

Measurement of Organizational Climate

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Climate is extremely important for the eventual achievement of organizational goals. Organizational climate though abstract in concept, is normally associated with job performance and job satisfaction.

A number of definitions of organizational climate have been presented. However a better definition is given below.

“Organizational climate as a set of characteristics that describes an organisation, distinguishes it from other organisations, is relatively enduring over time and can influence the behaviour of people in it.” (Forehand and Gilmer, 1964)

Organizational climate is the relatively enduring characteristic of an organisation which distinguishes it from other organizations.

In general, following are the significance of organizational climate.

- (a) embodies members collective perceptions about their organizations with respect to such dimensions as autonomy, trust, cohesiveness, support, recognition, innovation and fairness;
- (b) is produced by member interaction;
- (c) serves as a basis for interpreting the situation;
- (d) reflects the prevalent norms, values and attitudes of the organization’s culture; and
- (e) acts as a source of influence for shaping behaviour.

Good Climate Vs Bad Climate

'Good' Climate has been linked to desirable outcomes such as:

1. Job Satisfaction
2. Confidence in Management
3. Affective Commitment
4. Intention to Quit
5. Emotional Exhaustion
6. Faith in Organization
7. Performance

'Bad' Climate has been linked to:

1. Turnover
2. Stress
3. Sickness
4. Poor Performance
5. Error Rate
6. Wastage
7. Accidents

Factors Affecting Organizational Climate

Lawrence James and Allan Jones (1974) have identified several factors influencing climate and they grouped these factors under following heads:

a) 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.

b) Organizational Structure

Structure of the organization represents another variable that affects climate. It needs no relationships and delineates authority and functional responsibility.

c) 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 through which the management carries out its objectives.

Richard, M. Hodgetts identified and grouped following factors constituting organizational climate.

A. Overt factors which include

- Hierarchy
- Organizational goals
- Financial resources
- Skills and abilities of employees
- Technology
- Performance standard adopted
- Training and development programme
- Reward systems
- Autonomy

B. Covert factors which include

- Attitudes
- Values
- Norms
- Interactions

- Supportiveness
- Satisfactions

Measurement of Organizational Climate

Managers need to have a clear understanding of the organisation's climate, so that practices developed for and implemented by the organisation are in line with the organisation's goals. To gain this understanding, the climate must be measured.

The methods used to measure organisational climate fall into four categories, namely

1. Field studies,
2. Experimental variation of organizational properties,
3. Observations of objective organisation properties and
4. Perceptions of organizational members.

The last two approaches, perceptual or subjective and objective methods, represent the primary methods used to measure organisational climate (Forehand & Gilmer, 1964).

Field studies involve the researcher observing the daily activities in the organisation and gathering information through various sources such as observing presentations and conferences, conducting interviews with participants, reviewing diaries, memos, emails and other correspondence, to name a few. Two approaches are followed in observing variation of climate, namely comparative studies and longitudinal studies. The high cost, skill and sensitivity of the observer, issues relating to sample size and the inherent subjectivity of the classifications are criticisms of these approaches (Forehand & Gilmer, 1964).

Experimental variation of organisational properties involves the researcher identifying appropriate dimensions of climate and then systematically manipulating them

(Forehand & Gilmer, 1964). An example of possibly one of the most relevant studies of this approach is that of Lewin, et al. (1939) in which leadership styles was varied in order to investigate the effects of different leadership styles on the behaviour of group members.

The majority of tools used to measure climate can be categorised into perceptual (subjective) or objective categories. According to Hellriegel and Slocum (1974), the main difference between these two methods, is that the objective method which does not depend on the individual's perception of the dimensions in the organization, subsystems and/or the external environment.

Researchers who focus on objective measures of organizational climate examine the objective properties of organizations such as organizational size, levels of authority, decision-making authority, degree of centralisation and rules and policies (Forehand & Gilmer, 1964).

According to Hellriegel and Slocum (1974), even though objective methods tend to be more accurate and reliable, they have at least three limitations. Firstly, there is an abundance of variables that may be extremely specific, making interpretation difficult. Secondly, these methods do not consider how organizational properties are related to each other and to organizational functioning. The third limitation relates to the assumption that objective properties affect organizational members indirectly.

Researchers who prefer perceptual measures of organizational climate contend that the perceptions of organizational members should be measured because they provide a more encompassing description of the concept. The focus is on the active role the individual plays in perceiving organizational characteristics.