

A Study of Organisation Climate in an Engineering Organisation

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Abstract

One major attribute that sets successful organisations from unsuccessful one's apart is healthy employer-employee relationship. It is the most important requisite of any successful business organisation. All organisations start with long run objectives but only those survive which contribute effectively to the employer-employee relations. The term healthy employer-employee relationship means a climate in which employees feel motivated to work for the achievement of Organisational goals. In such a climate the employee gets satisfaction out of their job performance in the organisation. They EGO – INVOLVE themselves and give their best as they visualise the organisation as their own. It is a challenge for any management of the organisation to provide a work climate in which everyone will have a chance to grow and mature by working for success of the organisation.

A healthy organisational climate depends, amongst other things, on monetary rewards, structural factors, leadership patterns etc. The management which can achieve the optimum combination of these factors can create a conducive climate for best performance, whereas others are likely to breakdown after prolonged stress.

KEYWORDS : Organisational climate, Independent and dependent variables, advancement, grievance handling, monetary benefits, participation, objectivity, recognition, security, training, welfare

THE PROBLEM

The theoretical literature on Industrial Relations is useful in studying how to develop employer-employee relations which make the climate healthy. But most of this literature concerns organisation of the western countries. The differences in culture, levels of education, standard of living etc. cause serious differences in behaviours of people. It is therefore, necessary to understand peculiar problems in a particular organisation to improve the climate there. This study was intended to investigate into the employer-employee relations and Indian Engineering Organisations using an instrument developed by Professor B. R. Sharma of the Zavier Institute of Labour Relations, Jamshedpur – India. The study throws light on how supervisors perceive Organisational Climate in their Organisations as a result of interaction between their characteristics and some elements in organisational environment.

THE INSTRUMENT

In the instrument, employees have been bifurcated into two categories: supervisors and labourers of the organisation. For studying human relations, the organisational

climate has been studied with a help of variables like advancement opportunities, monetary benefits, participation, welfare, security, grievance handling policies, recruitment policies, training facilities and recognition. The data was collected with the help of a questionnaire where each variable was given three questions. The responses on these questions were to be given twice once in relation to supervisor management relations (SMR) and then in relation to labour management relations (SMR). The questions were asked in parts to bring objectivity in answers.

THE USE OF INSTRUMENT FOR STUDY

The dependent variables, supervisor management relations and labour management relations were denoted as (X1) and (Y1). The dependent variables were to be assessed on a *six-point scale*. The respondents were asked to give their responses on all the nine independent variables as they were the factors which influenced the dependent variables i.e.

supervisor management relations and labour management relations. These independent variables influencing the organisational climate are:

- i. Advancement and Regular Career Development denoted as X2 for SMR and Y2 for LMR
- ii. Grievance Handling as X3 for SMR and Y3 for LMR
- iii. Monetary Benefits as X4 for SMR and Y4 for LMR
- iv. Employee Participation as X5 for SMR and Y5 for LMR
- v. Objective Policies of Organisation as X6 for SMR and Y6 for LMR
- vi. Recognition of Employees as X7 for SMR and Y7 for LMR
- vii. Job Security as X8 for SMR and Y8 for LMR.
- viii. Training Facilities Provided as X9 for SMR and Y9 for LMR
- ix. Employee Welfare as X10 for SMR and Y10 for LMR

The summed up responses of the respondents on different independent variables were then related to the dependent variables, SMR (X1) and LMR (Y1) to see whether there existed a causal relationship between employer-employee relations and the organisational climate. In case of relationship between the two, an effort was made to ascertain which factors were major influencers of the SMR and LMR and which ones were of little influence to the organisational climate.

SAMPLE SELECTION AND DATA COLLECTION

The study is based on random sample of 80 supervisors of a reputed engineering organisation in North India. Respondents were people in the middle of hierarchy who are sand-witched between highest grade of workman staff and the management of a company. The sample constituted 30% of the supervisors of the organisations. 126 questionnaires were distributed out of which 80 were received duly filled.

OBSERVATIONS

The study has been about the organisational climate which attracts or deters people towards the organisation. It is a significant potential that can be developed much

better than what it actually is in the organisation. The observations have been obtained in regard to SMR and LMR from 80 supervisors belonging to different age, experience and economic status groups. It was felt that they should be able to present a true picture of the existing organisational climate.

The respondents assessed SMR on the healthier side. Superiors were perceived as adequately content in their relations with management but still a number of independent variables responsible for healthy organisation environment showed a definite scope for improvement. LMR scores also showed signs of healthy climate but yet in order to go deep into the problem the variables were separately treated and their average individual assessment was calculated for supervisors as well as the labours.

The first independent variable, 'scope for advancement', second variable 'grievance handling policies of the organisation' were perceived better for supervisors than labours. Monetary benefits as a third variable were assessed higher for labours than supervisors because supervisors were not paid overtime like labourers. In general, participation was assessed lowest among all factors considered. The factor was assessed higher for supervisors than labourers. Respondents assessed objectivity in the organisation and the recruitment policy of the organisation quite high.

There was no significant difference in the assessment scores given by respondents to SMR and LMR for objectivity. This suggested that objectivity existed at all levels in the Organisations.

'Security' was most highly assessed independent variable suggesting that there is no danger to Job Security in the Organisation though it was a little higher for Supervisors.

The last two variables i.e. Training and Welfare were not assessed as high as Job Security variable. Training Scores were higher for Supervisors than Labour. This score showed enough scope for improvement on this variable. There were minimal differences between welfare score given by respondents for labour and supervisors. This suggested that Organisation was looking after Labours as well as the Supervisors equally well as far as their welfare was concerned.

RECOMMENDATIONS

After examining the perception of supervisors regarding variables in organisational climate, we may venture to make some suggestions for improving organisational climate. It has been noticed that scores assigned to advancement, grievance handling, participation and training leave scope for improvement. In order to look into the extend of relationships between different variables, an exercise was undertaken to calculate the coefficients of correlation between SMR and independent variables & LMR and independent variables. This has been shown in the table below:

TABLE SHOWING THE CORRELATION OF DEPENDENT VARIABLES WITH THE INDEPENDENT VARIABLES									
X1	X2	X3	X4	X5	X6	X7	X8	X9	X10
SMR	ADV	GRI	MON	PAR	OBJ	REC	SECURITY	TRG	WELFARE
1.000	0.4989	0.4877	0.1654	0.5012	0.8590	0.5929	0.9689	0.3410	0.0866
Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
LMR	ADV	GRI	MON	PAR	OBJ	REC	SECURITY	TRG	WELFARE
1.000	0.0135	0.353	0.9501	0.0857	0.7804	0.1041	0.7808	0.0772	0.1066

ADVANCEMENT: ADV TRAINING FACILITIES: TRG
 RECOGNITION OF EMPLOYEES: REEMPLOYEE PARTICIPATION:
 PAR
 GRIEVANCES HANDLING: GRI MONETARY BENEFITS: MON
 EMPLOYEE WELFARE: WELFARE OBJECTIVE POLICIES: OBJ
 JOB SECURITY: SECURITY

It was noticed that SMR was more correlated to security and objectivity than any other variable, suggesting that the Supervisors placed more importance to these variables for assessing the climate of organisation for themselves. Similarly, it was found that labour placed more importance on money and security than any other factor according to the respondents. This analysis throws up quite obvious suggestions to the management that there is a need for making objective policies for developing supervisors in order to make them feel secured in the organisational environment. An increase in the monetary rewards to the labour will also help in improving overall organisational climate.

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