

A STUDY ON INFLUENCE OF ORGANIZATIONAL CLIMATE ON THE PERFORMANCE OF EXECUTIVES WORKING IN LIC AT CUDDALORE, TAMIL NADU, INDIA

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Abstract

The organizations world wide now a days facing challenges regarding searching and usage of resources and their optimum performances to boost their economy. Among the resources the human resource is playing vital role filled with knowledge. In such a condition, the organizations can gain the competitive advantage by improving their resources by organizational climate. This intangible resource includes the organizational trust. The trust on anything facilitates a person to acquire and exchange intellectual capitals. Organization with same resources, employees of same caliber and in the same territory may yield different results. It is the upbringing of employees in the organization that makes the difference. The overall atmosphere of the organization influences employees' commitment, satisfaction and consequently the effectiveness of the organization. Climate is the atmosphere that employees perceive and it is created in their organization by practices, procedures and rewards. These perceptions are developed on a day-to-day basis.

Keywords: Organizational Climate, Work Performance, Human Resources.

Introduction

An organization is a complex entity. Each organization has many individuals who perform different functions and roles and are engaged in the pursuit of organizational goals. Each organization operates in terms of a set of policies and procedures, which are sometime clearly laid down while at other times, are in the form of tradition and conventions. To plan, direct and control its various activities, an organization requires superiors who in their day-to-day interactions reflect a variety of leadership qualities and skills in dealing with their subordinates. The total sum of the managerial policies, programme, leadership styles and the individual's perception of his work- create an internal environment within each organization, which accounts for its uniqueness and identity.

The term organizational climate is relatively enduring quality of the internal environment of an organization as perceived and experienced by members, which can be described interims of specific dimensions or characteristics and which influences the patterns of behavior and work performance. To create a healthy atmosphere, at present every organization is attempting to create a favorable environment within the organization, which will ensure better performance and efficiency of the workers. To understand the wants of the employees, the management should have an awareness of the perceptions of the members of the organization. The perception of the employees of the various characteristics of an organization is known as the climate of the organization.

Schneider and Hall (1972) defined climate as individual's perceptions of their organizations affected by characteristics of the organization and the individuals. In the same way, Litwin and Stringer (1968) defined climate as a psychological process intervening between organizational characteristics and behavior.



Objectives

To assess the impact of organizational climate on the performance of executives working in the LIC at cuddalore.

To suggest feasible solutions to enhance the performance of executives working in the LIC at cuddalore.

Review of Literature

Nagaraju & Pooja (2017) compared the perception of employees' about organizational climate working in public and private sector banks through dimensions of organizational climate. Employees' performance can be improved when organizations are employee- centered and achievement oriented. The data was collected from 150 employees of public and private sector banks. Statistical techniques of means, standard deviations and ANOVA were used to analyze the data. The findings indicated that organizational climate significantly differs in public and private sector banks under study. Organizational climate stimulates employees and makes them feel as part of the organization was revealed in the study. In private sector bank, employees have significant high perception about training related to the job and to meet the professional standards which enhances their efficiency and effectiveness of their work.¹

M. Muthukumar and K. Guru (2016) studied the organizational climate and its dimensions in 41 branches in Chennai of Karur Vysya Banks. Organizational climate covered seven dimensions like work environment, team work, management effectiveness, commitment, competency, rewards and recognition. Data collected was analyzed using chi square test. The major findings revealed that employees were widely satisfied with the training provided, had clarity about organizational goals and objectives, employees expect monetary reward.

Yadav, Balaji, Narendra (2016) organizational climate determines the employees' perception and perspectives of an organization. It is referred as the set of measurable attributes of a work environment as perceived by employees. The study aimed at determining the perceived and prevailing climate and its impact on the production. Dimensions of organizational climate help organization to understand employees better to infuse positive changes. The study consisted of primary data obtained from 150 employees. The data was analysed and it was found that three dimensions i.e. structure, risk and conflict was satisfactory perceived while other three dimensions namely warmth and support, responsibility and reward was perceived to be good while one dimension expected approval required the improvement.

M.Muthukumar, K Guru (2016) studied the impact of employee's perception of organizational climate in manufacturing industries at Chennai. Data was collected from 245 employees from 11 industries through multi stage sampling design. ANOVA statistical technique was used for analyzing the data. The findings of the study found considerable difference in the perception about organizational climate by the age, education and experience of the respondents.⁴

Research methodology

This research paper focused on the key functional area of HRM that is organizational climate. The main aim of the paper is to assess the impact of organizational climate on the performance of executives working in the LIC. Basically this paper consists of primary and secondary data. The researcher used the ANNOVA by SPSS for getting the results. The researcher used simple random sampling for the data collection and the sample size is 150.

Analysis and Interpretation

Table 1: Influence of Age of the Respondents on Organizational Climate

Organizational Climate	Age	N	Mean	SD	F-Value	P-Value
Reward	Below 30 Years	38	3.42	0.22	18.221	.000
	31-40 Years	136	4.14	0.54		
	41-50 Years	158	3.82	0.62		
	Above 50 Years	94	4.06	0.70		
	Total	426	3.94	0.63		
Warmth	Below 30 Years	38	3.47	0.49	59.830	.000
	31-40 Years	136	4.31	0.69		
	41-50 Years	158	3.45	0.54		
	Above 50 Years	94	3.43	0.71		
	Total	426	3.72	0.74		
Support and Commitment	Below 30 Years	38	3.49	0.51	59.382	.000
	31-40 Years	136	4.26	0.67		
	41-50 Years	158	3.42	0.50		
	Above 50 Years	94	3.39	0.69		
	Total	426	3.69	0.72		
Structure	Below 30 Years	38	3.32	0.09	8.757	.000
	31-40 Years	136	3.46	0.15		
	41-50 Years	158	3.43	0.20		
	Above 50 Years	94	3.46	0.13		
	Total	426	3.44	0.16		
Risk and Conflict	Below 30 Years	38	3.49	0.04	1.374	.250
	31-40 Years	136	3.45	0.27		
	41-50 Years	158	3.40	0.38		
	Above 50 Years	94	3.40	0.39		
	Total	426	3.42	0.33		
Standards	Below 30 Years	38	3.51	0.23	1.706	.165
	31-40 Years	136	3.51	0.22		
	41-50 Years	158	3.45	0.31		
	Above 50 Years	94	3.44	0.34		
	Total	426	3.47	0.28		

Table 1 shows the mean and standard deviation of the organizational climate with respect to the respondents' age group. ANOVA was performed to identify the existence of mean difference among the different age group of the respondents. Among the six variables, four have significant outcome, while the remaining two dimensions does not have a significant outcome. The insignificant outcomes occurred for the Risk and Conflict ($F = 1.374$; $P = 0.250$) and Standards ($F = 1.706$; $P = 0.165$). This shows that the respondents do not differ with respect to their age towards Risk and Conflict and Standards.

While analyzing the existence of mean difference among the different age groups of the respondents towards reward, ANOVA result shows a highly significant outcome ($F = 18.221$; $p = 0.000$). Post-Hoc Tukey test result confirms that the respondents who are 31-40 years (mean = 4.14; SD = 0.54), 41-50 years (mean = 3.82; SD = 0.62) and above 50 years (mean = 4.06; SD = 0.70) are giving more

importance to the reward compared to the respondents who are in the age group of below 30 years (mean = 3.42; SD = 0.22).

Similarly, in the case of warmth also, respondents differ highly significantly with respect to their age ($F = 59.830$; $p = 0.000$), and the Post-Hoc Tukey test result shows that the respondents who are below 30 years (mean = 3.47; SD = 0.49), 41-50 years (mean = 3.45; SD = 0.54) and above 50 years (mean = 3.43; SD = 0.71) are giving less importance to the warmth compared to the respondents who are in the age group of 31-40 years (mean = 4.31; SD = 0.69).

While analysing the existence of mean difference among the different age groups of the respondents towards support and commitment, ANOVA result shows a highly significant outcome ($F = 59.382$; $p = 0.000$). Post-Hoc Tukey test result confirms that the respondents who are below 30 years (mean = 3.49; SD = 0.51), 41-50 years (mean = 3.42; SD = 0.50) and above 50 years (mean = 3.39; SD = 0.69) are giving less importance to the support and commitment compared to the respondents who are in the age group of 31-40 years (mean = 4.26; SD = 0.67).

Similarly, in the case of Company Structure also, respondents differ highly significantly with respect to their age ($F = 8.757$; $p = 0.000$), and the Post-Hoc Tukey test result shows that the respondents who are 31-40 years (mean = 3.46; SD = 0.15), 41-50 years (mean = 3.43; SD = 0.20) and above 50 years (mean = 3.46; SD = 0.13) giving more importance to the company structure compared to the respondents who are in the age group of below 30 years (mean = 3.32; SD = 0.09).

Findings

While analyzing the existence of mean difference among the different age groups of the respondents towards reward, ANOVA result shows a highly significant outcome ($F = 18.221$; $p = 0.000$). Post-Hoc Tukey test result confirms that the respondents who are 31-40 years (mean = 4.14; SD = 0.54), 41-50 years (mean = 3.82; SD = 0.62) and above 50 years (mean = 4.06; SD = 0.70) are giving more importance to the reward compared to the respondents who are in the age group of below 30 years (mean = 3.42; SD = 0.22).

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Suggestions

1. The organizations has to encourage the executives to perform well.
2. The organizations has to train their executives to perform well.
3. The organizations has to intimate their executives to work on their key performance area.
4. The success of the organization is depends upon executives involvement so to induce their involvement they have to delight them.

Conclusion

organizational climate determines the employees' perception and perspectives of an organization. It is referred as the set of measurable attributes of a work environment as perceived by employees. The study aimed at determining the organization climate and its impact on the executives performance. Dimensions of organizational climate help organization to understand executives better to infuse positive changes. The study consisted of primary data obtained from 150 employees. It was found that three dimensions i.e. structure, risk and conflict was satisfactory perceived while other three dimensions namely warmth and support, responsibility and reward was perceived to be good while one dimension expected approval required the improvement.

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