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The Effectiveness of Organisational Climate on Job Involvement

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Abstract - **Every organization operates in terms of a set of policies and norms, which are sometimes clearly laid down, while at other times, are in the form of traditions and conventions. Thus, an internal environment is created, consisting of a set of organizational characteristics, which can be induced in the way an organization deals with its members. As such, Organizations Climate (OC) may be defined as the human environment within an organization was an employee does their work. It is the shared perception of employees who work and live in the organization. Organizational climate is the root cause for the success or failure of every organization. It is the resultant effect of an interaction of a number of internal variables like structure, system, culture, leaders' behavior, working conditions and psychological needs of employees with one another. Organizational climate can have a major influence on motivation, productivity and job satisfaction. Climate determines the action and it creates little expectancy as to consequences. This article traces the relationship between OC and the other organizational variables, especially job involvement, which ultimately determines the performance of the employees.**

Keywords: **Job Involvement, Organisational Climate**

I. Introduction

In recent years, several studies were made on Organizational Climate (OC) and Job Involvement (JI), regarding the contents and structures of these phenomena, their relationships to other phenomena, their necessity for Job Involvement, good / bad organizational performance, etc. Organizational Climate reflects the struggles, both internal and external, the type of people who compose the organization, the work processes, the means of communication and the exercise of authority within the individual organization. Further, they recognize that it is easy to detect differences in the climate of organizations, but it is difficult to name the dimensions of these differences.

The various aspects of work environment, as affecting productivity of labour, generalization is neither intended nor attempted. The fact that organizational conditions are not going to change their names is well understood, but the fact that effectiveness of labour in production is dependent on the perception of the work force is still to be understood. The efforts are toward understanding the details of OC through the perception of the men in organization. Within any organization, there are always some employees, who are more job involved than others. But, all employees consider their job to be instrumental in satisfying some of their need. Differences in their Job Involvement attitudes may influence employee to look at the same job in different perspectives, and may direct them to emphasize different kinds of goal attainments in the job.

II. Research Studies In Oc And JI

The importance of a conducive OC is generally conceded by most organizations, but they usually provide a large number of material rewards to create favourable service conditions, eg., attractive salary, comfortable working conditions, job security, and other service benefits. The concepts of organizational culture, internal work climate, and management values remain largely elusive and their links with administrative practices and procedures are further uncertain. Kumar (1979) has observed negative relationship between the perception of OC and some self-actualization factors on the variables that arouse need achievement and positive correlations between those that arouse need affiliation.

Subha and Anantharaman (1981) found that a deficiency was felt in the fulfillment of needs and that the correlations between need satisfaction and OC variables were negative. This shows that when needs are not met, the perception of OC is negative. Dhingra and Pathak (1973) analysed the differences among managers working in different kinds of organizational cultures. The study was undertaken in two types of organization: (a) proprietary and partnership firms, and (b) subsidiaries of foreign companies. The study showed significant differences between the managers of the two types of organization with regard to their socio-personal background, values and work-related attitudes, and behavioural preferences for certain simulated job incidents. Akhtar and Pertonjee (1967) examined the effectiveness of different types of organizational structure in terms of job

adjustment and satisfaction. The findings showed that job adjustment and satisfaction with work were positive in the employee oriented structure and climate.

Menon (1971) has found that supervisors feel responsible and committed when they experience satisfaction due to opportunities in the job for learning new things and the challenging nature of work in an atmosphere characterized by a high degree of support from supervisors. This support from supervisors seems to be instrumental in bringing about a sense of responsibility and commitment to work, especially on the part of subordinates who do not look for detailed work instructions.

Jayalakshmi Indiresan (1981) has analyzed the relationship between the OC dimensions and the satisfaction of five need areas namely, physical, social, esteem, autonomy and self-actualization. The data were obtained from a sample of 158 teachers from nine different higher technological institutions from all parts of India. Analysis of data has shown that there is a positive and significant correlation between the overall perception of OC and overall need satisfaction.

Kumar and Srivastava (1979) have studied the modes of conflict resolution adopted by 110 managers and their relationship with OC. They have found that the managers present a well-defined value hierarchy of strategies of conflict resolution considered desirable, which might be associated with the nature of the organizational environment.

Meera Komarraju (1981) analyzed the relationship between climate and productivity. Data were collected from a sample of 70 workers of a medium-sized, public sector industrial organization. The results suggested that the perception of OC did not influence productivity. That is, whether the perception of climate was positive or negative, its effect on the productivity level of the workers was non-significant. Further, the relationship between perception of OC and job tenure was also found to be non-significant.

III. Research Problem

The above recent researches have demonstrated that effective responses (Job Involvement) to work are related more directly to structural characteristic (Supervisory and Non-Supervisory) of the organization than to individual differences. Individual characteristics, however, have often been thought to be antecedent to job satisfaction, but relevant empirical evidence supporting this notion has not been accumulated. If achievement concern is such an important factor in the economic development of a country, the next logical question is how to tap this valuable source or how to develop this need in this people?.

Some organizations are encouraging employees at lower levels in the organization to take a much more active role in how the company is run. This may include easy means to express ideas to higher level management and involvement in setting work schedules and goals. The behavior of the human component plays a pivotal role in maximizing organizational effectiveness. The concept of Job Involvement determines the behavior of the human component in the work context, and maximization of organizational effectiveness depends on the achievement of the highest level of Job Involvement on the part of the members of the organization. Thus all efforts maximizing organizational effectiveness have to be directed towards improving the level of Job Involvement to the highest point possible. In this context, it is proposed to undertake a study to examine the link between perception of climate and job involvement in order to formulate viable suggestions to improve job involvement in terms of climate dimensions.

IV. Objectives

The present study principally aimed at the determinants of job involvement in terms of climatic dimensions. With this end in view of the study sharply focuses on the following objectives:

1. To identify the significant relationship that exists between OC and level of job involvement;
2. To bring out the major determinants of job involvement in terms of climatic dimensions for a better overall employee performance.

V. Hypotheses

In order to serve the above stated objectives, the following hypotheses have been proposed and tested in this study:

H_1 - There is no significant relationship between OC and JI.

H_2 There is no significant difference in the determinants of JI between employees of Production and Service departments.

VI. Methodology

A. Sources of Data

This study is mainly based on the primary data collected from the sample respondents with the help of the standardized questionnaire used by several researchers in the past. Perception of OC was measured with the help of the questionnaire developed by Baldev R. Sharma (1987). Although the questionnaire contains nine dimensions of OC with three statements for each dimension, it was reduced to sevenfactors with three statements for each factor. The

climatic factors incorporated in the questionnaire are: Pay, Promotion, Welfare Facilities, Training and Development, Grievance Handling, Participative Management and Performance Reward Relationship. For each statement, score was obtained using the Likert type 5-point scoring system ranging from to 'Strongly Agree (5) to Strongly Disagree (1)'.

B. Sampling

The respondents for the study were chosen from Packing India Private Limited, Pondicherry the largest flexible packaging company in South India, supplying to a wide variety of customers including HLL, Henkel-Spic, GM Pens, Britannia, Godrej etc. The sample was obtained after stratifying the total population into regular and casual. After stratification, the total population of 230 was ultimately reduced to 150 regular employees from which the sample subjects 70, a composite of 30 from Production and 40 from Service were proportionately and randomly selected, constituting nearly half of the stratified population.

VII . Analysis Of Data

In this study, the data were analysed by using statistical methods like Factor Analysis and Discriminant Analysis. Factor analysis is a method for determining the number of structures of the underlying variables among a larger number of measures. This is a powerful method of statistical analysis that aims at explaining relationships among numerous variables in terms of a relatively few underlying factor variants. Further, Discriminant Analysis is used to study the discriminating power of those factors of OC on the scores of JI. The computation was done for the total sample, besides an analysis carried out with a break-up of respondents of production and service centres and the results are presented as follows.

The seven dimensions of OC have been separately processed for inter-correlation and factor analysis to arrive at the cluster of factors. The principal component factor analysis method was applied to the inter-correlation matrix of seven dimensions of OC and the results are rotated using Kaizer's (1958) varimax criteria. Three-factor solutions emerged for the total respondents. The results of the pigeon value and rotated factor analysis are presented in Tables I and II respectively.

Factor I

It is observed that factors OCF1, OCF2 and OCF5 are loading high on Factor I. These dimensions and their corresponding factor loadings are:

0.8937	-	Pay (OCF1)
0.5517	-	Promotion (OCF2)
0.8494	-	Grievance Handling (OCF5)

Factor II

Dimensions OCF3, OCF4 and OCF6 show high loading on Factor II as presented below:

0.9279	-	Welfare Facilities (OCF3)
0.6620	-	Training and Development (OCF4)
0.4663	-	Participative Management (OCF6)

Factor III

The remaining factor OCF7 has high loading on Factor III.

That is, 0.9196 - Performance Reward Relationship (OCF7).

Thus, by using inter-correlation matrix and factor analysis the seven dimensions of OC have been grouped into three different factors (F1, F2 and F3) for the total respondents as well for each group of respondents (Production and Service). The different factors and the variables within a factor with their corresponding loading scores are presented in Tables III, IV and V for all respondents, production centre and service centre respectively.

Subsequently an attempt was made to study whether these three factors have any influence on the level of involvement. That is, whether these three factors had the power of discriminating the extreme group of involved employees. It was also aimed to identify the major determinant of Job Involvement among the three factors of climate. The group difference had been examined, using climate factors through two- group discriminating analysis. As the 'Z' values are not statistically significant for the total respondents (Table VI) as well as for each group of respondents (Production and Service), it is observed that none of the three factors influences the level of job involvement (Table VII).

TABLE I EIGEN VALUES – ALL RESPONDENTS

OC Dimensions	Eigen Value	Percentage of Variance Explained	Cumulative Percentage of Variance
OCF1	2.5439	36.34	36.34
OCF2	1.3818	19.74	56.08
OCF3	1.0501	15.00	71.08
OCF4	0.9103	13.00	84.09
OCF5	0.5020	7.17	91.26
OCF6	0.3764	5.38	96.63
OCF7	0.2356	3.37	100.00

(N=70)

TABLE II ROTATED FACTOR MATRIX – ALL RESPONDENTS

Sl. No.	OC Dimensions	Factor Loadings			Communality h^2
		Factor I	Factor II	Factor III	
1	OCF1	0.8937	-0.0232	-0.0249	0.7998
2	OCF2	0.5517	0.3985	0.4302	0.6482
3	OCF3	-0.0127	0.9279	0.1043	0.8720
4	OCF4	0.1972	0.6620	-0.4430	0.6733
5	OCF5	0.8494	0.1100	0.1127	0.7462
6	OCF6	0.4038	0.4663	0.0606	0.3842
7	OCF7	-0.0785	-0.0142	-0.9196	0.8520
Eigen Value (Common Variance)		2.0328	1.6882	1.2547	4.9757
Proportional of Total Variance		0.2904 (29.04%)	0.2412 (24.12%)	0.1792 (17.92%)	0.7108 71.08
Cumulative Variance		(29.04%)	(53.16%)	(71.08%)	
Proportion of Common Variance		0.4085 (40.85%)	0.3393 (33.93%)	0.2522 (25.22%)	1.0000 100.00

(N=70)

TABLE III ROTATED FACTOR MATRIX – PRODUCTION RESPONDENTS

S1. No.	OC Dimensions	Factor Loadings			Communality h^2
		Factor I	Factor II	Factor III	
1	OCF1	0.9386	0.0307	-0.0515	0.8846
2	OCF2	0.5193	0.6819	0.0009	0.7347
3	OCF3	-0.0956	0.6251	0.3362	0.5129
4	OCF4	0.0705	-0.0367	0.9457	0.9007
5	OCF5	0.7944	0.3830	0.2499	0.8402
6	OCF6	0.7543	0.1290	0.0524	0.5883
7	OCF7	-0.1730	-0.8348	0.1499	0.7494
Eigen Value (Common Variance)		2.3948	1.7183	1.0977	5.2109
Proportional of Total Variance		0.3421 (34.21%)	0.2455 (24.55%)	0.1568 (15.68%)	0.7444 74.44
Cumulative Variance		(34.21%)	(58.76%)	(74.44%)	
Proportion of Common Variance		0.4596 (45.96%)	0.3298 (32.98%)	0.2107 (21.07%)	1.0000 100.00

(N = 30)

TABLE IV ROTATED FACTOR MATRIX – SERVICE RESPONDENTS

S1. No.	OC Dimensions	Factor Loadings			Communality h^2
		Factor I	Factor II	Factor III	
1	OCF1	0.7371	0.1307	-0.1395	0.5798
2	OCF2	0.7756	0.3141	-0.0813	0.7068
3	OCF3	0.1265	0.869	0.1581	0.7962
4	OCF4	0.2758	0.4932	0.6167	0.6996
5	OCF5	0.8702	-0.1057	0.2209	0.8172
6	OCF6	-0.0200	0.8317	-0.1333	0.7100
7	OCF7	-0.0362	-0.0478	0.8937	0.8024
Eigen Value (Common Variance)		1.9958	1.8195	1.2967	5.112
Proportional of Total Variance		0.2851 (28.51%)	0.2599 (25.99%)	0.1852 (18.52%)	0.7303 73.03
Cumulative Variance		(28.51%)	(54.50%)	(73.03%)	
Proportion of Common Variance		0.3904 (39.04%)	0.3559 (35.59%)	0.2537 (25.37%)	1.0000 100.00

(N=40)

TABLE V FACTORS OBTAINED FOR DIFFERENT GROUPS OF RESPONDENTS

Respondents	Factor I	Factor II	Factor III
All Respondents	OCF1 – 0.8937 OCF2 – 0.3517 OCF3 – 0.8494	OCF3 – 0.9279 OCF4 – 0.6620 OCF6 – 0.4663	OCF7 – 0.9196
Production Staff	OCF1 – 0.9386 OCF5 – 0.7944 OCF6 – 0.7543	OCF2 – 0.6819 OCF3 – 0.6251 OCF7 – 0.8348	OCF4 – 0.9457
Service Staff	OCF1 – 0.7371 OCF2 – 0.7756 OCF5 – 0.8702	OCF3 – 0.8690 OCF6 – 0.8317	OCF4 – 0.6167 OCF7 – 0.8937

H_o - There is no significant relationship between OC and JI

***Tool Used**:* Discriminant Analysis

TABLE VI RESULTS OF DISCRIMINANT ANALYSIS BETWEEN LOW-HIGH LEVEL OF JOB INVOLVEMENT

Equation	Wilks' Lambda	F-Value	'P' Value	Overall Wilks' Lambda	Overall F Value	Overall 'P' Value
All Respondents (N = 70)						
Factor I Factor II Factor III	0.9717 0.9517 0.9464	1.2200 0.5573 0.3821	0.28 0.46 0.54	0.9349	0.7198	0.55

H_o - There is no significant difference in the determinants of JI between employees of Production and Service departments

Tool Used*:* Discriminant Analysis

TABLE VII RESULTS OF DISCRIMINANT ANALYSIS BETWEEN LOW-HIGH LEVEL OF JOB INVOLVEMENT FOR PRODUCTION AND SERVICE DEPARTMENTS

Equation	Wilks' Lambda	F-Value	'P' Value	Overall Wilks' Lambda	Overall F Value	Overall 'P' Value
Production Department (N = 30)						
Factor I	0.7792	0.4116	0.53			
Factor II	0.8223	1.0439	0.33	0.7511	1.2253	0.35
Factor III	0.9006	2.1905	0.17			
Service Department (N = 40)						
Factor I	0.9753	1.4798	0.24			
Factor II	0.9010	0.1489	0.70	0.8927	0.6410	0.60
Factor III	0.9091	0.2942	0.60			

Decision*:* None of the above factors has discriminating power on the level of Job involvement. However, it is observed that Factor III has the discriminating power in the Job involvement of Production staff if the rejected region is relaxed to 20 %.

VIII. MAJOR FINDINGS

Based on the above analyzed results, the important observations are recorded as follows:

1. In general, no significant relationship is observed between the respondents' perception scores on OC and their level of job involvement, which indicates that perception of OC does not influence job involvement.
2. However, among the various dimensions of OC, it was observed that the factor 'Training and Development' influence the level of job involvement for the respondents as a whole.
3. There is no significant difference in the impact of OC on job involvement for the respondents as a whole.
4. Difference in the impact of OC on job involvement also exists between the two groups of the respondents, Production and Service. It is mainly due to the factor 'Promotion'.

IX. CONCLUSION

Though, there exist no relationship between the overall scores of OC and Job Involvement, one of the factors of OC namely 'Training and Development' influences the level of job involvement. Likewise, the factor, 'Promotion' has the discriminating power between the two groups of respondents, namely Production and Service departments, which indicates that employees of service centers are happier with the promotional policies and opportunities compared to the employees of production centre. Therefore, it is suggested that the organization could improve the climate by modifying some of its Training and Development methods to the expectations of the employees. There should be sufficient scope for promotion and career advancement. Due recognition should be given to efficient workers, distinguishing them from average workers to motivate the employees, which will enable the organization to improve the level of Job Involvement and thereby the performance of the employees.

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