

IMPACT OF ORGANIZATIONAL CLIMATE IN THE SELECT SPINNING MILLS IN SALEM DISTRICT: AN EMPIRICAL STUDY

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Abstract

Organizational climate is continually tested by changes affecting organizations today. Organizational climate is ending up increasingly essential since organisations need to guarantee that those people who enhance the lower line should remain in the organisation and keep emptying their endeavors into their work to advantages the organizations. Permitting a high level of self-governance and supports connections among companions, superiors and subordinates results in increasingly fulfilled employees, organizations that are able to create environments that employees perceive as benign and in which they are able to achieve their full potential are seen as a key source of competitive advantage. In this specific situation, the researchers have made an attempt to contemplate the organizational climate in the spinning mills in Salem. The results revealed that lack of fair reward system, lack of employees' participation, inadequate training programmes, unaware of future plans of the company, work stress, poor commitment and low morale, absence of information sharing, absence of role clarity, and lack of team work and support are the problems distressing the organizational climate of the select Spinning mills. To ensure a positive outcome, attention to the factors identified in the suggested framework is important for pleasant organizational climate in the select spinning mills.

Key words: Organizational climate, organizational development, human resource development, HRD climate, etc.

1. Introduction

In the current century, working environment is facing more challenges than ever before. Organizational climate in specific is concrete difficulted by continues changes resulting organizations today. The companies eagerly accept to improve their quality of performance for meeting out the challenges from competitors not only for survival and beat the competitors' strategies. Organizational climate is becoming more vital because organizations need to guarantee that those employees who add value to the bottom line should stay in the organization and continue pouring their efforts into their work to benefit the organization. High-performing organizations have climates with particular measurable characteristics, which are shown to directly affect the variance in key business performance measures. Organizational climate

allowing a high degree of autonomy and nurtures relationships among peers, supervisors and subordinates results in more satisfied workers. Organizations that are able to create environments that employees perceive as benign and in which they are able to achieve their full potential are seen as a key source of competitive advantage.

2. Importance of organizational climate

Organizational climate has a noteworthy impact in human efficiency through its effects on individual encouragement and employment fulfillment. It does this by enacting certain kinds of expectancies about what consequences will follow from different actions. Individuals in the organization have certain expectations, and fulfillment of these expectations depends upon their perceptions as to how the organizational climate claims to the satisfaction of their needs. The organizational climate provides a good working condition which helps to get employees satisfaction. It encompasses the organizational atmosphere and how employees feel, what employees believe, and what employees perceive to be real within the organizational boundaries. In order to bring about change in the behaviour pattern of people in the organization, a change in the organizational climate is imperative. The unequal atmosphere with the perceptual system of the employee in the organization, there may be resistance on the part of the people in the organization. The most important resource is human resource that helps organizations can become dynamic only through the efforts and competencies. The abilities of employees' must be developed, monitored, sharpened and used for organizational betterment. No organization is immune to the need for processes that help to acquire and increase its capabilities for stability and renewal. Organizational climate encourages increasing the performance of employee, employee commitment, and their responsibilities. The most important factor is organizational climate that factors influencing organizational productivity and employee performance, because it ultimately influences employee motivation to change behaviours. A poor organizational climate characterized by lack of trust, no collaboration, lack of accountability, or any of the other contextual factors, may lead to low productivity and possibly high employee turnover. A positive climate may not only reduce people's resistance to change, it may improve the level to which people welcome and encourage change, thus improving an organization's overall ability to change and adapt.

3. Statement of the problem

Today organizations are facing major challenges in terms of intense competition, workforce diversity, cross-cultural interactions, employee retention, innovation and productivity, changing consumer preferences and dynamic government policies. The need of the hour is creating teams and fostering high level of competencies among them while maintaining high spirit of achievement. All industries have their own working pattern to connect inter-personal and task

oriented relationship. The organizational climate can be explained in terms of the amount and quality of team work and co-operation within the organization; the degree of commitment among the members of the organization. The effectiveness of communication; the extent to which planning and creativity are encouraged; the way in which conflict or difference of opinion is resolved; the extent to which the employees participate in decision making; and the extent to which the organization relies upon mutual confidence and trust between managers and subordinates rather than relaying on authority-obedience relationship. Organizational climate has long been considered an important determinant of an enterprise's potential to perform as a business entity and excel as a human organization predominantly because of its demonstrable influence on organizational effectiveness as well as its relationship to individual motivation and behaviour. Market share, sales turnover and profitability are lagging indicators of organizational performance. On the contrary, organizational climate is a leading indicator of organizational performance. Functional organizational climate leads to enhance performance of personal role and organizational effectiveness. On the other hand, dysfunctional organizational climate jeopardizes personal role and organizational effectiveness. It leads to poor morale of employees, lack of complete integration between employees and management, demoralization and lack of job security. In this connection, the researchers have made an attempt to study the impact of organizational climate in the spinning mills in Salem district.

4. Objectives of the study

The study has the following objectives:

1. To study the need and importance of organizational climate.
2. To ascertain the level of acceptance of the employees towards impact of organizational climate in the select spinning mills in Salem district.
3. To suggest measures for the pleasant organizational climate in the select spinning mills based on the findings of the study.

5. Testing of hypothesis

The following null hypothesis was formulated and tested: The demographic profiles of the respondents will not influence their acceptance levels towards impact of organizational climate in the select spinning mills.

6. Sampling design

By adopting stratified random sampling, 165 employees i.e. 10 per cent of the population from each stratum were selected.

7. Tools for data collection

This research is empirical in nature based on survey method. The primary information for this study has been collected from the human resource department of the select spinning mills. The study is mainly based on primary data. As an essential part of the study, the primary data were collected from 165 i.e., 10 per cent of the spinning mills employees with the help of questionnaire. The questionnaire was constructed based on Likert scaling technique. In the light of pre-testing, necessary changes were incorporated in the questionnaire. The secondary data were collected mainly from journals, magazines, government reports, books and unpublished dissertations.

8. Framework of analysis

In order to examine the impact of organizational climate in the select spinning mills, analysis of variance, student t test, co-efficient of variation, multiple regression analysis and percentage analysis are employed.

9. Analysis and interpretations

TABLE 1
Descriptive Analysis

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Compensation	163	1	5	1.93	1.263
Training and development	163	1	5	2.00	1.286
Job satisfaction	163	1	5	2.15	1.255
Continuous improvement	163	1	5	2.27	1.445
Employee encouragement	163	1	5	2.12	1.293
Role conflict	163	1	5	2.64	1.418
Organisational commitment	163	1	5	2.36	1.377
Performance appraisal system	163	1	5	2.11	1.347
Benchmarking	163	1	5	2.31	1.446
Valid N (listwise)	163				

TABLE 2
Relationship between Age and Job Satisfaction

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Age	18-25	18 (35.29)	15 (29.41)	13 (25.49)	4 (7.9)	1 (1.91)	51 (100)
	26-35	21 (46.67)	12 (26.27)	3 (6.67)	5 (11.11)	4 (8.88)	45 (100)
	36-45	16 (47.06)	5 (14.71)	8 (23.51)	2 (5.89)	3 (8.83)	34 (100)
	46-55	10 (55.57)	3 (16.66)	0 (0)	3 (16.66)	2 (11.11)	18 (100)
	>55	3 (20.00)	6 (40.00)	1 (6.67)	5 (33.33)	0 (0)	15 (100)
Total		68 (41.72)	41 (25.15)	25 (15.33)	19 (11.66)	10 (6.14)	163 (100)

Chi-Square Test

	Value	DF	Asymptotic Significance (2-sided)
Pearson chi-square	29.961 ^a	16	.018
Likelihood ratio	32.585	16	.008
Linear-by-linear association	.702	1	.402
N of valid cases	163		
a. 12 cells (48.0%) have expected count less than 5. The minimum expected count is .92.			

TABLE 3
Relationship between Educational Qualification and Job Satisfaction

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Total
Education	<=10 th	26 (34.67)	23 (30.67)	12 (16)	5 (6.66)	9 (12)	75 (100)
	10 th to 12 th	20 (45.45)	12 (27.27)	6 (13.64)	6 (13.64)	0 (0)	44 (100)
	UG	6 (33.33)	2 (11.11)	2 (11.11)	7 (38.89)	1 (5.56)	18 (100)
	PG	9 (69.23)	1 (7.69)	2 (15.38)	1 (7.69)	0 (0)	13 (100)
	Others	7 (53.86)	3 (23.07)	3 (23.07)	0 (0)	0 (0)	13 (100)
Total		68 (41.72)	41 (25.15)	25 (15.33)	19 (11.66)	10 (6.13)	163

Chi-Square Test

	Value	DF	Asymptotic Significance (2-sided)
Pearson chi-square	32.380 ^a	16	.009
Likelihood ratio	33.693	16	.006
Linear-by-linear association	2.679	1	.102
N of valid cases	163		
a. 14 cells (56.0%) have expected count less than 5. The minimum expected count is .80.			

TABLE 4
Relationship between Salary and Job Satisfaction: Chi-Square Test

	Value	DF	Asymptotic Significance (2-sided)
Pearson chi-square	40.264 ^a	16	.001
Likelihood ratio	39.422	16	.001
Linear-by-Linear Association	.060	1	.807
N of valid cases	163		
a. 14 cells (56.0%) have expected count less than 5. The minimum expected count is .67.			

10. Findings

1. 5.34% of the respondents join spinning mills on compassion and repatriate basis. About 15.56% of the respondents join spinning mills because of job security. 16.84% of the respondents are influenced by fear about self-employment. Nearness to home, promotional opportunities, attractive salary and family survival are the other factors motivating the respondents to join spinning mills at 30.83%, 36.94%, 41.06% and 66% respectively.
2. No significant relationship is found among the acceptance levels of the respondents belonging to different age groups, educational status groups, and salary groups towards impact of organizational climate in the select spinning mills.
3. Respondents in the age group above 55 years, respondents having degree qualification, and respondents drawing monthly salary in the range of upto Rs.15000 have higher acceptance level towards impact of organizational climate.
4. There exists consistency in the acceptance level of respondents belonging to 26-35 years, respondents who have degree qualification and respondents drawing salary Rs.25001-30000 towards impact of organizational climate.
5. There has been a low correlation (0.109) between the impact of organizational climate and the selected personal variables. R square indicates that 1.20 per cent of variation in the impact of

organizational climate is explained by all personal variables taken together in the select spinning mills. The F value indicates that multiple correlation coefficients are not significant. Age, education and monthly salary have no significant effect on the respondents' acceptance towards impact of organizational climate.

6. Lack of fair reward system, lack of employees' participation, inadequate training programmes, unaware of future plans of the company, and work stress are the problems of the employees ranging from 35.92 per cent to 53.17 per cent with regard to organizational climate in the select spinning mills. Employees ranging from 58.32 per cent to 68.99 per cent state poor commitment and low morale, absence of information sharing, absence of role clarity, lack of team work and support, and inconsistent promotion as the problems in the organizational climate of the select spinning mills.

11. Suggestions

The select spinning mills have to look into the qualification, experience, performance, etc. and plan for employee career. They should provide employees with opportunities for personal development and growth to enhance commitment of employees and high state of employee morale. The select spinning mills shall provide all employees with an induction and ensure they are aware of their role within their immediate work team, program area and the broader organization. Besides, the spinning mills can give clear information about the objectives, scope, responsibilities of the role, feed back about the performance, etc. which would make the employee to contribute effectively. The select spinning mills shall provide necessary platforms for the information sharing of employees to build the effective teamwork. Communication has to be enhanced within the employees at all levels. While orientation programmes and job assignments are critical, it is essential in organization to be communicated on time. "Grievance redressal cells" should be established in each functional area with representatives of employees and management to consider the grievances of the employees and solve the problems immediately to the extent possible.

12. Conclusion

Better organizational climate promotes human dignity and growth, collaborative work, compatibility of people, organizational goals, etc. As a result, employees become satisfied, motivated, involved and committed individuals with respect to their lives at work. In the present study, majority of the respondents agree on the prevailing organizational climate in the select spinning mills. Lack of fair reward system, lack of employees' participation, inadequate training programmes, unaware of future plans of the company, work stress, poor commitment and low morale, absence of information sharing, absence of role clarity, and lack of team work and support

are the problems distressing the organizational climate of the select spinning mills. To ensure a positive outcome, attention to the factors identified in the suggested framework is important for pleasant organizational climate in the select spinning mills.

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