

# A STUDY OF EMPLOYEE PERCEPTION OF ORGANIZATIONAL CLIMATE OF SMALL SCALE CEMENT COMPANIES IN NORTH KARNATAKA

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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,<sup>[1]</sup>.It is understood that organizational climate is all about how following the culture set in the organization. It is fulfilling the beliefs and expectations set in the organization. It can be observed that as the industry scenario changes, the climate enduring over time changes or shifts. These shifts either tend to be better for the organization or worse in some cases. Organizational climate is affected by internal or external environment. It is possible to see many climates prevailing in the organization at a certain time period and in turn have an influence on the behaviour of employees. This study is an effort to measure the enduring quality of internal environment experienced by the organizational members which delineates an organizational climate.

**Keywords:** Organization climate, Employee perception

**Introduction:**Every organization has its own structure, policies and styles of managing business. Organization in one way or the other needs to compete in the environment and sustain having competitive strategies in place. Organizations have to ensure revenue to its stakeholders. For the above purpose organizations tend to change certain things as and when required for the smooth conduct of its operations. While ensuring all the above, there always exist a need for change which in most of the cases is resisted by its employees due to the perception, attitude and feelings towards the organization. The idea

of organizational climate integrates at least three types of concepts. They include (1) environmental concepts, such as size and arrangement of the firm, which are peripheral to the person, (2) individual concepts, such as attitudes the worker brings with him to the firm, and (3) outcome concepts including such things as satisfaction, performance, and commitment to the firm, which are determined by the interaction between the environmental and individual concepts. Organizational climate variables such as support, participation, feelings of trust, and performance can provide useful insight for refining work environments (James and James, 1989).

According to Robbins (2004), perception can be defined as ‘a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment’ based on their perception of what reality is, not on reality itself; the world as it is perceived is the world that is behaviorally important. Employee perceptions of organizational climate and work experiences have become one of the relatively well researched aspects of management though the findings happen to be different in different contexts such as cultural differences, economic development, education, etc (Cooil et al. 2009).

#### **Literature review:**

**Schneider, B., & Snyder, R. A. (1975)**, ‘It was shown that (a) climate and satisfaction measures were correlated for people in some positions in the agencies but not for others; (b) people agreed more on the climate of their agency than they did on their satisfaction; (c) neither satisfaction nor climate were strongly correlated with production data; and (d) satisfaction but not climate, was correlated with turnover data.’

**Pritchard, R. D., & Karasick, B. W. (1973)**, ‘found that climate was influenced by both the overall organization and by subunits within the organization. Climate was fairly strongly related to subunit performance and to individual job satisfaction.’

**Friedlander, F., & Greenberg, S. (1971)**, ‘Results indicate that programs geared primarily toward adapting the hcu's work attitudes to the predominant social structure in the organization are far less potent than those that also incorporate the adaptation of the organizational climate.’

**Al-Shammari, M. M. (1992),** 'Aims at differentiating organizational climate from other related concepts of job satisfaction, corporate culture and leadership style. Concludes that while these latter concepts were related to the concept of organizational climate, they were not synonymous.'

**Payne, R. L., & Pheysey, D. C. (1971),** 'This paper describes how the items in GG Stern's Organizational Climate Index were re-conceptualized according to the concepts appropriate to the business organization.'

**Schneider, B. (1980),** 'Employees and customers of service organizations will each experience positive outcomes when the organization operates with a customer service orientation. This orientation seems to result in superior service practices and procedures that are observable by customers and that seem to fit employee views of the appropriate style for dealing with customers.'

**Neal, A., Griffin, M. A., & Hart, P. M. (2000),** 'general organizational climate exerted a significant impact on safety climate, and safety climate in turn was related to self-reports of compliance with safety regulations and procedures as well as participation in safety-related activities within the workplace.'

**Lawler III, E. E., Hall, D. T., & Oldham, G. R. (1974),** 'several organizational process variables (but no structural variables) were significantly related to the climate of the organization as perceived by scientists. Perceived climate in turn was shown to be significantly related to measures of organizational performance and to job satisfaction.'

**Moran, E. T., & Volkwein, J. F. (1992),** 'approach posits that organizational climate arises from the intersubjectivity of members as they interact within a context established by an organization's culture.'

**Research Methodology:** A sample size of 150 was chosen using deliberate sampling technique for the study. The sample units were the skilled employees and the sample frame was obtained from the list of skilled employees provided by the organizations. A structured questionnaire was used to collect first hand data.

**Limitations of study:** the study was restricted to a limited sample because of the short time duration provided for the project and sample units were literate employees who could understand English.

**Hypothesis:**the hypothesis considered for the study are as follows

**H1O: Team work does not have an effect organizational climate.**

**H1A: Team work has an effect on organizational climate.**

Regression analysis shows that organizational climate (dependent variable) is about 96.86% effected by Team work (independent variable). 93.82% (co-efficient of determination) of team work can be correlated with the organizational climate.

Value of P is 0.016644 which is below the P-value 0.05. Therefore Ho is rejected.

Team work has an effect on organizational climate.

**H2O: Communication does not have effect on organizational climate.**

**H2A: Communication have effect on organizational climate.**

Regression analysis shows that organizational climate (dependent variable) is about 95.43% effected by Communication (independent variable). 91.07% (co-efficient of determination) of communication can be correlated with the organizational climate.

Value of P for communication is 0.011627593 which is below the P-value 0.05, therefore Ho is rejected. Communication has an effect on organizational climate.

**H3O: Growth & opportunity does not have an effect on organizational climate.**

**H3A: Growth & opportunity have an effect on organizational climate.**

Regression analysis shows that organizational climate (dependent variable) is about 90.98% effected by Growth & opportunity (independent variable). 82.77% (co-efficient of determination) of Growth & opportunity can be correlated with the organizational climate.

Value of P for Growth & opportunity is 0.032071963 which is below the P-value 0.05, therefore Ho is rejected.

Growth & opportunity has an effect on organizational climate.

**Conclusion:**

Organization climate depends on perception, feelings and trust, of the employees of the organization. Employee perception about the organization they are working in depends on various factors like recognition in the job, team members and managers help, changes that happen for the growth of the employees and the company, honest communication, training provided for improving performance and various ways opportunities provided for career growth and advancement. Many companies considered in this study have all these factors. The results show that employees do agree that these factors mentioned above indeed make a lot of difference in their work life and have a positive thinking. Hypothesis test was conducted on some factors and a statistical analysis was done to prove the impact of these factor on organizational climate and thus it is been proved. A few factors like the team work , communication, growth and opportunity can be correlated to organizational climate and thus the effect of these factors on organizational climate can also be proved.

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