



INTERNATIONAL JOURNAL OF ADVANCE RESEARCH, IDEAS AND INNOVATIONS IN TECHNOLOGY

ISSN: 2454-132X

Impact factor: 4.295

(Volume 4, Issue 1)

Available online at www.ijariit.com

Impact of Organizational Climate on Transport Undertakings: A Case Study of Himachal Pradesh

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ABSTRACT

Organizational Climate within an organization refers to how work environments are perceived and interpreted by employees working in the organizations. Organizational climate plays a vital role in deciding the effectiveness in performance. Organizational climate has its major impact on the performance of the workforce which is determined by the level of its satisfaction and motivation. The study addresses the prevailing organizational climate of transport undertakings in all districts of Himachal Pradesh. The information required for the study has been collected from both the primary and the secondary sources. A multistage random sampling method has been followed. The result of the study revealed that organizational climate has direct influence on the perception of employees of both transport undertakings.

Keywords: *Organizational Climate, Transport Undertaking, Employees.*

1. INTRODUCTION

Organizational Climate is a set of measurable properties of the work environment perceived directly or indirectly by the people who live and work in the environment and assumed to influence their motivation and behaviors. Organizational Climate within an organization refers to how work environments are perceived and interpreted by employees working in the organizations.

Organizational climate plays a vital role in deciding the effectiveness in performance. Today, practitioners and researchers continue to discover new ways in which organizational climate influences such diverse areas as innovation, stress reduction, trust, strategic thinking, team cohesion, turnover reduction, conflict management and goal attainment etc.¹

Organizational climate has its major impact on the performance of the workforce which is determined by the level of its satisfaction and motivation. It can be used as a management tool to provide managers with many insights into how their employees feel for their organization.² Creation of a positive work atmosphere in an organization is a long-term proposition and administrators should take a positive approach in this direction.

Himachal Pradesh is the land of eternal snow peaks abounds in exotic valleys, glorious green hill-slopes; mountains, streams and the hills of Himalayas welcome the tourists all over the world. It is a Hilly state in Northern India. Roads are the lifeline of the economy of Himachal Pradesh. These are the basic necessity of economic development. Himachal economy is very much dependent on road transport as alternative transport system is almost negligible i.e. railway, airway etc. has a very limited scope.

The specific characteristics of the state in terms of its difficult terrain, environmental fragility, remoteness, limited working season and huge inflow of tourist present more challenge than opportunities in context to the transport sector. Transport undeniably plays a key role in socio-economic development of a region or state. Availability of adequate transport infrastructure and facility attain paramount importance for the overall growth of the state. Development of transport facilities and infrastructure has long been a focus of the state government since the declaration of full statehood in 1971. However with increasing population and increasing mobility needs, the state witnessing severe problems in terms of congestion, depleting air quality, increase in road accidents and others.

The role of roads in the movement of people and goods are therefore critical in overall growth and development of human settlements in Himachal Pradesh as they stand today. The contribution of roads has not only been in making the isolated regions accessible but has also improved the overall quality of life of the people by enabling and improving the overall movement of goods and services across the state. Passenger transport system through roads is undertaken by two major undertakings in state. One is public sector undertaking i.e. Himachal Road Transport Corporation and other is private Bus undertakings.

The vision of HRTC is to provide safe, reliable, efficient, affordable and sustainable transport service to the people of the state with enhanced connectivity commensurate with the socio-economic development of the state and improvement in operational efficiency. The slogan of HRTC is safe service, courteous service. Whereas major burden of HRTC is taken by private transport undertakings which run all across Himachal Pradesh. These are not only providing employment opportunities to the youth of Himachal but also providing reliable and efficient passenger service to people of the state.

2. REVIEW OF LITERATURE

V.H. Bernstrom (2000) observed that organizational climate measures (OCM) are successfully implemented in the service sector in Norway. Organizational Climate Measures are generalizable across industries and nations. Santosh Kumar (2001) highlights performance appraisal of Himachal Pradesh Road Transport Corporation (HRTC). It shows growth trend of HRTC as well as private operators. There is poor performance of HRTC Shimla city due to many reasons like concessional traveling, diesel average is minimum, uneconomical routes. Janet Chew (2008) investigated problems of expatriated employees of multinational corporations. Their needs are often unrecognized and emotional dislocation. Companies should value their sacrifice and appreciate their migration and minimize their cultural shock. Fatah Nazem (2009) concluded that there is a significant relationship between organizational climate and productivity of managers which is proved on mathematical patterns. Mathematical techniques and multi-level correlation are used for this purpose. It is also found that promoting productivity and organizational growth is the main goal of managers. S.G. Isaksen (2009) highlights the role of leaders and managers in achieving an innovative climate in organizations. Teams and groups must have flexible approach, shared understanding, honest and open communication and minimization of individual differences in order to have creative and innovative work atmosphere. Ulker Colakaglu (2010) examine the organizational climate in tourism sector. Employees' are satisfied in the work climate which is safe, personally comfortable and able to facilitate them doing a good job. Managers should support and provide opportunities to their employees who work seasonally or part-time. . A.O.Oti (2012) examined about gender equity in career growth and leadership position in Nigerian university. It is found that a significant number of women academicians are not satisfied with opportunities of advancement and gender bias is the main factor for that discrimination. Anum Khan (2013) concluded that Organizational climate and occupational stress has a significant level of impact on job satisfaction in Islamic banking sector. The males' employees are more satisfied with work climate as compare to female employees as they mold themselves according to circumstances. M. Venkatesh and S. Jegajothi (2017) highlights the satisfaction level of employees. Training and orientation programs are needed by employees in order to maintain high motivation also their personal needs should be satisfied.

3. NEED AND SCOPE OF THE STUDY

Organizational climate plays a vital role in deciding the effectiveness in performance. Today, practitioners and researchers continue to discover new ways in which organizational climate influences such diverse areas as innovation, stress reduction, trust, strategic thinking, team cohesion, turnover reduction, conflict mediation and goal attainment etc. Organizational climate has its major impact on the performance of the workforce which is determined by the level of its satisfaction and motivation. It can be used as a management tool to provide managers with many insights into how their employees feel for their organization. Road transport forms the backbone of the transportation sector in Himachal Pradesh. Passenger transport system through roads is undertaken by two major undertakings in the state. One is public sector undertaking i.e. Himachal Road Transport Corporation (HRTC) and other is private Bus undertakings. Organizational climate of these undertakings is generally stressful due to overtime duty of drivers and conductors and intensive competition among transporters which may lead to frequent disputes between them and road accidents.

The present study aims to evaluate the perception of employees regarding exiting organizational climate in their respective transport undertakings from the period 2012-2017. The study emphasis on work and non-work related factors that have an influence on the organizational climate of transport undertakings.

4. OBJECTIVES OF THE STUDY

- To study the employees' perception on organizational climate in both transport undertakings.
- To analyze the impact of organizational climate on the perception of both transport undertakings.

5. RESEARCH METHODOLOGY

The present study is descriptive as well as exploratory in nature. Both primary and secondary data have been used to study the objectives. Primary data has been collected from the sample of 600 employees of both transport undertakings through judgment and quota sampling. The questionnaire was prepared for the collection of data. To meet the objective of the study, a five point likert scale has been developed for certain identifying variables. These statements on five-point scale are as i.e., (1) strongly disagree (2) disagree (3) undecided (4) agree (5) strongly agree. On the basis of responses from employees of transport undertakings, perception of employees regarding their existing organizational climate is analysed.

6. RESULTS AND DISCUSSIONS

Descriptive Statistical Analysis for Recruitment and Selection

Table 1 exhibits the descriptive statistics analysis for recruitment and selection procedure in transport undertakings. The table reveals that the mean score is 2.81 in case of public organization and 3.20 in case of private organizations. Hence table submits the proof that the employees of private transport are most satisfied with recruitment and selection procedure as compare to public transport undertakings i.e., HRTC.

Table 1: Descriptive Statistical Analysis for Recruitment and Selection

Organization	N	Mean	Std. deviation	Std. error mean
Private	300	2.81	0.899	0.051
Public	300	3.20	1.182	0.068

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 0.899 and standard error of the mean is 0.051. Similarly, the standard deviation of public organizations is 3.20 whereas the standard error of the mean is 0.068.

Descriptive Statistical Analysis for Rules and Regulations

Table 2 presents the descriptive statistical analysis for existing rules and regulations of undertakings. The table reveals that the mean score is 8.35 in case of public transport and 8.26 in case of private transport. Hence table submits the proof that the employees of public transport are most satisfied with rules and regulations compare to private transport undertakings.

Table 2: Descriptive Statistical Analysis for Rules and Regulation

Organization	N	Mean	Std. deviation	Std. Error Mean
Private	300	8.26	2.446	0.141
Public	300	8.35	2.851	0.164

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 2.446 and standard error of the mean is 0.141. Similarly, the standard deviation of the public organization is 2.851 and standard error is 0.164.

Descriptive Statistical Analysis for Promotion and Transfer Policy

Table 3 shows the descriptive statistical analysis for promotion and transfer policy of both transport undertakings. The mean score for private organizations is 14.676 and for the public organization is 13.806. Therefore it is concluded that employees of the private sector are most satisfied with promotion and transfer policy as compare to a public corporation.

Table 3: Descriptive Statistical Analysis for Promotion and Transfer Policy

Organization	N	Mean	Std. deviation	Std. error mean
Private	300	14.67	3.511	0.202
Public	300	13.80	3.945	0.227

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 3.511 and standard error of the mean is 0.202. Similarly, the standard deviation of public organizations is 3.945 whereas the standard error of the mean is 0.227.

Descriptive Statistical Analysis for Fairness of Work

Table 4 highlights descriptive statistics analysis for the fairness of work of both transport undertakings. The Table depicts that the mean score for the private sector is 8.19 and of the public sector is 9.49. Hence it is proved that public sector undertaking is most satisfied with the fairness of work in their corporation as compared to the private sector.

Table 4: Descriptive Statistical Analysis of Fairness of Work

Organization	N	Mean	Std. Deviation	Std. error Mean
Private	300	8.19	2.156	0.124
Public	300	9.49	3.031	0.175

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 2.156 and standard error of the mean is 0.124 similarly, the standard deviation of public organizations is 3.031 whereas the standard error of the mean is 0.175.

Descriptive Statistical Analysis for Participation and Communication

Descriptive statistical analysis for participation and communication is highlighted in table 5. The mean score for private organizations is 10.68 and for the public organization is 11.68. Therefore it is concluded that employees of the public sector are most satisfied with participation and communication as compare to private undertakings.

Table 5: Descriptive Statistical Analysis for Participation and Communication

Organization	N	Mean	Std. deviation	Std. error Mean
Private	300	10.68	3.175	0.183
Public	300	11.68	3.091	0.178

Source: Data collected through Questionnaire.

The standard deviation of private organizations is 3.175 and of public sector undertaking, is 3.091. The standard error is 0.183, 0.178 for private and public undertakings respectively.

Descriptive Statistical Analysis for Remuneration and Salary

Table 6 presents the descriptive statistical analysis for remuneration and salary. The mean score for private organizations is 10.85 and for the public organization is 12.75. Therefore it is proved that employees of the public sector are most satisfied with remuneration and salary provided by their corporation as compare to private organizations.

Table 6: Descriptive Statistical Analysis of Remuneration and Salary

Organization	N	Mean	Std. deviation	Std. error Mean
Private	300	10.85	3.499	0.202
Public	300	12.75	3.546	0.204

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 3.499 and standard error of the mean is 0.202. Similarly, the standard deviation of public organizations is 3.546 whereas the standard error of the mean is 0.204.

Descriptive Statistical Analysis for Training and Development

Table 7 depicts the descriptive statistical analysis for training and development of both undertakings. The mean score for private organizations is 9.96 and for the public organization is 12.89. Therefore it is concluded that employees of the public undertaking is most satisfied with training and development provided by their corporation as compare to private organizations.

Table 7: Descriptive Statistical Analysis of Training and Development

Organization	N	Mean	Std. deviation	Std. error Mean
Private	300	9.96	2.363	0.136
Public	300	12.89	3.228	0.186

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 2.363 and standard error of the mean is 0.136. Similarly, the standard deviation of public organizations is 3.228, whereas the standard error of the mean is 0.186.

Descriptive Statistical Analysis for Grievance Redress

Descriptive Statistics Analysis for grievance redress of both undertakings is highlighted in table 8. The mean score for private organizations is 13.45 and for the public organization is 15.22. Therefore it is found that employees of the public sector are most satisfied with grievance redress mechanism prevail in their corporation as compare to private undertakings.

Table 8: Descriptive Statistical Analysis for Grievance Redress

Organization	N	Mean	Std. Deviation	Std. Error Mean
Private	300	13.45	3.393	0.195
Public	300	15.22	3.334	0.192

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 3.393 and standard error of the mean is 0.195. Similarly, the standard deviation of public organizations is 3.334 whereas the standard error of the mean is 0.192.

Descriptive Statistical Analysis for Working Condition

Table 9 presents the descriptive statistical analysis of both undertakings. The mean score for private organizations is 13.89 and for the public organization is 15.51. Therefore it is concluded that employees of the public sector are most satisfied with working conditions prevail in their corporation compare to private undertakings.

Table 9: Descriptive Statistical Analysis for Working Condition

Organization	N	Mean	Std. deviation	Std. error Mean
Private	300	13.89	3.722	0.214
Public	300	15.51	3.952	0.228

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 3.722 and standard error of the mean is 0.214. Similarly, the standard deviation of public organizations is 3.952 whereas the standard error of the mean is 0.228.

Descriptive Statistical Analysis for Job Security and Safety

Descriptive Statistics Analysis for job security and safety of both transport undertakings are shown in table 10. The Table depicts that the mean score for private organizations is 11.48 and for the public organization is 11.98. Therefore it is proved that employees of public undertakings are most satisfied with job security and safety conditions prevail in their corporation compare to private organizations.

Table 10: Descriptive Statistical Analysis of Job Security and Safety

Organization	N	Mean	Std. Deviation	Std. error Mean
Private	300	11.48	2.867	0.165
Public	300	11.98	3.581	0.206

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 2.867 and standard error of the mean is 0.165. Similarly, the standard deviation of public organizations is 3.581 whereas the standard error of the mean is 0.206.

Descriptive Statistical Analysis for Conflict and Pressure

Descriptive statistics analysis for conflict and pressure of both undertakings are presented in table 11. The Table depicts that the mean score for private organizations is 17.30 and for the public organization, it is 18.16. Therefore it is concluded that employees of public undertakings are most satisfied with handling conflict and pressure in their corporation as compare to private organizations.

Table 11: Descriptive Statistical Analysis for Conflict and Pressure

Organization	N	Mean	Std. Deviation	Std. Error Mean
Private	300	17.30	4.161	0.240
Public	300	18.16	4.577	0.264

Source: Data collected through Questionnaire.

The standard deviation of a private organization is 4.161 and standard error of the mean is 0.240. Similarly, the standard deviation of public organizations is 4.577 whereas the standard error of the mean is 0.264.

Descriptive Statistical Analysis for Event and Celebration

Descriptive statistics analysis for event and celebration of both transport undertakings are highlighted in table 12. The Table reveals that the mean score for private organizations is 7.75 and for the public organization, it is 8.82. Therefore it is concluded that employees of public undertakings are most satisfied with events and celebrations in their corporation as compare to private organizations.

Table 12: Descriptive Statistical Analysis for Events and Celebration

Organization	N	Mean	Std. Deviation	Std. Error Mean
Private	300	7.75	2.159	0.124
Public	300	8.82	2.806	0.162

Source: Data collected through Questionnaire.

The standard deviation of the public organization is 2.806 and standard error of the mean is 0.162. Similarly, the standard deviation of private organizations is 2.159 whereas the standard error of the mean is 0.124.

6. CONCLUSION

On the basis of recruitment and selection procedure, it is found that the employees of private transport are moderately satisfied with existing recruitment and selection procedure as compared to public transport. In case of rules and regulations, employees of public transport are most satisfied as compare to private transport undertakings as written guidelines are followed by HRTC. On the basis of promotion and transfer policy, here employees of the private sector are found most satisfied with promotion and transfer policy as employees in private undertakings hardly move from their routes.

On the basis of fairness of work, it is found that public sector undertaking is most satisfied with the fairness of work in their corporation because HRTC has their defined policies for work and overtime etc. In participation and communication employees' of public sector undertaking i.e. HRTC are moderately satisfied. In case of remuneration and salary, employees of the public sector are most satisfied with existing remuneration and salary provided by HRTC. Private sector undertakings generally exploit their employees as more skill labor is ready to work at a lower salary.

In case of training and development activities, employees of the public sector are most satisfied. Regress training is provided to HRTC drivers and to mechanics. In grievance redress mechanism here also the employees' of the public sector are found satisfied. The HRTC employees can raise their demands to the government and in extreme cases, they go for a strike where as private operators do not enjoy such kind of freedom. Employees of the public sector are most satisfied with working conditions prevail in their corporation. In case of job security and safety, HRTC employees have mostly permanent jobs and seniors employees also enjoy the facility of pension whereas in private organizations does not have permanent jobs.

Employees of public undertakings are satisfied with handling conflict and pressure situations in their corporation, Intensive competition is faced by private transport undertakings because their main motive is profit maximization. The last variable studied is events and celebrations where it is proved that employees of public undertakings are found moderately well.

7. SUGGESTIONS

The private transport undertakings should improve their organizational climate by providing proper facilities and sufficient amount of salary to their employees should focus on reasonable profits. HRTC required focussing on equal pay policies to all its employees, better and swift recruitment and selection procedure.

8. REFERENCES

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