage of male customers is 81.30, whereas the female respondents constitute 18.70 per cent of its total in selected banks.
- Reveals that the level of education status among the selected respondents. That the important levels of education among them are diploma graduation 18.70 percent, 26 respondents (34.70 percent) are in school education, 18 respondent (24.00 percent) are in UG/PG level and others are 17 respondents (22.70 percent) of respondents others in selected co-operative sector banks
- Clear that, the consumers, 24 respondents (32.00 percent) earned below Rs.10000, 20 respondents (26.70 percent) are earned Rs.10001 to Rs.20000, 12 respondents (16 percent) are earned below Rs 20001 to 30000, and 19 respondents (25.30 percent) earned above 30000
- That in the selected co-operative sector banks, 51 of the respondents non managerial (60.00%), whereas 24 respondents of the constitute managerial category (32.00%) in selected banks.
- That in the selected co-operative sector banks, 32 respondents are 10years-15years (42.67%), whereas 18 respondents are 15years-20years experienced (24.00%), 17 respondents are below 10 years experienced and 8 respondents are above 20 years experienced.
- That in the selected co-operative sector banks, 37 respondents are working at primary co-operative bank, 24 respondents are working at urban co-operative banks and 14 respondents are working at District central co-operative banks.
- Selected co-operative sector banks, 58 respondents are affiliated with union and 17 respondents are not affiliated with union.
- Indicates that out of 75 respondents, 18 (24.00 per cent) have rated organizational climate as moderate and 43 (57.33 per cent) rated organizational climate as good and remaining 14 (18.67 per cent) rated organizational climate prevailing in the study units are not good.

### VIII. SUGGESTIONS

To improve the organizational climate of Urban Cooperative Bank, the dimensions which need immediate attention other than grievance Handling are Involvement and Development, Concern for welfare and objectivity and Rationality. To provide the better welfare facility the higher authorities should give due attention to fulfill the needs like health care assistance, subsidized housing, canteen, transport and education to their children etc. The provision of these facilities is generally less inflationary to cash payment.

### IX. CONCLUSIONS

To conclude, the term 'Organization' implies "a trade off between personal independence and goal achievement". To achieve the goal, especially in banking sector, flexibility is the key factor. Over the years the difference between cooperative banks and commercial banks has blurred as they all have come under a common Law. All product and services offered by cooperative banks are on par with commercial banks with a few exceptions related to government business. In the emerging competitive business environment, only those cooperative banks that adhere to the strict financial discipline will survive. The future of this sector primarily depends on the strong belief in its core competence (85% of the employees perceived that cooperative principles are suitable for banking operation), its local operations with global vision, the integration of weak players with strong ones and proper risk management by the competent people. This sector should not be unduly concerned about its lower performance, instead, try to capitalize on inherent strength to improve the organizational climate.

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