

---

## AN EMPIRICAL STUDY ON EMPLOYEE PERCEPTION ABOUT ORGANISATIONAL CLIMATE AND ITS IMPACT ON THE QUALITY OF SERVICE

**Dr. J. Sivasubramanian**

Director, Shivani School of Business Management, Tiruchirappalli -9

**Dr. M. Velavan**

Dean, Shivani School of Business Management, Tiruchirappalli – 9

### ABSTRACT

*Organizational climate, manifested in a variety of human resource practices, is an important predictor of organizational success. Numerous studies have found positive relationships between positive organizational climates and various measures of organizational success, most notably for metrics such as sales, staff retention, productivity, customer satisfaction, and profitability. The study data was gathered from employees working in SRF (P) Ltd to examine the perception of organisational climate and its impact on quality of service offered by the company. The population of the study is 850 and the sample of 118 is collected through convenient sampling technique. Collected data are analysed with the help of SPSS (Statistical Package for Social Sciences). The tools used for the analysis is One –Way ANOVA and Multiple Regression. From the study it is found that the demographic variables are significantly associated with Quality of Service and there is association between various dimensions of organizational climate with the Quality of service rendered by the company.*

**Key words:** Organizational Climate, Quality of Service.

**Cite this Article:** Dr. J. Sivasubramanian and Dr. M. Velavan. An Empirical Study on Employee Perception about Organisational Climate and Its Impact on the Quality of Service. *International Journal of Management*, 7(2), 2016, pp. 19-23.  
<http://iaeme.com/Home/journal/IJM>

---

### 1. INTRODUCTION

Research on organizational climate can be traced back to the 1930s. With the human relations movement pioneered by Hawthorne, researchers turned their attention from the “hard” physical environment to the “soft” psychological environment; thus the concept of organizational climate was born. The first researcher to initiate studies in this area was Kurt Lewin, the founder of group dynamics (1939). In his famous "leadership style" study, Lewin applied three different leadership styles, democracy, autocracy and laissez-faire, to create a different group atmosphere, and was the first to propose the concept of organizational climate. However, he failed to define climate. Later, Forehand (1964) outlined three features of organizational climate: firstly, it varies among different organizations;

secondly, it is persistent; lastly, it can affect the behavior of organization members. Since Litwin et al (2001, PP. 63-170) proposed the empirical study of organizational climate, studies in this area have proliferated. Litwin defined organizational climate as “a group of measurable characteristics that members could perceive directly or indirectly in the work environment,” and, as a description of environmental factors, it could help researchers ascertain the effects of environment on employee motivation. In addition, organizational climate was the most common variable applied to descriptions of the organizational context. As a description of individuals’ perception of organization, organizational climate was more similar to the real behavior than the real environment.

In short, organizational climate describes the members’ perception of their work environment. Looking at existing studies, two basic modes are apparent: one is the macro mode, namely investigation aimed at the organizational climate individuals perceive in the entire work environment; the other is the micro mode, namely investigation aimed at a certain dimension or a certain environment of the organization. For example, from the ecological dimension, organizational climate was investigated in companies with different levels of performance (Kangis, Gordon & Williams, 2000); from the social system dimension, the effects of managers on organizational climate were observed (Butcher & Houston, 1994); organizational climate was assayed from a human resources management aspect (Ren, Huang & Zheng, 2001). In recent years, more and more researchers consider that the micro mode not only measures organizational climate accurately, but also is of more practical value to the organization (Ren, Huang & Zheng, 2001; Tang & Chen, 2001).

Organizational climate clearly influences the success of an organization. Many organizations, however, struggle to cultivate the climate they need to succeed and retain their most highly effective employees. Hellriegel and Slocum (2006) explain that organizations can take steps to build a more positive and employee-centered climate

Communication - how often and the types of means by which information is communicated in the organization

Values - the guiding principles of the organization and whether or not they are modeled by all employees, including leaders

Expectations - types of expectations regarding how managers and behave and make decisions

Norms - the normal, routine ways of behaving and treating one another in the organization

Policies and rules - these convey the degree of flexibility and restriction in the organization

Programs - programming and formal initiatives help support and emphasize a workplace climate

Leadership - leaders that consistently support the climate desired

Making a climate change in your organization is one of the core fundamental steps to beginning to create a great place to work.

## **2. OBJECTIVES**

To find out the significant difference between demographic variables towards quality of service of company.

To analyze the level of variance of various dimensions of organizational climate with quality of service

## **3. RESEARCH HYPOTHESIS**

There is significant difference between demographic variables and quality of service.

The dimensions of organizational climate significantly explain the variance in quality of service

## **4. RESEARCH METHODOLOGY**

Population of study is 850 and the sample selected is 118. The research design is descriptive in nature and the sampling method used is stratified random sampling. The primary data was collected through a standardized questionnaire. The statistical tools used for the study are One way ANOVA and Multiple Regression analysis.

**5. VARIABLES OF THE STUDY**

Independent Variable: Dimensions of the Organizational Climate such as Role clarity, Communication, Reward, Career development, Planning and decision making, relationship, Team work and support, training. Dependent Variable: Quality of service

**6. ANALYSIS**

**Table 6.1** Descriptive statistics

Demographic Profile

Characters	Classifications	Frequency	Percent
Age	20-30	75	63.6
	30-40	43	36.4
Gender	Male	74	62.7
	Female	44	37.3
Department	Technical	44	62.7
	non-technical	74	37.3
Designation	Operator	65	55.1
	Supervisors	7	5.9
	Engineer	36	30.5
	Manager	10	8.5
qualification	H.sc	11	9.3
	Diploma	43	36.4
	UG	42	35.6
	PG	22	18.6
	0-5years	53	44.9
Work experience	6-10years	44	37.3
	11-15years	21	17.8

It is inferred that 63.6% respondents are in the age group of 20-30 years, 62.7% of respondents are male, 62.7% respondents are in technical area, 55.1% of respondents are operators, 36.5% of respondents are Engineer, 36.4% respondents completed Diploma and 35.6% respondents completed UG, 44.9% of respondents are having 0-5 years of experience and 37.3% of respondents are having 6-10 years of experience.

<b>Table 6.2 Multiple regression</b>			
<b>Dimensions of Organization climate</b>	<b>Quality of Service</b>		
	R	R <sup>2</sup>	F
Role clarity	0.800(a1)	0.641	0.000(a1)
Communication	0.982(a2)	0.965	0.000(a2)
Reward	0.753(a3)	0.567	0.000(a3)
Career Development	0.892(a4)	0.796	0.000(a4)
Planning and decision making	0.889(a5)	0.791	0.000(a5)
Relationship	0.787(a6)	0.619	0.000(a6)
Team work and support	0.920(a7)	0.847	0.000(a7)
Training	0.841(a8)	0.707	0.000(a8)
a1-expected, clear goals and objectives, responsibilities, priorities			
a2-communicate regularly, receive all the information, informed by the grapevine, effective communication, department is kept adequately informed, informed about			
a3-appropriate benefits, work is recognized, appropriate salary, boss is too tolerant, pay scale is competitive			
a4-career development, work is regularly reviewed, appraisal system works, adequate system for career development, appraisal report and discuss, develop career, use of talents			
a5-kept well enough informed, participate sufficiently, planning is carried out, supervisor likes, well-coordinated			
a6-attract other workers, flexible, peoples special needs, needs are well met, greatly respected			
a7-caring and cooperative, collaborates, pressure of work, pull their weight, support each other, do not have to put in long hours			
a8-training to further develop, received the training, training of high quality, department review their work			

It is inferred that all the dimensions of organizational climate(Role clarity 64.4%, Communication 96.5%, Reward 56.7%, Career development 79.6%, Planning and decision making 79.1%, Relationship 61.9%, Team work and support 84.7% shows significant variance at 0.01 significant level) to the quality of service of the company. Out of the above communication shows a higher 96.5% of variance with quality of service.

<b>Table 6.3 One way ANOVA</b>		
<b>Demographic variables</b>	<b>F</b>	<b>Significance</b>
Age	8.101	0.005
Designation	29.961	0.000
qualification	31.796	0.000

It is inferred that the demographic variables Age, designation and qualification shows a significant difference at 0.01 significance level to quality of service.

## **7. CONCLUSION**

Performance and success of any organization depends on good organizational climate. From the study it is inferred that all the dimensions of the organizational climate has influenced the quality of service.

## **REFERENCES**

- [1] Butcher, & Houston, A. (1994). Supervisors matter more than you think: Components of a mission-centered organizational climate. *Hospital & Health Services Administration* Chicago, 39(4):505-521.
- [2] Conger, J.A., Kanungo, R.N., & Menon, S.T. (2000). Charismatic leadership and follower effects. *Journal of Organizational Behavior*, 21:747-767.
- [3] Forehand, G.A., & Glimer, B.H. (1964). Environmental variation in studies of organizational behavior. *Psychological Bulletin*, 62:127-143. Jackson, S.E., & Schuler, R.S. (1995). Understanding human resource management in the context of organizations and their environments. *Annual Review of Psychology*, 46:237-264.
- [4] [www.ccsenet.org/ijps](http://www.ccsenet.org/ijps) International Journal of Psychological Studies Vol. 2, No. 2; December 2010 ISSN 1918-7211 E-ISSN 1918-722X
- [5] Kangis, P., Gordon, D., & Williams, S. (2000). Organizational climate and corporate performance: An empirical investigation. *Management Decision*, 38(8):531.
- [6] Lewin, K., Lippitt, r., & White, R.K. (1939). Patterns of aggressive behavior in experimentally created “social climates”. *Journal of Social Psychology*, 10:271-299.
- [7] Ren, J.G., Huang, G.L., & Zheng, B.X. (2001). Organization culture and climate. In B.X. Zheng (Eds), *Staff member’s culture*, Taiwan: Yuan-Liou Publishing, 63-170.