

Organizational Climate as an Indicator of Job Satisfaction among Public Sector Employees in Jammu & Kashmir Cements Limited

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Abstract

Employees are the most valuable asset in any organization, essential for the efficient and effective operation of all other organizational resources. In 21st century, more challenges are faced by organizations than ever before. These challenges are not limited to any particular organization or industry, but affect all organizations, no matter what they possess. Today, organizational climate in particular has always been challenging due to the changes affecting organizations. In order to survive and surpass their rivals, organizations are constantly seeking to improve their performance. Researchers found that organizational structure is even more important than ever because organizations must ensure that those who add to the organization will want to stay in the organization and continue to make their efforts in their work for the benefit of the organization. The purpose of this paper is to examine the nature of the organization (employees' perceptions of their workplace environment) and how it affects their job satisfaction and to investigate the effect of organizational climate on employee satisfaction. The population of the public sector cement company in Jammu & Kashmir is 610 of which 101 were selected as sample size. Convenient sampling method was used to collect data from the respondents. The survey data was collected using a structured questionnaire. For data analysis, Correlation and Regression tools were compiled to investigate the relationship between the organizational climate and how each relates to employee satisfaction. Research findings show that certain organizational dimensions such as empowerment, responsibility, adequacy of reward and career development have a positive association with job satisfaction. This means that public sector employees in the Jammu and Kashmir cements Limited were more satisfied with their work when the organization's goals and objectives were in line with the employees' personal beliefs. Based on the findings of the study, managers are encouraged to focus on articulating organizational policy but also to promote a stronger and higher sense of employee identification. Justice in conflict management, equity and transparency systems in compensation systems are equally recommended as acquisition strategies to promote and increase job satisfaction. A good work environment is essential to build good working relationships in the workplace and maintaining relationship between colleagues, management and the organization.

Keywords: Organizational Climate, Job Satisfaction, Organizational Performance, Jammu and Kashmir Cements Limited.

Introduction

An organizational climate is defined as an employee's perception and perspective of a company. The organizational climate increased productivity, and the climate gave employees a voice to help make the desired transition as smooth as possible. It also serves as a foundation for quality improvement. Organizations gain a fresh and different perspective by identifying areas of inefficiency

and acting on performance barriers to identify employees at all levels. The organizational climate analysis identifies areas of employee satisfaction and dissatisfaction in order to assist management in creating greater work place harmony and, as a result, increased productivity. Organizational climate reflects a person's perception of the organizations to which belongs, it is a set of characteristics and factors that are perceived by the employees about their organizations that serve as a major force in influencing their behavior, these factors may include job descriptions, organizational structural, format, performance and evaluation standards, leadership style, challenges and innovation, organizational values and culture. Organizational climate is the human environment in which employees work; it is not visible, but it can be felt and experienced. It is influenced by everyone and everything in the organization. Organizations, like fingerprints, differ from one another. Each organization has its own culture, traditions, and ways of doing things. Some organizations are laid-back, while others are highly efficient. Organizations that can establish settings that workers see as benign and in which they may reach their full potential are viewed as a major source of competitive advantage. As a result, organizational climate may be seen as a critical determinant in effective organizations.

Objectives of the study

The study was guided by the following specific objective;

To investigate the impact of the organization's climate on employee satisfaction among Public Sector Employees of Jammu and Kashmir Cements Limited

Review of Related literature

Understanding the relationship between organizational climate and job satisfaction has been a focus of human resource management research since its inception. In the west, the relationships between various organizational climate components and job satisfaction are well established (Litwin and Stringer, 1968; Pritchard and Karasick, 1973; Schneider and Snyder, 1975). However, there has been little research into the moderating effects of personality on those relationships. For example, Downey et al. (1975) discovered that sociability and self-confidence were important moderators of the relationship between organizational climate and satisfaction. Furthermore, there has been little research on the causal relationship between a positive organizational climate and job satisfaction in developing countries, such as India (Permarupan et al., 2013).

One of the oldest and most frequently recognized definitions of organizational climate is that it is a combination of qualities that identifies an organization, distinguishes it from other organizations, is relatively stable over time, and may impact the behavior of its employees. James and Jones (1974); Johannesson (1973); Moran and Volkwein (1992); Woodman and King (1978).

Moran and Volkwein (1992) define the concept of organizational climate in terms of organizational characteristics including a) the values shared by employees in autonomy, trust, solidarity, support, appreciation, innovation and impartiality in their organization; b) is carried out in collaboration with members of the organization; c) serves as the basis for the definition of staff in certain contexts; d) describes the habits and attitudes of the organization's culture, and last but not least it serves as a source of influence for individual behavior in the workplace.

Alternatively, Burke and Litwin (1992) define organizational climate as human perceptions of managing their work units. It also has a lot to do with people's perceptions of their own success and that of their colleagues in the workplace. Schneider et al. (1996) defined the organizational structure as the views of employees on the organizational status of organizations. It is built on individual awareness of processes, processes and ongoing rewards within the organization. In other words, organizational policies and procedures have a profound effect on shaping one's perceptions of the organization's climate in the workplace.

A supportive work environment, according to Gray (2007), is connected to employee performance. He contends that a pleasant work atmosphere produces motivated employees. As a result, it should come as no surprise that work atmosphere is a strong predictor of organizational and personnel success.

According to Gruneberg (1979), the popularity of job satisfaction originates from the fact that it impacts a large number of individuals since they spend the majority of their time at work. Employment satisfaction may be characterized as either a favorable or bad attitude or sentiment toward one's job. As a result, someone with a high degree of work satisfaction will have a good attitude toward his or her employment, whereas someone who is unhappy would have a negative attitude.

The amount of years an individual has worked is referred to as tenure (Oshagbemi, 2003). Job satisfaction and tenure are positively connected, according to Bedeian, Ferris, and Kacmar (1992). The most significant organizational factors, incentives, are thought to have a moderating impact on the satisfaction-performance connection.

Individuals who are rewarded for high performance and whose awards are deemed equal for the job done are more likely to be satisfied, which leads to increased performance (Luthans, 2005). However, when considering the work satisfaction-job performance link from an organizational standpoint, it indicates that organizations with more pleased employees are typically more effective than those with less satisfied people (Luthans, 2005 & Robbins, S. P., Odendaal, A. & Roodt, G., 2003). According to these writers, this is because researches have concentrated on the individual rather than the organization, and as a result, complex work processes and relationships have been overlooked.

According to Locke (1976), increasing job satisfaction is connected with reduced levels of turnover as well as higher levels of morale and productivity. In their extensive research, Kopelman, R. E., Brief, A. P., and Guzzo, R. A. (1990, p. 303) found that organizational environment is related to work satisfaction. According to Litwin and Stringer (1968), climates that result in "high work satisfaction produce (a) the arousal of some positive motivating tendency, (b) attitudes appropriate to (and chances for) motivated activity, and (c) appropriate compensation for such behavior" (p.138). According to Spector (1997), people who despise their employment may suffer from psychological or superior mental and physical health, according to Luthans (2002).

Organizational climate and its concept

Researchers in organizational behavior have long been interested in understanding employees' perceptions of the workplace and how these ideas influence work-related attitudes and behaviors.

Schneider (2000) defined climate as the perceptions of incumbents about the events, practices, and types of behaviors' that are rewarded, supported, and expected. According to Steinke et al. (2015), climates reflect employees' perceptions of the policies, practices, and procedures that are expected, supported, and rewarded in relation to the organization's human resources.

Many studies have made organizational climate indicators most of them related. The clues identified so far range in size from six to eighteen (Litwin and Stringer, 1968). Among these are staff responsibilities, organizational structure, management style, management support, performance-related feedback, conflict management and remuneration.

Organizational climate represents the cultural context of the organization. The most common management problem an organization faces today is finding a flexible work environment that promotes job satisfaction and innovation. Disruption of financial constraints, downsizing, and job losses require the organization to transform existing operations.

Behavioral science literature is full of ideas and powerful research that focuses on employee behavior as a work of diversity at the same time on both sides of the organization and on individual characteristics (Hellriegel et al, 1974).

Obviously it is not the individual organization (climate) values or individual characteristics (job satisfaction, density, role clarity), in themselves, that define the large number of perceived differences in job satisfaction or effective organizational conditions. The organizational climate and individual behaviors often emphasize the role of employees' perceptions of these values as inadequate flexibility (Schneider, 2000).

Several studies have focused on estimates based on the assumptions of climate magnitude and job satisfaction. Pritchard and Karasick (1973) study 76 executives from two different industrial organizations. They found that the magnitude of the climate was proportionally related to aspects of job satisfaction such as working conditions of safety and development opportunities. Schneider (2000) examined bank customers and found that their perception of banking climate was related to bank fluctuations (customer dissatisfaction). Customers who perceived the banking climate of their banks were more likely to switch banks more often than those who felt their banks were more or less customer-oriented.

Job Satisfaction and its concept

Often, job satisfaction refers to the positive emotion a person has in response to a person's work and activity. Often, man-made comparisons between expectations and man-made realities that produce positive results result in so-called career satisfaction. On the contrary, comparisons between expectations and facts lead to a hypothetical gap between the two resulting in so-called job dissatisfaction.

Job satisfaction is defined as one's perception and assessment of one's job (Sempene et al., 2002). In line with this, Schneider and Snyder (1975) argued that job satisfaction is a personal assessment of the current conditions of the outcomes that result from having a job. Job satisfaction has been defined and quantified in numerous ways. According to Bhuian and Menguc (2002), job satisfaction is the degree to which an individual has positive or negative feelings about the intrinsic and/or extrinsic aspects of one's job. Although there is no precise and unifying definition of job satisfaction, the current study suggests that organizational climate and personality are important constructs to consider in order to understanding job satisfaction. In this paper, we will look at these concepts.

Job satisfaction may be described as an affective or emotional reaction that an employee has toward a job as a consequence of a comparison of actual results with expected or deserved outcomes. Job satisfaction has also been characterized in terms of individuals' views regarding their jobs. Schneider and Snyder (1975) describe work satisfaction as a personal assessment of present employment circumstances or the results that occur from having a job. According to Sempene, Rieger, and Roodt (2002), work satisfaction relates to an individual's view and appraisal of his or her employment.

Individual perception, according to these scholars, is impacted by his or her unique circumstances such as needs, values, and expectations. As a result, people assess occupations based on criteria that are significant to them. Although definitions of work satisfaction vary, it is commonly defined as a favorable or bad attitude or emotion about one's employment. According to Locke (1976), in order for researchers to have a comprehensive grasp of job attitudes, they must first understand the many components that impact the job.

According to Robbins, Odendaal, and Roodt (2003), intrinsic characteristics including progress, recognition, responsibility, and accomplishment appear to be associated to job satisfaction.

Job satisfaction may be measured in two ways: the facet method and the global approach. The former relates to determining how employees feel about different elements of their jobs, such as compensation (salary or fringe benefits), working environment, coworkers and supervisors, and the work itself. The latter method assesses work happiness by directly asking respondents how they feel about their occupations in general (Robbins et al., 2003; Spector, 1997).

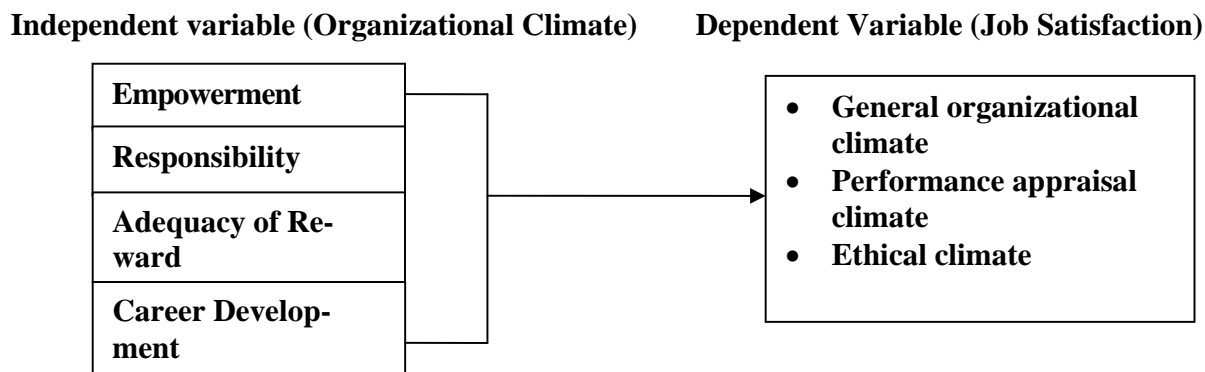
Relationship between Organizational Climate and Job Satisfaction

Number of studies have been conducted to investigate the link between organizational climate and job satisfaction, with many researchers finding evidence to support the two dimensions (Litwin & Stringer, 1968; Pritchard & Karasick, 1973; Schneider & Snyder, 1975). In a review of studies investigating organizational climate and job satisfaction, the researchers also found that organizational climates that exhibit characteristics such as having a high degree of autonomy, providing opportunities for employees, nurturing relationships among employees, showing interest in and concern for their employees, recognizing employees' accomplishments and holding employees in high regard result in more satisfied workers. Similarly, Brief (1986) found that salary, benefits and advancement opportunities were components of organizational climate that had a direct influence on job satisfaction. In summary, organizational climate and job satisfaction are distinct but related constructs. Organizational climate is focused on organizational/institutional attributes as perceived by organizational members, while job satisfaction addresses perceptions and attitudes that people have towards and exhibit about their work.

Conceptual Framework

The study included two key factors — organizational climate and job satisfaction. Therefore, in order to critically evaluate the related impact of organizational climate change on predicting employee satisfaction, the study used the following indicators and variables:

In the study the independent variables of organizational climate are empowerment, responsibility, adequacy of reward and career development. Factors of job satisfaction are general organizational climate, performance appraisal climate and ethical climate.



Methodology

The research was conducted in public sector Cement Company in Jammu and Kashmir. The population size was 610 and from which 112 sample were taken for study by using convenient sampling technique. Out of the sampled respondents, 101 responded. This provided the study a response rate of 90.18%. The respondents included Executives, Managers, Supervisors and Administrative Staff. The data was statistically analyzed by using descriptive as well as inferential statistics. Pearson Product Moment Correlation Coefficient and Regression analysis were used to establish the re-

relationship between organizational climate and job satisfaction. All statistical procedures were undertaken within 95 % confidence level.

Results

Table 1. Case Processing summary – Reliability statistics for Public

| Cases | N | % | Cronbach's Alpha | No. of items |
|----------|-----|-------|------------------|--------------|
| Valid | 101 | 100.0 | 0.826 | 156 |
| Excluded | 0 | 0.0 | | |
| Total | 101 | 100.0 | | |

Reliability is the measure of how much of the variability in the observed scores actually represents variability in the underlying true score. Reliability ranges from 0 to 1. In social science, it is preferred to have scales with reliability greater than 0.7. For this study the reliability is at accepted level, 0.826 lies in the range between 0 and 1. So the sample taken for the study constructs the variability presents the true score.

Table 2. Correlation Coefficients

| | | General organization- al climate | Performance appraisal cli- mate | Ethical climate |
|---------------------------------------|--------------------------|-------------------------------------|---------------------------------------|-----------------|
| General organi- zational climate | Pearson Corre- lation | 1 | .824** | -.270** |
| | Sig. (2-tailed) | | .000 | .006 |
| | N | 101 | 101 | 101 |
| Performance appraisal cli- mate | Pearson Corre- lation | .824** | 1 | -.260** |
| | Sig. (2-tailed) | .000 | | .009 |
| | N | 101 | 101 | 101 |
| Ethical climate | Pearson Corre- lation | -.270** | -.260** | 1 |
| | Sig. (2-tailed) | .006 | .009 | |
| | N | 101 | 101 | 101 |

** . Correlation is significant at the 0.01 level (2-tailed).

The correlation coefficient of general organizational climate, performance appraisal climate and ethical climate have been tabulated in table no. 2. A null hypothesis framed that there is no significant correlation between factors constructing between organizational climate. It can't be noticed from the table that general organizational climate is significantly correlated with performance appraisal climate at 1% level of significance with performance appraisal climate (.824) and ethical climate (.260), similarly performance appraisal climate is significantly correlated with general organizational climate and ethical climate variable with (R values) (.824) and (.270) respectively at 1%

level of significance. It can also be seen that there is a positive correlation at 1% level of significance between ethical climate and general organizational climate (.270) and (.260). It can be concluded that organizational climate variables are very much important in public sector cement companies.

Table 3. Model Summary

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Change Statistics | | | | |
|-------|-------------------|----------|-------------------|----------------------------|-------------------|----------|-----|-----|---------------|
| | | | | | R Square Change | F Change | df1 | df2 | Sig. F Change |
| 1 | .549 ^a | .301 | .279 | 3.428 | .301 | 13.916 | 3 | 97 | .000 |

a. Predictors: (Constant), Ethical climate, General organizational climate, Performance appraisal climate

The results of analysis are shown in the table no.3 model summary. The model summary table given above shows that all the independent variables collectively influence job satisfaction to the extent of 30.1% at 5% level of significance.

Table 4. ANOVA under Regression

| Model | | Sum of Squares | Df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|--------|-------------------|
| 1 | Regression | 490.509 | 3 | 163.503 | 13.916 | .000 ^a |
| | Residual | 1139.689 | 97 | 11.749 | | |
| | Total | 1630.198 | 100 | | | |

a. Predictors: (Constant), Ethical climate, General organizational climate, Performance appraisal climate

b. Dependent Variable: Job satisfaction

The ANOVA table discusses that regression model of impact variable on job satisfaction of the cement manufacturing companies under public sector is fit at 5% level of significance.

Table 5. Regression Coefficients

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|--------------------------------|-----------------------------|------------|---------------------------|--------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 19.619 | 6.269 | | 3.130 | .002 |
| | General organizational climate | -.261 | .153 | -.257 | -1.708 | .091 |
| | Performance appraisal climate | .533 | .119 | .670 | 4.468 | .000 |
| | Ethical climate | .485 | .110 | .389 | 4.397 | .000 |

a. Dependent Variable: Job satisfaction

Table 5 shows the details of coefficients. It is observed from the coefficient that job satisfaction = 19.619, -.261 general organizational climate, .533 performance appraisal climate + .485 ethical climate.

It is noticed from the table 5 that dependent variables job satisfaction is positively influenced by performance appraisal climate (.533) and ethical climate (.485). However, job satisfaction is negatively influenced by general organizational climate (-.261).

Discussion

The idea of organizational climate has been identified as one of the most significant organizational characteristics in management and organizational behavior literature today because it helps explain employee motivation, employee behavior, and organizational performance. It gives managers insight into the "people side" of the business. As a result, climate has been identified as one component that may become an active and valuable tool for managing people in both public and private enterprises. Behavioral activists like Vroom claim that, in addition to other work and organizational features, individuals are driven to have good attitudes toward their employment when the outcome of their inputs is equitable and fair. In other words, employees are happy and driven to do well when they know they will receive incentives that are seen to be proportional with their efforts (Robbins, 2003).

Conclusion and Managerial Implications

Organizational climate dimensions that considered in the study were empowerment, responsibility, adequacy of reward and career development. The study data directed to the conclusion that organizational climate has a significant influence on employee job satisfaction. In this manner, managers of public sector cement manufacturing company beyond need to look out the ways to improve organizational climate facets as shown in the report. It is likewise a matter of obligation for managers to certify fairness in their recompenses plans since correlated with literature has proposed that performance based pay edifice is a momentous factor of employee motivation and perception of justice.

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