CHAPTER – I

Introduction

Human beings live in organized groups. Initially, group activities were simple like gathering food, migrating or defending the security of the group. The outcome of this group effort was mainly that it gave people an opportunity to pool their talents and efforts for attaining larger goals such as building and protecting their communities. The group also gave it a distinct identity. Later on, specialised nature of functions enabled individuals to concentrate on tasks that they were best at, instead of doing every task which was required for survival and progress. This sort of group activity requires co-operation without which members may work at cross-purposes and thus miss the benefits of association.

To achieve this co-operation and thereby the desired goals, some system of structural relationships had to be established. This type of a system of group relationship built on co-operation is basically the meaning of an organization. In nutshell, an organization can be seen as two or more people working co-operatively towards a common objective or a set of objectives. This system of co-operation is made up of several components: the human element, physical element, work element and coordination element. All these components put together collectively can be thought of as an organization.

Thus, an organization can be viewed as a social system of co-operation that is designed to enhance individual effort at goal accomplishment. Organizations differ in many respects - their goals, ethnic composition of their population, etc. Yet one can sense or 'feel' the individuality of an organization. Sometimes, this individuality is labelled as the atmosphere of the organization. Other similar commonly used terms are tone of the organization, environment, personality of the organization or organization's climate. This 'feeling' which enables us to know that one organization is different from another is relatively intangible, yet we have some proof of the atmosphere of one organization differing from that of another. If we observe the behaviour of people in an organization we get proof of this. For example, in one organization members
may seem relaxed and at ease with each other while in another we may find
greater tension which is seen on members' faces, their speech, how they work,
etc.

Environment and Culture in hospitals are not different from that of
other organizations. When hospitals hire people who fit well with their culture,
they are more likely to secure a long-term commitment from them. If the
hospital believes in continuous service quality improvement, for example,
inspire them by practicing continuous improvement at all levels of the
organization there shall exist sound environment and culture. Every hospital
should create its own history so that the employees feel valued as members of
their organization. In some organizations, the boss may be formal in dealing
with the issues while in others, may be informal in behaviour without reducing
the importance of his role in the system. These subtle differences which
characterise the psychological environment are the domains of the climate of
an organization.

The term 'climate' is coined to refer to the general feeling related to one
of the persons in groups towards each other and some of the attitudes they
reveal in their behaviour. A healthier working environment is linked to a
healthier workforce. Leadership and innovation, at all levels in healthcare
organizations, are required to support movement toward high-quality health
workplaces. Positive perceptions of an employee towards working
environment have a positive impact on customer-perceived service quality in
healthcare service. Public hospitals are a significant component of health
system in India. Many researchers have demonstrated strong positive
correlations between job satisfaction of medical staff and patient satisfaction,
and the service quality levels in healthcare settings.¹

The efficiency and effectiveness of any healthcare system usually is
evaluated by measuring four factors: quality patient care, patient satisfaction,
nursing job satisfaction, and cost effectiveness for the health care organization.
Job satisfaction of the healthcare staff is the function of complex interactions

¹ Leiter MP, Harvie P, Frizzell C. “The correspondence of patient satisfaction and nurse burnout”, Social Science
Medicine, Vol. 47, No. 10, 1998, pp1611-1617
of economic, social and psychological factors that are subject to three major areas for measurements: professional job characteristics, organizational attributes and effects on patient outcomes and quality of care. Job satisfaction depends on Job design. It is as an important facet. Job design refers to the characteristics of jobs, such as the variety of skills demanded, that affect the satisfaction of employees. Job design theory suggests that job design influences employee performance through five key characteristics: skill variety, task identity, task significance, autonomy, and intrinsic feedback. Job characteristics are the characteristics of jobs, particularly the degree to which jobs are designed so that they enhance the internal work motivation and the job satisfaction of job incumbents.

The job characteristic model predicts that if the aforementioned job features are present in a job, the job incumbent will be more likely to have high internal work motivation, high quality and performance, high satisfaction with the work and low absenteeism and turnover. Hospital administrators have to redesign employees’ work role to enhance job characteristics specially task identity. Hospital administrators should appoint assistants employees in nursing units to carry out non-nursing activities specifically related to messenger activities to relieve nurses for direct patient care. Patient satisfaction is one of the sensitive indicators in determining the effectiveness of service quality in hospitals. It cannot be ascertained through implementation of new incentive schemes and organizational arrangements to the employees but it certainly depends on hospital’s climate. Hence there is increasing interest in studying the patient satisfaction.

Hospitals now are striving for maximizing the stakeholders’ interests and patient-focused service. Hospital, complex organization, has captured the imagination of the modern professionals and non-professionals alike. Maintaining a safe environment reflects a level of compassion and vigilance

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3 Ibid


for patient welfare. The Indian healthcare industry is seen to be growing at a rapid pace and is expected to become a US$280 billion industry by 2020. During the past couple of decades, in line with the “New Public Management” philosophy, public service organizations have started to focus on productivity improvement, on customer satisfaction and, generally, on a more effective management. In such a scenario, a renewed interest about the role of intangible resources in determining organizational performances has risen. This is particularly valuable for healthcare services. Recently, several scholars have discussed the relevance of intangible resources as drivers of outstanding performance in hospitals. Healthcare scenario is fast changing all over the world. Patient satisfaction is one of the established yardsticks to measure success of the services being provided in the hospitals.

Improved socioeconomic status and easier access to medical care has led to high expectations and demands from consumers of hospital services. Some authors have specifically addressed the Organizational climate as predictor of superior performance, where Organizational climate stands for a distinctive feature of an Organization, resulting from a synergic combination of several intangible resources related to human relational and structural dimensions of the Organization. Human dimension regards the employees’ perceptions of the organizational context and includes, for example, knowledge of organization’s structure, autonomy, motivation, initiative, teamwork capacity, satisfaction, well-being, and so on.

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Relational dimension, concerns the relationships within the organization and the dynamics underpinned in the values and mindsets shared among individuals, e.g., customers care, cooperation, employees’ relationships with middle and top management, and so on. Several studies have shown association between climate perceptions at individual and organizational level, such as, job satisfaction, individual job performance\textsuperscript{15}, customer’s perception of service quality\textsuperscript{16}, innovative behavior in healthcare and top management teams\textsuperscript{17}, innovation\textsuperscript{18}, and so on. This is because organizational climate exerts a powerful influence on the behavior of employees in workplace and plays a crucial role in any organizational process improvement that requires the implementation of a major organizational change.

More in general organizational climate can have significant positive or negative effects on organization and its performance. It is, therefore, reasonable to claim that organizational climate has a great importance in understanding how an organization works and creates value. The climate is relevant to service industries and, in particular, to knowledge intensive service industries, as the vast majority of their outputs are characterized by intangibility, heterogeneity, and simultaneously production and consumption. The goal of any service organization is creation of satisfaction among customers. Regarding the healthcare services, it is possible to state that healthcare organizations are becoming more aware of the need to understand their employees’ perceptions and climate generated by their organization because of its links to organizational capability to guarantee high quality service and generate value to its stakeholders.

Organizations today are facing major challenges in terms of intense competition, workforce diversity, cross-cultural interactions, employee retention, innovation and productivity, changing consumer preferences and dynamic government policies. The need of the hour is creating teams and fostering high level of competencies among them while maintaining high spirit of achievement. Sound Organizational Climate leads to Job Satisfaction of the employees in an Organization. Satisfaction of a person from the job is regarded as one's feelings or state-of-mind regarding the nature of the work. According to Locke (1976), Job satisfaction is a state of feeling while performing the duty. Job satisfaction is influenced by a variety of factors, e.g., the nature of one's relationship with their supervisor, the quality of physical environment in which they work, the degree of fulfillment of their work etc\(^{19}\).

It is important to note that job satisfaction has a tenuous correlation to the performance of a person\(^ {20} \). The Job satisfaction and productivity may be influenced by a number of factors. That is why it is narrated that a happy worker is more productive. The personality of the head of the institution may have some influence on the performance of subordinates\(^ {21} \). The relationship between job satisfaction and performance is the result of interaction of the personality of heads and subordinates. So the level indicates how much an individual is satisfied with the job. Job satisfaction is linked with other factors like design, aims, performance and nature of job. Other influencing factors on satisfaction are the style, culture, involvement and empowerment of employees and autonomy in work. When one looks at the work-life level of a medical professional, it becomes very obvious that the duty performance of such persons have enormous effects on their private life\(^ {22} \).


Whereas Ramsay says that the doctor has no emotions and is fully committed to the work. His / her work and non work activities cannot be separated from one another and are intermingled\textsuperscript{23 24}. Job insecurity may have negative effects on outcome of an individual\textsuperscript{25 26}. A study on Norwegian doctors found that the personality may not have an impact on the job performance. It all depends on the type of job and personality and quality of work. Job satisfaction has been a sort of personal assessment. There are no fixed parameters to measure this level materially; different types of barometers have been devised to gauge the satisfaction level which is different for different jobs depending on the type of the job being performed by an individual.

Satisfaction and its level has been found variable which is governed by different matters like personality of a person, salary, working condition, allied benefits, relationship with the colleagues, the degree of freedom to take and implement the decisions and to complete their assigned work, etc. Job satisfaction is generally defined as an employee’s affective reaction to a job, based on comparing actual outcomes with desired outcomes. In healthcare settings, staff satisfaction and retention are critical to patient care and hospital outcomes. A patient is the ultimate consumer of the hospital. He is the person in distress. He expects comfort, care and cure\textsuperscript{27} from a hospital. Patient forms certain expectations about the hospital prior to visit. Once the patient comes to the hospital and experiences the facilities, they may become either satisfied or dissatisfied.

Rising income levels and a growing elderly population are all factors that are driving the growth of healthcare expenditure. In addition, changing demographics, disease profiles and the shift from chronic to lifestyle diseases in the country has led to increased spending on healthcare delivery. Patient is the medium of input in a hospital environment. Nurses’ satisfaction is positively linked to patients’ satisfaction and to quality of care. Patient

\textsuperscript{26} Fingegold, D., Mohrman, S., and Spreitzer, G.M., 2002. Age effects on the predictions of Technical works commitment and willingness to turnover: Journal of Organizational Behavior, 23:655-674
\textsuperscript{27} Talluru Sreenivas, Op.Cit.p.11.
satisfaction is an attitude. - a person’s general orientation towards a total experience of healthcare they receive. Job satisfaction is an important component of hospital staff lives that can impact on patient safety, staff morale, productivity and performance, quality of care, retention and turnover, commitment to the organization and the profession with additional replacement costs and further attempts to hire and orientate new staff. Satisfaction like many other psychological concepts, is easy to understand but, difficult to define. Priorities are necessary in hospital settings. Just because a doctor has been employed by the hospital for many years, it does not mean that his patients, lab work or demands are any more important than those of other doctors, or other members of the staff.

In this chapter, the researcher has made an attempt to give detailed explanation of three concepts – **Organizational Climate, Job Satisfaction and Organizational Effectiveness.** By the end of the chapter, it is clearly understood as to how Organizational Climate and Job Satisfaction in Hospitals lead to its effectiveness, i.e., Patient Satisfaction.

**The Concept of Organizational Climate**

The concept of “Organizational Climate” is not significantly different from “Organizational Culture”. In fact, “Organization Climate” represents the organizational environment as is perceived (directly or indirectly) by the employers. In other words, it represents a part of the organizational culture in a broader sense as is perceived by the employees. Organizational climate can be a powerful strategic ally to an organization seeking a strategic advantage. It is a process which is very difficult for another organization to duplicate. Perhaps one of the most important and significant characteristics of a great workplace is its organizational climate. Organizational climate, manifested in a variety of human resource practices, is an important predictor of organizational success. Numerous studies have found positive relationships between positive organizational climates and various measures of organizational success. Patient satisfaction has become an important indication of climate inside hospitals. The enhancement and improvement of patient satisfaction will not depend on new incentives, schemes and organizational
arrangements. Patients are rightly becoming more involved in their own healthcare. Presently patients are given a chance to voice their opinions about the care they receive and it can be seen as part of a broad commitment to the enhancing of Organizational climate in Hospitals.

Organizational climate is about the perceptions of the climate and about absolute measures. Climate, as a metaphor is helpful, e.g., temperature is a measurable element of geographic climate, but it is not the absolute temperature that matters as much as human perception of it (is it cold, hot, or comfortable?). It is only after knowing what temperature means in terms of human comfort, that measurement of temperature becomes useful. Complicating perception is the probability that what may be too cool for one person may be too warm for another and just right for someone else. Organizational climate is a measure of the feel of the internal environment of an organization which is perceived by an outsider and/or an employee. Organizational climate has a great impact on employees’ behaviour. If the climate of an organization is open and friendly, employees feel comfortable and if it is very formal, then such a comfort level may not be felt.

Organizational climate depends on the employees’ attitude how they interpret the climate of the organization. It is a set of properties of the work environment, perceived directly or indirectly by employees, that is assumed to be a major force influencing employee behaviour\textsuperscript{28}. The concept of organizational climate has been analyzed by various authors in their definitions. For the researchers who are interested in organizational climate, it has to be understood that both climate and culture are important aspects of the overall context, environment or situation\textsuperscript{29}. Climate is often defined as the recurring patterns of behaviour, attitudes and feeling that characterize life in the organization\textsuperscript{30}. However, Organizational Climate always proved to be difficult to define.

\textsuperscript{29} Ibid.
\textsuperscript{30} Ibid.
The difficulties are:

(i) How to define climate
(ii) How to measure climate effectively on different levels of analyses.

Typical climates correspond to human feelings or moods: excitement, depression, anger, fear, optimism or anxiety. Like human mood, an organization’s climate can be caused by internal and external factors\textsuperscript{31}. Hence it has to be reiterated that organizational climate is interlinked with organizational environment. In fact the sweating of organizational environment creates organizational climate. Climate is the result of various actions that take place in organizational environment. Therefore, it can be said that an organization that creates a healthy environment and maintains a healthy environment will automatically create a very positive organizational climate.

Organizations do not exist in a vacuum. Organizations exist for the achievement of a common goal envisioned and envisaged by its promoters and accomplished together by the employees who are directed towards the goal. Each organization is a set in an environment particularly to which it is linked. This environment provides multiple contexts that affect the organization and its performance. The employees who are considered as human resource of an organization need a congenial climate to exist and sustain in order to stick on to the purpose of their work. If proper teamwork regulations are in place to establish priority, better patient care will result. Working as a team will reduce situations where an employee feels overwhelmed by his workload or the temperament of an unpleasant staff member.

Compassion and common courtesy are appropriate not only when communicating with patients; they are also vital in how you treat your coworkers. Organizational climate evolves over a fairly long period of time and relatively stable. Organizational climate is the major frame of reference for the members’ interpretation of organizational decisions and actions as also their own attitudes, behaviour and performance. Organizational climate factors influence the perceived ability of the individual employee, which in turn has a

\textsuperscript{31} Ibid.
decisive effect on his / her motivation perceived ability is influenced by the nature and clarity of the job, the scope of responsibility, degree of freedom, supervisory support and training, safety and other physical working conditions, previous experience and so on.

Achievement of goals needs morale and the morale is a result of job satisfaction and vice-versa. Organizational climate has a major influence on human performance and has impact on individual motivation and job satisfaction. Organizational climate provides a type of work environment in which individual feels satisfied or dissatisfied. Organizational Climate which seems as a guideline for dealing with people, has a major influence on motivation and productivity of the individuals as well as on the work group. A sound climate is long term preposition. In an evolving and challenging environment, healthcare organizations must ensure high levels of technical and professional expertise.

At the same time, they must develop the leadership capacity needed to adapt and succeed in the future. The specific challenges faced by healthcare organizations and healthcare leaders are not one-dimensional or easily characterized. Organizations and individual leaders also need a clear picture as to how leadership skills match up with organizational priorities. The top priority for leadership development in the healthcare sector is to improve the ability to lead employees and work in teams. Healthcare organizations also need to create strategies to provide current and future leaders with broad, cross-organizational experiences and learning.

Healthcare leaders have gaps in several areas that are essential for learning and long-term success: having a broad functional orientation, self-awareness and career management. Organizational training and development, succession planning and individual feedback, coaching and development efforts should address these gaps. Strong leaders use participative management to involve others, build consensus and influence decisions. Managers who value participative management encourage others to share ideas, information, reactions and perspectives and they listen. Organizational climate is the key

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32 Keith Davis, Human Behaviour at Work Place, New Delhi, Tata Mc Graw Hill, 1985 pp.331
factor to explain the innovativeness of the employees. If climate is healthy, employees will be more innovative as compared to other organization’s stressful climate. Good and healthy climate increases productivity level of employees. Organizational climate represents how the employees feel about the atmosphere. Employees are the key resource of an organization. As an organization, the hospital, in most instances, formally defines the roles of doctors, nurses and administrators.

Organizational Climate can be a powerful strategic tool to an organization seeking a competitive advantage. Because for those organizations which would like the project themselves as the best congenial places for a work should develop strong organization climate. Climate reflects a trend or inclination on the care of the needs of the organization and the people who are part of it, which is an important indication of organizational effectiveness. Organizations, to ensure their competitive advantage, must invest in policies and practices that bring sustainability and also promote conditions that create a favourable working environment.

Management of human resources is a very important task for any organization in today’s changing business environment. The performance of the human resources differs from service sector to manufacturing sector. In a manufacturing unit, the goals that should be achieved are defined in quantitative terms. Hence, the established procedures and policies drive the employees easily towards the accomplishment of task. The quality of a service product can only be measured by understanding the perceptions of the customers that experience the service. Hence, it can be stated, “the human resources of any service organization works in an environment, where they can only anticipate the satisfaction that might be experienced by the customer”.

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33 Coda, R. Pesquisa de clima organizacional egestao estratigica de recourses humans. Berganin, c.w; Coda, Coda R. Psicodinamica da vida organizacional: motiva cao e lideranco Sao Paulo; Atlas, 1997
34 Ibid.
In fact, this particular phenomenon of a service organization needs a congenial and supportive climate for human services to constantly remind themselves the quality that has to be experienced by the customer. This kind of thinking should be positioned by the owners of the organization into its employees which is a very crucial task. Hospital is an important service organization in the service industry. The service delivered in the hospitals is patient care and cure of diseases which is directly associated with the prosperity of the individuals. In other service organizations, the service delivered though needs quality, any deviation in the delivery of the service on time may not affect the customer physically.

Whereas, in a hospital organization any deviation in the service delivered pertaining to time of delivery and the way in which the service is delivered, will have grave physical affect on the patient who is a customer, sometimes which may lead to the loss of patient’s life. In this scenario of hospital organization, the human resources such as doctors, nursing staff, technicians, the supporting and the administrative staff should work in a congenial climate and will experience job satisfaction when the patients are cured. Managing human resource is a very important and priority task in the Hospital Organization. The climate of one hospital differs from hospital to hospital. In any organization, there are employees who feel comfortable working in the prevailing climate while some others find that the climate is altogether not suitable to them.

**Evolution of the concept of “Organizational Climate”**

The concept of Organizational Climate began a new approach to business management when it looked for arguments for the human performance, through relations between this factor and other aspects of daily life, such as leadership, satisfaction, ethics, motivation, performance. In recent years this issue has gained importance to be a considerable variable to be investigated by those who seek explanations for the productivity and quality of

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people work in organizations. The ubiquitous word **organizational climate** was coined by Kurt Lewin along with his colleagues Lippit and White in 1939 following a study of children’s school clubs. The Lewin et al., study investigated the relationship between leadership struggle and climate. Climate was again mentioned in an article by Fleishman (1939). This article discussed the development of leadership attitude and its implications through the measurement of behavior scales. In that article Fleishman discussed ‘Leadership Climate’ as a construct. Organizational climate was first very comprehensively defined by Argyris. In his attempt to diagnose the group dynamics in a bank, Chris Argyris introduced the concept of organizational climate.

The magnum opus ‘The Human Side of Enterprise’ opened a new vista of management science. This magnum opus introduced many pioneering concepts of industrial and organizational psychology. Douglas Mc Gregor in this book mentioned elaborately on the concept. In this book the drawback is that Mc Gregor did not present any technique for measurement of Organizational climate.

**Organizational Climate defined**

Organizational Climate proves to be hard to define. Organizational climate sometimes known as corporate climate is the process of quantifying the “culture” of an organization. It is a set of properties of the work environment, perceived directly by the employees, that is assumed to be a major force in influencing employee behavior. The Encyclopedic Dictionary of Management defines ‘organizational climate’ as the, “various points of view, particularly, on how employees should be treated, that are common to

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most senior people in an organization. The Encyclopedic Dictionary of Psychology explains, “The basic premise is that organizations have a set of generalized conditions that affect the experience and behaviour of people within that organization.

Dictionary of Administration and Management defines the same term as “the sum of all management-management, management-employee and employee-employee or individual or group communication forces like commitment, morale, cooperation, decision-making, creativity, authority, conflict resolution, teamwork, independent thinking or action, etc., that are created or influenced by an organization’s prevailing goal orientation and management style.”

Dictionary of Business and Management gives a very precise definition, “organizational climate is a set of properties of the work environment, perceived by employees and assured to be a major factor in influencing their behaviour.” Keith Davis explains organizational climate as the human environment within which an organization’s employees do their work. It may refer to the environment within a department, a company unit or an entire organization. We cannot see climate or touch it, but it is there. Like the air in a room, it surrounds and affects everything that happens in an organization and climate is also affected by almost everything that occurs in an organization.

Following are the salient features of Organizational Climate.

- OC as characteristic of an organization that describes and distinguishes it.
- An atmosphere.
- A normative structure of attitudes and behavioral standards.
- Characterizes the personalities - a product of leadership practices, communication practices, and enduring systematic characteristics of the working relationships among persons and division of any particular organization.
• Result of interactions among task, technology, structure, people and power variables of the organization which produce a culture and process.

• Influences behavior of people and provides employee job satisfaction and organizational goal achievement.

• An enduring one.

• OC is a molar concept.

• OC is a product of behavior and policies of members in the organization, especially in the top management.

• Though subject to change OC is enduring over time.

• Despite differences in individual perceptions, there can be broad overall agreement in describing OC.

• When used in the form of summated, averaged perceptions of the individuals, OC is a characteristic of the organization instead of the individual.

• From the definitions, it can be said that organizational climate reflects socio-psychological reality. It is a manifestation of the attitudes of organizational members (all employees) towards the organization itself. These attitudes are, of course, based upon such things as management policies, supervisory techniques and the “fairness” of management, labor’s reactions to management and literally anything that affects the work environment.

• OC influences the behavior of members of the organization.
**Exhibit I.1**
Definitions of Organizational Climate

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Georgopoules (1965)</td>
<td>Defines OC as a <em>normative structure</em> of attitudes and behavioral standards which provide a basis for interpreting the situations and act as a source of pressure for directing activities.</td>
</tr>
<tr>
<td>Schneider and Bartlett (1968)</td>
<td>Defines organizational climate as that which prompts an individual to be in a set or readiness, in line with explanations and general experiences specific to an organization.</td>
</tr>
<tr>
<td>Friedlander and Margulies (1969)</td>
<td>Defines OC as a relatively <em>stable or ongoing property</em> of the organization which may release, channel, facilitate or constrain an organization’s technical as well as human resources.</td>
</tr>
<tr>
<td>Baumgartel (1971)</td>
<td>Organization climate is a <em>product of leadership practices, communication practices</em>, and enduring systematic characteristics of the working relationships among persons and division of any particular organization.</td>
</tr>
<tr>
<td>Johannesson (1971)</td>
<td>Defines OC as the <em>condition of an organizational environment</em> as related to the characteristics of the job, the leadership, the work group and the various subsystems as well as the total organization. In other words, OC refers to the characteristic environment within which the members of an organization operate.</td>
</tr>
<tr>
<td>Slocum and Strawger (1972)</td>
<td>OC refers to the <em>interactions</em> among task, technology, structure, people and power variables of the organization which produce a culture and process for employee job satisfaction and organizational goal achievement.</td>
</tr>
<tr>
<td>Insel and Moos (1974)</td>
<td>OC is characterized by <em>personalities</em> that exert directional influences on behavior.</td>
</tr>
<tr>
<td>Meera Komarraju (1981)</td>
<td>Defines OC as <em>atmosphere</em> that exists within an organization as a consequence of various factors such as management policies and goals, relationship between management and employees, communication systems, controls, leadership styles, welfare activities and so on.</td>
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Exhibit I.2
Organizational Climate as Employee Perception

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition</th>
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<tbody>
<tr>
<td>Pritchard and Karasick (1973)</td>
<td>Defines OC as a relatively enduring quality of an organization’s internal environment, distinguishing it from other organizations, which (a) results from the behavior and policies of members of the organization, especially in top management, (b) is perceived by members of the organization, (c) serves as a basis for interpreting the situation and (d) acts as a source of pressure for directing activity.</td>
</tr>
<tr>
<td>James and Jones(1974)</td>
<td>View OC as a set of individual perceptions of the organizational context i.e. descriptions that represent interpretations of salient organizational features, events and processes.</td>
</tr>
<tr>
<td>Hellriegel and Slocum (1974)</td>
<td>Defines OC as a set of attributes which can be perceived about a particular organization and / or its subsystems and which may be included from the way that organization deals with its members.</td>
</tr>
<tr>
<td>Schneider(1975)</td>
<td>Describes climate as a set of macro perceptions which reflect processes of concept formation and abstraction based on micro perceptions about specific organizational conditions, events and experiences.</td>
</tr>
<tr>
<td>Gavin(1975)</td>
<td>Defines climate as being composed of perceptually based sets of descriptions that incorporate people interpretations of the organizational context. These climate perceptions, in turn form the basis for responses such as performance, satisfaction or commitment.</td>
</tr>
<tr>
<td>Gibson et.al (1976)</td>
<td>OC is a set of properties of the work environment, perceived, directly or indirectly by the employees who work in this environment, and is assumed to be a major force in influencing their behavior on the job.</td>
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</table>

Implications of Organizational Climate

First, we are dealing in a perceptual realm, the climate of a particular organization is that which its employees believe it to be what really is. Secondly, it suggests a relationship between other organizational characteristics and actions resulting in climate. Here it is believed that these variables can be measured and manipulated to some extent. Moreover, climate ostensibly serves as a basis for individuals to interpret and understand their surroundings and to determine reward punishment relationship.

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Yet the term Organizational Climate is a difficult one to define because there is often a number of Organizational Climates depending on one’s place in the hierarchy. We do know, however that the climate at the top sets the stage for that in the middle. This in turn affects the climate at the bottom. This was supported by Likert\textsuperscript{56,57}. He proposed a model based on the analysis of the extensive data obtained by the Institute for Social Research since 1946. It reveals that Organizational Climate experienced by a particular work group or by a particular hierarchical level in an organization is primarily determined by leadership behaviour. The capacity to exert influence on the Organizational Climate drops sharply by hierarchical level unless some conditioning factor such as geographical distance from top management alters the situation.

As one proceeds down the hierarchy, superiors at each level rebound to exert less and less influence on the Organizational Climate and to be increasingly influenced by Organizational Climate in which they are embedded. Organization structure influences the leadership behaviour, and both of these factors affect work processes. The latter influences performance, satisfaction and with the climate at the top setting the stage for that at intermediate and lower levels. Organizational climate has a major influence on human performance through its impact on individual motivation and job satisfaction. It does it by creating certain kinds of expectancies about what consequences will flow from different actions.

Individuals in the organization have certain expectations and fulfillment of these expectations depends upon their perception as to how the organizational climate suits to the satisfaction of their goals. Thus organizational climate provides a type of work environment in which individual feels satisfied or dissatisfied. Since satisfaction of individual has a long way in determining his efficiency, organizational climate can be said to be directly related with his performance in the organization. There are four mechanisms by which organizational climate affect performance, satisfaction, and attitudes of people in the organization.

\textsuperscript{56} Likert, R. (1967) \textit{“Experimental design”}, California: Brooks/Cole
\textsuperscript{57} Likert, R. (1968), \textit{“The Human Organization”}, New York: Mc Graw–Hill
First, organizational variables can operate as constraint systems in both positive and negative sense by providing knowledge of what kinds of behaviour are rewarded, punished or ignored. The organization can influence behaviour by attaching different rewards and punishments to varying behaviours. This assignment of different values to behavioural outcomes would then influence the behaviour of those people most interested in those specific values, second organizational variables may affect behaviour through evaluation of the self and others, and such evaluation will, in turn, influence behaviour. There are both physiological and psychological variables associated with the evaluation process. Third, organizational factors work as stimuli.

As stimuli, they influence an individual's arousal level, which is a motivational variable directing behaviour. The level of arousal will directly affect the level activation and hence performance. Fourth, organizational variables influence behaviour in that they influence the individual to form a perception of the organization. This perception then influences behaviour. Thus, organizational climate influences the way an individual in the organization behaves. This climate consists of total Organizational factors, including its authority pattern, leadership pattern, and communication pattern – three aspects that influences behaviour. Various research studies also confirm the positive relationship between organizational climate and employee performance.

Frederiksen, on the study laboratory studies involving 260 middle level managers, concludes that different organizational climate has different effects on human performance. It summarizes his findings in the following statement: It appears that the amount of administrative work in the stimulated job is more predictable in climate that encourages innovation than in one that encourages standard procedures and that in an innovative climate.
THE CUMULATIVE EFFECT OF ORGANIZATION CLIMATE

TOP MANAGEMENT

MIDDLE MANAGEMENT

LOWER-LEVEL MANAGEMENT

Determinants of Organizations’ Climate

The climate report not only provides managers with a “snapshot” of how their people view the work environment, it also highlights how managers can change the climate to improve employee motivation and productivity.
Organizational Context

The first and foremost influential factor that affects the climate is the management philosophy. If the company is wedded to such a policy that it effectively utilizes its resources both human as well as non-human, then it can be concluded that the climate is good. The manpower philosophy is generally expressed by rules, regulations and policies, etc. The point here is that the reactions of the employees and the degrees to which they welcome and accept the managerial philosophy is very crucial to the development of sound and favourable organizational climate.

Leadership Practices

The leader of a work group has a powerful influence on the expectations of its members. Many times, the quickest way to change organizational climate is to change the manager or the way the manager is managing. For each of the six climate dimensions, three management practices have been identified that seem to be particularly important. Taken as a whole, these 18 management practices provide a comprehensive “road map” to guide managers who wish to build a healthier organizational climate.

Organization Culture

The next determinant of climate is wider organization culture – the underlying values, beliefs and assumptions on which the organization is founded. These help determine the organization’s climate by creating informal sanctions and standards of behavior for members of the work group. Over time, a “culture” evolves that influences the way people dress and talk and relate to one another. These cultural norms define the patterns of behaviour that are considered acceptable; to the average employee, they are powerful social motivators.
Organizational Structure, Systems and Procedures

These include the formal Organizational structure, the design of tasks and jobs, the formal reward systems, and the explicit policies and procedures of the Organization. It is not hard to imagine how these “rules and regulations” impact the tone of the workplace and create strong barriers or incentives to employee behaviour. Formal Organizational arrangements often determine communication channels, the flow of information, and perceptions of opportunities and advancement; these are all related to the six climate dimensions. Structure of the organization represents another variable that affects climate.

It needs no reiteration that structure is a framework that establishes formal relationships and delineates authority and functional responsibility. Further, the actual arrangement of hierarchy is also to be considered, for it affects climate. Highly decentralized structure results in sound climate when the management feels the necessity of high degree of employee input in the total output. In other words, a management that has a strong belief in participative decision-making will promote decentralization. Successful collaboration in healthcare teams can be attributed to numerous elements, including processes at work in interpersonal relationships within the team (the interactional determinants), conditions within the organization (the organizational determinants), and the organization’s environment (the systemic determinants).

Organizations are increasingly reliant on teamwork\textsuperscript{58} \textsuperscript{59} \textsuperscript{60}. Several authors confirm that an organization’s success or failure depends on how effective its people are at working together in teams\textsuperscript{61} \textsuperscript{62}. By bringing together in real time the competencies, experience and judgment of a variety of professionals, organizations are trying to respond to a reality that is becoming

\textsuperscript{62} Ibid. 59
increasingly complex in terms of both the knowledge and the working methods that are being applied. Organizational structure has a strong influence on the development of collaborative practice in healthcare teams. According to some authors, successful collaboration between healthcare professionals requires a shift from traditional hierarchical structures toward more horizontal structures.

**Process**

In every organization certain processes are vital so that it runs. Communication, decision-making, motivation and leadership are some of the very important processes though which the management carries out its objectives. In all these processes, the relationship between superior and subordinate is visible and therefore the supervisor cannot afford to ignore this visible interface. For instance, if we consider leader-follower relationship in leadership process, it is the leader's choice whether to allow subordinates in decision-making, give assignments, does performance appraisals, etc. A leader has to be aware of the possible influence of his actions on the climate when deciding about the most appropriate supervisory technique for a given situation. It should be noted that failure to give consideration to the affect on climate would be a monumental error that could be reflected adversely on the performance of employees. Furthermore, when a leader mismatches his style to the situation it might abort any hope of attaining organizational objectives.

**External Environment**

Often, this influence is exercised through the environment’s impact on leadership, strategy and culture. Factors such as government regulation, economic conditions, competitive industry forces and technology create pressure on Organizations and their managers. These pressures manifest themselves in different Organizational climates. For example, the climate that characterizes a team of engineers working in a fiercely competitive high-

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technology industry will be markedly different from the climate of a similar team of engineers working in a highly regulated public utility.

**Business Strategy**

If a corporation has chosen an aggressive, growth-oriented strategy, for example, the goals, priorities and resource allocation decisions needed to support the strategy will help to determine the climates of the Organization’s work units. One would expect to find a climate that stressed risk taking, individual initiative, and future-oriented rewards in contrast to a strategy that focused on downsizing and re-structuring. An Organization’s strategy can send clear signals to employees about what is expected from them. The absence of a clearly articulated strategy also has implications for the climates in which they work.
Exhibit 1.4
INFLUENCES ON CLIMATE

Measuring Organizational Climate

Various issues in measuring organizational climate are presented here. Tagiuri\(^{66}\) highlighted the need to resolve the following problems in the area of climate research:

(a) need to distinguish between the objective and subjective environment
(b) need to distinguish between the person and the situation

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(c) need to determine as to which aspects of the environment should be specified and
(d) need to identify the structure and dynamics of the environment.

**Perception is important than objective reality**

Woodman and King (1978) are of the view that phenomenological OC is external to the individual yet cognitively, it is internal to the extent that it is affected by individual perception. It has been observed that an individual acts on the basis of what he perceives to be appropriate or acceptable in a given social setting. He receives messages and cues from different sources in the social environment which form the basis for his perception. An important source of information, according to Franklin (1975) and Likert (1967), is the manager. Organizational climate, although intangible, is a very real phenomenon. The confusion centering on the concept of organizational climate is whether we are trying to capture the objective features of the organization, or organizational features as perceived by individual organizational members?

While studying organizational climate we are interested in knowing how the objective reality of the organization impinges on the individual members rather than objective reality *per se*. This is because behavior within and outside an organization is not caused by objective reality, rather by the way the individual responds to objective reality. Therefore, individual’s perception of organizational reality is more important than the objective reality that exists within an organization.

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Perception not attitude

Johannesson (1971)\textsuperscript{70} equated perceived OC with job satisfaction. Robert M. Guion (1973)\textsuperscript{71} too has viewed OC as, no different from job satisfaction and therefore, considers it an attribute of the individual and not that of an organization. Hellriegel and Slocum (1974)\textsuperscript{72} viewed that organizational climate is perceptual in nature, which is descriptive of a situation rather than evaluative, as in the case of attitudinal measures. Attitudes towards organizationally relevant dimensions involve an affective component, whereas organizational climate involves perceptual component\textsuperscript{73}. In measuring attitudes researchers try to elicit responses which the respondents think to be ‘good’ or ‘bad’ but in organizational climate measures, researchers try to elicit responses as to what is happening in the organization. Thus, it is not intended to capture affects of individuals but their opinions about what goes on in the organization.

Divergent perceptions and divergent climates

But the question remains, that if perception is important, then within an organization we may possibly land up with as many climates as there are number of individual members\textsuperscript{74}. James and Sells (1978,1981)\textsuperscript{75} argue that since individuals differ from one another in terms of their cognitive construction competencies, encoding abilities, self-regulatory systems, beliefs, needs, values and self-concepts, they are predisposed to differ in what they perceive as ambiguous, challenging, fair, friendly, supportive, and so forth. Perceptions of climate of the same environment may, therefore, differ for different types of individuals. The aggregation of climate scores of a heterogeneous sample is likely to mark important variation. But perception itself is the result of both the objective conditions and subjective factors.

\textsuperscript{71} Guion, Robert M. (1973), “A Note on Organizational Climate”, Organizational Behavior and Human Performance, Vol.9, Pp.120-125.
\textsuperscript{72} Hellreigel, Op. Cit. 52
\textsuperscript{74} Johannesson, R. E. Op. Cit. 70.
Thus, if we include a sizeable number of individual subjective data points of a particular organization, we may be able to approximate the organizational reality better.

Roberts, Hulin and Rousseau (1978)\textsuperscript{76} have suggested that a composition theory relating psychological climate (PC) scores to OC scores can be established if perceptions of climate are shared among the individuals whose scores are to be aggregated. There are, of course, some critics of the climate instruments who are unlikely to be satisfied with any of the suggested precautions or solutions to the problem. For example, Starbuck (1976)\textsuperscript{77} recommends that the formulatrors of a concept like climate must adhere to the principle that measures based solely on subjective data provide information about the subject, not about his environment.

**Different concepts to measure**

Organizational climate is perceived at three levels, further complicating the measurement effort.

- Individual (or psychological) climate is the individual’s perception of the work environment;
- Group climate is the perception of work groups or subgroups; and
- Organizational climate is the collective perception of all employees within a unit.

Even though the group climate may be different in various units of a company, organization wide profiles are the most common. Dill et al.(1962)\textsuperscript{78} used the term organizational personality. Sharma (1989)\textsuperscript{79} has pointed out that when organizational climate is studied within a particular organization (i.e. individual is used as a unit of analysis) we may use the term psychological climate, but when cross-organizational comparisons are made by averaging the responses of the members of a particular organization, (i.e. the unit of analysis is the organization) then we can use the term ‘organizational climate’.


Benefits of Organizational Climate Measurement

- Increase in Productivity: The climate survey helps the organization by providing a better work environment for its employees so that they are motivated and work efficiently.
- Reorganization of a Company: Climate survey can also help the management to reorganize the structure of the company.
- Introduction of a new Product/Service: In today’s environment no new product or service can be launched without conducting a market research about the particular product or service. It also helps the company to understand and locate their Target Market.
- Company Relocation: If a company wants to shift the plant from one place to another, Climate survey is a way in which it can approach its employees and know what their views about the relocation of the plant are and are they willing to shift to new place.
- Change in Policies: If an organization has brought any change in the policies of the company, climate survey is a way through which it can know what the employees of the organization feel about the new policies.
- By performing an organizational measurement, employees are given an opportunity to be involved in the company at a different level than is typically defined in their job descriptions. Research has shown that employees who are more involved in the company may also be more satisfied with their job, miss fewer days of work, stay with a company longer, and perform better on the job.
- Positive Work Outcomes. In the last 30 years, a significant amount of evidence has been accumulated documenting the importance of the work environment in relation to organizational performance. In general, research has shown that factors in the work environment are related to outcomes such as employee motivation, job satisfaction, intentions to quit, job performance, and even organizational productivity. In addition, an emerging area of research has indicated that organizational climate can influence customer perceptions of the quality of goods or services delivered by a company.
• Communication Forum. In many companies it is very difficult to communicate with the majority of employees. Recent trends such as organizational restructuring and/or merging of companies has resulted in "flat" organizational responsibility charts which increases the number of employees for which each manager is accountable. As a result, some managers only have limited amounts of time to talk to employees about day-to-day activities. Conversations regarding an employee's work environment can fall to the wayside, and in some instances, never take place. Organizational surveys that occur on a scheduled basis (e.g., annually, biannually, etc.) can be a more efficient way for managers to gather important information.

• Industry Comparisons. Organizations often look to other companies when determining organizational policies and procedures. It is quite common for companies to "explore the market" or conduct "benchmark" studies when considering issues such as new product development, salary or employee benefit policies, marketing strategies, etc. A common question asked is "How do we compare to others?" One advantage of conducting an organizational survey is that it can provide an opportunity to compare the company's work environment to that of other companies. Many surveys offer a national normative database that can be used to facilitate comparisons across a variety of conditions and industries.

• Proactive Management. Administering organizational climate surveys allows managers to be much more proactive in managing their employees and work environments. When used on a scheduled basis, organizational surveys can help pinpoint problem areas within the work environment before they grow into a crisis needing immediate attention. Problems that require a reactive posture interrupt the normal workflow, and typically cause delays in providing products or services to customers.
Dimensions of Organizational Climate

What are the dimensions of Organizational Climate? It is indeed surprising that despite general agreement over the definition of the concept and two decades of considerable research effort there is yet no agreement about a common set of dimensions of Organizational Climate.

Richard M. Hodgetts (1991)\textsuperscript{80} has classified Organizational Climate into two major categories. He has given an analogy with an iceberg where there is a part of the iceberg that can be seen from the surface and another part that is under water and is not visible. The visible part that can be observed or measured include the structure of hierarchy, goals and objectives of the organization, performance standards and evaluations, technological state of the operations and so on. The second category contains factors that are not visible and quantifiable and include such subjective areas as supportiveness, employee’s feelings and attitudes, values, morale, personal and social interaction with peers, subordinates and superiors and a sense of satisfaction with the job. Both of these categories are shown in Figure I-1

\textbf{Fig. I.1 Categories of Organizational Climate}

- Hierarchy
- Financial resources
- Goals of organization
- Skills and abilities of personnel
- Technological state
- Performance standards
- Efficiency measurement

- Attitudes
- Feelings
- Values
- Norms
- Interactions
- Supportiveness
- Satisfaction

The dimensions of OC are classified by B.R. Sharma (1989)\(^{81}\) into three broad categories as follows.

1. **Leadership function** Formal actions of the executives of a company that are intended to motivate employees, including formal systems of reward and punishment, various employee benefit programmes, incentive pay plans, communication programmes, the quality of leadership offered by the top management and the resulting supervision exercised by the middle and lower levels of the managerial hierarchy, etc.

2. **Structural properties** Characteristics of the total organization or of the sub-organizational units in terms of size, span of management, degree of decentralization, line-staff structure, number of levels in the organizational hierarchy and shape of organization structure, etc.

3. **Employee satisfaction** Attitudes are feelings of employees about fellow workers, job experience and the organization, etc.

The different dimensions of organizational climate as stated by different writers are given here to understand that there are differences.

Garlie A. Forehand and B. Von Haller Gilmer (1964)\(^{82}\) established the following eight dimensions.

- **Structure**: Deals with structure of authority and relationships among persons and groups.
- **Size**: Deals with the position of the individual in the organization.
- **Complexity**: Deals with the number of components and number and nature of interactions among the systems employed by the organization.
- **Leadership Style**: Deals with the personality measure of individuals in leadership positions.
- **Goal Direction**: Deals with organizational goals and the relative weight placed on main and subsidiary goals.


\(^{82}\) Forehand G.A Op. Cit 9
G.H Litwin and R.A Stringer (1968) identified 9 dimensions of organizational climate.

**Structure**: The feeling that employees have about the constraints in the group; how many rules, regulations, procedures there are; emphasis on red-tape and going through channels.

**Responsibility**: The feeling of being your own boss; not having to double-check all your decisions; when there is a job to do, knowing that it is your job.

**Reward**: The feeling of being rewarded for a job well done; emphasizing positive rewards rather than punishments; the perceived fairness of the pay and promotion policy.

**Risk**: The sense of risk and challenge in the job and in the organization; is there an emphasis on taking calculated risks or is “playing it safe” the best way to operate.

**Warmth**: The feeling of general good fellowship that prevails in the workgroup atmosphere; the emphasis on being well-liked; the prevalence of friendly and informal social groups.

**Support**: The perceived helpfulness of the managers and other employees in the group; emphasis on mutual support from above and below.

**Standards**: The perceived importance of implicit and explicit goals and performance standards; the emphasis on doing a good job; the challenge represented in personal and group goals.

**Conflict**: The feeling that managers and other workers want to hear different opinions; the emphasis placed on getting problems out in the open, rather than smoothing them over or ignoring them.

**Identity**: The feeling that you belong to a company and you are a valuable member of a working team; the importance placed on this kind of spirit.


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**Structure:** Degree to which superiors established and communicated a job’s objectives and the methods for accomplishing them.

**Consideration / Warmth / Support:** Degree to which there exists managerial support and nurturance of subordinates.

**Autonomy:** Degree to which an individual can be his own boss and reserve considerable decision-making power for himself; degree to which there is a lack of constant accountability to higher management.

**Reward:** Degree to which there is a promotion-achievement orientation.

Robert D. Pritchard and Bernard Karasick (1973)\(^5\) measured OC using 10 factors.

**Autonomy:** Degree to which freedom exists.

**Cooperation:** Degree to which personnel cooperate with each other.

**Supportiveness:** Degree to which the organization tries to satisfy personnel needs for recognition.

**Structure:** Degree to which the organization specified the methods used to accomplish tasks; degree to which organization likes to specify, codify, etc.

Reward Structure: **Degree to which personnel are well rewarded.**

**Performance-Reward Relationship:** Degree to which rewards are fair and appropriate.

**Achievement Motivation:** Degree to which organization or sub-system attempts to excel.

**Status Polarization:** Degree to which there are physical and psychological distinctions between hierarchical levels.

**Flexibility:** Degree to which there is a willingness to try new procedures.

**Decision Centralization:** Degree to which organization centralizes the responsibility of decision-making.

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The definitions and theoretical positions on climate have varied considerably between the individual theorists. This has also been the case for the dimensions of climate and its measurement. Denison (1996)\(^{86}\) argues that developing a universal set of dimensions was often the central issue of the climate researchers so that comparative studies could be made possible in different Organizational settings. He compared this approach to that of the culture research that used a post-modern perspective which examined the qualitative aspects of individual social contexts where each culture that was examined was seen as unique and was not expected to have generalisable qualities which had become central to the climate research. It is possible that the dependence on the use of climate surveys as the research method of choice led those working in the climate area to seek generalisable qualities across settings. Jones and James (1979)\(^{87}\) argued that one of the assumptions of the climate literature is that a relatively limited number of dimensions could characterise a wide cross-section of social settings.

Jones and James (1979)\(^{88}\) initially administered their 145 item instrument to a large sample of 4315 US Navy personnel. A number of the dimensions that had been used in other studies could be related to their own findings as shown in Table 1.1. An exploratory Principal Components Analysis (PCA) produced a six factor (eigen values greater than unity) solution. Jones and James labelled their factors as follows:

“Conflict and ambiguity”, which “reflected perceived conflict in Organizational goals and objectives, combined with ambiguity of Organizational structure and roles, a lack of interdepartmental cooperation, and poor communication from management. Also included were poor planning, inefficient job design, a lack of awareness of employee needs and problems, and a lack of fairness and objectivity in the reward process.”


\(^{87}\) Jones, A. P., & James, L. R. (1979) Psychological climate: Dimensions and relationships of individual and aggregated work environment perceptions. Organizational Behavior and Human Performance, 23, 201-250

\(^{88}\) Ibid.
“Job challenge, importance and variety’, which "reflected a job perceived as challenging, important to the Navy, which involved a variety of duties, including dealing with other people. The job was seen as providing autonomy and feedback, and demanding high standards of quality and performance.’

“Leader facilitation and support’, which "reflected perceived leader behaviors such as the extent to which the leader was seen as helping to accomplish work goals by means of scheduling activities, planning, etc., as well as the extent to which he was perceived as facilitating interpersonal relationships and providing personal support.

“Workgroup cooperation, friendliness, and warmth’, which ”generally described relationships among group members and their pride in the workgroup.’

“Professional and Organizational esprit’, which ”reflected perceived external image and desirable growth potential offered by the job and by the Navy. Also included were perceptions of an open atmosphere to express one’s feelings and thoughts, confidence in the leader, and consistently applied Organizational policies, combined with nonconflicting roles expectations and reduced job pressure.” “Job standards”, which “reflected the degree to which the job was seen as having rigid standards of quality and accuracy, combined with inadequate time, manpower, training, and resources to complete the task.”
### Table I.1
**ADAPTED FROM JONES AND JAMES (1979)**

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<thead>
<tr>
<th>Comparison of Climate Dimensions across Studies</th>
<th>Workgroup co-operation friendliness and warmth</th>
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<td>Jones and James (1979)</td>
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<td>Litwin &amp; Stringer (1968) Schneider &amp; Barlett (1968)</td>
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<tr>
<th>Jones and James (1979)</th>
<th>Leadership, Facilitation and Support</th>
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### Developing a Strong and Sound Climate

For Schneider and White (2004)\(^9\), following are the three sources for the organizational climate development:

- Exposure of members to the same structural and objective characteristics;
- Practices and procedures for selection, retention and designation of tasks that produce a homogeneous set of members of the organization; and

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\(^8\) Ibid.

• Social interactions that generate the shares understanding among members.

The development of strong organizational Climate leads to Job Satisfaction among the employees which results in organizational effectiveness. Health services are affected by many factors such as human resources, delivery system and health infra structures. Among these, human resources is a vital component in delivering health services. Job satisfaction of the health workers is highly important in building up employee motivation and efficiency as higher job satisfaction determine better employee performance and higher level of patients’ satisfaction. Job satisfaction is the degree of favorableness with which the employees view their work. It is an issue that affects the lives of all workers including health professionals and is also a factor that determines whether an employee will remain in a position or seek work elsewhere.

In order to minimize costs and improve performance, healthcare organizations should focus on creating an environment that improves job satisfaction and retains productive and experienced employees. Job satisfaction is viewed as an outcome of the interaction between the worker his work environment and his job. Organizational research shows that employees who are experiencing job satisfaction are more likely to be productive and to stay in the job.

**Concept of Job Satisfaction**

Job satisfaction is determined by a comparison of one’s prior expectations about the job and the actual experience of the job. It has been found that job satisfaction relates to beliefs and emotions that individuals have about their work and their job. Job Satisfaction has been described as an attitude with an affective and cognitive component. When establishing the level of job satisfaction, we should focus on how employees feel about their work and personal relationships in the workplace, and on how leaders

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influence employees’ satisfaction. Without a doubt, satisfied employees are the ultimate goal of every leader. On the other hand, the goal of every employee is to find the kind of work that matches their abilities and interests as closely as possible, enables them success, and provides them with opportunities for promotion. Satisfied employees tend to be more productive and committed to their employers, and a direct correlation has been shown between staff satisfaction and patient satisfaction in healthcare organizations.

Stamps and Piedmonte (1986) conceptualized job satisfaction as consisting of six components: pay, autonomy, task requirements, organizational policies, interactions, and professional status. Job satisfaction has been associated with relationships with coworkers, workload, professional growth opportunities, autonomy, role clarity, and work hazards. Factors that have been found to affect nurses’ job satisfaction include job stress, a management style of nursing leadership, empowerment, nursing work environments including autonomy and control, and the nursing practice model. In addition, several studies have suggested that demographic factors such as age, system tenure, position tenure, level of education, and experience influence job satisfaction.

Satisfaction with professional growth and workload is an important predictor of nurse turnover. A recent study that examined the relationships between turnover intentions, professional commitment, and job satisfaction of hospital nurses in Taiwan found significant association between job satisfaction and intention to leave the organization and profession.

96 Ibid.
99 Ibid. 94
101 Ibid. 94
Luthans defines job satisfaction as a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience\textsuperscript{103}. Job satisfaction results from an employee’s perception of how well his or her job provides those things that are viewed as important. According to Ivancevich and Matteson, job satisfaction results from the perception people have of their jobs and the degree to which there is a fit between the individual and the job\textsuperscript{104}. Job satisfaction is therefore a work-related attitude. Attitudes comprise thoughts, feelings and intentions to act. An employee, who experiences a high level of job satisfaction, holds a positive attitude. Job satisfaction is also described as an emotional response towards various facets of one’s job, such as equitable pay and working conditions\textsuperscript{105}.

The implication is that a person can be satisfied with one aspect of his or her job, like pay and dissatisfied with another aspect such as supervision. Consequently, job satisfaction studies focus on the various parts that are believed to be important to most people.

From the above it can be concluded that job satisfaction:

- Is an emotional or affective state.
- Results from an evaluation (which is a cognitive activity) of job factors considered as important to the individual.
- Is influenced by the extent to which there is a fit between the person and the job; in other words, a fit between personal and job characteristics.
- Is influenced by various aspects of the job.
- Impacts on employee intentions and behaviours.

\textsuperscript{104} Ivancevich, J.M. and Matteson, M.T., Op. Cit 41
Theories of Job Satisfaction

The four theories that conceptualise job satisfaction are presented below. They are:

- Herzberg’s Two-factor theory.
- Locke’s Value theory.
- McClelland’s Learned Needs theory.
- Adams Equity theory.

Herzberg’s Two-Factor theory

Frederick Herzberg surveyed more than 200 accountants and engineers and analysed their responses to determine what made them especially satisfied or dissatisfied about their jobs. Herzberg’s theory proposes that every employee has two sets of needs or requirements, namely motivator needs and hygiene needs. Motivator needs are associated with the actual work itself and how challenging it is while hygiene needs are related to the physical and psychological context in which the work is performed. Motivators relate to the job itself while hygiene factors relate to the job context.

Herzberg proposed a theoretical relationship between motivator needs, hygiene needs and job satisfaction. When motivator needs are met, employees will be satisfied; when these needs are not met, employees will not be satisfied (but also not be dissatisfied). When hygiene needs are met, employees will not be dissatisfied; when these needs are not met, employees will be dissatisfied. Dissatisfied employees do less than what is required of them.

This theory has important implications for managing Organizations. In conclusion, the two-factor theory implies that efforts should be made to create conditions that help avoid dissatisfaction and that motivators should be built into the jobs of employees.

Locke’s Value Theory

According to Greenberg and Baron Locke’s value theory explains that, job satisfaction exists to the extent that the job outcomes (such as rewards) an individual receives match those outcomes that are desired. Invariably, the more people receive outcomes they value, the more satisfied they will be. The less they receive the outcomes they value, the less satisfied they will be. In Locke’s value theory, the key to satisfaction is the discrepancy between those aspects of the job one has and those one wants; the greater the discrepancy, the less people are satisfied. The emotions and desires are the way he/she experiences these values. In addition to values, intentions or goals play an important role as cognitive determinants of behaviours.

The individual responds and performs according to these intentions or goals even if the goal is not attained. The results of the responses are consequences, feedback or reinforcement. A team of investigators used a questionnaire and measured how much of various job facets a diverse group of workers wanted and how much they felt they already had. Also measured were how satisfied the respondents were with each of the facets and how important each facet was to them. Locke’s value theory demonstrates that job satisfaction is a personal attitude, depending on what the individual values in his/her job. It also emphasises a link between attitude and behaviour.

McClelland’s Learned Needs Theory

David C McClelland suggested that we are not born with a specific set of needs but that we learn particular needs from our culture or society. McClelland’s theory considers three higher-order needs namely; the need for achievement, the need for affiliation and the need for power. If one of these needs is strong, it motivates a person to behave in a way that leads to the satisfaction of that need. A person will experience job satisfaction if the nature of the job allows the person to satisfy his/her specific needs.

Adam’s Equity Theory

Adam’s equity theory states that an employee assesses his or her inputs to a job; for example effort exerted, time spent, training received, against what he or she gets from the job; for example effort, pay, recognition and then compares the ratio of these inputs to outputs with another employee’s ratio of inputs and outputs. If the employee perceives the ratio of his or her inputs and outputs to be equal to the employee with whom he or she has made a comparison, the employee will assess this as fair and a state of equity is said to exist. If the employee feels that the ratios of inputs to outputs are unequal, the situation is assessed as unfair and a state of inequity is said to exist. The employee will perceive that he or she has either been under-rewarded or over-rewarded. The choice of comparative colleague is important. It could be:

- Any other employee who holds a similar job (colleagues, friends, neighbours and professional associates).
- The system within the Organization where the employee works including its pay policies and the efficiency of its administration.
- The employee himself (the employee compares the ratio of his or her inputs and outputs to his or her experience in past jobs).

Fig. 1.2

Adam’s equity theory

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110 Ibid.
111 Ibid.
From Figure 1.2, it can be seen that the circle starts when employees perceive an inequality after comparing their inputs and outputs with their desired comparison. The employee then experiences tension or discomfort and seeks to reduce it by changing his/her behaviour or attitude. Job satisfaction is a job-related attitude and the implication is that if a person experiences negative inequity, he/she will experience lower levels of job satisfaction. Behavioural changes could include lower productivity, absenteeism, labour turnover and a lack of Organizational commitment.

**Factors affecting Job Satisfaction**

Various authors mention or discuss factors which have an impact on the job satisfaction levels of employees. George and Jones identify four main factors that affect the level of job satisfaction a person experiences\(^\text{112}\):

- Personality, which refers to enduring patterns of feeling, thinking and behaving.
- Values which includes intrinsic and extrinsic work values.
- Factors in the work situation, including relationships with co-workers, supervisors and subordinates, working conditions, pay and job security.
- Social influences arising from co-workers, groups or culture.

Of these four factors, George and Jones identify factors within the work situation as being the greatest source of job satisfaction\(^\text{113}\). George and Jones also mention the discrepancy model of job satisfaction. According to them, this model is based on a simple idea that employees compare their job to some ‘ideal job,’ to determine how satisfied they are with their jobs. This ‘ideal job’ could be what one thinks the job should be like, what one wants from a job, or what one’s former job was like\(^\text{114}\).

\(^{112}\) George, J.M. and Jones, Op. Cit. 106
\(^{113}\) Ibid.
\(^{114}\) Ibid.
From this model, one can deduce that when employees’ expectations about their jobs are high and if these expectations are not met, employees will be dissatisfied. This model is therefore similar to Locke’s value theory, which postulates that employees have certain values and if these values are represented in their jobs, they experience job satisfaction warn that no manager should conclude that personality is an unimportant factor in workplace behaviour, simply because it is formed outside the Organization. Gibson et al define personality as being “a relatively stable set of characteristics, tendencies and temperaments that have been significantly formed by inheritance and by social, cultural and environmental factors.” Due to personality differences, people bring different perceptions, expectations and values into the workplace, and if their jobs are not aligned with these perceptions, expectations and values, they will experience less job satisfaction.

Bergh and Theron mention that a person’s core evaluations, based on traits of self-esteem, neuroticism, locus of control and self-efficacy, influence the level of work satisfaction experienced. It is said that people with an internal locus of control and high levels of self-efficacy experience more job satisfaction and general life satisfaction, because they feel enabled to manipulate their environments and therefore possibly feel more intrinsically responsible for creating their own job satisfaction. Luthans considers co-workers as an important factor for job satisfaction. Friendly, cooperative co-workers are a modest source of job satisfaction to individual employees. The work group serves as a source of support, comfort, advice, and assistance to the individual worker. According to Herzberg’s theory, which was discussed earlier, co-workers are a hygiene factor. Conflicts with co-workers result in dissatisfaction.

116 Ibid.
However, if an employee has good relationships with co-workers, it will not necessarily result in satisfaction, but rather in a state of ‘no dissatisfaction’. This could explain why, according to Luthans, cooperative co-workers are considered as a moderate rather than a strong source of job satisfaction\textsuperscript{119}. According to Hilliard, an employee has certain expectations that should be fulfilled\textsuperscript{120}. In Mueller’s view, no one argues against pay bearing an influence on job satisfaction or the right of people to protest (actively or passively) against deficiencies in working conditions or environment\textsuperscript{121}. Rollinson, Broadfield, and Edwards also believe pay influences job satisfaction\textsuperscript{122}. Two things are important: whether the financial reward of a job is regarded as adequate and whether it is considered as equitable in comparison to what other people receive.

Though most people need a certain minimum level of income to live on, the relationship between pay and satisfaction is very complex. Some employees view pay as a reflection of how much their efforts are recognised, which gives money as a reward an intrinsic quality. It also has an extrinsic quality in terms of how much cash in hand the employee has. Broadfield et al suggest that where employees are allowed to put together personalised benefits packages from a menu of different types of reward (flexible benefits), there is a significant increase in this aspect of job satisfaction\textsuperscript{123}. Thomson also makes reference to Herzberg’s view of pay as a factor in job satisfaction\textsuperscript{124}.

Herzberg identified the level of pay as one of the factors which could lead to dissatisfaction at work rather than one which contributed in any major way to job satisfaction and motivation. Yet in most Organizations, financial incentives are the only reward provided by managers to induce increased performance. Performance-related pay systems range from simple bonuses or salary increases to more sophisticated pay systems like time rates, payment by results, measured day work or profit sharing.

\textsuperscript{119} Ibid.
\textsuperscript{123} Ibid.
According to Newstrom and Davis, job satisfaction is one part of life satisfaction. Therefore, the nature of one’s environment off the job indirectly influences one’s feelings on the job and vice versa\textsuperscript{125}.

Supervision, in Luthans’ view\textsuperscript{126}, is a moderately important source of job satisfaction. Two aspects of supervision that affect job satisfaction are:

- Employee-centeredness, which is measured by the degree to which a supervisor takes a personal interest in the employee’s welfare. This can be manifested in ways such as checking to see how well the subordinate is doing, providing advice and assistance to the individual and communicating with the worker on a personal as well as an official level.

- Participation or influence, whereby managers allow their subordinates to participate in decisions that affect their own jobs. In most cases, this approach leads to higher job satisfaction. A participative environment created by the supervisor has a more substantial effect on worker’s satisfaction than does participation in a specific decision.

Human resource management in health would have to function in a sector with some unique characteristics. The workforce is large, diverse, and comprising separate occupations often represented by powerful professional associations as well as trade unions. Some personnel have sector-specific skills, while others could readily move from the health sector to employment in other sectors. The main avowed commitment of those with sector-specific skills and qualifications (physicians, nurses, etc.), are towards their profession and patients. Job satisfaction represents the degree to which employees like or enjoy their jobs, which is an essential issue for both employees and employers. It leads to less job turnover, increased staff productivity, and greater patient satisfaction.

\textsuperscript{126} Luthans, Op. Cit. 103
Hospital administrators need to focus on ways to increase job satisfaction, and thus improve the performance, and thereby raise the level of quality of patient care. Job satisfaction is an important factor in increasing the level of work performance and career aspirations. It is noted in the literature that there is a high correlation between job satisfaction, commitment and better performance\textsuperscript{127}. All activities of a hospital are carried out by the staff, and the standard of service, patient care, etc. are dependent on employee satisfaction levels. It is vital that people participate effectively, both as individuals and as team members, with respect to performance and rapid adaptation to change; and hospital physicians and other staff possess valuable knowledge about the performance of their organization and opportunities for improvement. Job satisfaction and organizational climate are the major concern for any healthcare organizations because they are contributing to the organizational effectiveness in hospitals.

Organizational Effectiveness

Organizational effectiveness is the concept of how effective an organization is in achieving the outcomes as intended by the organization. The idea of organizational effectiveness is especially important for non-profit organizations. Organizational effectiveness captures organizational performance plus the myriad internal performance outcomes normally associated with more efficient or effective operations and other external measures that relate to considerations that are broader than those simply associated with economic valuation either by shareholders, managers, or customers. Organizational effectiveness is an abstract concept and is difficult for many organizations to directly measure. Instead of measuring organizational effectiveness directly, the organization selects proxy measures to represent effectiveness. Proxy measures may include such things as number of people served, types and sizes of population segments served, and the demand within those segments for the services the organization supplies. There are many ways to measure the effectiveness of an organization.

Campbell lists over 30 different criteria from productivity, profits, growth, turnover, stability and cohesion\textsuperscript{128}.

Different theoretical perspectives can account for the diversity in usage of effectiveness measurements. For instance, a hospital, which delivers service to its patients, may collect statistics such as the number of patients cured, etc. Since the hospital has as its goal the curing of diseases of the patients, the delivery of the service and the ultimate patient satisfaction is considered as the Organizational effectiveness in case of hospitals. There are many ways to measure the effectiveness of an organization. A patient’s expression of satisfaction or dissatisfaction is a judgment on the quality of hospital care in all of its aspects. Patient satisfaction is the healthcare recipient’s reaction to aspects of his or her service experience. Patient satisfaction belongs to the service dimension as opposed to the technical dimension of quality of care. There is a normal level of service that patients consciously consider, they have to do with the anticipated issues of hospital care related to access, wait times, scheduling, and billing.

The model shows that satisfaction increases as more of these expectations are met and that patients will be dissatisfied if these quality expectations are not met. Patients use comparisons of these expectations to recognize differences among competitors and to make choices. The meeting of patient/client expectations are assumed to play a role in the process by which an outcome can be said to be satisfactory or unsatisfactory. Expectations are an important influence on the patient/client’s overall measurement of satisfaction with a healthcare experience. Patient/client satisfaction is influenced by the degree to which care fulfils expectation. Hospital patients have a whole list of issues about which they have expectations: the smoothness of the admission and discharge process, accuracy and clarity of billing statements, courtesy of hospital employees, response time for calls and requests, the level of technology available in the hospital, nurse competency, taste and temperature of the food, and price.

\textsuperscript{128} Campbell, J.P, Op. Cit 84
The characteristics of the caring and concerned clinician begin with attentiveness. This is the practice of establishing a person-to-person connection with patients and involves attending to them as unique individuals and not just in their role as patients. Factors may include the cleanliness of the environment, the appearance of the facility, the ease of access to specific locations, the concern expressed from various staff and providers for the patient’s well-being, the amount of time they had to wait before getting care, the quality of the interaction with providers, the clarity of the communication from providers, the outcome from the care provided, the cost of the visit, the quality of the food, the perceived efficiency in which care was delivered, and on and on.

To create a culture of customer service excellence in hospitals and achieve outstanding patient satisfaction, it is necessary to understand the intangible aspects of perception and expectation that contribute to patient satisfaction. Patient satisfaction is a highly desirable outcome of clinical care in the hospital and may even be an element of health status itself. A patient’s expression of satisfaction or dissatisfaction is a judgment on the quality of hospital care in all of its aspects. Whatever its strengths and limitations, patient satisfaction is an indicator that should be indispensable to the assessment of the quality of care in hospitals.

The effective transfer of information is at the core of physician/patient communication. Patients have the need to provide complete information to physicians to facilitate an accurate diagnosis. The physician’s role is to provide information that addresses the cognitive, behavioral, and affective needs of patients and their families concerning their illness. The discrepancy of language, time constraints, and the ability of patients to remember are all barriers to the effective transfer of information. Timeliness in providing results of diagnostic tests is an important issue to patients who are often waiting expectantly. Studies have shown that the majority of patients have questions about the so-called “mysteries of medicine,” related to the diagnosis, etiology, and prognosis of their illness.

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Work effectiveness for medical is manifested in the quality of care received by patients. There is empirical support for the relationship between team functioning and work effectiveness within the context of hospitals. Hospitals with a strong teamwork culture were associated with more successes in implementing quality improvement programs and, in turn, greater perceived patient outcomes. It has only been within the last 10-15 years that the relationship between work environment characteristics and patient outcomes has been studied. Doctors and Nursing Staff play a dominant role in the determination of overall patient satisfaction with healthcare. Patient satisfaction has been defined as the degree to which the patient’s expectations for care are met in a care episode.

Meeting patient expectations are influenced by their personal characteristics (e.g. gender, age), structural factors (e.g. service delivery model, provider competence, cleanliness of physical environment) and the quality of nurse-patient interactions e.g. caring, pleasant attitude, prompt responses. The doctor-patient relationship is of primary importance in the overall healthcare delivery model. It is a unique relationship which depends on trust and confidence between the parties for the provision of quality health care. Effective doctor-patient communication is a central clinical function in building a therapeutic doctor-patient relationship, which is the heart and art of medicine. Much patient dissatisfaction and many complaints are due to breakdown in the doctor-patient.

Patient who is the principal component of the hospital stays in the immediate surroundings of the hospital mostly. Adequate nutrition intake is an important part of healing the hospital patient. In general, under nutrition is associated with loss of muscle strength and impaired immune function which

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134 Ibid.
can lead to an increase in complication rates, infection rates, and mortality. Promoting optimal nutritional status through quality hospital foodservices can lead to a faster recovery and decreased length of hospital stay which can have a large impact on hospital costs. The proportion of the staff experience a sound Organizational climate and Job Satisfaction, is directly related to the patient satisfaction. Training of the hospital personnel is another important determinant of the patient satisfaction. Where more number of employees in the hospital receive training; learning and development that is relevant for the job, the more is the performance on the job that results ultimately in the patient satisfaction. A positive organizational climate helps in the enhancement of positive feeling exemplified by communication and the involvement of the medical staff in the overall activities of the hospital. These will influence patient satisfaction to a large extent.

The quality of the experience that the patients perceive in the hospitals in directly proportional to the organizational climate perceived by the hospital staff. It is patient experience is directly related to the job satisfaction of the hospital staff. Maintaining good level of organizational climate reflects the level of attention for patient satisfaction that is the most important aspect of the hospital management. The primary responsibility of any hospital is to ensure high levels of patient satisfaction and providing patient centered high quality healthcare. Every patient that enters the hospital has a unique set of needs—clinical symptoms that require medical attention and issues specific to the individual that can affect his or her care.

As patients move along the care continuum, it is important for hospitals to be prepared to identify and address not just the clinical aspects of care, but also the spectrum of each patient’s demographic and personal characteristics.

137 Ibid. 135
138 Ibid. 136
The successful joint establishment of meaning wherein patients and healthcare providers exchange information, enabling patients to participate actively in their care from admission through discharge, and ensuring that the responsibilities of both patients and providers are understood. Acquiring the right workforce and then retaining that work force is one of the challenges for health organization in developing countries. The result of the study also revealed that among extrinsic rewards, payment is an important tool for their motivation. There is direct and positive relationship between rewards and nurses' work motivation. On the other hand, nurses perceived that their organizations are not offering right amount of rewards and this has created low-level work motivation for them. The effectiveness of health quality and customer satisfaction is dependent upon the motivation of its employees.

Human Resource Management (HRM) is seen as an important activity in health and its impact on the performance of health sector organizations is well supported by many studies and plays a major role in the success of organization by integrating the interest of organization and its workforce. In human resource management, training and development is intended to enhance the performance of employees through a learning process that involves the acquirement of knowledge, improvement of skills, concepts, rules, or changing of attitudes and behaviors in organizational settings.

India is a land of stark contrasts, with a heterogeneous healthcare delivery system and 1.2 billion people who exhibit vast health disparities. For example, India’s lowest wealth quintile has a mortality rate for children under age five that is three times that of the highest wealth quintile, and a measles immunization rate of less than half. Similar disparities exist in the quality of health care offered by India’s hospitals. While India’s public hospitals have struggled, the private health sector has seen an explosion of interest concurrent with the country’s economic growth.

\[140\] Ibid.
Two-thirds of Indian households rely on private medical care, a preference that appears to cut across classes, and even rural and paramedic care are dominated by the private sector. Although India’s elite institutions now rival top western hospitals in quality (and have attracted a sizable number of western patients, while garnering much media attention), these private systems were designed for and are geared to the health needs of India’s middle class—and thus target the Indian middle-class budget—with the public sector serving as a safety-net provider. The high-quality, low-cost combination requires supporting organizational innovation. The emphasis on efficiency has also influenced supply-chain management. There is intense scrutiny of materials management, with efforts to reduce costs of supplies without compromising quality. As a service-oriented and knowledge-intensive organization, a hospital typically deals with knowledge in a variety of categories: customer (patient) knowledge, service (treatment) knowledge, and account management, to name just a few.

Health care environments present unique challenges for effectively managing people. They are busy, fast-paced workplaces that present multiple and often competing demands for overwhelmed staff. They have distinctly different workforce segments, from highly skilled and educated clinical staff to lower-skilled support staff, all of whom must work effectively together to meet critical quality, cost and care delivery goals. The patient satisfaction depends on three elemental issues of health care system. These are perception of patients regarding quality health care service, good health care providers and good health care organization.

Health professionals and hospitals do wonderful things that improve health and well-being. But dangers are always there lurking to strike the patient unexpectedly. Fixing the gender-equality problem in nursing begins with addressing the stereotypes within the profession. Men become nurses for the same reasons that women do.

They care about helping others. But their ways of caring are different and those differences must be openly discussed. For example, a female nurse may pat a patient on the shoulder as a form of comfort, but if a male nurse does this, it may be seen as inappropriate touching. Men in nursing talk about being able to "connect" with their patients without touching and this form of caring needs to be as valued as the gentle touch. Hospitals are the institutions that primarily provide curative and rehabilitative services to the community. They deploy a large manpower whose management is too complex and paramount. For achievement of goals of hospital services and effective management, it is desired to ascertain and to understand the interpersonal and inter group behaviour to reduce conflicts within hospital work climate.

Patients' satisfaction is related to the extent to which general health care needs and condition-specific needs are met. Evaluating to what extent patients are satisfied with health services is clinically relevant, as satisfied patients are more likely to comply with treatment, take an active role in their own care, to continue using medical care services and stay within a health provider and maintain with a specific system. Satisfaction of patients appears to be a major device in order to take important decisions by the hospital managements. According to Donabedian, any health care provider must desire its basic goals and objectives by offering various patient support services.

The potential for conflicts in hospitals is apparent. It has a wide range of varied manpower, highly specialized to just skilled to semiskilled—gathered together under one roof. The administrator is continually facing and attempting to solve individual or inter-personal or departmental conflicts. Research reports substantiate that hospital manager or administrators spend 20 per cent of their time dealing with conflicts. Hence their ability to handle and manage conflict behaviour has become substantial over the decade. As a first step, hospital administrators must recognize the forces leading to conflicts in a hospital set up in order to manage them effectively.

\[144\] Donabedian A. Op. Cit. 129
\[145\] Ibid.
Such situation gives rise to conflict. This occurs because people demonstrate different feelings about what is logical or natural, socially desirable, less desirable and undesirable, good or bad, sound or unsound in their perceptions. Currently in India the environment is very conducive for integrating strategies to improve quality in the health system. Doctors, nurses and other paramedics make up the staff of a health organization like hospital or clinic. Almost all the research on user perceptions includes questions about the personality, expertise, behavior and interpersonal skills of the doctors. Patients have high expectations from the doctors in terms of showing care for the patient, extending consultation and support.

Patient satisfaction represents a key marker for the quality of health care delivery and this internationally accepted factor needs to be studied repeatedly for smooth functioning of the health care systems. A better appreciation of the factors pertaining to client satisfaction would result in implementation of custom made programs according to the requirements of the patients, as perceived by patients and service providers. Patient is the best judge since he/she accurately assesses and his /her inputs help in the overall improvement of quality health care provision through the rectification of the system weaknesses by the concerned authorities. Offering highest quality of health service to as many people as possible is the main goal of any hospital.

Achieving this requires a committed and high quality workforce. Continuous human resource management, availability of highly motivated and quality oriented staff is the need of the hospitals. Attending to the Job satisfaction of the staff is the fundamental responsibility of the hospital.

Patients will experience satisfaction when they receive care from the employees who are experiencing high levels of morale which is the result of Job Satisfaction. A healthcare system that supports effective teamwork can improve the quality of patient care, enhance patient safety. Effective collaboration can lead to effective teamwork. Some studies have focused on collaboration as an outcome (that is, as an end point). In models of team effectiveness where outcomes are defined as enhanced patient care and provider satisfaction, collaboration is defined as a process. Further, measuring team effectiveness could be considered one way to assess the level at which team members collaborate. If members of a team are able to collaborate effectively, it is hoped that through their collaboration a specific outcome could be positively affected.

Patients, in general, receive various services of medical care and judge the quality of services delivered to them. Hospital staff have difficulties in meeting the needs of the patients if their own needs are not attended. Therefore, hospitals have the responsibility to attend to the needs of both staff and the patients. Satisfied employees are productive and vice-versa. Hospitals must ensure cooperation and performance from the employees to ensure patient satisfaction. Ensuring this kind of commitment can be attained by developing sound Organizational Climate. Leadership is needed at all levels of the healthcare system to implement teamwork that will contribute to the health of patients.
PLAN OF THE STUDY

The entire thesis has been divided into nine chapters. Chapter – I deals with the concepts of Organizational Climate, Job Satisfaction and Organizational Effectiveness. Objectives, methodology, Literature Review and Research gap are dealt in Chapter – II. It includes, significance of the study, hypotheses, limitations of the study. Chapter – III presents the Framework of Hospitals in India. It includes the review of Health and Healthcare, structure of Healthcare and Present status of Hospitals in India. Chapter – IV deals with Organizational Climate in select hospitals from the researcher’s perspective. Chapter – V deals with the analysis of Organizational Climate and Job satisfaction from Administrative staff and doctors perspective of the select Hospitals. Chapter – VI deals with the analysis of Organizational Climate and Job satisfaction from the perspective of nursing and supporting staff. Chapter – VII deals with the Organizational Effectiveness from Patient’s perspective. For this, analysis of patient satisfaction is done. Chapter – VIII deals with the impact of Organizational Climate on Job Satisfaction and Patients Satisfaction. Chapter – IX deals with findings, suggestions implications for maintaining Organizational Climate, improving Climate and Job Satisfaction perspectives in select hospitals and improving Organizational Effectiveness.