CHAPTER - 2

REVIEW OF

LITERATURE
Organizational climate studies were prominent during the 1960s and 1970s (Denison, 1990). The human relations perspective drew its inspiration from even earlier anthropological and sociological work on culture associated with groups and societies (Mead, 1934; Weber, 1947 and 1958; Durkheim, 1964; and Geertz, 1973). It is often assumed that organizational culture is a dominant factor affecting organizational members’ job attitudes and productivity and that strong organizational culture can promise high satisfaction, commitment and performance among members. Even though substantial emphasis has been placed on study of organizational culture, the conception of organizational culture is still vague and controversial (Smircich, 1983; Ashforth, 1985; and Alvesson, 1987). The concepts of organizational culture and organizational climate have been used in a rather vague way and the definitions are almost as numerous as the researchers. Precise definitions are rare and in many cases ‘organizational climate’, ‘organizational culture’, ‘managerial climate’, ‘organizational atmosphere’, ‘management culture’ are accepted as interchangeable terms (Davies, 1971; and Owens, 1981).

Employees’ attitude towards their organization which has great impact towards their working ways and contributions; in consequence organizational climate causes organization performance because this relates directly to employees’ motivation. Employees’ perception to organization as defined in six factors Stringer (2002):

- **Structure**: means employees understand clearly about their duties and responsibilities including each rank decision power.
- **Standards**: means employees take their efforts to develop their working quality to proud levels toward quality working.
- **Responsibility**: reflects the employees’ feeling in term of courage used in problem solving without taking into consideration of decisions of others..
- **Recognition**: reflects the feeling of employees who receive rewards, blame and appropriate punishment. In addition to this includes balance and consistency.
• **Support:** the trust and the contributing to share with one another as a working team and colleagues and the ability to get the chief’s assistance, whenever it is needed.

• **Commitment:** reflects the employees’ feeling in sense of integration to the organization and commitment level towards the objectives of the organization

1. **Cengiz Demir, Nazli A., Ayyildiz Unnu & Emel Ertur (2011)** Organizational culture plays a significant role in understanding organizational dynamics and it distinguishes the members of one organization from other people. In this regard; it is found out that an organization, which is able to maintain a strong and “preferred” culture, is likely to enjoy many benefits such as higher levels of performance, person-organization fit, commitment, job satisfaction and competitive advantage. Thus, the purpose of this study is to diagnose the culture of a pharmaceutical company, which is located in Turkey, and find out the “perceived” and “preferred” cultural profiles both in the headquarters and branches of the company. The perceived culture has been found as hierarchy whereas the preferred one has been found as clan leading to incongruence between the perceived and preferred cultural profiles.

2. **Sitlington, Helen, Marshall, Verena (2011)** This study seeks to examine the impact of downsizing and restructuring decisions and processes on perceptions of organizational knowledge and effectiveness after downsizing and restructuring events in "successful" and "unsuccessful" organizations. Design/methodology/approach - The study proposes a conceptual framework hypothesizing that the impact of decisions and processes on levels of organizational knowledge are key determinants of effectiveness in post-downsizing and restructuring organizations. Data were collected using a survey instrument developed through review of literature along with focus group findings. Survey data are factor-analyzed to identify stable constructs for testing hypotheses using regression analysis. Findings - The findings indicate that the
significance of the variables tested is found in those organizations considered by employees to be unsuccessful after downsizing and restructuring, rather than in their successful counterparts.

3. **Tomer, M. D. (2010)** Current approaches to conservation planning have an established and successful track record. However, as our knowledge of resource sciences and goals for conservation expand, review and improvement of planning protocols could help improve conservation effectiveness, even though we may be satisfied with the status quo. This is easy to suggest, but we do not readily know how and when standard planning protocols can be adapted to incorporate new information. Resource conservation is a transdisciplinary science involving multiple resources, contexts of landscape and time, and sociocultural dynamics. Yet technology and human experience are progressing, and our capacity to become more site-specific in devising conservation systems and adapting practices to each situation is expanding. This editorial presents a conceptual model that may help frame debate over adoption of new technologies in conservation planning. The model is based on the system of knowledge that every conservation planner must consider in doing his/her job, which involves knowledge of natural resources, landscapes, temporal dynamics of weather and management, and sociocultural constraints of the landowner.

4. **Clarke, Sharon (2010)** The author said that Meta-analytic path analysis was utilized to test an integrative model linking perceived safety climate to hypothesized organizational antecedents and individual outcomes. Psychological climate, especially the perception of organizational attributes, was found to be significantly associated with safety climate (both constructs measured at the individual level). A partial mediation model was supported. Within this model, the relationship between safety climate and safety behaviour was partially mediated by work-related attitudes (organizational commitment and job satisfaction), and the relationship between safety climate and occupational accidents was partially mediated by both safety behaviour and general health. Safety climate acted as a partial mediator in the relationship between psychological climate and safety behaviour, with direct effects from climate...
perceptions relating to the leader and organizational processes. Avenues for further research and practical implications are discussed.

5. **Okpara, John O., Wynn, Pamela** (2008) Purpose - The purpose of this paper is to examine the impact of ethical climate on job satisfaction and organizational commitment in Nigeria, and to discover the extent to which unethical practices among managers have impacted upon managerial practices in Nigeria. Design/methodology/approach - The study followed a descriptive research design using survey methods with statistical treatment. Using the business directory of companies in Nigeria, a sample of 409 managers was drawn using a systematic random sampling technique. Multiple regression analysis and Pearson's product moment correlation were used to assess the influence of ethical climate types on job satisfaction and organizational commitment. Findings - The findings revealed that there was a relationship between organizational ethical climate and facets of job satisfaction. It was also found that ethical climate types explained 58 percent of the variation in overall job satisfaction. Also, the correlation between ethical climate types and organizational commitment was positive and significant. This implies that favorable organizational ethical climate would encourage commitment and job satisfaction.

6. **R.Maull, P. Brown, R. Cliffe** (2001) This article has two main sections. The first section presents the theoretical underpinnings for the development of a cultural analysis model that companies should undertake prior to embarking on a TQM programmed. The PCOC model (Personal, Customer orientation, Organizational and Cultural issues) which is derived from the Hofstede approach to cultural analysis, was used to determine whether the development of a questionnaire to measure the culture and the organizational environment could be achieved. The model also provides an organizational climate analysis which can then be compared with results from the cultural analysis. Describes a seven step approach whereby companies can operationalise the PCOC model to their organization. The second section of the article presents the findings from the use of an organizational culture assessment
model, PCOC, within four financial services organizations (FSOs). The returns for each of the FSOs were analyzed against the returns for the four organizations as a whole.

7. **Peter Kangis, D. Gordon, S. Williams** (2000) Interest in organizational climate and its link with corporate performance is gaining momentum. The aim of this paper is to contribute to this discourse by examining the extent to which “above” and “below” average performing companies also exhibit different climate measurements. A survey was conducted on a sample of electronic component manufacturers, as a sunrise industry in a growth phase, and hosiery and knitwear manufacturers, as a sunset industry, in decline. In turn, sub-samples of companies that performed above or below average for each of these sectors were selected. Climate dimension measurements collected from staff of the sample companies were analyzed against corporate performance measurements. The results showed a consistent association between climate and performance.

8. **Baldev R. Sharma** (1987) Organization climate and employer employee relations have been long considered as important variables in industrial peace and productivity. The concept of organizational climate has been used in various ways in research studies, depending on one’s own frame of reference. It is a broad concept which includes a variety of variables such as structure and size of the organization, leadership style and goal directed needs, management responsibility, reward system, risk taking opportunity, decision making process, participation and autonomy, communication process and style, job content and job design, etc. Some of these variables and related studies have been reviewed and then used in the book under review of developing the instruments for data collection. One of the main assumption made in the study is that organizational climate relates entirely to organization characteristics and not to attributes of the individual. It was found in the research that both private and public sector enterprises were equally vigilant in looking after monetary benefits, safety, security and welfare of employees.