

“A Role Of Organizational Climate In Job Performance Among Employees In The Granite Industry”

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Abstract

The purpose of this study is to explore the role of organizational climate as a predictor of the job performance of employees from Granite industry in Telangana State. Data was collected from questionnaire survey. Questionnaire designed through the processes included literature review, interviews, pre-test, and pilot test. Exploratory factor analysis, analysis of variable (ANOVA) and regression analysis were employed to analyze the respondent data. The results indicate that there is a significant positive relationship between organizational climate and job performance among employees in Granite industry.

The findings indicate that organizational climate explains 47.7 percent of the variations that occur in job performance. The most important dimension affecting job performance is Leadership and satisfaction, which together explain 52.9 percent of the variations that occur in job performance. The study concludes with limitations and future research suggestions to enhance organizational climate in Granite industry, Telangana State.

The results show direct effects of organisational factors (leadership, strategy, HR practices and entrepreneurial orientation) on organizational climate configuration. The relationship between organizational climate and performance is significantly positive while the direct effect of some human resource practices on organizational outcomes such as efficiency (training vs. efficiency, employee involvement vs. efficiency) was

negative.

Keywords: Organizational climate, Job performance, Employees and Granite industry.

Introduction

Many organisations ignore organisational climate, therefore, employees' work engagement and effectiveness might be very low. The organisational climate namely constitutes the way individuals in an organisation perceive and characterise their environment in an attitudinal and value-based manner. Perceptions may, for example, include notions of cooperation, leadership support, trust, fairness, friendliness, conflicts, performance standards and commitment. Steinke et al. (2015) argued that organisational climates reflect employees' perceptions of the policies, practices and procedures that are expected, supported and rewarded in regard to the human resources of the organisation. Also, Ahmad et al. (2018) summarise that organisational climate is regarded as a meaningful component with significant implications in human resource management and organisational behaviour. Therefore, regardless of the size of organisation, it is important that organisation build an excellent relationship with its employees. For example, according to Hamidianpour et al. (2015) organisational climate has positive and significant impact on employee's creativity in Granite Industry. Organisational climate also has positive and significant impact on entrepreneurial orientation in small and medium-sized organisations. But medium-sized organisations are already relatively big and owners or managers may not be able to manage employees as they should, medium-sized organisations identify poor management skills, especially entrepreneurial skills, as hampering their growth. This is why it is important to discuss about the organisational climate issues in medium-sized organisations and to highlight the importance of human resource issues when organisation is growing (Hornsby and Kuratko, (2013). It is not the case that organisational climate is more or less important in bigger or smaller organisations, it is the case that with growing of organisation the requirements towards its governance and management tasks are changing, so awareness of that

should also rising. Therefore, this research wants to put attention to governors and managers of medium-sized organisations, because the organisational climate components might need more of their attention.

One of the organizational factors that have a significant impact on the performance of employee's organizational climate, Research about organizational climate starts with an analysis of the current level of the individuals and focus on what are involved in the conditions of the psychological climate. For this reason, organizational climate is one of the main concepts in organizational behaviour. A suitable organizational climate leads to innovation and inspiration in the Granite industry and has a positive role in reaching organizational objectives. Accordingly, managers should always monitor the organizational climate.

The organizational climate makes a critical link between the organizations leaders and the organization itself. Organizational climate serves as a measure of individual perceptions or feelings about the organization. The organizational climate is reflected in the organizations objective to develop its employees by providing them good working environments and conditions and assisting and supporting them so they can achieve job performance, all of these enhance

The performance among the employees towards the Granite industry, many studies have shown that organizational climate has positive effects on job performance. Specifically, organizational climate variables (e.g., Motivation, Decision making, Communication, Leadership and Goal setting) are significant predictors of job performance. An association between the organizational climate and job performance of employees, it helps to clarify the concept of role in organizational climate in job performance, which has been shown to be a reliable predictor of employee behaviours, such as turnover and absenteeism. As a result, employees performance to the Granite industry is a crucial issue in today. Many researchers have sought to evaluate the factors that contribute to forms of organization climate. As such, the aim of this study was to assess the role of organizational climate in job performance of employees in the Granite industry environment.

Review of Literature

James and Jones (1974) stated that their work about organizational climate. A review of theory and research, where they defined organizational climate as a construct referred to the manner in which organizational members perceive the work environment within that organization and its impact on their individual psychological wellbeing. They recommended make a differentiation between climate regarded to organizational attribute and climate regarded to an individual attribute.

Schneider (1975) explained the essay about organizational climate. He presents an evidence regarding the importance of climate, which refers to the perception of the people about their work settings, each work organization probably creates different kinds of climates and is related to the outcome behaviour and the unit of analysis. An important conclusion in this work is the different conceptualization between organizational climates.

Koene et al. (2002) stated that, the organisational climate may influence smaller organisations differently from larger organisations. Small and medium-sized organisations represent a simpler and more integrated social system, with fewer people, fewer hierarchical levels and less subdivision of work. This changes with growing of an organisation and, therefore, shows the importance of researching organisational climate components impact in different size of organisations

Schermerhon, Osborn, Bien and Hunt (2012) stated that the better performance depends on the overall performance of the organizations that is directly linked with human resources, in other words, employees. Although technology is important as it has a great impact on employee performance in a number of ways, people are the necessary human resources whose knowledge and performance are important for advancing the purpose, mission and strategies of an organization.

George and Jones (2012) defined the organizational performance can be defined as the collective performance of individual employees whereas individual employee performance is defined as an evaluation of the results of a person's behaviour: determining how well or

poorly a person has accomplished a task given and it is found that motivation, personality and ability are the important factors affecting employees' performance.

Objectives of the Study

- To study the role of organizational climate in job performance of employees in Granite industry
- To assess the organizational climate factors that affects the performance of employees in Granite industry.
- To investigate the relationship between organizational climate and job performance of employees in the Granite industry environment.

Materials and Methods

This correlation descriptive study was done through a cross-sectional method in two Granite industries in Telangana State, in year of 2022. A total of 90 employees from different units of Granite industry contributed to the study. The sampling technique for personnel selection was stratified random sampling in proportion to the number of personnel.

Measurement of Tools

In order to evaluate job performance, Allen and Meyer's job performance standard questionnaire, which comprises 24 questions, was used. And analysed, where their sum determines the overall score for job performance. Questions 1 to 8 assess involvement, Questions 9 to 16 measure Task oriented, and Questions 17 to 24 evaluate work achievement. The questions are designed based on a 5- point Likert system ranging from "Completely disagree," scored 1 point, to "Completely agree," scored 5 points.

Considering the standard questionnaire, the face and content validity of this questionnaire were confirmed by soliciting the opinion of three experts, and the reliability of the job performance questionnaire was obtained to be 0.80 (Cronbach a coefficient Z 0.80).

In order to analyse organizational climate, we used the original Organizational Climate Description Questionnaire developed by Halpin and Croft.

Table 1. Descriptive Characteristics of respondents.

	Variables	Frequencies (N)	Percentage (%)

Sex	Male	73	81.8
	Female	17	18.2
Age (Years)	<30	27	29.2
	30-40	37	42.9
	>40	26	27.9
Marital Status	Single	11	11.4
	Married	79	89.6
Experience (Years)	<10	43	47.8
	10-20	35	38.9
	>20	12	13.3

Source: Primary data computed

The respondents were asked to indicate their agreement or disagreement with the questionnaire statements with respect to their organization on a 5-point Likert scale ranging from “Very much disagree,” scored 1 point, to “Very much agree,” scored 5 points. The reliability of the organizational climate questionnaire was calculated using the Cronbach a coefficient (0.91). Considering the standard questionnaire, the face and content validity of this questionnaire were confirmed by three experts.

Statistical methods

In order to interpret the data, data description was carried out using measures of central tendency (mean) and standard deviation. Also, in the inferential section, the research hypotheses were tested based on statistical methods. Therefore, after extracting and importing the data into a computer, SPSS 11.5 software was used to analyse them. In order to measure correlation between the variables, Pearson’s correlation methods were used.

Table 2: Descriptive statistics of organizational climate and dimensions

Variables	Maximum	Minimum	Mean	SD
Community sprit	12.75	2.25	3.69	1.11
Disturbance	4.75	1.00	2.36	0.86
Interest	5.00	1.75	3.49	0.63
Devotion	5.00	2.00	3.54	0.59
Others	7.25	1.00	2.96	0.92
Avoidance	5.00	1.50	3.07	0.63
Influences	5.00	1.00	2.82	0.91
Focus of work	4.50	1.00	2.77	0.77

Organizational climate	4.16	2.28	3.09	0.38
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Source: Primary Data computed

Results

A total of 90 questionnaires were returned (response rate Z 90%). Descriptive characteristics of the respondents are presented in Table 1. As specified in Table 1, the participant groups with the highest percentages were married women, women aged between 30 and 40 years, and women with professional experience shorter than 10 years. Descriptive statistics of organizational climate and its dimension are presented in Table 2. Table 2 indicates that the highest mean score (3.69) as perceived by the employees was related to community spirit.

Table 3. Correlation results between organizational climate and job performance.

Variables	r- values	p- values
Organizational Climate and Job performance	0.269	0.01

The Pearson correlation coefficient was used for testing the correlation between organizational climate, its subscales and job performance. Table 3 indicates a significant and positive correlation between organizational climates with job performance of the respondents ($p \geq 0.05$).

Discussion

The aim of this study was to determine the relationship between organizational climate and job performance of employees working in the Telangana State Granite industry. The results indicated a positive and significant correlation between organizational climates with job performance. Other results showed avoidance of organizational climate has a significant positive relationship with work involvement and focus on task with work achievement and continuance.

Table 4. Standardised path coefficients for proposed model

Hypothesized path	Link direction	Path coefficient (β)	Effect size (f^2)	Standard error
Leadership with job performance	Positive	0.654*	0.419	0.083
Employee relations and job performance	Positive	0.347*	0.231	0.031
Employee commitment with job performance	Positive	0.401*	0.355	0.03
Employee satisfaction with job performance	Positive	0.517*	0.399	0.031
Employee motivation with job performance	Positive	0.477*	0.352	0.031

The results in Table 4 show that leadership has a positive effect on the work engagement of older employees ($\beta = 0.654$, $p < 0.001$) in granite organisations in Telangana. The value of Cohen's coefficient ($f^2 = 0.419$) is higher than 0.35 and shows that the effect of predictive latent variables is of high strength. In addition, employee relations have a positive effect on the job performance of older employees ($\beta = 0.352$, $p < 0.001$) in granite organisations in Telangana. The value of Cohen's coefficient ($f^2 = 0.241$) shows that the effect of predictive latent variables is of medium strength.

Findings

The study finds that the job performance is positively correlated with organizational climate, job performance and personal and professional variables. Both job performance and organizational climate are strong predictors of employee's performance. Job performance is positively related to some personal factors, including years of experience, nationality, gender, and marital status. Level of education is negatively related to performance.

The direct relationship between avoidance of organizational climate and assigning the work indicates that improving this component can increase employees involvement in the performance. The positive and significant relationship between focus on work output and continuance task confirms the nature of such commitment, that is, the need for income and employment benefits and perceived risks in leaving the organization. The significant and positive relationship between focus on work out put and involvement indicates that an emphasis on improved

performance would increase employee's commitment to duty.

According to the results of the study, efforts to improve the organizational climate could be a valuable strategy for improving employees performance. Thus, Granite industry management should try to understand the organizational climate and its factors in order to increase performance in their employees. Granite industry can create a positive and desirable climate for employees in order to increase their responsibility to remain with the organization, try to reach organizational goals and create emotional attachment and enjoy staying at the Granite industry.

In addition, because change starts from the self, managers should be familiar with the organizational goals and be committed to achieve them in order to be good examples for employees and to create influence and motivation with their behaviour. The research confirmed the relationship between organizational climate and some aspects of job performance, which should be considered for the Granite industry, human resources management strategies.

Our study has taken a step further in our field of research. However, our study also had some limitations. First, this study was cross-sectional and thus, generalization of its findings should be done with caution. Also, the analyses of data were all self-reported. These limitations should be kept in mind.

Research Implications

The findings of this study have a limited generalize ability due to the fact that all measures used are based on self-reports. Future research may be directed to other objective measures of performance.

Practical implications

Emphasis should be placed on effective supervision, empowerment and a better reward system. Cultural diversity is a reality for most Granite Industry in India; therefore, they need to adopt effective human resources strategies that aim to improve performance and retention of qualified workers and build a high performance based on

empowerment, open communication and appreciation of impact of national culture on work attitudes.

Conclusion

This paper has analysed the role of organizational climate and job performance of employees in the Granite Industry environment, then to identify the important characteristics in the evolution of the concept.

Organisational climate is one of the important indicators which affect organisational and employee performance. A supportive work environment will result in engaged employees who enjoy their work. It therefore comes as no surprise that work climate is an excellent predictor of organisational and employee performance and an employee would be able to perform well only when he or she is work engaged.

In the case of organizational climate construct, our propose produce fruitful in sights. The top path showed a coherent evolution. Our research present that the concept is divided by periods, where the first period try to conceptualized the organizational climate term based on the staff, the second period study the instruments to measure both of the organizational climate and job performance. With systematic reviews about organizational climate topic other researchers had already identified the most important articles in this field and that we showed in the main path. So the Granite industry management should give more consideration on working staffs and developing the organizational climate their needs, it will be increase their performance.

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