Chapter-V

Organizational Climate

This chapter is devoted to examine the organizational climate prevailing in selected banks in Chittoor district of Andhra Pradesh. These banks include State Bank of India, Indian Bank, Andhra Bank, Vysya Bank and Indian Overseas Bank as perceived by the employees of these organizations. The organizational climate is studied from two dimensions viz., (i) identification of strength of organizational factors contributing to favorableness of organizational climate and (ii) perceived favorableness of organizational climate by the respondents in the selected organization. To be precise, the analysis in this chapter is confined to the (i) identification of factors contributing to organizational climate, and (ii) organizational climate perceptions of the respondents of each category of employees in the selected organizations. The study revealed that;

1. The average score values of employees of State Bank of India for the selected organizational climate factors is ranging between 1.8 and 3.3. In terms of percentage the average score is between 36% and 66%.
2. A Close observation of the data revealed that ‘structure’ has been identified as the relatively most dominant dimension of organizational climate by the employees of State Bank of India. It is followed by ‘scope for advancement’ (60%), ‘support’ (56%), conflict tolerance (52%), ‘individual responsibility’ (50%) and ‘grievance handling’ (50%). The remaining six dimensions are representing less than 50% score.

3. The study revealed concluded that six dimensions have significantly contributed to favorable organizational climate as perceived by the employees. It is necessary that the low scoring dimensions like risk tolerance, recognition, safety, individual responsibility and performance based rewards should be improved in order to create more favorable organizational climate in State Bank of India.

4. With regard to the employees of Indian Bank, the average score values of selected dimensions are ranging between 1.3 and 2.3. In terms of percentage average score can be expressed as 26% to 46%.

5. The data revealed that structure and individual responsibility stand as the most dominant dimensions of organizational climate as perceived by the employees of Indian Bank. The worth noting point is that no
dimension has got above 50% of score value. It can be concluded that almost all the dimensions of organizational climate need to be improved to create a favorable organizational climate among employees of Indian Bank. Particularly, the dimension ‘individual autonomy’ should receive more attention as it has secured very low score (1.3).

6. The search has revealed that the average score of the employees of Andhra Bank for selected 12 dimensions of organizational climate is ranging between 1.3 and 2.9. The percentage range of average score is between 26% and 58%. The data also revealed that ‘conflict tolerance’ has emerged as dominant dimension with a score value of 58%. It is followed by ‘structure’ (54%) and ‘individual responsibility’ (50%). Since the remaining 9 dimensions have shown less than 50% score values, it can be concluded that only three (3) dimensions out of 12 have been perceived by the employees of Andhra Bank as favourable.

7. The analysis indicates that there is a need for improvement of all nine low scoring dimensions. Among the lowest nine factors, ‘participative management’ is perceived as the least favorable dimension.
8. The observation form the scores obtained for employees of Vysya Bank revealed that out of 12 dimensions, 'individual responsibility' is perceived as the most dominant dimension. It is followed by 'structure' (56%) and 'conflict – tolerance' (50%). The remaining eight dimensions have got less than 50% score values. Among the lowest 8 dimensions, 'recognition and appreciation' is found to be the least favorable dimensions as perceived by the supervisors. In this regard, it is suggested that the Vysya Bank management should give due regard to the dimension 'recognition and appreciation', which is a core aspect to any employee particularly in case of an employee of banking organisation.

9. In case of Indian Overseas Bank, the average score of the employees for selected 12 dimensions of organizational climate is ranging between 1.3 and 2.0. The percentage range of average score is between 26% and 60%. The data also revealed that 'conflict tolerance' has emerged as dominant dimension with a score value of 60%. It is followed by 'structure' (56%) 'individual responsibility' (54%) and support (50%). Since the remaining 8 dimensions have shown less than 50% score values, it can be concluded that only there
5) dimensions out of 12 have been perceived by the employees of Indian Overseas Bank as favorable.

10. The analysis indicates that there is a need for improvement of all 8 low scoring dimensions. Among the lowest nine factors, 'participative management' is perceived as the least favorable dimension.

11. The issue of organizational climate can be examined from another angle also. In this context, an attempt is made here to examine the number of respondents perceiving the organizational climate as favorable or unfavourable.

12. In case of State Bank of India, it was observed that 13 respondents (35%) have perceived the organization climate as favourable by giving the score values above the average scores (50%). However, 27 respondents (65%) have perceived the climate as unfavourable. The deviations from the average score (150) ranged between -8 and +80.

13. As majority of employees' perceived poor organizational climate, there is an urgent need to improve organizational climate for employees of State Bank of India.
14. In case of Indian Bank, 22 employees have perceived the organizational climate as favourable, while the remaining 38 employees perceived the organizational climate as unfavorable. It means that majority respondents perceived the organizational climate as unfavorable. Another worth noting observations is that the score values given by the sample respondents are varying between 95 and 200. The deviations from the average score range between -55 and +50. It indicates that there is high variation in the perceptions of employees, while judging the favorableness of organizational climate in Indian Bank.

15. A close observation of data relating to the Andhra Bank revealed that 29.3% of respondents have perceived the organizational climate as favorable while as many as 43 respondents (71.6%) perceived the organizational climate as unfavorable. The lowest and highest scores given by the respondents vary between 100 and 200. The deviation from average scores varied between -50 and +50. It indicates that there is a significant variation in the perceptions of employees in Andhra Bank regarding the organizational climate.
16. The frequency distribution of score values for the sample respondents in Vysya Bank and the deviation from average score revealed that 16 respondents have perceived the organizational climate as favorable while the remaining 44 respondents perceived it as unfavorable.

17. Majority sample employees of Vysya Bank considered the organizational climate as unfavorable. Regarding variation in the perception, it is found that there is significant variation in the responses of supervisors as the deviation from average score ranged between -47 and +60. The analysis on the whole, reveals that there is a need to improve the organizational climate in Vysya Bank.

18. A comparative study of banks with regard to organizational climate revealed that:

a) The general perception of the employees about organisation climate in selected banks is unfavourable. It is evident from the fact that out of a total of 300 respondents 200 perceived the organisation climate as unfavourable. Only 1/3 of the respondents have perceived it to be favourable.

b) In every bank chosen for the study, the perception about the organizational climate by its employees is no different from the general perception. In every bank, 60% or more of the
respondents perceived the unfavourable organizational climate in their organisation.

c) As for as favourable organizational climate is concerned in Indian Overseas Bank, 40% of the respondents perceived organizational climate to be favourable and it is being followed by State Bank of India with 38.4%, Indian Bank with 33.4%, Andhra Bank with 29.3% and Vysya Bank with as low as 26.6%.

d) From these observations, it is clear that majority of the employees of the selected banks perceive unfavourable organizational climate in their banks and there is an importunate need for the various steps for improving the organizational climate, in these banks.

CHAPTER VI

Measurement of Job Satisfaction

This chapter aims at measuring the overall job satisfaction of employees in selected banks in Chittoor district of Andhra Pradesh. The analysis in this chapter is mainly confined to:

i) identification of the satisfied and dissatisfied employees;
ii) identification of job factors causing high or low job satisfaction among the different categories of employees; and the

iii) study of relationship between job satisfaction and various socio-economic factors relating to the employees of selected banks.

1. The study revealed that 50% of the employees of State Bank of India are satisfied and 25% are highly satisfied. Together, the percentage of satisfied and highly satisfied employees accounts for 75%. Only 25% employees are found to be dissatisfied or highly dissatisfied.

2. With regard to employees of Indian Bank, 40% respondents are in the satisfied category and 25% are in highly satisfied category. Together, the number of percentage of satisfied and dissatisfied employees is found to be 65%. Remaining 35% employees are either dissatisfied or highly dissatisfied. On the whole, 65% of the employees have expressed their satisfaction with their jobs and the remaining 35% have expressed dissatisfaction.

3. The enquiry revealed that the percentage of employees satisfied in Andhra Bank (40 %) are more than that of dissatisfied-employees (30%). The percentage of highly satisfied employees (20%) is more than the percentage of highly dissatisfied employees (10%). On the
whole, 60% of the employees of Andhra Bank have come under the
category of high satisfaction, whereas the remaining 40% have
perceived their jobs with least satisfaction.

4. With regard to employees of Vysya Bank, the percentage of
employees in the satisfied category is 40% and it follows dissatisfied
category with 30%, highly satisfied with 15% and highly dissatisfied
with 15% respectively. On the whole, the total percentage of satisfied
and highly satisfied is 55% and the remaining 45% represents
dissatisfied and highly dissatisfied employees. Hence, it can be
observed that number of employees with low job satisfaction is high
in Vysya Bank.

5. With regard to employees of Indian Overseas Bank, the percentage of
employees in the satisfied category is 40% and followed by
dissatisfied category with 25%, highly satisfied with 25% and highly
dissatisfied with 10% respectively. On the whole, the total percentage
of satisfied and highly satisfied is 65% and the remaining 35%
represents dissatisfied and highly dissatisfied employees. Hence, it
can be observed that number of employees with low job satisfaction is
less in Indian Overseas Bank.
6. The analysis revealed that among employees of State Bank of India, high job satisfaction resulted on account of factors like sense of achievement, interest found in the job, good interpersonal relations and salary benefits. It is interesting to note that the aspects like prestige attached to job and recognition given to employees are not perceived to be leading to relatively high job satisfaction. A significant aspect of the analysis is that out of 25 identified job factors, 15 are found to generate high job satisfaction among employees, which means that employees are satisfied with many job related aspects in State Bank of India.

7. It was observed that the score values for dissatisfied job factors range between 125 and 149. The highly dissatisfied job factors for employees is found to be personal benefits and followed by other factors like associations, freedom of expression, training and education, personal life, technical supervision, company policy and administration.

8. It can be observed from data that the score values of high satisfaction job factors of employees in Indian Bank range between 152 and 185. The deviation from high satisfaction score range from -55 to -88.
The employees in Indian Bank perceived 'responsibility' as the high satisfaction job factor. It is followed by nature of work (180), achievement (180), interest in job (170), and interpersonal relationship (168), and other factors. The remaining job factors secured score values ranging from 152 to 165. On the whole, it can be concluded that out of 25 job factors, 10 have been perceived as positive and expressed high satisfaction by the employees in Indian Bank.

9. The analysis revealed that employees are satisfied with responsibility given to them in performing their duties. It also indicates that they are satisfied with the nature of work performed.

10. The data revealed that the score values of low satisfaction job factors as perceived by employees in Indian Bank range between 80 and 145. The deviations from average satisfaction score are ranging from -5 to -70. The deviations from high satisfaction score are ranging from -95 to -160. The job factor 'work environment' is perceived by employees in Indian Bank as highly dissatisfied job factor. It is followed by self-respect (80), recruitment policy (90) and recognition (90). The remaining 12 job factors got the score values between 130 and 145, which are nearer to the average score value 150.
11. An observation of the score values of high satisfaction job factors of employees in Andhra Bank revealed that the score values range between 152 and 170. The deviations taken from average satisfaction score (150) are ranging from 2 to 20. The deviations taken from high satisfaction score ranged from −70 to −88. The job factor, ‘achievement’ is perceived by the employees of Andhra bank as high satisfaction job factor and it is followed by factors such as interpersonal relationships, visible results, salary, technical supervision, authority and power, training and education, work group and personal benefits and responsibility.

12. An observation of the data revealed that the score value of low satisfaction job factors range between 110 and 129. The deviations from average satisfaction score range from −21 to −40. The deviations from high satisfaction score range from −111 to −130. The highly dissatisfied job factor as perceived by the employees in Andhra bank is ‘self-respect’. It is followed by associations (110), freedom of expression (114), company policy and administration (118), opportunity for advancement (119) and prestige attached to the job (119).
13. An observation of the data revealed that the score values of employees in Vysya Bank range between 150 and 190. The deviations from average satisfaction score range from 0 to 40. The deviations from high satisfaction score range from -50 to -90. The job factor 'responsibility', is perceived by the employees as high satisfaction job factor. It is followed by work group (188), technical supervision (185), salary (180), achievement (175), visible results (170) and personal benefits (165).

14. The data revealed that the score value of low satisfaction job factors of employees range between 85 and 138. The deviations from average satisfaction score range from -12 to -65. The deviation from high satisfaction score range from -102 to -155. The employees in Vysya Bank have expressed high dissatisfaction on training and education, authority and power, inter-personal relationships and self-respect. The remaining 11 job factors have the score values ranging from 95 to 138. Hence, the management of Vysya Bank has to focus its attention on the first four highly dissatisfied job factors in order to create more satisfaction among the employees.
15. On the basis of average scores, the high and low job satisfaction factors of employees in Indian Overseas Bank are identified and discussed. The scores obtained for the high satisfaction job factors and the deviation from maximum possible score (240) and the average score (150) are computed.

16. The data revealed that the score value of low satisfaction job factors of employees range between 80 and 148. The deviations from average satisfaction score range from -02 to -70. The deviation from high satisfaction score range from -92 to -165. The employees in Indian Overseas Bank have expressed high dissatisfaction on training and education, authority and power, inter-personal relationships and self-respect. The remaining 11 job factors have the score values ranging from 100 to 148. Hence, the management of Indian Overseas Bank has to focus its attention on the first four highly dissatisfied job factors in order to create more satisfaction among the employees.

17. For the purpose of finding out the distribution of satisfied and dissatisfied employees on the basis of socio-economic characteristics, the number of employees in each group has been counted through SPSS-software.
18. In order to test the relationship between the levels of satisfaction and the socio-economic groups, the following null hypotheses have been set-up.

a. There is no relationship between the job satisfaction and status of the employees

b. There is no relationship between the job satisfaction and age of the employees

c. There is no relationship between the job satisfaction and experience of the employees.

19. In order to test these hypotheses statistically, chi-square test is applied. The results are discussed below:

Status and Job Satisfaction

a) In SBI, it can be safely inferred that job satisfaction varied depending on the status/cadre of employees.

b) In Indian Bank, it is found that there is no relationship between the level of job satisfaction and the status/cadre of the employee is accepted. Therefore, it can be inferred that job satisfaction does not vary according to the status of employees in Indian Bank.

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c) In Andhra Bank, the null hypothesis implying that there is no relationship between the job satisfaction levels and the status of the employees is accepted. Therefore, it is concluded that job satisfaction does not vary according to the status of employees of Andhra Bank.

d) In Vysya Bank, consequence, it is inferred that the status of employees of Vysya Bank did not affect job satisfaction

e) It is also found that observed value is below the expected value, leading to the acceptance of the above hypothesis. However, at 5% (3.841) level of significance, the observed value exceeds the expected value and as a consequence, the null hypothesis needs to be rejected. Therefore, it can be inferred that at 1% level of significance, there is no relationship between job satisfaction and status of employees whereas at 5% level it is not the case with the Indian Overseas Bank.

Age and Job Satisfaction

a. In SBI, the null hypothesis is accepted. Hence, it is concluded that there is no influence of the age on the job satisfaction or dissatisfaction derived by the employees in State Bank of India.
b. In Indian Bank the null hypothesis is accepted. Hence, it is concluded that there is no difference in the satisfaction or dissatisfaction derived by the employees in Indian Bank because of their age.

c. In Andhra Bank the null hypothesis is accepted. Hence, it is concluded that there is no difference in the satisfaction or dissatisfaction derived by the employees in Andhra Bank because of their age.

d. In Vysya Bank the null hypothesis is accepted. Hence, it is concluded that there is no difference in the satisfaction or dissatisfaction derived by the employees in Vysya Bank on the basis of their age.

e. In Indian Overseas Bank the null hypothesis is accepted. Hence, it is concluded that there is no difference in the satisfaction or dissatisfaction derived by the employees in Indian Overseas Bank because their age.

**Experience and Job Satisfaction**

1. In State Bank of India the null hypothesis is accepted. Hence, it is concluded that there is no difference in the satisfaction or
dissatisfaction derived by the employees in State Bank of India in different experience groups.

2. In Indian Bank the null hypothesis is accepted. Thus, it is concluded that there is no difference in the satisfaction or dissatisfaction derived by the employees in Indian Bank in different experience groups.

3. In Andhra Bank the null hypothesis is accepted. Hence, it is concluded that there is no difference in the satisfaction or dissatisfaction derived by the employees in Andhra Bank in different experience groups.

4. In Vysya Bank the null hypothesis is accepted. Thus, it is concluded that there is no difference in the satisfaction or dissatisfaction derived by the employees in Vysya Bank in different experience groups.

5. Indian Overseas Bank the null hypothesis is rejected. Hence, it is concluded that there is difference in the satisfaction or dissatisfaction of the employees of Indian Overseas Bank in different experience groups.
6. From the foregoing analysis of relationship between job satisfaction and various socio-economic factors like status/cadre, age, and experience of the employees working in the banks, it is found by and large that these factors did not affect much the levels of job satisfaction barring few exceptions. The exceptions are: in State Bank of India, the status/cadre of the employees had shown some impact on the level of job satisfaction, and similarly in Indian Overseas Bank, the length of experience of the employees also affected the job satisfaction level of its employees.

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