CHAPTER VI

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

The topic of the research, "A Study of Organisational Climate for effective management of human behaviour in organisations", as the name suggests, was aimed at two specific objectives. The study of the existing organisational climate in selected organisations, was the first. The second objective was to suggest a model, with the aid of the knowledge gained from the study. The purpose of the study would have been defeated if the model suggested was not realistic, practical and simple to understand and apply. The model was expected to be an effective instrument in managing the behaviour of the people to the best of advantage both to the people themselves and the organisation concerned.

Climate of an organisation is its distinct personality, built up over the years. It is the result of interaction of many factors, both internal and external. No organisation can have any kind of control over the external environmental variations. It can only adjust itself to suit the changes outside. The internal factors, like the company policy, organisation structure, nature of leadership styles, strength of Interpersonal relationships and so on, take the major share in shaping the organisational climate. These vital factors can be controlled and remodelled by the organisations. The study, therefore, concentrated on those factors.
Conclusions derived from the findings of the sample units are summarised in this Chapter. The Chapter also contains a few recommendations for action to build a healthy organisational climate.

Karnataka Power Corporation (KPC)

The organisational climate in KPC, though cannot be rated as healthy, it is not negative. It is a state owned public sector organisation. It is involved in a monopolistic activity of power generation and the power generated is sold to another sister organisation (public sector), Karnataka Electricity Board, at a price decided by the KPC, with the concurrence of the government. KPC's profit, thus, is assured. It does not mean the productivity is high for the reasons stated. There is not much of scope for creativity, innovation etc. In a government department self control is not permitted, and the structure is rigid, controlled by a strong bureaucracy. Interpersonal relationship is based on coexistence and the attitude of 'forget and forgive'. People are not unhappy because of the job security, they consider themselves as government employees. Behaviour modification in KPC is not an issue since the executives do not think it is necessary. They find nothing wrong with the present behaviour. The main reasons, to repeat, KPC has no competition, it makes profit and the government accepts the existing performance level.
Widia (India) Limited

In Widia, almost all the ingredients of a healthy organisational climate are present. In the face of tough national and international competition the company cannot lack behind in utilising the human resource to the maximum extent possible. The study has shown that the organisation is a dynamic one and the dynamism is also evident in the behaviour modification efforts of the company. The effort is consistent, and stable, steady and noticeable change of behaviour of the people is taking place. The people in the company keep the organisation in high esteem, because of its multinational ownership, high market performance and sound financial base.

There are a few minor drawbacks. First, the middle level executives are not happy about the leadership style of top executives. Second, people are not happy about the groupism in the organisation, though based on individual perceptions. Third, interpersonal relationship is work or job-oriented and not people oriented. Executives do not have much of knowledge about the family members and the background of employees.

International Instruments Limited (IIL)

The climate in International Instruments Limited presented a dismal picture. It is an organisation started, developed and managed by one enterprising entrepreneur, N Krishnan. The products of the company were given the brand name made out of his Initial 'N' and first letter of the name 'K' written as "Yenksy". As the company progressed and the
number of employees increased, he found it difficult to withstand the pressures and demands of employees. He started bending and stretching his style of management to suit the whims and fancies of his employees. The down-fall of the company started in that manner, till it was taken over by Mahindra & Mahindra, a leading automobile manufacturer of India. Presently, though, the vehement erosion of the climate has been slowed down, it is not in a happy condition.

Model Unit

The fourth unit selected for study was Vijay Wires and Filaments, Mysore, Karnataka. The intention of the study was to find out the intricacies of successful human resources management and creating a healthy organisational climate of the company. The management practices and the organisational structure are totally people-oriented. The company's policy highlights the significance of human resource and treating it as the single largest and important investment area.

The observation revealed that all the employees and the management work together as the members of typical Indian Joint family. The process of decision making starts from the bottom and it culminates at the top. In other words, consultation on organisational matters and participation in decision making are the hall-marks of the management practices of Vijay.
The entire management system works through innovative methods such as Self Management Team (SMT), Works Committee or Task Teams, Management Networking, Acting Supervisorship etc.

The interpersonal relationship is strengthened by informal dealings, absence of bureaucracy and boundariless organisational structure. Considerable importance is attached to creativity, acquiring multiple skills and expressing concern for the company through people's behaviour.

Every employee is encouraged by an incentive system known as 'Company Concern Allowance (CCA) which is determined based on cumulative assessment of various aspects of behaviour of the employees, carried out quarterly. The acceptance of the system was so overwhelming that they decided not to have a trade union. The existing union was dissolved.

A unique system observed in the unit was the freedom of employees to quit the organisation if they decided after the contract period. Usually the employees are asked to sign a contract for five years, thereafter, the employees are given a choice to remain with company or leave. The system has not affected the consideration for seniority for promotion, benefits or the growth prospects. The company's hierarchy is top down, where the shop-floor workers are placed on the top.

The organisational climate of the company is extremely healthy and conducive for individual and organisational growth. The systems and practices of the company are worth emulating by other Indian organisations.
HYPOTHESIS PROVED

The study started with the Hypothesis that the behaviour modification of the people within the organisation is only possible when the organisation has a healthy organisational climate. The organisational climate is healthy when -

- The productivity of the people is high,
- Creativity and innovations are a common feature,
- The people have autonomy to manage themselves and their work,
- The organisation relies more on the self-control by its people,
- The organisation structure is flexible and informal,
- Interpersonal relationship is filled with trust and warmth, and
- The people are willing to take risks.

The study of the sample units and one model unit revealed that the aforesaid characteristics truly represent a healthy organisational climate. The hypothesis, therefore, has been proved.

RECOMMENDATION

Creating a healthy organisational climate is a long drawn process. Unlike the other factors of production, the human resource of an organisation is directly influenced by its climate. It is imperative the organisations in India introspect and convince themselves about the need for rebuilding their organisational climate. The model suggested in Chapter V deals with the step-by-step approach to build a healthy organisational climate. Based on the model suggested, the following recommendations are made:
Creating Self-worth in People

Creating self-worth or value-building is the most paramount requirement, to start the process. People in traditional organisations are divided not only based on the job they do, but also based on the position they hold and the facilities and perquisites provided to them by the organisation. In other words, the organisations create a sort of occupational casteism and divide the people into artificial compartments. The process of creating self-worth or value-building in individuals can only be effective if the caste system is removed. Elimination of the difference in status symbols such as the dress or uniform, eating places, parking spots, the pattern of greeting and respecting each other, will go a long way in laying the foundation for a healthy organisational climate. The organisation, therefore, may have to undertake demolition and the re-architecting of each individual employee's cultural and attitudinal bases, as soon as they enter the organisations. The process may have to be guided and continued, so that the efforts succeed in perpetuating the changed behaviour pattern.

The people must have a sense of equality and disposition to interact with the other people in the organisation without being conscious of the status or positions held by them. There must be only one thought in their mind that all of them are employees of the organisation and they are jointly striving to achieve the goal of their organisation.
Change Managerial Leadership Styles

Change in the attitude of the managers towards other employees is an important requirement to change the behaviour. Manager is always a part of a group. Otherwise a person cannot be a manager. It is the duty of the leader to take care of the team, work with them and device ways and means, to carry the people together and motivate them for better efforts and achievements. By encouraging spontaneous and fearless feed back and disclosing joys and anxieties with the people, a manager can become a better leader. In dealing with the people every manager, if he has to be successful must respect the age of the employee, their beliefs and introduce some amount of spirituality in the interpersonal relationship.

Re-architect Organisation Structure

Organisation structure must be boundless and flexible. To achieve this aim, multifunctional departments has to be set up at different levels. The grouping could be based on the time-span of the activities like routine, short-term, medium-term, long-term etc., depending upon the nature of operations of organisations.

Recognise and Integrate Informal Structure

Informal structure created by friendship groups, cliques, sub-cliques etc., is an inseparable and integral part of any organisation. The informal group play very crucial role in shaping the organisational climate. Effort must be made, as in the case of Vijay Wires
and Filaments, to integrate informal bodies with a formal structure and utilise the grapevine for the purpose of formal communication. The communication is the lifeline of an organisation and the free flow of communications, up-ward, horizontal and diagonal directions is an healthy sign of the climate.

**Form Self Management Teams**

Organisations are familiar with delegating i.e., parting authority in full or in part to be exercised by some one else at the lower level in the ladder. This is a formal action. However, organisations must also get used to delegating to informal groups. This is the aim of creating Self Management Teams. It is a voluntary body which works regularly in all earnestness, solving not only work related but also personal problems. SMT takes most of the decisions on minor and routine matters which otherwise would have needed the manager’s time. SMT helps managers to have extra time to deal with other more important matters relating to the operations.

**Create Self manageable Units**

Small is not only beautiful, but is also efficient. In large organisations, adaptability and flexibility may be absent. The need to adopt changes and to move in tune with the changing external environment is a valuable quality of a growing and successful organisation. The management, therefore, will have to constantly review and monitor to identify organisational rigidity and bottlenecks caused by the expansion of the organisation. Whenever the organisation become unwieldy, the management must endeavour to dissect the organisation into smaller independent units with freedom to manage themselves.
Elimination of Bureaucracy

The bureaucracy neutralises the organisational effort to introduce boundariless informal organisational structure. The cogs of the organisation machinery comes to a standstill or move slowly or intermittently, as a result of the red-tapism and multi-level decision process which is part of bureaucracy. Bureaucracy, therefore is considered as a staunch rival of healthy organisational climate.

Keeping the Indian values in mind, irrespective of the different religious teachings, it will be of advantage to every manager, if he tries to create a traditional Indian joint family system type of set up in their organisations.

Introduce Employee Counselling

Majority of the employees, particularly at the shop-floor level, are not able to plan their life styles, develop a purposeful and healthy living habits. They do not balance their income and expenditure. As a result they generally have disturbed living conditions created by indebtedness, marital problems, alcoholism, drug abuse, betting or gambling.

Counselling is an effort to help a fellow man or women to overcome his/her frustration, internal conflicts, emotional upheavals or state of indecision caused by any one of the factors mentioned above.

The purpose of employee counseling programme is to seek resolutions to worker's problems, not through changing the working conditions, but, rather through orientation of the workers, by changing their attitudes to life and personal goals.
The best person to counsel an employee is his own boss. This is possible only when the subordinates have confidence in, and respect for, the boss. To establish a healthy rapport, the managers will have to find time, in the midst of their busy schedules, for an informal sincere chat with the people working with them. Besides, the managers also must develop the skills to counsel the people.

Successful counselling of employees could bring in unprecedented and highly fruitful changes within organisations. Every time an employee is helped to solve his problem, not only the employee feels obliged and indebted to the counsellor (manager) but also would spread his feelings among his colleagues. The employee's confidence in the manager enhances and the organisational loyalty takes a strong foundation. The employee becomes a happy person at work and at home. A manager who helps an employee through counselling is also indirectly creating happy homes and social harmony.

The recommendations are evolved out of the insight and evidence sifted out from three main sources:

1. The theories discussed in Chapter I.
2. The findings of the study at the three sample units and the fourth unit studied to support the model.
3. The Indian ethos.

Sources one and two, have already been dealt with in detail. The third, though partially covered, need a summing up.
It is inescapable for the Indian organisations not to ignore the Indian ethos and values. Without a proper understanding of those, effective management of the Indian people in Indian organisations is impossible. Every Indian manager must be convinced of this truth.

Essentially what is to be remembered is this. Human beings are gregarious animals. Normal behaviour can only be expected in group context. Group cohesiveness is characterised by homogeneity, compatibility and common interests of the members. People employed in organisations come from such environment or groups in the society. Their employment displaces them gradually from the group. In the absence of an alternative group at the work place, they cannot be expected to behave normally. No amount of external pressure or incentives would help the people to attain normalcy in their behaviour. At times, the individuals themselves would not be knowing why they behave in an unacceptable or strange manner.

Every organisation, therefore, needs to keep this fact in mind while dealing with the people. The best method to mould the behaviour is to convert the organisation into an alternate society for the people in the organisation to interact freely. The endeavour should be to create the social groups as natural possible, so as to make the people feel at home.

In the present day context, the individual and group behaviour of Indian people is neither based on true Indian ethos, nor it has any definite direction. They are misguided and confused.
What Justice Rama Jois, former Chief Justice of Karnataka and Haryana High Courts and author of *Legal and Constitutional History of India*, said is relevant here. "During the centuries of alien rule, our identity was suppressed and their way of life and thinking were imposed on us. It is that suppression, more than mere alien rule which caused unrest among the people which resulted in the struggle for political independence. Therefore, our foremost duty, after attaining political independence was to ensure the assertion of national identity in every field of our national activity. It is the neglect of that aspect which is the root cause of all our problems".

Certain distinct Indian characteristics are of supreme importance to managers who wish to reshape the behaviour of the people working under them.

As per Vishnupurana, the basic difference in the approach to life, between Indian people and people from other part of the world is stated thus. "In this land (Bharat), duty (Karma) of an individual (towards other individuals) is paramount. In the rest of the world, enjoyment out of material consumption (Bhoga) by an individual is paramount". In India Dharma, (for which there is no suitable word in other languages) is highly important. One's mission in life is to accomplish Dharma through 'Karma'. Without thinking about the personal benefits (Nishkama Karma). This fact is stressed in Bhagavadgeeta, as "Your right is to perform your duty" (Karmanyevadhikaraste).

The term "Dharma" is of a complex meaning. Bhishma in Mahabharatha states "Dharma has been explained to be that which helps the upliftment of every being". Dharma embraces every type of righteous conduct, covering every aspect of life essential for the sustenance and welfare of the individual and society. Every one in the organisation should be conscious of their own Dharma and accordingly perform their Karma (duty).
It is the feeling of equality and fraternity which gives a sense of belongingness, and results in the efficient working of an enterprise. What is stated in Rigveda and Atharveda (Rigveda-Mandala-5, Sukta-60, Mantra-5) should be of value to managers.

"No one is superior or inferior. All are brothers. All should strive for the interest of all and should progress collectively". It is emphasised once again (Rigveda-Mandala-10, Sukta-191, Mantra-4) as follows:

"Let there be oneness in your resolutions, hearts and minds. Let the strength to live with mutual cooperation be firm in you all".

Cordial employer-employee or manager-subordinate relationship is a duty to one another. One of the ancient Indian literature "Sukraniti" (part II, pages 836-839) has precisely explained the concept.

1. "Low wages, harsh treatment, insults, abuses and imposition of heavy fines or severe punishment are the causes of unrest among the employees.

2. Satisfied payment of adequate wages, promoted honourably, cheered up by gentle words and consoled in grief, the employees would never let down or desert their master".

Sum and substance of Indian philosophy is incorporated in the famous Indian slogan "Sarva Janaha Sukhino Bhavantu", meaning 'let all be happy'. The ideal implicit in the slogan does not admit any conflict in the interest of the workmen and management. It envisages happiness to both. This has to be ensured by each by performing his duty towards the other.