CHAPTER – II: OBJECTIVES AND METHODOLOGY

Organizational climate may make or mar the organizations. Good organizational climate is instrumental in organizational excellence and objective realisation. The organizational climate is also called as ‘the organizational atmosphere’ is a set of work environmental natures able to be measured based on collective perception of the people living and working in the said environment and shown to influence their motivation and behavior. Pleasant work atmosphere enables to be stimuli for members of organization to work optimally so that producing the optimal performance. On the contrary, if the work atmosphere is unpleasant, it will decrease the work spirit, so that it produces less optimal performance. Each organization is demanded to continuously improve its performance and effectiveness in order to be able to survive in this era of globalization. One of the important elements considered capable of improving the performance and effectiveness of organization is the will / drive of employees to be willing to make extra-role performance, in addition to the in-role one. Commitment of employees has a positive impact to attitude and behavior of employees to support the achievement of organizational goals. Commitment is evaluated as an important mediator for strengthening the work motivation of employees to improve the performance.

Organizational climate affects organizational performance by influencing employee motivation. In most jobs, there is a gulf between what employees need do to “get by” and what they can do if they perform at their fullest potential. A positive organizational climate is said to be the catalyst that will encourage this discretionary effort and commitment. Organizational climate varies from organization to organization and from time to time in case of the same organization. Organizational climate may have positive or negative effects on employee behavior and, in turn, organizational performance. Recognizing the affects of organizational climate on organization performance, increasing interest is shown in understanding and application of organizational climate.

HRD climate is an integral part of the prevailing general organizational climate which may include characteristics such as: importance given to human resource, openness of communication, encouragement given to risk-taking and experimentation, feedback given to employees to make them aware of their strengths
and weaknesses, a general climate of trust, faith in employee's capabilities, employees' tendency to assist and collaborate with each other, team spirit, tendency to discourage stereotypes and favoritisms, and supportive personal policies and practices. For a positive HRD climate to prevail within an organization, it must be built on eight important culture characteristics identified by Rao and Abraham (1990). These characteristics are: Openness, Confrontation, Trust, Autonomy, Pro-Action, Authenticity, Collaboration and Experience (OCTAPACE). However, organizations differ in the extent to which they are able to align with these characteristics.

**STATEMENT OF THE PROBLEM**

It is a fact that the attainment of objectives of organization significantly depends upon the Human Resources Development Climate. Human Resource Development has a number of qualities that make it an attractive candidate to focus on in an exploration of link between organizational development level characteristics, training and development, employer and employee relations, welfare measures and employee role satisfactions. Human Resource Development has a relative consistency but can be managed and done well provided the superiors take necessary initiative to develop the subordinate by creating a developmental climate in the organization. Secondly the presence of HRD Climate allows us to distinguish between organizations, whereas, organization structure and strategies can be copied in reality.

The present study is aimed at assessing the extent of organizational climate in general and HRD climate in particular prevailing in the organization and its influence on the level of employee satisfaction and performance.

**REVIEW OF LITERATURE**

Organizations become dynamic and growth oriented if their people are dynamic and proactive. Every organization can do a lot to make their people become dynamic and proactive towards proper selection of such people and by nurturing their dynamism and other competencies. Organizations cannot survive beyond a point unless they are continuously preparing their employees to meet the challenges and have an impact on the environment. Thus Human Resource Development and delight is an essential process for organizations survival and growth. An optimal level of
“development Climate” is essential for facilitating Human Resource Development. Such a delightful climate can be characterized as consisting of some tendencies on the part of the organizations like, treat the people as the most important resource, developing the competencies in the employees, encouraging risk taking and experimentation, recognize strength and weakness of employees through feedback, team spirit. Supportive Human Resource Development practices including performance appraisal, reward management, job rotation, career planning, etc. In what follows the review of literature is attempted to focus the organization and Human Resource Development Climate.

Swaha Bhattatcharya, & Monimala Mukherjee, in their study, stated that there is a positive relationship between organizational climate and work motivation as expressed by the employees of private sector organization. Organization structure, proper communication channel, good pay package, promotion, reward system, etc., affects the work motivation of the employees. Besides this, duration of service has significant impact upon perceived organizational climate and work motivation.

Srinibas Dash & Mohapatra, J, in their study, stated that by providing the right type of climate in the organizations, the employees can be helpful to give full contribution to their potential, to achieve the goals of the organization, and thereby ensuring organization of human resources.

Gitali Choudhary, in her study stated that development of an organization depends upon the organizational behavior and organizational behavior is affected by the behavior of individual employee. Management should consider employees viewpoints and take some continuous feedback from them, so that organizational climate can be maintained as healthy and best.

Rakhee Mairal Renapurkar, in his study, stated that organization could try to make the HRD Climate more conducive to develop potential and competencies of the employees and provide opportunities for fulfillment for building a positive, motivating work culture which would ensure optimum utilization of the capabilities of the team members leading to self and organization effectiveness.
Pushpa Veni. K & Ramachandran P\textsuperscript{68}, in their study, stated that the organizational climate plays a major role in the performance of the employees and the success of every organization. There is a very strong effect of the organizational climate on the morale and satisfaction of the employees of the organization. Needless to say, each organization has its own organizational climate that clearly distinguishes it from other organization.

Saket Jetswani & Sumita Dave\textsuperscript{69}, in their study, stated that organizational climate has a significant impact on turnover intention of faculty members. The study results revealed that orientation and reward management are the two antecedents of organizational climate, which has an inverse significant impact on turnover intention.

Mane.S.V\textsuperscript{70} in his study, stated HRD climate is moderate due to Poor and Fair HRD practices in milk processing organizations in Pune region and need to improved as per the scientific way in order to enhance the HRD Climate and sustain in today’s global competition.

Bhaskar Purohit & Ashok Wadhwa\textsuperscript{71}, in their study, stated that the dominant climate in the organization was for dependency motive while the backup climate for the organization was for the control motive. The study consisted that 66 staff including 12 class I doctors specialists, 14 class II doctors and 40 class III staff.

Nawab Ali Khan & Sheema Tarab\textsuperscript{72}, in their study emphasize that the need for every organization is to continuously develop its employees competencies in a planned way and brings into sharp focus the importance of roles, which employee play in their respective organization.

Birajit Mohanty, etal.\textsuperscript{73} in their study, stated that a congenial HRD Climate is essential for sharpening competencies as well as motivating employees to perform exceptionally and the impact of HRD climate on job performance can further be strengthened by augmenting the attention of management on employees development and having more effective reward management system and a better psychological climate.
Kilam I.K, Neeraj Kumari\textsuperscript{74}, in their study, stated that the effective performance of human resources depends on the type of HRD Climate that prevails in the organization, if it is good, then the employees’ performance will be high, if it is average, the performance will be low.

Richa Chaudhary, etal\textsuperscript{75}, in their study the results show that overall HRD climate in the organizations under study is good. The employees’ perception regarding the HRD climate is significantly better in the private organization in comparison with public sector organizations.

Parikshit Joshi & Anuj Srivatstava\textsuperscript{76}, in their study, stated that the HRD climate of the organization is conducive for the development of the employees and organization as well however various shortcomings are found in the implementation of the HRD system. The study consist a sample of 48 members and 300 employees.

Benjamin Akinyemi\textsuperscript{77}, in his study, stated that the nature of developmental environment in two leading Rwanda based telecommunication and insurance companies and found that the prevailing Hunan Resource Development Climate within both organizations is congenial.

George Rodrigues & Purushothama Gowda\textsuperscript{78}, in their paper conclude that by provision of better physical facilities, strengthening the reward system, maintaining better interpersonal relations, job security, and promotion facilities enhances level of satisfaction that leads to better organizational climate.

Ajay Solkhe, & Nirmala Chowdhary\textsuperscript{79}, in their paper, concluded that there is a significant relationship between job satisfaction and HRD Climate and any positive change in HRD climate and its components will bring about positive changes in job satisfaction and in turn the Organizational Performance in positive manner.

Raji Reddy.N\textsuperscript{80}, in his study, stated that organizations can be effective only when proper Organizational climate is built, by and setting up goals, developing managerial value system, greater consciousness of social responsibility and institutional arrangements.
Subramani. A.K & Akbar Jan.N\(^{81}\), in their study, organizational climate of employees in orchid chemicals depends upon the major factors such as organizational culture, work environment, safety and negotiation. It is found out in the study that the top level executives are very much enthusiastic in implementing the HRD elements, management policy in favor of HRD, Performance appraisal and organizational development for the smooth conduct of organization. However, Organizational climate conditions are yet to be implemented in its true sense with organizational development.

Anurag Singh & Mishra A.K\(^{82}\), in their study, two questionnaires i.e., organizational climate questionnaire and occupational stress index were used to collect data from 402 executives working in 8 reputed informational technology operating in Gurgaon in the state of Haryana Statistical methods like correlation and regression method were used to analyze the data. Results show that all correlation coefficients between organizational climate variables and occupational stress are significant and positive.

Saraswathi. S\(^{83}\), in her paper stated that positive HRD climate renders the existing system more effective and makes the organizations more receptive to the introduction of relevant additional system. Congenial HRD climate is important for the purpose of contribution of employees which determine the success of organization. Thus an optimal level of HRD climate is essential for facilitating HRD. This study aimed at assessing the extent of developmental climate prevailing in manufacturing and software organization in India. This study revealed that three variables, namely general climate, HRD mechanisms and OCTAPACE culture are better in software organizations compared to manufacturing.

Balamurali. B and Pragadeeswaran S\(^{84}\), in their study, stated that HRD Climate is an important key to employees’ satisfaction, motivation and performance. The study revealed that there is uniformity of perception about various attributes of organizational cultures among the employees of J.K. Textile industry. The employees have different educational qualifications and varying years of experience, their perception about organizational processes is uniform and positive.
Zulfquar Ahmad, etal\textsuperscript{85}, in their study stated that the satisfaction of employees with organizational climate is predictor of better performance. Organizational climate is having direct bearing on employee’s satisfaction. The satisfaction of employees with organizational climate enhances positive organizational outcomes, efficiency, productivity, organizational commitment and cohesiveness of co workers while it reduces negative outcomes such as turnover, deviant behavior at work, absenteeism and stealing company property etc. The results show that majority of the managers were satisfied with organizational climate both in local and multinational organizations.

Rabia Imran, etal\textsuperscript{86}, in their study, ‘Organizational climate as a predictor of innovative work behavior’, examine the predicting the role of organizational climate innovative work behavior. It also examined the effect of organizational size on innovative work behavior. The study carried out on a purposively selected sample of 320 managers from Fast Moving Consumer Goods engineers countrywide. The results revealed that significant positive impact of opens systems model and rational goal model on innovative work behavior.

Smita Gupta\textsuperscript{87}, in her study, focus on needs to look at the climate for innovative support, which is influenced by and interacts with other sub systems in the organization and results also suggests that if the climate for innovative support is provided to the employees, then they are likely to remain committed to the organization. And finally it can be summarized that the climate for innovative support and perceptions of procedural fairness are important indicators of the organizational commitment. The factors that can strengthen the bond between the organization and its members are degree of affective and continuance commitment within the employees towards their organization. And finally conclude that organization should place high priority of providing adequate climate for innovative support in order to increase the organizational commitment of employees, so the organizations can provide effective procedures for implementation of human resources practices and provide the employees a high quality working environment and in return the organizations may get more devoted employees.
Srimannarayana.M\textsuperscript{88}, in his study, pointed that OCTAPACE culture has been more prevalent that HRD mechanisms and general HRD climate, training and performance appraisal appear to be more mature practices rather than career planning, rewards and employee welfare. This paper aimed to explore extent of Human Resource Development climate prevalent in manufacturing organizations in India, and concluded that a moderate HRD climate has been prevalent in the organization.

Paula Bernsen, etal\textsuperscript{89}, in their study stated that there is an association between learning strategy and workplace climate, and also found an association with leadership style, but to a lesser extent. In the hospitality industry, a deep learning strategy was linked to a heavy workload, while surface learning strategies were associated with a transactional leadership style. These findings suggest the need for further research into the conditions under which workload and leadership style can enhance a strategy to learning.

Prabhajot Kaur Mahal\textsuperscript{90}, in his study, examines the influence of organizational culture and climate on the level of motivational among 100 adult employees working in Ranbaxy with the help of various questionnaires. In particular, organizational climate factors include environment, team work, management effectiveness, involvement, reward and recognition, competency and commitment. These factors have been found to influence the motivation and viewed as a multidimensional construct. The findings contribute that formulation of continuing model to help managers to effectively manage and develop employees for higher organizational effectiveness.

Avinash Kumar Srivatsav\textsuperscript{91}, in his article, pointed out that organizational climate depends on the perception of organizational members and influences their motivation and behavior. The nature of organizational climate was investigated by measuring 6 climates motives on 453 executives in a large Indian public sector industry using motivational analysis of organizational climate. It is revealed that organizational climate in the company under study is not homogeneous, but heterogeneous a better appreciation of differences in employee behavior across the company which would facilitate easier identification of underlying problems and designing the required solutions. This knowledge has potential to enhance the
prospects of successful organizational change and lead to easier and more effective implementation of organizational strategies and policies.

Prakash R. Pillai, in his study observed that, the level of the learning orientation of the employees working in the banks is highly influenced by the learning and development climate fostered by their organizations. Competent employees are the greatest assets of any organizations. In order to maintain and develop their competencies, the employees should have an open mind for learning and change. This proactive approach can be generated by providing adequate opportunities as well as motivation for the employees by fostering a supportive and favorable climate for learning in organizations.

Srimannarayana M, in his study concluded that moderate HRD climate was prevailing in the organization in India. Category wise, it is observed that the OCTAPACE culture was more prevalent than HRD mechanisms and general HRD climate. A comparative analysis reveals that the organizations in manufacturing sector could provide better HRD climate that service and IT sector organizations. He concluded that overall HRD climate in India has improved marginally over a period of time. The top management in the respective organizations might therefore adopt human resourced practices by investigating a considerable part of their time and other resources to ensure the development of employees.

Pooja Purang, in her paper, highlighted that the role played by various human resources practices in improving commitment and reiterate. It is imperatives for the human resource managers, striving to build a workforce committed to the organization to formulate policies and practices that are perceived positively by employees. An important concern for human managers today is to help to develop a workforce committed to the organizational goals. As a committed workforce would tirelessly work and aspire for the higher performance that makes an organizational successful. This study shows that to improve the organizational commitment of managers, the focus should be given to human resource development climate prevalent in the organization.
Somendu Biswas\textsuperscript{95}, in his study, pointed that perceptions of an employee about his/her level of job satisfaction. This paper studies that influence of psychological climate and transformational leadership on job satisfaction which leads to better levels of employee performance. Furthermore, it is postulated that in such a general climate of enhanced employee’s performance, there shall be an increase in organizational effectiveness.

Anu Singh Lather & Harsha Sharma\textsuperscript{96}, in their study address all the important issues of training climate and the role played by various stakeholders in developing this. Importance of developing favourable training climate and negative impact of unfavorable training climate has been explained. To assert the organizations rightful place, organizations has to come out from the periphery of corporate wheel to the centre of corporate functioning and contribute proactively towards attainment of organizational objectives. This requires that training professionals should show commitment towards enhancing value of trainings. The process of training delivery is mediated by pre and post delivery training factors which have an influence in constructing favourable or unfavorable training climate.

Avinash Kumar Srivatsav\textsuperscript{97}, stated that the perception of climate across the qualification levels within the same organization is not uniform, while ‘dependency-affiliation’ climate prevails in the low and high qualification levels; ‘dependency-control’ prevailed in the medium qualification level. In low qualification level, ‘expert influence and extension’ were stronger and ‘control’ was weaker, making climate more functional as compared to medium qualification level. Extension was the weakest climate motive across the qualification levels.

C. Vijay Bhanu\textsuperscript{98}, in his article, stated that the success or failure of an organization depends primarily on the efficiency of human resources. Hence human resource of the organization must be better developed and utilized for the success of organization. Hence a favourable human resource development climate in every organization is essential for its success. For this purpose, the management must take some steps to create a favourable human resource development climate in the organization.
Kauyshik Kundu⁹⁹, in his study makes a review of the significant research works on organizational climate. Based on the earlier studies, organizational climate can be broadly classified under 3 principal approaches namely:

- MMOAA (Multiple Measurement-Organizational Attribute Approach)
- PMOAA (Perceptual Measurement-Organizational Attribute Approach)
- PMIAA (Perceptual Measurement-Individual Attribute Approach)

The first approach emphasizes on organizational model, taxonomy, context and structure. Second approach considers organizational climate is a set of attributes and delves into the question that how the organization deals with its member’s perception and third approach enquires into the individual perceptions on the organizational environment. Finally, this concept considers shared individual perceptions of work environment and also considers the influences like technology, demographics etc. He found that the strategies context of collective climate is one of the effective models for diagnosing organizational climate.

James Thomas Kunnanatt¹⁰⁰, in his study, revealed that as a result of such as control, dependency, and affiliation undergo a u-turn transformation giving way to the functional and conducive climate and findings tend to prognosticate that when implemented well the ISO 9000 system could function not just as a quality enhancement instrument but in addition as a useful tool for strategies change management that could truly hold the potential for transforming both the character and performance of organizations.

Feza Tabassum Azmi, Richa Sarma¹⁰¹, in their study, stated that organizational culture is hypostasized to play a decisive role in the development of a unique corporate identity. This identity provides an organization within the opportunity to attain strategic leadership and this study is based on the concept of OCTAPACE culture is a new concept, which is useful to compare with foreign counterparts.

M. Srimannarayana¹⁰², in his study stated that, HRD climate pertaining to the banking business leads to the conclusion that supportive personnel policies and practices enhance the HRD climate. A good deal of lip sympathy without any commitment towards and conviction for HRD keeps the climate at an average level.
Appropriate personnel policies and procedures could be put in place for the implementation of employee potential and employee behavior. When implemented, an investigating HRD climate will be prevalent and an organization can make use of this climate for its growth in the competitive environment.

Gopalakrishnan E.R & Saktheivel Murugan M\textsuperscript{103}, in their study, stated that, organizational climate has a major influence on human performance through its impact on individual motivation and job satisfaction. A sound organizational climate is a long-term proposition, which provides a type of work environment in which individual feels satisfied or dissatisfied. Satisfaction of individual goes on a long way in determining his efficiency, and concluded that organization can be directly related with his performance in the organization.

Krishnaveni R, & Ram Kumar R\textsuperscript{104}, in their study, stated that “HRD climate” helps the employees to acquire traits that would enable them to play their present or future expected roles and aids in developing their capabilities for organizational development. A person’s behavior is the outcome of several factors or motives. Motivation is one of the important factors affecting human behavior. This study makes an attempt to analyze and determine the relationship and impact of HRD climate on motivation need satisfaction (Role) of the individuals in the organization. Findings indicate that in all the cases, the relationship is positive and in some cases, it is highly conflated, which shows that HRD climate has a definite impact on motivational need satisfaction. HRD of the individual’s on the organization, which in turn leads to the overall performance of the organization.

Monica Sharma & Anjali Ghosh\textsuperscript{105}, in their study, shows that the personality traits of openness to experience and self-efficacy are good predictors of perception of participation safety and vision among the nursing staff. Openness to experience has shown high predictability with all the three dimensions of organizational climate where as agreeableness has not shown significant predictive value with any of the facets of shared perception of climate approach among nursing personnel. Findings indicate that the nursing staff in ICUs of hospitals with open, flexible and broadminded, care for shared perception approach regarding organizational policies and procedures.
A.K. Srivatsav\textsuperscript{106}, in his study, stated that comprising 3 functional motives namely, achievement, expert influence and extension, and 3 disfunctional motives namely, dependency, control and affiliation was measured for 453 randomly selected respondents from a large public sector industry, using MAO-C instrument. Dependency has been found to be the dominant climate. Affiliation was is the backup climate. Extension is the weakest in the organization, strong inter correlation exists among the 6 climate motives, expect for the pairs: 1) Expert influence-extension 2) Extension and affiliation 3) control-affiliation which are not correlated. With the exception of dependency-affiliation pair, these correlations are found to be positive, when both the variables in the pair represent functional climate or when both of them represent dysfunctional climate. On the other hand, they are negative when one of the variables involved represents functional climate and the other variable represents dysfunctional climate. Dependency is negatively correlated with affiliation even though both these represents disfunctional climate.

Factor analysis at the 6 organizational climate motives or variables brought out that organizational climate is operating in the organization in two ways. 1) Larger goal orientation and 2) friendly relationship orientation, represents the two meta motives of climate prominently operating in the organization. Generally the organizational members either focus on attaining the larger goals like making oneself relevant to others, identifying with the larger goals, working for attainment of goals, striving for excellence, or they focus on maintaining friendly relationships.

Avinash Kumar Srivatsav\textsuperscript{107}, in his study, Self- Role Distance emerged and personal inadequacy emerged as determinants of Achievement, having a negative relationship. Qualification level, Self-Role Distance and Personal inadequacy emerged as Expert Influence with the first two factors having negative relationships and the last factor having a positive one. Role overload and personal inadequacy emerged as determinants of Control, with the first and third factors having positive relationships and the second factor having a negative one. Irrespective coping strategy emerged as a determinant of Affiliation, having a positive relationship.

S.A. Mufeed\textsuperscript{108} in his study suggested that creating a favourable HRD climate in the organizations and sustenance of competitive advantage through committed and dynamic people. Favourable HRD climate is widely recognized in both developed as
well as developing countries as one of the important considerations for development of suitable man power in the health sector in order to achieve the goal of health for all and pride for employees.

Kunal K. Majee\textsuperscript{109}, in his study, said that selecting the right person at right time at right place creates a remarkable performance due to very good Human Resources Climate. H.R. Climate is booming by developing some special areas like performance appraisal, counseling, organizational development, Job enrichment, potential appraisal, etc., and also stated that HRD climate is unavoidable for companies or any organization with an eye on the future, and also expressed that Human resource climate is the lifeblood of any organization.

Lewlyn, L.R. Rodrigues\textsuperscript{110}, undertaken a study to compare the HRDC in the engineering institute with that in a public sector based on seven dimensions reflecting the nature of the HRDC. The HRD policies and practices have been tested in the industries since inception and are found to be effective in enhancing performance and he concluded that the overall HRDC seems to be satisfactory in both the public sector as well as the institution.

Kalpana Sampath\textsuperscript{111}, in her study, stated that today’s organizational context knowledge workers form significant portion of employees in knowledge based organizations. Their paradigm is found to be different from the traditional industrial labour. While the organizational climate dimensions that were considered motivating earlier have moved on to being basic expectations, the organizations are challenged to take a deeper look into the kind of organizational climate that is required to nurture these knowledge workers. The researchers future actions include development of an instrument that can measure these CORDS (convergence and connectivity, openness to new ideas/innovation, relationship orientation, development and continuous knowledge updation, and sensitivity) and collect large scale data from organizations employing knowledge workers. This will enable human resource practitioners and organizations to understand the employees better and build appropriate retention strategies.
Avinash Kumar Srivatsav\textsuperscript{112}, in his study discussed that organizational climate is a conceptually investigated synthesis of organizational characteristics. Different functional assignments in an organization place differing demands on the concerned individuals, which offer different kinds of work environment and experience and hypothesized that people working in different functional areas within the same organization would differently perceive the organizational climate. Organizational climate was measured across R&D, quality, production and miscellaneous functions in public sector organizations, using MAO-C, instrument, involving 453 randomly selected executives.

Dr. Souvik Ghosh\textsuperscript{113}, in his study, observed the investigation revealed that the overall organizational climate has a direct bearing on the present utility of performance appraisal. Modification of existing performance appraisal system and/or implementation of development oriented performance appraisal system is very much required to improve the PAC leading to a satisfactory level of overall organizational climate. This would be aimed to gain confidence of personnel by making their participation in the appraisal system, providing feedback to them to improve subsequent performance, professional growth, competence, giving reward and support to their employees.

Sanjay Kumar Singh & Paramjeet Kaur Dhillion\textsuperscript{114}, in their study, dealt with the relationships of organizational climate with organizational stress in newspaper industry and the sample under study were the staff reporters/correspondents of newspapers. Findings indicate that perceptions of internal environment of organizations is negatively related with the felt role stress on the part of all the groups of newspaper reporters.

Agarwal M, & Sudeepa Bose\textsuperscript{115}, in their study, stated that, study was conducted on a sample of 205 managers and supervisory personnel from 2 private sectors and 2 public sector manufacturing organization in North India. Results revealed that a climate that provides system-support for innovation, interpersonal trust between the superior and subordinate, participation in decision-making and member welfare significantly predicted perceptions of procedural fairness in the human resource practices of both the private and public sector organizations. In addition,
perceptions of procedural fairness were also predictive of member’s role efficiency in both the types of organizations. Findings indicate that irrespective of the form of the organization, managements attempt to develop the role efficiency of members requires the creation of positive work environment which enables members to perceive as ‘fair’ the procedures used in implementing human resource decisions.

Gelade, etal\textsuperscript{116}, in their study, examined that the relationship between human resource management works climate and organizational performance in the branch network of a retail bank. Significant correlations are found between work climate, human resource practices and business performance. Results shows that the correlations between climate and performance cannot be explained by their common dependence on HRM factors and that the data are consistent with a mediation model in which the effects of HRM practices on business performance are partially mediated by work climate.

Mary Philip Sebastian, & S. Bhargava\textsuperscript{117}, in their study, pointed that interaction effect indicates that decision-making style influences the climate to such an extent that the total rating of climate changes across the two regions and two types of NGO’s. This shows that factors of climate can have strong impact on the overall organizational climate. The interaction effects are clearly pointing to the need of improvement in different aspects of climate in the different organizational studies. Conducting an organizational audit to understand the level of the various indicators of climate will help non-profit organization to decide on a strategy to improve organizational climate.

Dr. K. Uthaya Surian\textsuperscript{118}, in his study, attempted to analyze the perceptions of organizational climate by employees in an organization and to identify the variations in their perceptions among different groups and to find the link between perception of climate and job performance, by conceptualizing climate as an independent variable. Sample was chosen from a well-established organization in Tamil Nadu. A specially designed questionnaire was adopted to elicit the employee’s perception of the climate. Findings suggest that the climate of the organization is moderate and also the dimensions of organizational climate did not receive the same amount of attention and
it also reveals that there exists a positive significant relationship between organizational job performances.

Ganeshan P, V. etal\textsuperscript{119}, in their study, stated that employee relations are the medium through which both employees and the company mutually co-operate for the maximum satisfaction of the economic, social and psychological wants of people. The study revealed that the factors like working conditions, level of supervision, communication, worker participation, interpersonal relationship etc., include the employee relations climate in the organization. By imparting these factors a conducive climate can be achieved. Effective and frequent counseling for the employees and frequent meetings in all levels of the organization would also influence the climate, which would result in improved climate and productivity.

Jai.B.P. etal\textsuperscript{120}, in their study, observed that how traditional societal beliefs affect organizational climate and how the two, independently or jointly, shape managers self perceptions. Results confirmed that the traditional societal beliefs affect organizational climate, but it is the organizational climate that has a joint role to create work-centric and caring organizational culture that can induce employees to perform their task well, and relate with each other meaningfully as well to cause a dent in the societal beliefs of the people at the place where the organization is located.

Howard.M. Purdue\textsuperscript{121}, in his study, observed that over the past years employee’s positive perceptions about a number of areas of work and work place have risen. Management must emphasis employee involvement which increases favourable ratings from employees on having their ideas adopted and put to use. Employee ratings of the company’s insistence on high quality work and the fairness of their performance evaluations systems have both risen. And concluded that a continuing effective process to accomplish these emphasis areas in the utilization of employee opinion survey that become an integral and respected method of measuring the ‘pulse’ of the engine that drives the organization and its human resources.

Prasanna Jackson.T. & VenkataPathy R\textsuperscript{122}, in their study, observed that the small scale organizations have a favourable attitude towards human resource development and this factor is a positive criterion for the implementation of human
resource development practices in the small scale industries. And large organizations must be encouraged to reorient their human resources strategy and give more importance to human resource development. And also stated that importance of using the various HRD mechanisms should be highlighted to the small scale industries and they should be encouraged to adopt the same through some incentives so that a highly favourable HRD climate is created. Organizations should be encouraged the OCTAPACE culture which will pay high dividend in the long run for organizations.

Joseph Wallace, etal\textsuperscript{123}, in their study, stated that the study has mapped out the cultural, climate and managerial values existing in the Victoria Police organization provides valuable evidence and posing some challenges for management in the rapidly changing environment of police within Australia. From the exploratory correlation analysis, sufficient evidence now emerge to deduce that inter relationship between culture, climate and managerial values do exist, and that within the inclusion of the additional dimension of managerial behavior, these inter-relationship and linkage, should be more formally and accurately assessed in an new research endeavor aimed at developing a predictive model of these important constructs and concepts.

A. Gani, Farooq A. Shah\textsuperscript{124}, in his study indicates that the banking employees on the whole, confront a medium intensity stress. The dimension –wise analysis also reveals that on most of the dimensions the employees are generally localized on an average rating of stress, and also reveals that the employees in private sector banks encounter more stress on most of the dimensions that their counterparts in the public sector organizations and expect for “inadequacy of role authority” and “constraint of change” the personnel belonging to clerical cadre, comparatively, affront high power stress. Totally the study reveals that only that there is an overall negative relationship between perceived organizational climates is inversely correlated with each dimension of job stress. Certain organizational climate improving measures have been suggested to reduce job stress of employees so as to improve their job involvement, satisfaction and overall organizational efficiency.
Prasanna Sai Venkateswaran K\textsuperscript{125}, in his study, stated that early identification of Human Resource potential and development of their skill represents two major tasks of Human Resource Development. This can be achieved only when a conducive HRD climate prevails. A favourable HRD climate will provide on increased rate of learning, loyalty, commitment, and company image will bring individuals and the organization closer there by resulting in better performance.

Kampan Mukherjee\textsuperscript{126}, in his study, said that organizational climate which implies work environment created by man-management of the organization is one of the important components of organizational effectiveness. Establishment of a healthy organizational climate leads to job satisfaction and better conditions of work and hence making the organizational more effective and also stated that training and development and participative management represents two motivators which motivates people for growth and development and provide scope for recognition, achievement and increased responsibility.

Venkata Ratnam C.S\textsuperscript{127}, in his study, observed that the role of organizational climate in influencing employer-employee relations in India, as perceived by the first line supervisors stated that, when business climate suffers, management responses to overcome the problem immediately, which shows impact on man-management policies and practices which will have their effect on organizational climate. Organizational climate is influenced by the current position of the firm in the life cycle and the way management arose to respond to the emerging situation and also suggest that management has to practice good personnel policies which will increase the organizational climate for the success of organization.

Srivatsav A.K\textsuperscript{128}, in his study, stated that the employees indicating to have stronger needs for improving their self and competence and for maintaining a high production level and achieving the ultimate goals receive their work to be comparatively more structured. Highly motivated employees who tend to experience comparatively more job satisfaction and get highly involved in their jobs are more likely to perceive their organizational climate as to be more favourable and facilitating. Employees such appreciation of their organizational climate in turn enhances their job as well as personal satisfaction.
Arie. P. Nagel\textsuperscript{129}, in his study, stated that, Organizational Climate is one of the most important factors that determine the effectiveness of Strategic Management. To improve the positive Organizational Climate and to make the strategic management effective, the qualities of managers should be improved.

Baldev.R. Sharma, & P.S. Sundara Rajan\textsuperscript{130}, in their study, observed that dimensions of organizational climate, which together explain 36.63\% of the variation in supervisory-management relations: a) participative management, b) grievance handling c) scope for advancement and d) monetary benefits. And also express a view that a constitutional mandate which has a direct bearing on one of the findings of this study. The constitution of India, in its directive principle of state policy, has directed that the state should secure the participation of workers in the management of undertakings, establishments or other organizations engaged in any industry.

Lee Ginsburg\textsuperscript{131}, in his study, stated that climate change is planned in a systematic fashion and the technique for strategic planning leads them well to climate modification. The strategic planning approach provides an objective method for assessing and evaluating performance in the human resources and management areas.

Mufeed S.A. Rafai, S.N\textsuperscript{132}, in their article, stated that, their paper is an endeavour to identify the major factors responsible for non-prompting of organizational effectiveness among the managerial and non-employees about the prevailing OCTAPACE culture and to know the preventive measures for the same with special reference to Tourism sector. They stated that people support gained through effective HRD policies and practices and elements of HRD climate is the only answer to ensure organizational dynamics, restructuring and managerial excellence, deliver results and meet the challenges of uncertain future successfully. Make over, to make the HRD systems practices more acceptable and result oriented, the Government should fully assist the tourism industry for prompting needs based Training and Development by providing financial support and technical experience.

Rao\textsuperscript{133} in his book, felt that organizations cannot survive a beyond a point unless they are continuously alert to the changing environment and continuously
prepare their employees to meet the challenges and have an impact upon the environment.

Mc Lagan\textsuperscript{134} in his study, identified the HRD roles and competencies required for an effective HRD function. He concluded that HRD is affected by the factors such as greater diversity in the workforce, increased expectations of employees work and also the requirement of judgment, flexibility and commitment on the part of personnel.

Rao\textsuperscript{135} in his book explained HRD instruments, processes and outcomes. He also discussed the HRD functions qualities and competence requirement of HRD function, traps and temptations of HRD managers and HRD instruments.

Krishna Murthy\textsuperscript{136} in his book while outlining the importance of human resource development stated that employees should be given an opportunity to grow along with the organization. To achieve this objective, he suggested that knowledge, skills and capabilities have to be reoriented as per the changes in the business environment.

Uday Pareek & Rao\textsuperscript{137} in their book, pointed out of the need for designing a development plan for workers with emphasis on work improvement, skill improvement and personal development.

Uday Pareek\textsuperscript{138} in his book discussed the training instruments in detail. He said that training is one of the major components of HRD. Further, he also stated that training instruments, if properly designed and development help in improving the performance of employees.

Patni Pawan\textsuperscript{139} in his thesis, “A comparative Study of HRD interventions in Public Sector and Private Sector Banks in India”, elaborated the HRD interventions in details. He concluded the study with a note that public sector banks are ahead of private sector banks in conducting HRD programs for various categories of employees.
Kishore Babu in his thesis discussed the HRD policies and practices pursued by the company in detail. The study concluded that if proper HRD practices are followed, organizations can manage themselves effectively and efficiently even with reduced manpower.

Jayasree in her thesis discussed the HRD policies of the bank. However, the study laid stress on training and development practices of the bank while the other components of HRD are discussed in a lighter vein.

Mishra. K in his thesis discussed the various Human Resource Development practices undertaken by the LIC. In his study, he found that there exists a positive correlation between human resource development practices and performance of the LIC. However he has discussed the HRD Systems in a lighter view rather than in a detailed way.

Basant Kumar in his thesis, discussed the HRD policies and practices pursued by Khadi village organizations at grass root level, exemplified by institutions in Tamilnadu and West Bengal. The study concluded that trusteeship principles in organizational context are totally absent. Even the HRD policies and practices are not conducive to human resource development.

Kondaiah Rao, in his thesis, discussed the various HRD Programs undertaken by APSTRC for the development of its managerial personnel. The study concluded that the productive performance of APSRTC can be largely attributed to the various development programs undertaken by it for managerial personnel.

Srinivas in his thesis stated that there is a positive correlation between Human Resource Development and employee productivity. He also found that employee develop positive perceptions towards those organizations where in HRD programs are conducted for the benefit of employees.

Anirudh Pandey & TarunaK.M, in their study, stated that, Organizations should come forward to go in for appraisal and alternation of their existing climate,
which may help organization to reduce stress from the job place and develop capability in them to gain a competitive advantage.

Arjooj Javaid\textsuperscript{147}, in his paper, stated that the degree to which organizational climate mediates the relationship between human resources practices and customer satisfaction is investigated for 351 small businesses in the same industry. And the direct effects of the human resources practices and customer satisfaction were significant and relatively large while and direct effect was non-significant and near zero. The results were supportive of a social context model of the impact of human resource practices on organizational outcomes.

Schnake\textsuperscript{148} conducted a study to determine whether an effective response influences the dimensionality of perceptual measure of organizational climate. In this study 8,938 supervisors of a large firm completed organizational climate and job satisfaction questionnaires. These employees use to perform a variety of clerical, technical and non-technical tasks. The data were collected as part of an organization sponsored attitude survey.

Reddy\textsuperscript{149} studied the main objective of understanding the nexus between organizational culture and organizational structure. Organizational structure is a multidimensional construct. He explains the difference between organizational culture and national culture and defines, organizational culture as the one in which individuals exhibit a strong tendency to seek support, warmth and advice from superiors even in situations which do not warrant such learning, and expect a similar behaviour from their superiors.

Selvam\textsuperscript{150} studied the various factors influence organizational climate, and mainly three factors, structural properties, leadership style and characteristics of organization members, and how these factors are balanced to create an amicable work environment.

**NEED FOR THE STUDY**

Organizational climate is the core circle of human environment within the boundaries of which the employees of an organization work. The survival and growth
of any organization is directly proportional to the favourable climate in it. Employees in the organization have to be well conversant with culture, system and policies. This inculcates a sense of belongingness and commitment among employees and helps in the growth of organization. The climate of an organization is developed and communicated through the organizational behavioural system.

Organizational climate is a unique Human Resource area which is different from culture which pervades throughout the organization. No organization shall persist without proper climate. Organizational climate has certain determinants and an evolution of the climate against such determinants certainly reveals the real picture. In the present study it is destined by the researcher to take up an in depth empirical study on organizational climate at APSPDCL.

Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL) is one of the major state level sector undertakings in India and it is with district level units. The APSPDCL in Prakasam District of the state of Andhra Pradesh is the base area for the present study. APSPDCL has received meritorious awards from Government of India. It is to be worth mentioned that public sector undertakings are the foremost units in spending huge amounts of money on human resources development. It is a fact that the attainment of objectives of organization significantly depends upon the Human Resources Development Climate. Human Resource Development has a number of qualities that make it an attractive candidate to focus on in an exploration of link between organizational development level characteristics, Training and Development, Employer and Employee relations, Welfare measures and Employee role satisfactions. Human Resource Development has a relative consistency but can be managed and done well provided the superiors take necessary initiative to develop the subordinate by creating a developmental climate in the organization. Secondly the presence of HRD Climate allows us to distinguish between organizations, whereas, organization structure and strategies can be copied in reality.

Human Resource Development represents the essence of what the organization is. Hence no two firms will have identical HR imperatives and HRD Practices and there is sufficient variation in what we consider to be an important independent variable.
OBJECTIVES OF THE STUDY

The main objective of the study is to enquire into the Human Resource dimensions of organizational climate with a specific focus on APSPDCL. The other objectives are:

1. to study the profile of the sample respondents in the study units;
2. to study the satisfaction level of employees about training in the select divisions of APSPDCL;
3. to study the satisfaction level of employees about employer and employee relationship in the select divisions of APSPDCL;
4. to study the satisfaction level of employees about salary, incentives administration in the select divisions of APSPDCL;
5. to study the impact of organizational climate on employee role satisfaction in the select divisions of APSPDCL; and
6. to suggest policy prescriptions for that deem fit to further improve the organizational climate based on the findings of the study.

HYPOTHESES

It is hypothesized that

1. the organization of training programmes in the select divisions of APSPDCL is not satisfactory and inadequate;
2. the state of employer and employee relations is not satisfactory in the select divisions of APSPDCL;
3. the salary incentives and administration in the select division do not measure up to the expectations; and
4. The kind of HRD Climate prevailing in the APSPDCL is not conducive to the role satisfaction among employees of the select divisions.

SCOPE OF THE STUDY

The present study has been taken up in the Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL). Studies on organizational as well as HRD Climate in the power sector are rare and few studies have been conducted so far. Studies of their kind certainly rekindle enthusiasm and spirit of the employees
working in the sample divisions in Prakasam District as the suggestive measures forwarded by the researcher certainly assist the respective divisions and management of the APSPDCL to take pragmatic decision in employees forever.

**DATA BASE AND METHODOLOGY**

Both primary and secondary data have been exclusively used for the study. Primary data have been collected from the sample employees in the respective division by campaigning a structured questionnaire.

The secondary data have been collected from the sources of Management Review, Journal of Organizational Behaviour, Indian Journal of Industrial Relations, Vikalpa, Personnel, Decision, etc, and from the records of the Office of Ongole and Markapur divisions.

**SIZE OF THE SAMPLE**

In the first stage, out of 6 APSPDCL divisions operating in Prakasam District two divisions constituting 35 per cent have been selected for the study. Further, out of a total employees of Operating and Maintenance Staff of 372 about 130 accounting for 35 per cent have been chosen as sample. Similarly, in Markapur division, out of total Operating and Maintenance Staff of 302, about 105 accounting for 35 per cent have been chosen as the sample. The simple random sampling technique has been employed to select the sample respondents.

**PERIOD OF THE STUDY**

The primary data from the sample respondents have been collected during October-December 2012.

**STATISTICAL TOOLS USED**

The important statistical tools used for the effective analysis of the study include simple averages, Percentages, Chi-Square Test, ‘t’ Value, ‘p’ Value. ‘F’ value, mean, standard deviation and standard error.
Chi-Square test

The Chi-square test is an important test amongst the several tests of significance developed by satiations. Chi-square, symbolically written as $\chi^2$ (Pronounced as χ - square), is a statistical measure used in the context of sampling analysis for comparing a variance to a theoretical variance. As a non-parametric test, it can be used to determine the categorical data shows dependency or the two classifications are independent. I can also be used to make comparisons between theoretical populations and actual data when categories are used. Thus, the chi-square test is applicable in large number of problems.

This is a technique through the use to (1) test the goodness of fit. In brief, when we have to use chi-square as a test of population sample variance, we have to work out the values of $X^2$ to test the null hypothesis (viz, $H_0; Z^2_s – Z^2_p$) as

$$X^2 = \frac{Z^2_s}{Z^2_p} - (n-1).$$

Where,

$Z^2_s = \text{Variance of the sample}$

$Z^2_p = \text{Variance of the population}$

$(n – 1) = \text{degree of freedom, } n \text{ being the number of items in the sample.}$

There by comparing the calculating value with the table value of $X^2$ for $(n – 1)$ degree of freedom at a given level of significance, we may either accept or reject the null hypothesis is accepted, but if the calculated value is equal or greater than the table value, the hypothesis is reject.

**Mean (\(\bar{X}\))**: The mean value is obtained by adding together all the items and by dividing this total by the number of items.

$$\bar{X} = \frac{X_1 + X_2 + X_3 + \ldots \ldots X_n}{N} = \frac{X_n}{N}$$

Where, $\bar{X} = \text{Arithmetic Value}$

$$\sum X = \text{Sum of all the variable}$$

$N = \text{Number of Variables}$
Standard deviation

Standard deviation measures the absolute dispersion. A small standard deviation means a high degree of uniformity of the observations as well as homogeneity of series, a large standard deviation means just the opposite.

It may be calculated as follows:

\[ \sigma = \sqrt{\frac{\sum x^2}{N}} \]

\[ x = (X - \bar{X}) \]

P-Value

P value is associated with a test statistic. It is "the probability, if the test statistic really were distributed as it would be under the null hypothesis, of observing a test statistic (as extreme as, or more extreme than) the one actually observed." The smaller the P value, the more strongly the test rejects the null hypothesis, that is, the hypothesis being tested. A p-value of .05 or less rejects the null hypothesis "at the 5% level" that is, the statistical assumptions used imply that only 5% of the time would the supposed statistical process produce a finding this extreme if the null hypothesis were true.

The level of marginal significance within a statistical hypothesis test, representing the probability of the occurrence of a given event. The p-value is used as an alternative to rejection points to provide the smallest level of significance at which the null hypothesis would be rejected. The smaller the p-value, the stronger the evidence is in favor of the alternative hypothesis.

t-value

The t test is a statistics test generally used to determine whether the means of two populations are different. In the t test, a t value is calculated based upon the difference in the means and variances of samples drawn from each of the two populations. The t test has a number of variations but the most common t test is used to determine whether the means of two normally-distributed populations are equal.
This type of t test is referred to as a Student's t test, or sometimes just the student t test.

The t value is calculated as follows:

\[
t \text{value} = \frac{\text{Difference between the group means}}{\text{Variability of the groups}}
\]

LIMITATIONS

Though the study is systematically designed, it is not without limitations. No doubt minor but some of the limitations to be stated for transparency include-

(a) The study is restricted to only two district level divisions of the organization i.e., APSPDCL and it may affect broadness of generalizations.

(b) Because of the primary data base of the study the personal bias of the respondents do creep in despite the rational judgments screening of the researcher.

(c) The percentages, averages and statistical values, calculated for analysis, are adjusted to the nearest decimal point and these may lack abidute accuracy.

CHAPTERISATION

For the comprehensive convenience the study is presented in eight chapters.

**Chapter one** is devoted for introduction and absolutely conceptual ventilation. It encompasses the aspects of organizational climate, the factors influencing organizational climate, the dimensions, determinants and the levels of development.

**Chapter two** is a canvas of the study objectives and methodology and throws light on the database and methodology besides articulating the hypothesis, limitations, chapter design and presenting a comprehensive review of the literature.
Chapter three portrays the divisions of APSPDCL under study and also the socio economic profile of the employee respondents.

Chapter four throws an analytical light on the training environment and its reflections of organizational climate.

Chapter five presents scenario of employee-employer relations and the nexus with organizational climate.

Chapter six is a focus on the dimensions of salary and incentive administration and organizational toning.

Chapter seven is a presentation of the organizational intricacies underlying employee role satisfaction.

The last Chapter Eight consists of findings of the study and the suggestions for policy toning up.

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