



## Organizational Climate in Information Technology (It) Companies With Special Reference to Chennai City – A Study

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### ABSTRACT

*Organisational climate plays a vital role in all kinds of industry, in particular, Information Technology – IT services Sector has influence from various internal and external factors of the organisation. The main aim of the researcher is to identify the employees' perception towards different dimensions of organizational climate and the influence of demographic variables such as gender, educational qualification etc., in employees' perception of organizational climate. The outcomes of the research concludes that the employees of IT Companies perceive organisational climate positively.*

**KEYWORDS :** Organisational climate, HRD climate, information technology industry, IT companies

### INTRODUCTION :

The organisational climate plays a vital role in organisational performance and employees' satisfaction towards the organization. Organisational climate is the heart beat of the organisation. At present, every organisation is attempting to create a favourable atmosphere within the organisation, which will ensure better performance and efficiency from the workers. Litwin and Stringer(1968, cited in Pincus, 1989), defined organizational climate as a set of measurable properties of the work environment perceived directly or indirectly by the people who live and work in the environment and assumed to influence their motivation and behaviour. Organisational climate within an organisation refers to how organisational environments are perceived and interpreted by its employees. Organisational climate as suggested by West *et al.*, (1998) refers to the perceptions that organisation member's share of fundamental elements of their organisation.

### OBJECTIVES OF THE STUDY:

The present research is mainly focus on identifying the dimensions of organisational climate and the extent of employees' satisfaction on those dimensions. The main objectives of the study are:

1. To identify the employees' perception towards the various dimensions of organisational climate.
2. To investigate the factors, that has influences on Organisational Climate.

### RESEARCH METHODOLOGY:

The research static community includes, the employees (both Technical and Non- Technical) working in TCS and Infosys (based on NASCOM industry ranking Top IT 2012-2013) 100 employees from each company selected using convenience sampling technique (Non-probability sampling technique). The sample size is 200; the primary data collected through specially designed questionnaires to measure organisational climate for this study. Out of 200 samples, 128 were males and remaining were females. The questionnaire has 50 statements grouped under the following ten dimensions: 1.working conditions, 2.Job satisfaction, 3.Leadership processes 4.Managerial structure and policies 5.Performance and Reward relationship 6.Personnel policies 7.Participative management 8.Social values 9.Role clarity 10.Respect. The internal consistency of the instrument was assessed by Cronbach's alpha. All constructs were expected to have higher reliability than the benchmark of 0.70, the cut-off level of reliability recommended for the theory testing research (Nunnally and Bernstein 1994).

**Table 1. Reliability Statistics**

Cronbach's Alpha	No. of Items
0.977	50

The table 1 indicates **Reliability statistics**, the cronbach's alpha of the used instrument is 0.977 for the 50 items given, which shows that reliability of the instrument is excellent.

**Table 2. Organisational climate- Dimension-wise Statistics**

S.No	Organisational climate-Dimensions	Mean	Std. Deviation
1	Working conditions	19.58	3.00
2	Job satisfaction	21.05	4.87
3	Leadership	20.59	4.69
4	Managerial Structure and Managerial policies	18.86	3.70
5	Performance Reward relationship	20.68	4.99
6	Personnel Policies	20.73	4.75
7	Participative Management	19.83	5.04
8	Social Values	20.03	4.60
9	Role Clarity	20.30	5.00
10	Trust	20.46	4.57
	Total Means for Organisational Climate	20.21	

**Table 2 Organisational climate- Dimension-wise Statistics** illustrates the mean and standard deviation of the given dimensions of organizational climate. It is surmised that job satisfaction has the highest mean of 21.05, followed by the following factors namely personnel policies (20.73), performance reward relationship (20.68), managerial structure and managerial policies (20.59), trust (20.46), role clarity (20.30) and social values (20.03). All the other dimensions of the organisational climate are at moderate level. Overall, the total arithmetic mean of organisational climate is 20.21, which indicates that the surveyed IT companies has good organisational climate.

**DATA ANALYSIS AND DISCUSSIONS**

**Table 3. Individual Means – Working Conditions**

S.No.	Working conditions	Mean	S.D
1	My organisation provides safe and healthy working conditions to its employees.	4.52	0.838
2	My company offers flexible working hours for the convenience of its employees to have work Life balance.	3.18	1.380
3	My organisation provides tables and chairs designed with proper ergonomics for the comfort of employees to concentrate on work.	4.26	1.019
4	Our management replaces computers, printers and other network and communication devices before it becomes obsolete.	3.77	1.332
5	I receive all information to do my work.	3.84	1.411
	Over all Mean	19.58	3.005

From the table no 3, Individual Means – Working Conditions, it is interpreted that the respondents opined that they have safe and healthy environment have the highest mean of 4.52, followed by comfort ability of furniture with the mean of 4.26. The other elements of working environment are at moderate level. Flexible working hours in the company has lowest mean of 3.18

**Table 4. Individual Means – Job Satisfaction**

S.No.	Job satisfaction	Mean	S.D
1	We have better remuneration policy (Pay scale and perks) when compared with many other organisation in IT Industry	4.38	0.927
2	Adequacy of job security is there in my organisation	3.81	1.489
3	My organisation has career advancement channels for all kinds of employees	4.22	1.085
4	My job provides me with the opportunity to learn new skills and develop new talents	4.19	1.127
5	Over all I am satisfied with my job	4.46	0.945
	Over all Mean	21.05	4.87

From Table 4. Individual Means – Job Satisfaction, it is concluded that majority of the respondents were satisfied with their job (Mean 4.46). Most of the respondents have agreed that they are satisfied with pay and remuneration policy of the organization with the mean value of 4.38.

**Table 5. Managerial Structure and Managerial Policies**

S.No	Managerial Structure and Managerial Policies	Mean	S.D
1	Excessive procedure and unnecessary detailed information are avoided in this organisation	4.15	1.106
2	Here the people are always well informed about the matters going around them	3.81	1.292
3	My Organisation always gives importance on Quality assurance, Client satisfaction and continuous improvement in the Software Development processes and its deliverables	4.38	1.086
4	My organisation has good vertical and horizontal communication channels.	4.18	1.106
5	I can meet my Project Manager /CEO / Managing Director/ any other Top Level Executives at any time	4.07	1.205
	Over all Mean	20.59	4.69

The respondents' satisfaction towards Managerial Structure and Managerial policies (Table 5) having the overall Mean value of 20.59. In particular, the importance given by the company quality assurance and client satisfaction has highest mean of 4.38, which is followed by communication channels of the company was mean 4.18.

**Table 6. Individual Means – Leadership**

S.No.	Leadership	Mean	S.D
1	I feel the company always identifies and encourages the leadership qualities to develop future leaders for the organisation	3.25	1.271
2	I gets the support of my superior when there is a problems at the work place	3.72	1.244
3	I have access to my superior (HR Manager /Team Leader / Project Manager) for my personal / project/ work matters of importance	4.13	1.101
4	My innovative ideas, concepts has been accepted and appreciated by immediate superior immediately.	3.66	1.302
5	My immediate superior and Senior executives always encourages and gives feedback about my performance	4.10	1.246
	Over all Mean	18.86	3.70

Table no 6. Individual Means–Leadership indicates that, the mean values for leadership measures are all above mean 3.2, in particular access to the managers shows good sign with the mean of 4.13 and encouragement and feedback by superiors having the mean of 4.10.

**Table 7. Performance Reward Relationship**

S.No	Performance Reward Relationship	Mean	S.D
1	Employees who contribute to the company's productivity and efficiency an invariably appreciated with due award here	4.17	1.096
2	Periodic Performance Appraisal of employees has been done by the immediate superiors / HR Executives/ Top Level Executives, the results and rating are communicated to the employees.	4.24	1.095
3	Employees here rewarded in proportion to the excellence of their performance	4.01	1.232
4	Performance appraisal of employees are transparent and done in impartial manner	4.14	1.199
5	In this organisation there is a direct relationship between performance and rewards	4.12	1.148
	Over all Mean	20.68	4.99

Performance Reward Relationship (Table 7) elements also shows the highest mean of 4.24. All the elements of performance reward relationship are having the mean of 4.01 and above.

**Other Findings :**

- The employees of the company were very much satisfied with the personnel policies (Table 8) of the IT companies.
- Participative Management, the respondents opined that the immediate superior consult with them during goal setting with the mean of 3.88, which is comparatively lesser than mean of other variables.
- Social values show the variation of the means from 3.43 to 4.41, the respondents were less agreement with the statements, such as "organization gives special attention in fulfilling the social needs of the workers, thereby increase their social values", and "Our management encourages its members to take part in professional clubs, e-forums", with the mean values of 3.45 and 3.85 respectively.
- Role clarity, the respondents were strongly agreed with role clarity in the organisation and have the overall mean of 20.30
- Most of the respondents were having trust on their colleagues, and they felt that their colleagues were also having the trust on them.

**CONCLUSION:**

This research is attempt to find out the organisational climate of IT companies in Chennai City. In this research, the researcher found that the employees of IT companies were highly satisfied in the taken dimensions of organisational climate, except in few such as Managerial Structure and Managerial policies, participative management, work-

ing conditions and Social values in which mean values slightly lower than other variables. The IT companies may give some more importance to provide flexible work timings to ensure work-life balance, adequate job security, work committees to discuss day-to-day problems, and allowing employees to take part in social service and cultural programmes.

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