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A DETAILED REVIEW OF ORGANIZATIONAL CLIMATE

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ABSTRACT

Climate in the natural sense is referred to as the condition of the weather at a place over a period of years as exhibited by temperature, wind, velocity and precipitation but these features of the natural climate cannot be incorporated to define organizational climate. Organizational climate should be viewed from a total system perspective. It is a general expression that conveys the impression people have of the environment in which. It is an abstract and intangible concept, difficult to explain. It explains how one organization differs from the other. It is of enduring quality experienced by the organization members. It is also multidimensional concept comprising individual autonomy, degree of conflicts, cooperation, pattern of communication, authority structure and leadership style and so on.

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INTRODUCTION

The essential components that collectively represent the climate of an organization can be summed up or below: dominant orientation is an important determinant of climate of an organisation. The interpersonal relationships are reflected in the way informal groups are formed and operated. The organisational climate also depends upon how effectively conflicts are managed. Sufficient freedom to work and exercise authority will lighten the burden of higher executives. The control system of an organisation also plays an important role. Rigid control will result in minimum scope for self-regulation. Decentralisation of authority results in an atmosphere of participative decision making but centralisation of authority results in less participation. The management style also effect organisational climate task oriented approach means less employee morale. On the other hand, relation oriented approach will improve the team spirit in the organisation and the aspiration of the work will be given due importance. The rewards and punishments are also important for organisational climate.

If the reward system is nonstop related to performance and productivity there will be an atmosphere of competition among the employees. Proper communication system will also affect the organisational climate. The flow of information, its direction, it's dispersant are all important determinants. If the communication system is not proper the subordinate will feel frustrated. If individuals feel free to try out new ideas without fear. It will create an conducive atmosphere to innovative ideas. The above components are not mutually exclusive, but overlap author and indicate the underlying philosophy of the management.

Literature Reviews

In this research paper the reviews had taken from various foreign and Indian research authors. The Researchers have taken a keen interest in organizational climate of organization. However, it is essential to review all relevant material which has a bearing on the topic selected. Researchers have reviewed the literature of organizational climate in different fields and their findings are listed below. These reviews of related literature give an overview to the researcher in the conceptual analysis of the topic and for framing objectives and hypotheses and for identifying variables etc.,

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In the present study 52 literature were collected from various resources. Likewise, in last ten years (2006 to 2015).

Studies Related to Role Clarity

Sinha and Guldenmund, (2015), pointed out, the atmosphere that characteristic a particular organization is the organizational climate of that firm. This climate comprises shared perceptions about organizational norms, beliefs, values, practices, and procedures. These can be observed at general or specific levels. Rashmi Rai, (2014), founded that, the nine parameters on which organization climate has been measured are; Leadership and management work environment, Role and responsibility, Performance management, Career growth opportunities, Objectives and goals, Work life balance Rewards & recognition and Pay & benefit. Abdulkadir, (2012), pointed out, organizational climate is viewed as the average meanings that employees attach to a particular work setting and how work environments are cognitively appraised and represented in terms of their meaning and significance for individual employees in organizations.

Asif, (2011), reported that, the Organizational Climate (OC) is a fundamental construct in work and organizational settings, as it provides an appropriate context for studying organizational behavior, allowing the exploration of individual and group behaviors. Lone Jon Anders *et al.*, (2011), researched that, by developing the dimensions of Organizational Climate brought out an inclusive support of it which include autonomy, Positive interpersonal exchange, Participation, Positive supervisory relation, Intellectual stimulation, Mission clarity, Product emphasis, Formalization, Conservatism, Outward focus and Reflexivity. Turker., (2008), founded that, five areas make up the organizational climate. Such as job, role of employee, organization, leader and work group. The findings indicated that though these areas do not induce the employees to perform citizenship behavior, the tendency towards OCB when present facilitated the employees to indulge in them. He suggests seven types of OCBS employees show like helping others, sportsmanship, organizational loyalty, organizational compliance, initiative in innovation, civic virtue and self-development.

Gershonet *et al.*, (2007), reported that, the principles values and norms of an organization is the organizational culture. Organizational climate is a confusing concept difficult to define and measure. The principles and values are operationalized through policies and procedures depending upon the particular aspect of culture that is being assessed. Iscan&Karabey., (2007), studied that,each employee in an organization has unique qualities, values, emotions and norms. An interaction between these unique qualities and the structure, goals, and work relation of an organization creates organizational climate. It is the dominant atmosphere in the organization. In short, psychological environment of the organisation can be defined as organizational climate. Litzky *et al.*, (2006), researched that, the durable qualities of anorganisational environment experienced by its members and influencing their behaviours an attitudes can be put together to mean organizational climate, a positive or negative behavior is highly influenced by employees' perceptions of their organisations climate.

Employee behavior can be positive if they are treated with trust and respect and organization adopt fair policies, positive rules and procedures concerning the well-being of employees this is because organizational climate encompasses structure and standards of organization, division of responsibility, reward system, support and warm working conditions dimensions.

Studies Related to Communication

Rahimic, (2013), reported that, Organizational climate significantly influences organizational and psychological processes of communication, problem solving, learning, motivation, efficiency, and productivity of an organization, as well as, innovation and job satisfaction. Haakonsson *et al.*, (2008), researched that,organisational climate refers to affective events that influences employees' emotions and consequent information-processing behaviours. Leadership style was measured as information-processing capability and organisational climate measured as information-processing demand and how misalignments between them found to result in negative performance and such a misalignments between them were problematic for business performance. In case of such misfits, either the organisational climate or the leadership style needs to be changed.

Appelbaum *et al.*, (2007), studied that, Organizations are platforms where different behaviors are expressed with a different consequence to the individuals within the entire organization. Such behaviours work together with the organizational climate, which include organizational norms, languages, principles and postulations that allow the workplace to perform at a suitable pace. Gershon *et al.* (2006), Reviewed that, the biomedical literature to start a process of standardizing the terminology. To this end, they reviewed measurement instruments for Organisational Climate and identified four major dimensions of the concept: (1) leadership characteristics, (2) group behaviors and relationships, (3) communication, and (4) structural attributes of the quality of work life.

Studies Related to Planning and Decision

Alharbi Mohammad Awadh and Alyahya, Mohammed Saad., (2013), found, a relationship between culture and performance in improving the results of the organization. Productivity depends on organization culture and which in turn depends on the job performance of the organization. The culture that helps in internalizing joint relationship leads to effective organization process. The norms and values of an organization have an influence on workforce management. Effective management is possible in an organization with strong cultural values. A positive development of organization can be a possibility where there is a perfect use of resources on a common path. This helps in providing a competitive edge. The effectiveness and sustainability of an organization is influenced by the nature and power of organization and culture. Cloete (2011), found that,each organization has its own features like tradition, culture, ways of getting things done and treatment to the customers. There are identifiable features of organizations' environments which support high-quality customer service.

Table 1. Related factors that are observed from previous research works included in Indian and Foreign studies of on Organizational Climate (OC)

Researchers	Identified Factors from various Literature of OC	
	Organisational Climate factors	Related factors
Studies related to Organisational Climate of Role Clarity		
Sinha <i>et al.</i> , (2015)	characteristic of organization	organizational norms
Rashmi Rai, (2014)	Role and Responsibility	Leadership and Management
Abdulkadir, (2012)	Work environment	Employees work setting
Asif, (2011)	Organizational behavior	Organisational setting
Lone Jon Anders <i>et al.</i> , (2011)	Interpersonal Exchange and Participation	Positive supervisory relation
Turker., (2008)	Role of employee and Leadership	organizational loyalty
Gershon <i>et al.</i> , (2007)	Organisational culture	principles values and norms
Iscan & Karabey., (2007)	Work relation	Psychological environment
Litzky <i>et al.</i> , (2006)	positive or negative behavior of organisation	employees' perceptions
Studies related to Organisational Climate of Communication		
Rahimic, Z. (2013)	Communication and problem solving	Learning and motivation
Haakonsson <i>et al.</i> , (2008)	Information Processing and Leadership style	Employee emotions
Appelbaum <i>et al.</i> , (2007)	Organisational Climate	Principle of work place
Gershon <i>et al.</i> (2006)	leadership characteristics	quality of work life
Studies related to Organisational Climate of Planning and Decision		
Alharbi Mohammad Awadh, et.al, (2013)	Workforce management	Employee performance
Cloete (2011)	Organisation Environment	Customer Service and Employee Performance
Stringer., (2009)	External environment	Strategy and Leadership practices
Livingston Philip.J., (2007)	Orientation and quality of work life, Decision making	Problem Solving & Decision Making
Studies related to Organisational Climate of Team Work and Support		
Gabriela Rusu, et.al, (2014)	Motivating Environment	Employees' motivation
Kubendran.V, et.al, (2013)	Employee's perception	Participation of workers and Relationship of the employee's
Atif Acikgoz, et.al, (2011)	Managerial support	Innovative vision
Adiguzel, Yuksel & Tekin., (2010)	Organisation performance	Employee's activities
Kidwell and Valentine, (2009)	Organisational Climate	employees positive or counterproductive behavior
Dorthe <i>et al.</i> , (2008)	Organisational performance	Leadership style
Gray (2007)	Supportive work environment	Employee performance
Deshpade., (2006)	Ethical climate	Job Satisfaction
Studies related to Organisational Climate of Commitment and Morale		
Ravishankar.k, et.al, (2014)	Job satisfaction	Job involvement and Employee commitment
Tiwari., (2014)	commitment and group efficiency	performance of the organization
Rahimic, (2013)	Employee's attitudes and behaviors	Organization analysis
Yukthamarani Permarupan. P, <i>et al.</i> , (2013)	Organisation Commitment	Employee's work passion
Giles, (2010)	Employees perception	Work environment
Michael. (2010)	Work behaviour and attitude	work environment
Zhang, (2010)	Organisation Commitment	Job satisfaction
Studies related to Organisational Climate of Conflict Management		
Awolusi Olawumi Dele, et.al, (2015)	Leadership style	Employee Commitment
Jegajothi.C, et.al, (2015)	Workplace Behaviour and Work Commitment	Organizational effectiveness
Dr. Rajesh Viswanathan., (2015)	Supportive Climate	employee participation
Meenakshi Gupta., (2014)	Lack of Co-operation	Interpersonal Relationship
Henry and Lenon (2006)	Teamwork	work satisfaction
Studies related to Organisational Climate of Other factors		
Ali and patnaik., (2014)	Organisational Climate and Culture	Managerial effectiveness
Ramirez Heller Benjamin, et.al, (2014)	Efficient learning and Knowledge sharing	Competitive advantage
Richa Chaudhary, et.al, (2014)	Work Engagement and quality work	Climate Strength
Mohammad Amin, <i>et al.</i> , (2013)	Psychological well-being	Human resource management strategies
Aiswarya, et.al, (2012)	Organisational Behavior	Employees Attitudes and Feelings
Akram., (2012)	Employee Effective performance	Employees responsibilities
Farooqui, (2012)	Behaviour of people	Organisational Climate
Purohit, B, (2012)	Organizational performance and Organizational effectiveness	Job satisfaction and Job performance
Bergsteiner, (2011)	Psychological environment	Organisational Climate
Choudhury, (2011)	Employee's feelings and Positive Behaviour	Work Environment
Gitali Choudhury., (2011),	Employee's Behaviour	Internal environment
Sabzi Poor and Ahmadi., (2011)	Management model	Determine Relationship
San Giacomo (2011)	Social environment	Job satisfaction
Suliman and Obaidli., (2011)	Decision making, performance reward	Organisational justice
Mahal, (2009)	Job performance	employee's satisfaction

Service organizations have a direct bearing on their clients and on employee performance and attitudes. The services are intangible which make it difficult for managers, employees and customers to measure actual service, output and quality. Stringer, (2009), founded that, culture and climate are different and often confused. Climate is a subset of culture. Made up of five determinance: 1.) External Environment; 2.) Strategy; 3.) Organizational Arrangements; 4.) Historical Forces; and 5.) Leadership Practices. Climates of organizations within the same industry tend to be similar because they are affected by the same external factors such as industry wide issues - claimed Stringer. Strategy is linked closely to motivation of employees and it is what the organization intends to-do. Organizational arrangements are closely linked to climate because they are often groups of individual such as unions or committees that have strong voices and a unified opinion. It is through history that values, beliefs, myths, traditions and norms are shaped within an organization. Livingston Philip, (2007), studied that, the quality of the working environment and perception of workers under the dimensions like Orientation, Quality of Work Life, Leadership, Management of Change, Empowerment, Problem Solving & Decision Making, Conflict Management, Creativity & Innovation, Communication, Image, Role Efficiency, Goal setting, appraisal & Counseling, Career Planning, Training and Rewards refers to organisational climate.

Studies Related to Team work and Support

Gabriela Rusu, Silvia Avasilcai., (2014), studied that, organizational climate is closely correlated with employee's motivation as this has a central role in achieving high performances within organizations. It is the managers' ability and responsibility to create a supportive organizational climate in order to provide a motivating environment in industrial firms. The relationships between organizational climate dimensions and motivation were analyzed. The results demonstrated the influence of organizational climate on the level of employees' motivation. Kubendran.V, Sampath Nagi and Muthukumar, (2013), examined that, the climate of an organization should be conducive both to the employer and the employee's. Perception changes with the individuals and this is a main factor that has to be identified by the organisation. Participation of workers can help to develop the organisational climate and dropping the negative perception among the employee can help improve the relationship of the employee's with the management. This will result in the profitability of the company. Sincerity of the workers provides the suitable working climate.

AtifAcikgoz and AyseGunsel, (2011), researched that, based on the data gathered from 86 software developed teams, this survey investigated the relationship among organisational climate and team innovativeness. The following were the results of this research. Empirical evidence in support of the relationship between innovative vision and managerial support dimensions of climate and team innovativeness. The findings also showed that greater the environmental uncertainty, greater was a relationship between innovative vision and managerial support dimensions of climate and team innovativeness. Furthermore, environmental uncertainty is used as a moderator between organisational climate and team innovativeness.

Adiguzel and Yuksel&Tekin, (2010), studied that, the performance of individual employee is the creation of the entire performance of any business and in determines the prospects of the organization. Moreover in order to elevate the performance of the organization as a whole to achieve the desired goals, the objective of the individual performance should support the projected ways of employee's activities. Kidwell and Valentine, (2009), studied that, the level of counterproductive behavior were low when organisational climate were more supportive, socially and emotionally by employees. This was because organisational climate affect the prevalence of employees positive or counterproductive behavior. Dorthe *et al.*, (2008), pointed out, how misalignments between organizational climate and the leadership style results in negative performance consequence was attempted in this study. It was found that such a misalignment were problematic for organizational performance. Some combinations of climate and leadership style aligned and field good performance while some combinations do not.

Gray (2007), reviewed that, work climate is an excellent predictor of organizational and employee performance. Employee gets motivated and enjoyed their work in a positive environment. So a supportive work environment is related to employee's performance. Deshpade, (2006), found that, a "caring" organizational climate is associated with high level of satisfaction with Organizations Ethical Climate Types, Caring Independence Rules, Professionalism Efficiency, Instrumental Facets of Job Satisfaction, Pay Promotion, Co-workers, Supervisor Work Overall Job Satisfaction. Task oriented climate types have negative influence on overall job satisfaction as well as satisfaction with promotion, co-workers and supervisors.

Studies Related to Commitment and Morale

Ravishankar Mahadevan Moideen Batcha, (2014), opined that, organizational climate and job satisfaction has a positive impact on job involvement and employee commitment. Job satisfaction, job involvement and employee commitment for better organisational performance. This study found that organization climate has an impact on job satisfaction and suggested that higher the organization climate and job satisfaction, the employees have high involvement and commitment towards the job. The variables that help to enhance job satisfaction and organisational performance are Work Environment, Communication and Leadership. So, it is important for an organization to focus on these variables.

Tiwari, (2014), showed that, every individual in the organization has different culture and he tries to adjust himself with the norms and values of the organization. Thus, culture and climate have a positive impact on the employees' job performance. For efficient and effective performance of their job, adaptation of culture of the organization was very helpful. Where everyone is on a common path in the organization, positive development was easier to achieve. to get a competitive advantage under particular condition, strong organisational culture was very helpful. Performance resulted in increase in net profit of the organization.

For enhancing the performance of the organization, commitment and group efficiency played a very crucial role. Rahimic, (2013), pointed out, organizational climate has gained importance in organizational behavior researches. Organizational effectiveness and survival are based on employee's attitudes and behaviors in this highly competitive global setup. This research has found links with organizational climate and employee performance, organizational effectiveness, anxiety, job satisfaction, organizational commitment, organizational alienation, organizational justice, work motivation, productivity, propensity to leave. Organizational climate has been examined by this research in various organisational contexts and related it to several outcomes at individual and group levels.

Yukthamarani Permarupan, Roselina Ahmad Saufi, Raja Suzana Raja Kasim, Bamini K.P.D. Balakrishnan, (2013), organizational commitment and climate and employee's work passion were examined by this study within academician of public and private Universities in Malaysia. There was a causal link of good organisational climate, employee's work passion and commitment in an organisation. A conceptual model of climate passion and commitment was presented providing an explanation to the link between these variables. Giles, (2010), pointed out, the premise on which organisational climate is based is that the overall health of an organization can be assessed by measuring individual employees' perception of their work environment. These observations served an aggregate data about how well the organization performance and it treats its employee's.

Michael, (2010), stated that, the global impression of one's organization and personal impact of the work environment that influences the individual's work behaviors and job-related attitudes were organisational climate. It describes the perception of employees towards their organizations which would link to work attitude formation. Zhang, (2010), this research investigated the features of organisational climate and its effects on organisational variables. The investigation was conducted on 419 participants which included both managers and employees and indicated the following: education level, position and length of time working for the current organization has significant main effects on organizational climate; specialty, enterprise character and enterprise size also has significant main effects on organizational climate organizational climate had significant main effects on human resources management effectiveness such as turnover intention, job satisfaction and work efficacy; organizational climate also had significant main effects on organization effectiveness like staff members' organization commitment and collective identity.

Studies Related to Conflict Management

AwolusiOlawumi Dele, MagajiNanle, Odunlami Samuel Abimbola, (2015), researched that, to assess specific relationships, between leadership style and organizational climate in the Nigerian Insurance industry, an empirical framework was created, the results of which indicate that leadership styles was moderately practiced by companies operating in the Nigerian insurance industry. Moreover, the organizational climate was reasonably enhanced by four out of the six leadership styles tested.

Also, the paper associated the effects of successful leadership styles to improved organizational climate. The measurement and structural equation that was contrived, offered a mathematical interpretation of how leadership styles adopted by an organization can affect organizational climate. The study provided evidence for the value-added by leadership styles in organizations. Furthermore, the environment of the work place has to be supportive to lead staff motivation and performance for better employee commitment. Jegajothi and Sudha, (2015), found that, the organizational climate to motivate and increase the organizational effectiveness. The working environment and employee performance variables motivate the employee performance through workplace behaviour, worker productivity, work commitment, job level, job status, promotion, employee training and employee rewards which factors help employees feel more comfortable with the organization. The working environment and employee performance are the variables that help to develop and increase organizational effectiveness. This framework shows the positive relationship between these two. Rajeesh Viswanathan, (2015), studied that, the success of a project depends not only on employees and infrastructure alone but also the climate. Managers should create supportive climate if they desire to enhance their business performance. Supportive climate can be developed in a number of ways. These may be described as follows: encouraging employees to try out new approaches, and recognizing and rewarding those who work well maintaining a honest and transparent communication between the management and staff striving for cohesion through a clear vision, building a commitment among the staff for organizational goals, allowing employee participation in formulating strategy, showing concern for the employees, helping them to achieve their individual goals, valuing their opinions, maintaining warm relationship, and being kind to them. In short the management should provide a work environment that is gorgeous to both recruiting and retaining future workers.

Meenakshi Gupta, (2014), found that, though most of the employees do not face the any kind of problems, some face attitude problems such as resistance to change by the direct manager, lack of co-operation from other employees, and interpersonal relation. Opportunity exists in pharmaceutical industry for improvement. Such improvement can be brought about by the following measures as, enhancing satisfaction of middle level managers with organizational climate, political climate, professional development opportunities and promotion. Evaluation process should be fair aimed at improvement and not for discipline. Personal concerns should be given more importance. Henry and Lenon (2006), found that, an important behavioral dimension that can be utilized to evaluate employees' strength of attachment is the commitment to the organization. Role conflicts and role ambiguity are negatively related to commitment. But other aspects as power, teamwork, work satisfaction, promotion and organizational climate are positively related to organizational commitment.

Studies Related to others factors on Organisational Climate

Ali and Patnaik, (2014), in his study revealed significant influence of organizational climate and organizational culture on managerial effectiveness of managers of private and public

undertakings. The test also revealed significant difference between managers categorized under public and private organizations on all the measured variables. The findings also showed that the organizations in both the sectors need to understand and improve organizational climate and organizational culture and provide suitable interpersonal atmosphere so that level of managerial effectiveness could be enhanced. Results are explained in the light of present scenario in existing private and public undertakings.

Ramirez Heller Benjamin, Berger Rita, C. Brodbeck Felix, (2014), defined the application and psychometric validation of a multi-dimensional quantity of group climate for learning in a multinational organization. For managers and organizations that strive to attain constant competitive advantage, TCL should be of interest to all group leaders, managers and organizations showed the result. Work groups must have the most favorable conditions for effective and efficient learning and knowledge sharing. They are very vital for achievement of high-quality results and survival in steadily changing business contexts and success in the long run. Richa Chaudhary, Santosh Rangnekar, Mukesh Kumar Barua, (2014), studied that, Organizational Climate, Climate Strength and Work Engagement: the role of human resource development climate quality and climate strength in determining work engagement at organizational level of analysis. Climate strength was examined for its linear, curvilinear and interactive effects on aggregate level work engagement but it failed to show any curvilinear effects on climate quality-work engagement relationship. Climate quality was found to relate significantly with work engagement. But climate strength did not show any significant linear effects on work engagement after controlling for climate quality. But interesting climate strength for one climate dimensions displayed significant moderation effects on climate quality-work engagement relationship.

Mohammad Amin *et al.*, (2013), approved the relationship between organizational climate and some aspects of psychological well-being. This study has some limitations. The results were cross sectional and so they failed to capture the effects of ongoing efforts. The measurement of psychological well-being was self-reported and so had some criticisms. Aiswarya and Ramasundaram, (2012), Organizational climate is the recurring patterns of behavior, attitudes and feelings that characterize life in the organization more related to atmosphere and values. Akram., (2012), found that, effective performance of individual employees determines the progress and survival of the organization. Employees are the main resources of any business entity and when they are inspired and satisfied they will execute their responsibilities diligently and vigorously. Farooqui, (2012), the set of characteristic that describe an organization and distinguish it from others and influence the behavior of people in the organization is called organisational climate. Purohit and Wadhwa, (2012), in determining organisational success and for achieving organisational effectiveness, Organizational climate plays an important role. This can greatly influence job satisfaction, individual job performance, and organizational performance. Bergsteiner, (2011), pointed out that, Organizational climate is used to mention to a scope of environmental impact such as psychological environment; and collective, organizational and conditional effects on conduct.

Choudhury, (2011), for the success of an organisation it is important to make employees feel good as employees. The fact how an employee feel about the atmosphere in the organization is known as organisational climate. Employees should feel free to exhibit positive behaviours and in the changing scenarios in the world economy is the company bond professional, innovative, positive and smart team members companies will promote a good work environment and organisational climate. GitaliChoudhury, (2011), Organizational climate has a great impact on employees' behavior and is seen as a measure of the feeling of the internal environment of an organization has perceived by an outsider or an employee based on their business with their organization. Employee may not feel a comfortable if the climate of an organization is very normal but may feel comfortable when it is open and friendly. Sabzi Poor and Ahmadi, (2011), research was performed in public libraries through a management model for improving organisational climate and attitudinal variables, to determine the relationship among those variables. San Giacomo (2011), the first among the studies to investigate and address the social environment as a key component in employee satisfaction and productivity was the Hawthorne studies conducted by Mayo. Though a general definition of the concept is still elusive, a number of studies have expanded the notion of the Hawthorne studies and several definitions formulated and which is now referred to as organisational climate. The researcher's personal perspective tends to influence any definition of the concept (Heyart, 2011). For example, climate is described by its characteristics by some researchers. One of the earliest and most commonly accepted definitions (based on quotations) of organisational climate (James & Jones, 1974; Johannesson, 1973; Moran & Volkwein, 1992; Woodman & King, 1978) is that of Forehand and Gilmer (1964) who define organisational climate as a set of characteristics that describes an organisation, distinguishes one organisation from the next.

Suliman and Obaidli, (2011), introduced four dimensions of organizational climate that consists of decision making, performance reward, organizational justice, and chances to innovate. Atkinson and Frechette (2009), referred organizational climate as a 'set of attributes specific to a particular organization that may be induced from the organization, deals with its members and its environment'. Mahal, (2009), researched that, organisations show increasing interest in organisational climate and the associated benefits of a positive climate and risks of a negative climate. There are many determinants of job performance and the most important and the acknowledged one is a positive organisational climate. This aspect employees' satisfaction with organisational climate has an impact on the productivity, flexibility and growth, since it encourages employees to perform their best by using discretionary effort.

Conclusion

The researchers came to the conclusion that; dominant orientation is an important determinant of climate of an organisation. The interpersonal relationships are reflected in the way informal groups are formed and operated. The organisational climate also depends upon how effectively conflicts are managed.

Sufficient freedom to work and exercise authority will lighten the burden of higher executives. The control system of an organisation also plays an important role. Rigid control will result in minimum scope for self-regulation. Decentralisation of authority results in an atmosphere of participative decision making but centralisation of authority results in less participation. The management style also affects organisational climate. Task oriented approach means less employee morale. On the other hand, relation oriented approach will improve the team spirit in the organisation and the aspiration of the works will be given due importance. The rewards and punishments are also important of organisational climate. If the reward system is directly related to performance and productivity there will be an atmosphere of competition among the employees. Proper communication system will also affect the organisational climate. The flow of evidence, its direction, its dispersant are all important determinants. If the communication system is not proper the subordinate will feel frustrated. If individuals feel free to try out new ideas without fear, it will create an conducive atmosphere to innovative ideas. The above components are not mutually exclusive, but overlap one another and indicate the underlying philosophy of the management.

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