Golden Research Thoughts

A STUDY ON ORGANIZATIONAL CLIMATE IN ENGINEERING COMPANIES

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Abstract:-

Organizational climate has a long history in organizational psychology organizational behavior and is an important topic of study in organizational development. The organizational climate is a major factor influencing the effective work performance of the employee. Climate consists of a set of characteristics that describe an organization, distinguish it from other organizations, are relatively enduring over time and influence the behavior of people in it. The individual workers perception of his work environment rather than a consensus view is considered, as different individuals may perceive the same workplace in different ways. Organizational climate is a relatively enduring quality of the internal environment that is experienced by its members, influences their behavior and can be described in terms of the value of a particular set of characteristics of the organization. It may be possible to have as many climates as there are people in the organization when 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 climates within departments these will be integrated to a certain extent to denote overall organizational climate. The present paper to find out the partial regression coefficient of salary, job tenure, social status, designation and department. The 'b' values for the variables are significant at 0.01 level.

Keywords:

Organizational Climate, Greaves Cotton Limited, Review of Literature, Results and Discussions

INTRODUCTION TO ORGANIZATIONAL CLIMATE:

The organizational climate does make a difference to organizations performance because it indicates how energizing the work environment is for employee. An organizations performance that an energized employee or the presence of certain organizational and leadership characteristics, Productivity effort the willingness to go the extra mile. Researchers and scholars emphasized on relation between organizational climate and job motivations of employee motivation is a basic psychological process perception, personality attitudes and learning motivation is a very important element of behavior motivation is not only explanation of behavior it interacts with and acts in conjugation with other cognitive processes knowledge of what makes people tick.

Many research studies have established that an employee job performance is highly influenced by the organizational climate. Therefore the measure of impact of job performance on organizational commitment is out of question wit out studying factors associated with job performance. The organizational climate is a major factor influencing the effective work performance of the employee. The every climate is influence by of variable like authority pattern, reward system leadership, and communication system when the employees are positively influenced by these factors there feel satisfied, find there moral shooting up and turn in wonderful performance .the negative perceptions about the various climate influencing factors lead to poor performance.

REVIEW OF LITERATURE:

Nattavud Pimpa and Timothy Moore(2012), identified that the significant distinctions between the organizational cultures of Thailand and Australia are matched by marked dissimilarities of preferred leadership style. Thus, an understanding of local organizational culture is important for effective leadership at all levels.

E. O. Olorunsola and Dr. B. B. Arogundade (2012), in their study the result of the analysis showed that the predominant climate of federal universities was opened while that of the state was closed in terms of motivation, communication and resource availability. It was also revealed that lecturers job performance was at a moderate level in both federal and state universities. There was significant difference in the organizational climate of federal and state universities. While there was no significant difference in the job performance of lecturers in the federal and state universities.

Zulfqar Ahmad, Zafar Ahmad, Ishfaq Ahmed & Muhammad Musarrat Nawaz(2010) in their study identified that majority of the managers were satisfied with organizational climate in both local and multinational organizations. Respondents from multinational organizations were found to be more satisfied then the respondents from local companies. Detailed results are discussed in findings section.

Gerald Melnick et al(2009) observed that that among those staff members responding to the survey, the belief in rehabilitation scale mean score was associated with higher levels of organizational commitment, and interdepartmental coordination. However, an hierarchical linear modeling (HLM) analysis that used an index score derived from the standard deviation for staff consensus regarding these same beliefs about rehabilitation produced a different pattern of results, showing that high levels of consensus were associated with job frustration, cynicism towards the ability of the institution to change, and lower levels of organizational commitment.

Stephanus Pretorius and Elsabe de Villiers(2009), in their study the results indicated that primary school educators in the southern Cape perceived their relations with their principals as closed, while educator-educator relations were perceived as more open. An engaged school climate was taken as the typical prototype for the relevant primary schools. Average health profiles were drawn for the overall organisational health of primary schools. A significant relationship was found between primary schools' perceptions of organisational climate and organisational health. A significant difference was found between perceptions held by educators from different primary schools regarding the various dimensions of organisational climate and health.

GREAVES COTTON LIMITED:

Greaves Cotton Limited, established in 1859, is one of India's leading and well-diversified engineering companies. It manufactures a wide range of industrial products to meet the requirement of core sectors in India and abroad. The Company's core competencies are in Diesel / Petrol Engines, Gen sets, Pump sets and Construction Equipment. In the recent years, Greaves has made rapid strides towards globalization. The Company exports several of its products to various countries. Greaves has 11 Manufacturing Units located all over India, with overseas offices in UAE, Tanzania and China.

STATEMENT OF THE PROBLEM:

The organizational climate does make a difference to organizations performance because it indicates how energizing the work environment is for employee. An organizations performance that an energized employee or the presence of certain organizational and leadership characteristics, Productivity effort the willingness to go the extra mile. Hence Greaves Cotton pvt ltd has got good Organizational Climate which enables the employees to perform well in their working conditions.

OBJECTIVE OF THE STUDY:

1.To study the overall Organizational Climate in the Greaves Cotton private limited.

RESEARCH METHODOLOGY:

The study is undertaken both by primary and secondary sources of data and information. For secondary sources of data and information more reliance is placed on available standards literature comprising referred journals, articles, books, magazines, News papers etc., but primary sources of data have been collected by using a questionnaire through the Greaves Cotton Private Limited. A sample of 125 respondents has been collected from Organizational Climate. A questionnaire has been prepared to collect the necessary information from the employees of Greaves Cotton Private Limited. The questionnaires were selected in order to establish better understanding between the employees and researcher using the stratified sampling. Care was taken to see that information gathered was valid and reliable.

RESULTS AND DISCUSSIONS:

This section deals with the analysis of the relative contribution or magnitude of the effect of each of the different independent variables to the dependent variables. The Organizational Climate of Greaves Cotton pvt ltd employees is predicted with the help of independent variables.

It is appropriate to know the meaning and nature of regression analysis. Regression means to estimate or predict one variable with the help of other variable/variables. According to dictionary the term 'Regression' means act of returning or 'Going Back'. In 19th century, Francis Galton for the first time used the word 'regression' while studying the relationship between the Father and Son. Galton found that the off spring of abnormally tall or short parents tend to 'Regress' or 'Step Back' to the average population height. But the term regression as now used in statistics is only a convenient term without having any reference to biometry. In regression analysis there are two types of variables. The variable whose value is influenced or is to be predicted is called dependent variable and the variable which influence values or is used for prediction is called independent variables. The independent variable is also called Regression or Predictor.

Now-a-days regression analysis is employed widely in all scientific disciplines, such as physical, social and Natural sciences.

Correlation is a tool of ascertaining the degree of relationship between two variables. The objective of regression analysis is to study nature of relationship between two variables. The cause and effect relation is clearly indicated through regression analysis than by correlation. The step-wise multiple regression analysis is employed in the present investigation to predict the dependent variables with the help of independent variables.

There are 15 variables in this investigation for the purpose of step-wise multiple regression analysis. The variable number and the description of the variable are presented in Table no 1.

Organizational Climate (OC) (i.e) variable numbers 8 in the table no.1 is the dependent variable in the present investigation. Organizational Climate of Greaves Cotton pvt ltd an employees is very important and is related to a number of psycho-sociological and demographic variables.

The step-wise multiple regression is employed in the present investigation to predict the dependent variable with the help of independent variables. There are 7 variables in the present study.

Organizational Climate is dependent variable and 7 demographic variables as independent variable(7).

PREDICTION OF ORGANIZATIONAL CLIMATE:

The prediction of Organizational Climate scores (OC) and the relative contribution of various variables namely; Socio –Demographic variables on the dependent variable(OC) is studied, with the help of step-wise multiple regression analysis

Prediction of Organizational Climate with the help of Socio-Demographic Variables (1-7):

The Organizational Climate scores (OC) variables number 7 in table no.2 is predicted with the help of socio –demographic variables (1-7) using step-wise multiple regression analysis.

The influence of socio- demographic variables on Organizational Climate is investigated through step- wise multiple regression analysis.

The following hypothesis is framed.

Hypothesis No.1:

No single variable or set of variable (socio- demographic variable (7)) included in the study do not significantly exert their contribution to Organizational Climate.

The results of the regression analysis are reported in table no.2.

It is seen from the table no-2 that the first variable entered into step-wise regression analysis is

Salary (S).The multiple correlation (R) obtained is 0.816 it implies that the strength of the relationship between the two variables (OC and S) is about 81.60 percent. It could be seen that R is significant (F= 274.748) beyond 0.01 of significance 1 and 138 df. The critical value of 'F' is 3.85 at 0.05 level and 6.66 at 0.01 level for 1 and 138 df. The coefficient of multiple R2 is 0.666. This shows that 66.6 percent of the variance in OC is accounted by S.

The standard error of multiple R (SER)is 112.895. From this it may be inferred that nearly 68 percent of actual OC value would lie within M+- 112.895 of OC value predicted with the help of this variable(S).

The partial regression Coefficient (b) presented in the column'7' is 142.937. This value indicates that OC value would change by 142.937 units for every one unit of change in S .The 't' value for b is 16.58 which is highly significant at 0.01. The value of the constant that could be written to predict S at this stage is 1429.37.

The general formed of multiple regression equation must be written as.

Y=A+b1(X1)+b2(X2)+b3(X3)+----------+bn(Xn)

Where Y is predicted score on the dependent variable; b1,b2,b3---------bn are partial regression coefficients; X1,X2,X3--------Xn are scores on different independent variables and A is constant.

Thus the multiple regression equation at the end of this step, could be written as

OC=1429.37+(142.937)(S)

Job Tenure (JT) is entered into the step-wise regression analysis as the second most significant variable. The multiple correlation (R) between OC on one side and S and Job Tenure on other side is 0.871. Thus the strength of the relationship between S and the one independent variables put together is 87.1 percent. R is significant at 0.01 level (F=215.871, df 2,137). The value of R2 is 0.759 .Thus shows that the two variables put together could explain 75.9 percent of variance in the dependent variable (OC).Out of this 28.472 percent of variance is explained by JT, the remaining 47.440 percent of variance is accounted for by S (Table-2,col.12).

The regression equation to predict OC with these two variables (S and JT) as predictor variable is:

OC=124.890+(50.086)(JT)+(101.868)(S)

Where 124.890 is the constant to be consider at this step 50.086 and 101.868 are the partial regression coefficient of Salary and Job Tenure. The 'b' values for the variables are significant at 0.01 level.

Social Status (SS) is entered into the step-wise regression analysis as the third most significant variable. The multiple correlation (R) between OC on one side and S , Job Tenure and Social Status on other side is 0.895. Thus the strength of the relationship between S and the two independent variables put together is 89.5 percent. R is significant at 0.01 level (F=183.248, df 3,136). The value of R2 is 0.801 .Thus shows that the three variables put together could explain 80.1 percent of variance in the dependent variable (OC). Out of this 18.939 percent of variance is explained by SS, 23.058 percent of variance is explained by JT and the remaining 38.170 percent of variance is accounted for by S (Table-2,col.13).

The regression equation to predict OC with these three variables (S , JT and SS) as predictor variable is:

OC=100.615+(76.612)(SS)+(40.562)(JT)+(81.963)(S)

Where 100.615 is the constant to be consider at this step 76.612, 40.562 and 101.868 are the partial regression coefficient of Salary and Job Tenure. The 'b' values for the variables are significant at 0.01 level.

Designation (D) is entered into the step-wise regression analysis as the fourth most significant variable. The multiple correlation (R) between OC on one side and S , Job Tenure , Social Status and designation on other side is 0.904. Thus the strength of the relationship between S and the three independent variables put together is 90.4 percent. R is significant at 0.01 level (F=151.818, df 4,135). The value of R2 is 0.818 .Thus shows that the three variables put together could explain 81.8 percent of variance in the dependent variable (OC).Out of this 12.270 percent of variance is explained by D, 15.637 percent of variance is explained by SS, 21.821 percent is explained by JT and the remaining 32.085 percent of variance is accounted for by S (Table-2,col.14).

The regression equation to predict OC with these four variables (S , JT , SS and D) as predictor variable is:

OC=89.940+(50.652)(D)+(63.254)(SS)+(38.386)(JT)+68.896(S)

Where 89.940 is the constant to be consider at this step 89.940,50.652,63.254 and 68.896 are the partial regression coefficient of Salary and Job Tenure. The 'b' values for the variables are significant at 0.01 level.

Department(D) is entered into the step-wise regression analysis as the fifth most significant variable. The multiple correlation (R) between OC on one side and S , Job Tenure , Social Status

designation and deportment on other side is 0.909. Thus the strength of the relationship between S and the five independent variables put together is 90.9 percent. R is significant at 0.01 level (F=128.357, df 5,134).

The value of R2 is 0.827 .Thus shows that the four variables put together could explain 82.7 percent of variance in the dependent variable (OC).Out of this 7.651 percent of variance is explained by D, 14.232 percent of variance is explained by SS, 10.418 percent is explained by D,20.388 percent of variance is explained by JT, and the remaining 30.039 percent of variance is accounted for by S (Table-2,col.15).

The regression equation to predict OC with these four variables (S , JT , SS,D and D) as predictor variable is:

OC=84.981+(15.175)(D)+(57.570)(S)+(43.005)(D)+36.864(JT)+(64.502)(S)

Where 84.981 is the constant to be consider at this step 15.175, 57.570, 43.005, 36.864 and 64.502 are the partial regression coefficient of Salary, Job Tenure, Social Status, Designation, Department. The 'b' values for the variables are significant at 0.01 level.

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List of Tables:

Table No.1: Variables Used for Regression Analysis

Variable Number(VN)	Description Of The Variable	Symbol used
1	Age	A
2	Academic Qualification	AQ
3	Deportment	D
4	Job Tenure	JT
5	Salary	S
6	Marital Status	MS
7	Designation	D
8	Organizational Climate	OC

Table No.2: Step-wise Regression Analysis

S.No.	IV(VN)	R	R^2	SER	F Value for R	b (VN)	't' Value for b	Constant	B	R	%Variance
1	(V7)S	0.816	0.666	112.895	274.748 (1,138)	142.937	16.58	181.313	0.816	0.816	66.507
2	(V6)JT	0.871	0.759	96.174	215.871 (2,137)	50.086 (V6) 101.868(V7)	7.29 (V6) 11.00 (V7)	124.890	0.385 (V6) 0.581 (V7)	0.739	28.472 (V6) 47.440 (V7)
3	(V2)SS	0.895	0.801	87.586	183.248 (3,136)	76.612 (V2) 40.562 (V6) 81.963 (V7)	5.40 (V2) 6.24 (V6) 8.91 (V7)	100.615	0.266 (V2) 0.312 (V6) 0.467 (V7)	0.711	18.939 (V2) 23.058 (V6) 38.170 (V7)
4	(V5)D	0.904	0.818	84.185	151.818 (4,135)	50.652 (V5) 63.254 (V2) 38.386 (V6) 68.896 (V7)	3.49 (V5) 4.47 (V2) 6.11 (V6) 7.18 (V7)	89.940	0.175 (V5) 0.219 (V2) 0.295 (V6) 0.393 (V7)	0.698	12.270 (V5) 15.637 (V2) 21.821 V6) 32.085 (V7)
5	(V4)D	0.909	0.827	82.346	128.357 (5,134)	15.175 (V4) 57.570 (V2) 43.005 (V5) 36.864 (V6) 64.502 (V7)	2.66 (V4) 4.11 (V2) 2.97 (V5) 5.77 (V6) 6.76 (V7)	84.981	0.121 (V4) 0.200 (V2) 0.149 (V5) 0.275 (V6) 0.368 (V7)	0.629	7.651 (V4) 14.232 (V2) 10.418 (V5) 20.388 (V6) 30.039 (V7)