ORGANIZATIONAL CLIMATE
ON JOB SATISFACTION OF INDUSTRIAL WORKERS

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ABSTRACT :

In that, Organizations in the 21stcentury are facing more challenges than ever before. These challenges are not unique to any specific organization or industry, but affect all organizations, regardless of their structure or size. Organizational climate in particular is constantly challenged by changes impacting organizations today. In the age of globalization companies get confronted with increasing worldwide competition. So it becomes more than before necessary for a company to come up with a well thought-out business planning to be able to offer products and services with additional value beyond competitor products and services. Employees can act strategic by contributing to the properly implementation of the business strategy. The organization gains a competitive advantage from that strategic behavior. Hence the performance of an organization depends a lot on the behavior of people working in it.

To survive and outdo their competitors, organizations are constantly seeking to improve their performance and job satisfaction as well as productivity. Researcher opinioned that organizational climate is becoming more important than ever before because organizations need to ensure that those individuals who

add value to the bottom line should stay in the organization and continue pouring their efforts into their work to benefit the organization.

KEYWORDS: *Nature, organizational climate.*

INTRODUCTION :
❖ Organizational Climate:-
Conceptualization

The concept of organizational climate was formally introduced by the human religionists in the late 1940s. Now it has become a very useful metaphor for thinking about and describing the social system. Organizational climate is also referred to as the "situational determinants" or "Environmental determinants" which affect the human behavior.

A number of definitions of Organizational climate have been presented in various studies on the concept. However these definitions provide no consensus on the concept and fail to set out clear guidelines on measurement and theory building for Organizational climate (Glick, 1985). Reichers and Schneider (1990) provide a possible explanation for this in stating that during Organizational climate's introductory years, researchers were more concerned with gathering data and assessing the validity of the concept, rather than devoting time to quibbling over definitions and elaborating on the possible nuances of climate. Lawthom, Patterson, West, Staniforth and Maitlis (2005) reviewed numerous definitions of climate and came to the conclusion that a precise and unitary definition of climate simply does not exist. However, these authors postulate that two qualities are evident in most if not all definitions of climate - it is perceptual and descriptive.

Concept of Organizational Climate

The weather conditions of a particular geographic area generally described by the word 'climate' – atmospheric climate and the weather conditions in different regions of the world are mostly dissimilar. Similarly one walks into different organizations, one realises that the work environments of different organisations are usually not the same. The interal or psychologLca1 environment of an organization is also known as its 'climate' - organizational climate **(W.R.** Lafollete, 1975).

Social scientists in the field of organizational behaviour have become increasingly interested in OC because of the relationships between this construct and job satisfaction and job performance. On account of this interest in OC, several definitions of the construct have appeared during last several years.

From human relations approach, employees have been accepted as the most important component of the organizations. In order to make organizations much more effective and productive, perceptions of employees have became more important. As it"s a concept is related to the perceptions of employees, organizational Climate has been attracting many researchers (Arabaci, 2011). Organizational Climate is a fundamental construct in work and organizational setting, as it provides an appropriate context for studying organizational behavior, allowing the exploration of individual and group behaviors.

The concept of organizational climate backs to the early 1900 with work of lewin eta el. (1939) and lewin (1951) who suggested that climate is characterization of the salient environment stumil and is an important determinant of motivation and behavior. This has resulted in organizational climate being the direct or indirect subject of many behavior projects and emerging as constructs with many behavior consequences and also the subjects gained momentum with the work of litwing and striger (1968) who conceptualize organizational climate in relation to influence on motivation and behavoiur .Various definitions and measures of organizational climate have been offered and various reviews of research on organizational climate have appeared. However, these definitions are full with a lack of consensus mainly due to its association with the other construct. Each definition reflects the author"s specific conceptualization of the construct and context of the study.

Meaning and Definition:

Before understanding the meaning of organizational climate, we must first understand the concept of climate.

"Climate in natural sense is referred to as the average course or condition of the weather at a place over a period of years as exhibited by temperature, wind, velocity and precipitation."

However, it is quite difficult to define organizational climate incorporating the characteristics of natural climate. This is so because the most frustrating feature of an attempt to deal with situational variables in a model of management performance is the enormous complexity of the management itself. People have defined organizational climate on the basis of its potential properties. **A few important definitions are as given below.**

Nature of Organizational Climate:-
The nature of organizational climate is described by following characteristics:

1. **General Perception:** Organizational climate is a general expression of what the organization is. It is the summary perception which people have about the organization. It conveys the impressions people have of the organizational internal environment within which they work.
2. **Abstract and Intangible Concept:** Organizational climate is a qualitative concept. It is very difficult to explain the components of organizational climate in quantitative or measurable units.
3. **Unique and District Identity:** Organizational climate gives a distinct identity to the organization. It explains how one organization is different from other organizations.
4. **Enduring Quality:** Organizational climate built up over a period of time. It represents a relatively enduring quality of the internal environment that is experienced by the organizational members.
5. **Multi-Dimensional Concept:** Organizational climate is a multi- dimensional concept. The various dimensions of the organizational climate are individual autonomy, authority structure, leadership style, pattern of communication, degree of conflicts and cooperation etc.

The etiology of Organizational climate

According to Moran and Volkwein (1992), there is a lack of understanding of how climates emerge or are formed in an organization. Schneider and Reichers (1983) contend that an explanation of how climates are formed will provide a deeper understanding of the concept, but will in addition, lead to further conceptual and methodological progress. A key question posed by Schneider and Reichers (1983) is how it happens that individuals who are presented with numerous stimuli at work develop relatively homogenous perceptions of these stimuli, and in addition, attach similar meanings to aspects of Organizationallife.

In order to answer this question, four approaches to the formation of climate will be discussed. These include:-
1. The structural approach
2. The perceptual approach
3. The interactive approach
4. The cultural approach

The structural approach:-

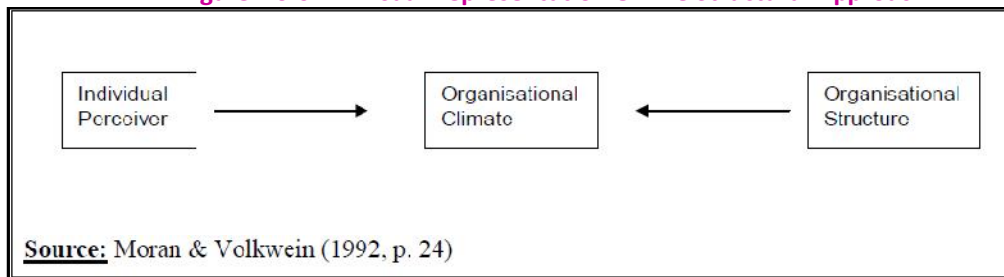This approach views Organizational climate as a characteristic or attribute of the organization.

These attributes are considered to be owned by the organization and existing independently of the perceptions of the individual members (Moran & Volkwein, 1992).

In their comprehensive analysis, Payne and Pugh (1976) postulate that it is the actual conditions in the organization that play a primary role in determining the people's attitudes, values and perceptions of Organizational events. Hence, Organizational climate is the result of the objective aspects of the work environment, namely the organization's size, a centralized or decentralized authority structure, number of hierarchical levels, advancement of technology as well as the extent to which Organizational rules and policies influence members' behavior.

This approach is equivalent to the *perceptual measurement-Organizational attribute approach* propsed by James and Jones (1974) and to what Schneider and Reicher's (1983) refer as the *structural argument*. As reflected in following **figure**, Moran and Volkwein (1992) offer a visual representation of the above-mentioned approach. From the figure, it is evident that the organization's structure gives rise to the Organizational climate , which is then perceived by the members of the organization. Hence, Organizational climate is formed as a result of the common perceptions members have of exposure to common Organizational structure.

However, certain dilemmas are innate in this approach (Moran & Volkwein, 1992). Firstly, the structural approach does not take into account why studies have found different work group climates in one organization where the structural factors are common throughout the organization. A second criticism of the structural approach relates to an organization's climate demonstrating a significant and consistent relationship with its structural characteristic. However, studies conducted in this area show a high level of inconsistency between the factors. The third and final criticism suggests that there is a lack of consideration of the subjective role that structural variables have on an individual's reaction to a situation, and disregards the interpretive processes involved between individuals in groups.

Figure No.01:A Visual Representation Of The Structural Approach.

Source: Moran & Volkwein (1992, p. 24)

The perceptual approach:-

The perceptual approach is similar to the *perceptual measurement-individual attribute approach* of James and Jones (1974). This approach postulates that Organizational climate originates in the individual, which is in direct contrast to the aforementioned approach which views Organizational structure as the basis of Organizational climate (Moran & Volkwein, 1992). According to this approach, the individual interprets and responds to the situation in a way that is psychologically meaningful to him/her. In following **Figure** illustrates how, in this approach, the individual perceives the Organizational conditions and then creates a psychological representation of the climate. The term "Organizational conditions" refers to the structural characteristics highlighted in the previous approach but is more encompassing in the sense that it includes Organizational processes such as communication, influence, leadership and decision-making patterns (Moran & Volkwein, 1992). This is similar to what Schneider and Hall (1972) refer to as summary or global perceptions. According to them, global perceptions of an organization emerge as the result of activities, interactions, reactions and a range of daily encounters the person has with the organization. Hence, climate is reflective of personal and Organizational interaction.

Figure No.02: A Visual Representation Of How
The Individual Perceives Organizational conditions Creating A Representation Of Climate

Source: Moran & Volkwein (1992, p. 25)
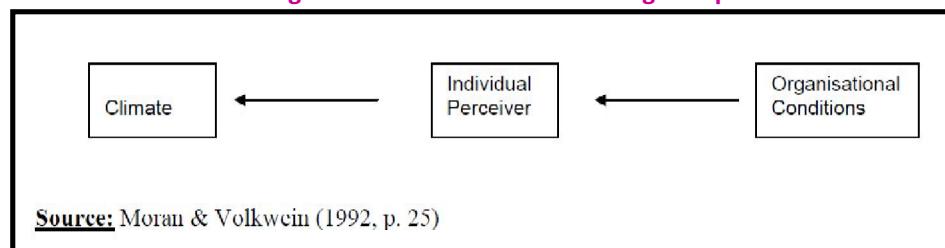
The perceptual approach can yield aggregate climates in two ways. In both instances, psychological traits form the basis of climate.

The first way in which aggregate climates can develop is referred to as the selection-attraction-attrition (SAA) approach of Schneider and Reichers (1983). According to this perspective, the authors postulate that the combination of Organizational selection processes and individual processes of attraction to the organization and attrition from the organization leads to the development of a relatively homogenous membership in the organization. This similarity in membership results in similar climate perceptions.

The second way in which the perceptual approach can be used to produce aggregate climate, termed "collective climate" was proposed by Joyce & Slocum (1984). "Collective climates" are created by grouping together Organizational members on the basis of their agreement of psychological climate perceptions. These groupings are made *post hoc,* and include members from the total organization, but do not take into account the formal subunits in the organization.

The interactive approach:-

This approach builds on the aforementioned approaches and combines the objectivism of the structural approach and the subjectivism of the perceptual approach (Ashforth, 1985). The underlying assumption of the interactive approach is that Organizational climate is the result of the interaction of individuals in response to their situation which results in the shared agreement of Organizational members (Moran & Volkwein, 1992).

This approach identifies communication as a key contributor of Organizational climate . Empirical studies conducted by O'Driscoll and Evans (cited in Moran & Volkwein, 1992) and Coetsee and Pottas Zyl (cited in Gerber, 2003) verify communication as a central element contributing to climate. In following **Figure** depicts the relationship between Organizational conditions, the individual perceiver, the interactions of the group members and Organizational climate . From this diagram it is evident that Organizational climate is the result of the members' interaction. This approach provides a link between the structural and the perceptual approaches because it acknowledges that meaning is generated by the individual intentionally interacting with objects and people because it provides meaning for them.

Figure No.03: A Visual Representation of The Interactive Approach

Source: Moran & Volkwein (1992, p. 28)
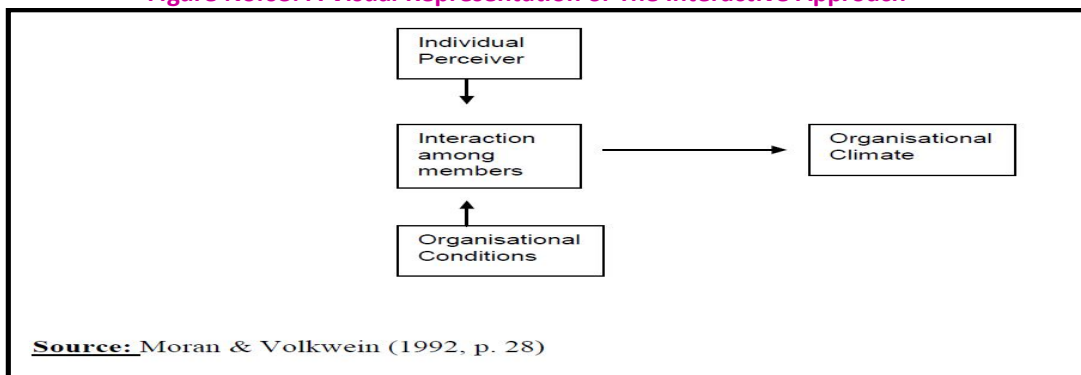
Two sources explain the interactive approach to climate, namely inter subjectivity which is derived from the phenomenology of German philosopher Edmund Husserl and symbolic interactionism which is based on the work of an American philosopher, George Mead (Moran & Volkwein, 1992).

Inter subjectivity refers to the process whereby Organizational members' perceptions, interpretations, values, beliefs and so on are mutually interlinked and in concurrence. Individuals become aware of others with similar experiences and then use these people as role models to establish themselves.

Through awareness of others and by incorporating themselves into the "self", the experiences of others become part of the individual's consciousness.

The cultural approach:-

The cultural approach does not focus on the formal properties of organizations or concern itself with the subjective psychological characteristics of individuals, nor with how individuals combine these two approaches. According to the cultural approach, Organizational climate is shaped by individuals in a group who interact and who share the same abstract frame of reference, Organizational culture, as they learn to deal with the organization's demands (Moran & Volkwein, 1992). This approach emphasizes the interaction of individuals as a source of climate, a view it shares with the interactive approach above. However, the cultural approach includes the role of Organizational culture as a key factor in the development of Organizational climate.

Figure No. 04 : The Cultural Approach To Organizational Climate .

Source: Moran & Volkwein (1992, p. 32)
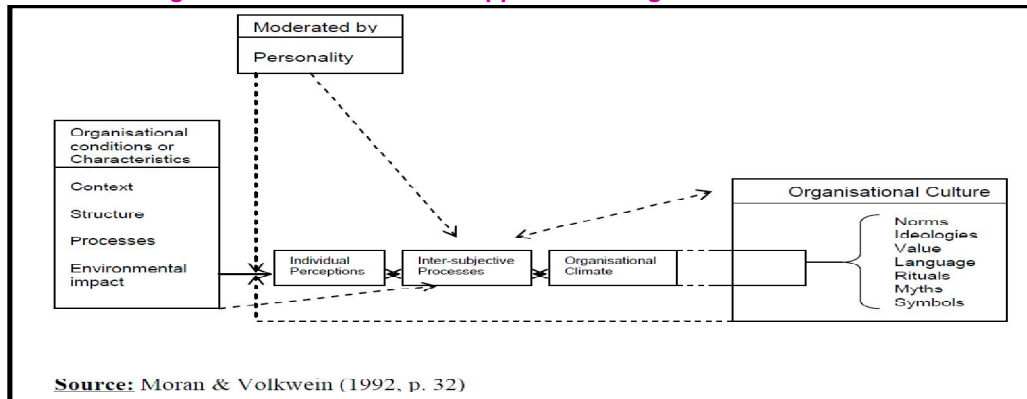
From the above model, it is clear that Organizational climate forms part of Organizational culture. The model illustrates how the individual perceives Organizational conditions, which is moderated by his/her personality, cognition and inter-subjectivity owing to interactions with other individuals. This impacts on Organizational climate. Organizational climate, in turn, is influenced by the culture in the organization, which influences the perceptions of individuals and inter-subjective processes. Hence, while climate has an influence on the interaction in an organization, the interaction shapes the organization's climate and can influence its culture (Moran & Volkwein, 1992). The cultural approach moves away from the structural approach of linking climate to formal Organizational properties as well as the perceptual and interactive approaches that examine the subjective psychological processes. Instead, it emphasises the social arrangements in which cultural features become meaningful.

A Model of Organizational climate:-

Organizational climate was conceptualized and defined in the above sections. In order to gain a deeper understanding of how these concepts are integrated, a model of Organizational climate will now be explored.

This model is suitable for the current research because it explains the relationship between organizational climate and important variables. In addition, it takes into account the various influences on climate, differentiates between the three levels of climate (organizational, group and psychological) and considers the variables and the moderating factors in order to better describe the impact of climate on job-related attitudes and work behaviour. The model is relevant to this study because it involves both constructs of organizational climate and job satisfaction takes and their relationship into account.

Gerber's (2003) model accommodates the concept of organizational culture and highlights its role in the culture and climate relationship as well as its influence on organizational climate. Gerber's (2003) model depicts several influences on climate. These include both internal and external influences, which can be divided into three categories, namely external, organizational and person influences. The way in which individuals observe these influences (perceptions) and form feelings about them (feelings and attitudes) are moderated by the group of which the individual is a member, and the individual's task personality. The quasi-physical, quasi-social and quasi-conceptual facts that individuals perceive are a function of the external, organizational and person variables. Inter subjectivity, the process whereby organizational

members' perceptions, interpretations, values and beliefs are bound together, occurs, and plays an integral role in the subjective observations of the individual (Field & Abelson, 1982).

Psychological climate fulfils a prominent role in this model because it has a direct influence on the individual's cognitive map. Organizational and group climate also have an effect, but to a lesser degree, and is evident in the degree to which perceptual consensus exists at that particular level (Gerber, 2003). Psychological, group and organizational climate influence each other because interactions between individuals and groups. Together, all three play a key role in influencing job behaviours such as job satisfaction.

Figure No.05: Illustrates gerber's (2003) model of organizational climate .

Source: Adapted from Gerber (2003, P. 82)
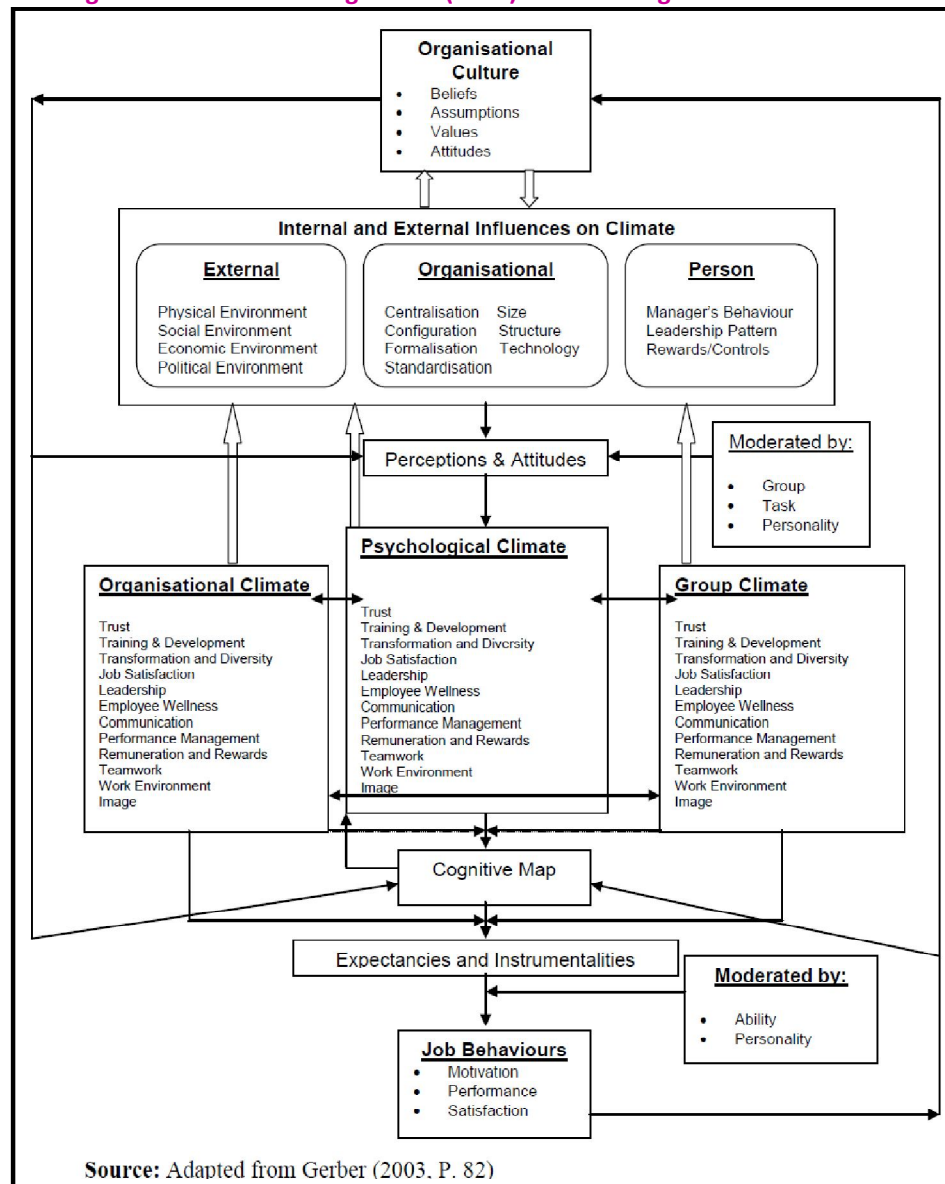
Dimensions of Organizational climate :-

The components of the climate construct can be seen as the characteristics that define an organization and differentiate it from other organizations (Steers, 1977), and which, according to Litwin and Stringer (1968), can be measured and controlled. From the above discussion, it is clear that definitions and approaches to Organizational climate are diverse. In the literature it is evident that the same applies to the

dimensions and measurement of Organizational climate because a wide variety of dimensions are used by various researchers to assess Organizational climate (Davidson, 2000).

According to Patterson et al. (2005) and Jones and James (1979), one of the basic assumptions of the study of Organizational climate is that social environments can generally be described by a limited number of dimensions. For example, one of the most commonly referred to set of dimensions measuring Organizational climate is that of Litwin and Stringer (1968). They identified the dimensions based on organizations that are mainly task orientated and that will describe a particular situation.

Factors Influencing Organizational Climate:

Organizational climate is a manifestation of the attitudes of organizational members towards the organization. Researchers have used the data relating to individual perception of organizational properties in identifying organizational climate. Even in this context, there is a great amount of diversity.

Litwin and Stringer have included six factors which affect organizational climate.
These factors are:
(i) Organizational Structure: Perceptions of the extent of or generational constraints, rules, regulations, red tape,
(ii) Individual Responsibility: Feeling of autonomy of being one's own boss,
(iii) Rewards: Feelings related to being confident of adequate and appropriate rewards,
(iv) Risk and Risk Taking: Perceptions of the degree of challenge and risk in the work situation,
(v) Warmth and Support: Feeling of general good fellowship and helpfulness prevailing in the work setting.
(vi) Tolerance and Conflict: Degree of confidence that the climate can tolerate, differing opinions.
Schneider and Barlett give a broader and systematic study of climate dimensions.

KATZ etal. have identified five factors which affect individual performance in organization:-
(i) Rules orientation,
(ii) The nurturance of subordinates,
(iii) Closeness of Supervision,
(iv) Universalism,
(v) Promotion-achievement orientation.

Lawrence James and Allan Jones have classified the following factors that influence organizational climate:
(i) Organizational Context: Mission, goals and objectives, function etc.
(ii) Organizational Structure: Size, degree of centralization and operating procedures.
(iii) Leadership Process: Leadership styles, communication, decision making and related processes.
(iv) Physical Environment: Employee safety, environmental stresses and physical space characteristics.
(v) Organizational Values and Norms: Conformity, loyalty, impersonality and reciprocity.

RESULTS
Table -: Shows the correlation of organizational climate and job satisfaction different for public and private sector industrial workers.

Correlations

Sector			Organizational Climate	Job Satisfaction
Sector	Public	Organizational Climate	Pearson Correlation	1	.437[**]
			Sig. (2-tailed)		.000
			N	200	200
		Job Satisfaction	Pearson Correlation	.437[**]	1
			Sig. (2-tailed)	.000	

Sector					
Private	Organizational Climate		N	200	200
		Pearson Correlation	1	**.274**[**]
		Sig. (2-tailed)		.000
		N	200	200
	Job Satisfaction	Pearson Correlation	.274[**]	1
		Sig. (2-tailed)	.000	
		N	200	200

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

From the output given above, the correlation between organizational climate and job satisfaction for public sector was r= .44, while for private sector it was slightly lower, r= .27. Although these two values seem different, is this difference big enough to be considered significant? This is the research question.

First, we will be converting the r values into z scores and then we use an equation to calculate the observed value of z (zobs value). The value obtained will be assessed using a set decision rule to determine the likelihood that the difference in the correlation noted between the two groups could have been due to chance.

It is assumed that the r values for the two groups were obtained from random samples and that the two groups of cases are independent (not the same participants tested twice). The distribution of scores for the two groups is assumed to be normal (see histograms for the two groups). It is also necessary to have at least 20 cases in each of the groups.

CONCLUSION:

Organizational Climate is a fundamental construct in work and organizational setting, as it provides an appropriate context for studying organizational behavior, allowing the exploration of individual and group behaviors.

This has resulted in organizational climate being the direct or indirect subject of many behavior projects and emerging as constructs with many behavior consequences and also the subjects gained momentum with the work of litwing and striger who conceptualize organizational climate in relation to influence on motivation and behavoiur. Various definitions and measures of organizational climate have been offered and various reviews of research on organizational climate have appeared.

This approach postulates that Organizational climate originates in the individual, which is in direct contrast to the aforementioned approach which views Organizational structure as the basis of Organizational climate.

According to the cultural approach, Organizational climate is shaped by individuals in a group who interact and who share the same abstract frame of reference, Organizational culture, as they learn to deal with the organizations demands.

Gerbers model accommodates the concept of organizational culture and highlights its role in the culture and climate relationship as well as its influence on organizational climate.

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