

Influence of Organisational Climate on Employee Commitment And Job Satisfaction At A Manufacturing Firm In Chennai

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Abstract— Employee commitment and job satisfaction are influenced by the organizational climate. It is a thorough investigation into planning the organizational climate to compete and achieve its long-term goals in a stable market setting. Employee views of their company's economic environment or internal work environment are referred to as organizational climate. The key is to increase employee performance within the organization as human capital is by far the most valuable asset that can sustain an organization's long-term viability. The aim of this research is to learn more about how organizational environment affects employee commitment and job satisfaction in a manufacturing industry. This study was undertaken to know about the employee commitment and job satisfaction in the organization, to determine the factors influencing the employee commitment and job satisfaction, to identify the benefits of employee commitment and job satisfaction, to understand the attitude of employees, to understand about employee job satisfaction level, to know about employees' commitment and their opinions towards work. Descriptive research design is used for this project. The statistical tools used were regression, chi square, independent t-test, one-way Anova were used for analysis.

Keywords: *Oorganisational climate, Employee commitment, Job satisfaction.*

I. Introduction

The study of an organization's climate is needed to gain insight into critical dimensions such as communication, teamwork, innovation, employee satisfaction, morale, and so on. The efficiency of the company is determined by all of these factors. If there is two-way communication and workers are cooperative and have a positive view of the company, the organization would be more efficient. Employee's perception about the climate influences the

employee's involvement and commitment to the organization. So, the belief of employees about the organizational climate helps the organization to achieve the goals of the organization. In today's volatile and competitive climate, a company's ultimate growth and survival are dependent on its employees' expertise, skills, and capabilities; however, both are much more dependent on directing those skills and knowledge toward the company's goals. Only a happy employee will be committed to his or her job, show ingenuity, and strive to meet the needs of the company, only a happy employee will be committed to his or her job, show ingenuity, and strive to fulfil the needs and desires of the company's customers. As a result, in today's world of fierce global competition, almost every organization is looking for ways to improve employee commitment and steer them (the employees) toward achieving the company's goals. For company executives, this means incorporating both traditional and motivational measures into the employee motivation process. Employee satisfaction and motivation are the cornerstones of modern human resource management, since quality motivation programs are the best way for an organization to maximize its competitive edge and value. Previous motivational concepts are becoming insufficient and counterproductive, making it necessary to create and implement new ones; their development and flexibility can significantly contribute to employee satisfaction and performance. This research explores how organizational climate affects employee satisfaction, motivation, and commitment to their careers. The paper will investigate the importance of job satisfaction and motivation for company success in order to find an answer to this issue.

II. OBJECTIVES

- To determine the factors influencing the organization climate
- To find the impact of organisation climate on employee's job satisfaction
- To study the influence of organisation climate on employee's commitment,

III. LITERATURE REVIEW

1.Raja, Dr. C. Madhavi, Dr. S. SANKAR, Employee commitment: Suraj Punj Journal for Multidisciplinary Research, Organizational climate on Employee commitment in manufacturing sector, Volume 9, Issue 3, 2019.

Importance should be given for enhancing the intrinsic motivation of employees, among the factors of organizational climate. It is executing effective managerial policies for strengthening and maintaining the relationship between climate and employee performance.

The top management should give its support to the employees and make communication with them to create cordial relationship and best work environment. In this study is a useful starting point to gain a deeper insight into organizational climate factors and their influence on the employee performance.

2.Yee Poh Li, Ananthalakshmi Mahadevan, Employee commitment: the impact of organizational climate on employee performance, International Journal of Accounting & Business Management, Vol. 5 (No.1), April, 2017

The influence and impact that an organizational climate can bring on the employee performance should be always aware. It is important to understand what the necessities of the employees are when creating and implementing the goal of enhancing the organizational climate. Thus, the understanding of the significance of organizational climate and employee performance cannot be ignored to identify the success or failure of the company and execute the suitable programmers that boost up the performance level in the organization in both long and short term.

3.Javad Eslami and Davood Gharakhani, Job satisfaction and commitment: Organizational Commitment and Job Satisfaction, ISSN 2225-7217, VOL. 2, NO. 2, March 2012

since this study only investigates Iranian employees, hence, the findings and conclusions drawn from this research are representative of the Iranian employees, and the findings may not generalize to other geographic regions or cultures. Future studies can also examine the proposed relationships in other countries.

4.Ms. Ruchi Arya, Dr. Monica Sainy Employee Engagement: The Impact of Organizational Climate on Employee Engagement, Volume 4, Issue 1 (April,2017) ISSN 2350-1316

In the literature, it is possible to see lots of studies dealing with many variables such as personality, emotional intelligence, organizational justice, trust, perceived organizational support and ethical climate which led employees to show counterproductive behaviours. Among all these, limited numbers of studies referring to organizational climate are available. In this respect, this study aims to investigate the impact of organizational climate on counterproductive behaviors. Therefore, it is believed that this study will contribute to and fill the gap in the literature.

5.Jeevan Jyoti, Job satisfaction: Impact of Organizational Climate on Job Satisfaction, Job Commitment and Intention to Leave: An Empirical Model Vol. 1, No. 1; March 2013.

The study has several limitations which provide opportunities for future research. First no attention was given to demographic variables. Many studies have demonstrated that gender, designation, age has significant impact on job satisfaction (Sharma and Jyoti 2006). Commitment has been measured on the basis of single statement and no consideration has been given to its different kinds viz., affective, normative and continuance. Third, this study modeled recursive relationships i.e., only one-way causal flows have been considered. There may be existence of reciprocal relationships that needs to be explored

6.Vijayalakshmi C, Benita S Monica, M S Siranjeevi Sivakumar, Job Satisfaction: a study on impact of organizational climate on job satisfaction, Vol-3 Issue-4 2017

The organization should concentrate on the organizational factors such as decision making, trust and fair remuneration to have an ethical organizational climate and job satisfaction. With the advent of the importance of leadership and performance evaluation as two of the most important organizational climates to achieve job satisfaction dimensions, it is necessary for the companies to have leaders who are conscious and aware of various leadership skills. These companies also should evaluate the performance of their employees according to objective criteria based on competence and merit.

IV. RESEARCH METHODOLOGY

THE RESEARCH DESIGN USED FOR THIS STUDY IS DESCRIPTIVE RESEARCH METHODOLOGY. IN THE DESCRIPTIVE RESEARCH SURVEYS ON THE FACTS ARE DONE TO FIND ABOUT THE ISSUE AND THE FACTORS PREVAILING IN THE COMPANY REGARDING ORGANIZATION CLIMATE. THE SAMPLE WAS DRAWN FROM EMPLOYEES OF PRIVATE LIMITED COMPANIES BASED IN CHENNAI. ON PROBABILITY SAMPLING NAMELY CONVENIENCE SAMPLING HAS BEEN USED FOR THE PURPOSE OF THIS STUDY. THE SAMPLE SIZE TAKEN FOR THE STUDY IS 76 RESPONDENTS BASED ON THEIR RESPONSES THROUGH QUESTIONNAIRES.

V DATA ANALYSIS AND INTERPRETATION

CORRELATIONS

GENDER AND CAREER GROWTH OPPORTUNITY

		Gender	career growth opportunities
Gender	Pearson Correlation	1	.027
	Sig. (2-tailed)		.814
	N	76	76
career growth opportunities	Pearson Correlation	.027	1
	Sig. (2-tailed)	.814	
	N	76	76

Inference:

From this output, we infer that the two variables how often the gender and their career growth opportunities are related, then, it are positively correlated.

CORRELATIONS

EDUCATIONAL QUALIFICATION AND CLEAR UNDERSTANDING

		Educational Qualification	clear understanding
Educational Qualification	Pearson Correlation	1	.185
	Sig. (2-tailed)		.110
	N	76	76
clear understanding	Pearson Correlation	.185	1
	Sig. (2-tailed)	.110	
	N	76	76

Inference:

From this output, we infer that the two variables how often qualification and clear understanding are related, then, it is positively correlated.

CHI-SQUARE TESTS

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	2.515 ^a	4	.642
Likelihood Ratio	3.274	4	.513
Linear-by-Linear Association	.001	1	.971
N of Valid Cases	76		

a. 4 cells (40.0%) have expected count less than 5.

The minimum expected count is .46.

The Chi square test was undertaken to find if there is an association between gender and perception of career growth opportunities. Null hypothesis is accepted because significance is more than 0.05

LEVEL OF COMMITMENT – EDUCATIONAL QUALIFICATION AND AGE

Model Summary

Mode		R	Adjusted R	Std. Error of
1	R	Square	Square	the Estimate
1	.089 ^a	.008	-.019	.797

a. Predictors: (Constant), Educational Qualification, Age

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	.368	2	.184	.290	.749 ^b
Residual	46.316	73	.634		
Total	46.684	75			

a. Dependent Variable: level of commitment

b. Predictors: (Constant), Educational Qualification, Age

Coefficients^a

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
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	B	Std. Error	Beta		
1 (Constant)	2.254	.309		7.285	.000
Age	-.140	.191	-.085	-.733	.466
Educationa l Qualificati on	.024	.122	.023	.194	.847

a. Dependent Variable: level of commitment

FRIEDMAN TEST SATISFIED -LEVEL OF COMMITMENT

Ranks

	Mean Rank
satisfied	1.55
level of commitment	1.45

Test Statistics^a

N	76
Chi-Square	3.556
df	1
Asymp. Sig.	.059

Inference:

The mean rank is more for satisfied of employees, thus the statistically significant difference in perceived effort depends on, $\chi^2(2) = 3.556$ $p = 0.059$

FULLFILLED PROFESSIONALY-ADDITIONAL RESPONSIBILITIES

Ranks

	Mean Rank
fulfilled professionally	1.48
additional responsibilities.	1.52

Test Statistics^a

N	76
Chi-Square	.429
df	1
Asymp. Sig.	.513

Inference:

The mean rank is more for Additional responsibilities of employees, thus the statistically significant difference in perceived effort depends on, $\chi^2(2) = 0.429$ $p = 0.513$

ONE WAY ANOVA VIEWS AND OPINION-HIGH WORK MORALE

		Sum of Squares	D f	Mean Squar e	F
views and opinions	Between Groups	3.021	1	3.021	5.273

	Within Groups	42.400	74	.573	
	Total	45.421	75		
high work morale	Between Groups	1.023	1	1.023	1.524
	Within Groups	49.661	74	.671	
	Total	50.684	75		

ANOVA

		Sig.
views and opinions	Between Groups	.024
	Within Groups	
	Total	
high work morale	Between Groups	.221
	Within Groups	
	Total	

VI DISCUSSIONS

The demographic profile of the respondents indicates that majority of employees were male. The age band with most employees are 20-30 years. Many employees are having less than two years of experience. 72% of the respondents feel that growth of career and the opportunities to achieve them were open to the employees to explore. 84% feel that their superiors have guided the employees whenever the problems or the situation arises. 88% of the respondents feel that appreciation for the positive outcomes were abundant in nature. Around 50% of the respondents felt that their views were considered during decision making. 85% felt that relationships among their colleagues were very much healthy. Employees were fulfilled with the current compensation and some were neutrally satisfied with the compensation and benefits.

From the Correlation analysis, we infer that the two variables gender and career growth opportunity are related, we find it is positively correlated. From the multiple regression analysis, A multiple regression established that held accountable is statistically predicts improvement. $R = .169$. A Linear regression established that level of commitment is statistically predicts improvement. $R = .089$. From Friedman test, the mean rank is more for satisfied, thus the statistically significant difference in perceived effort depends on, $\chi^2(2) = 3.556$ $p = 0.059$ From Friedman test, the mean rank is more for additional responsibility, thus the statistically significant difference in perceived effort depends on, $\chi^2(2) = 0.429$ $p = 0.513$

VII CONCLUSION

The project was aimed at analyzing Influence of Organizational climate on employee commitment and job satisfaction. I would like to conclude that the vast majority of employees are actively involved in the organization. Some suggestions were made based on the feedback received to improve the levels of Employee Commitment and Job Satisfaction. According to Richard Branson's famous quote, "Clients do not come first." Employees are prioritized. If you take care of your employees, they will take care of your clients." By focusing more on the employees and implementing some more innovative, beneficial measures to take care of them and make them feel engaged in the work they do, the organization can reap productive results and profits.

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