

EFFECT OF ORGANIZATIONAL CLIMATE ON EMOTIONAL INTELLIGENCE, TRUST, SATISFACTION AND MOTIVATION OF EMPLOYEES: A STUDY ON IT SECTOR

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Abstract

The term organizational climate to the psychological conditions prevailing in the organization refers to behaviors, attitudes, and feelings that are common there. Organizational climate influences to a great extent the performance of the employees because it has a major impact on motivation and job satisfaction of individual employees. The aim of this paper is to investigate the effect of organisational climate on emotional intelligence, trust, employee satisfaction and motivation of employees in IT sector. Descriptive research design was used to this study and simple random sampling method is used to collect the data. The sample for the present study will consist of approximately 347 employees and the descriptive statistics, ANOVA and Post hoc test were used to analyse the date. It is observed that organisational climate dimensions are positively related with emotional intelligence, trust, employee satisfaction and motivation of employees in IT sector

Key words: Emotional Intelligence, Organisational Climate, IT Sector

Introduction

Recently, some of the Indian business organizations have started concentrating on the emotional dimension of the human resource which deals with those non-cognitive human competencies and potentialities which have a significant impact on the various aspects of organizational climate and effectiveness. The Emotional Intelligence intervention was partly a response to a problem that many businesses face today. There is a need to develop the highest standards of leadership skills, the challenges of high team turnover, ever increasing demands of s for high quality goods and services, rapidly changing business environment, economic demands or escalating costs. What companies need is people who have both technical knowledge and social and emotional abilities which will enable them to delight the s. There is a growing realization that emotional intelligence could contribute to developing those skills and abilities that are linked with this aspiration (OrmeandLanghom, 2003). Managers, who have similar levels of IQ, are often differentiated on the basis of their EQ. In the times of job insecurity and when the very concept of a 'job' is being replaced by 'marketable skills', EQ is considered as the prime factor which makes and keeps people employable (Singh, 2006). Although, emotional intelligence competencies have for decades been referred to by various names- 'personality traits', 'soft skills', 'social skills', 'personal qualities', etc. But, now there is a precise understanding and growing importance of these abilities and a new name given to it is emotional intelligence or emotional quotient (EQ). Farh et al. (2012) conducted a study to investigate the relationship between emotional intelligence and job performance of 212 professionals from different organizations and sectors. The study revealed that emotional intelligence is significantly positively related to performance under high managerial work demands context of jobs that require management of diverse workforce, functions and lines of business, since such job context, allowed individuals with high emotional intelligence to act in emotionally intelligent ways that enhances their performance.

Organizational climate provides standards which guide employees' behaviour. Organizational climate is not only determined by the organizational characteristics, but, it is also subject to direct influence from the psychological characteristics of the employees. Various definitions have been offered on the concept of organizational climate. These definitions are frequently inconsistent with one another as to what constitutes organizational climate. Vetrivel (2018) stated that the organization atmosphere is as important to human behaviour as is the field of gravity for the explanation of events in classical physics.

The purpose of the paper is to assess the impact of the emotional intelligence of employees and mangers on the organisational climate in a business entity. An analysis of the literature of the subject demonstrated that the emotional intelligence of team members is one of many factors affecting the climate in an organisation. Since the issue has not been sufficiently investigated so far, a need arises to diagnose the level of the emotional intelligence in project team members on a person-by-person basis, agree on the degree to which the intelligence can be developed and improve and work out the development paths for

employees on an individual basis not only with regard to their technical but also social competence, including general development-oriented training. The findings presented in the paper are important for the actions taken to develop the emotional intelligence of employees/managers in the social and vocational learning process.

Research methodology

The aim of this paper is to investigate the effect of organisational climate on emotional intelligence, trust, employee satisfaction and motivation of employees in IT sector. This study will focus on primary and secondary data. The primary data will be collected from IT (Information Technology) employees in different IT companies in Chennai city with the help of a structured questionnaire. Descriptive research design was used to this study and simple random sampling method is used to collect the data. The sample for the present study will consist of approximately 347 employees. It will be given questionnaires on organisation climate base on the variables of Consistency, adaptability, involvement, mission and responsibility with job satisfaction to fill. The data were uploaded and analyzed by using the SPSS techniques which are the descriptive statistics, ANOVA and Post Hoc test is to measure the degree of relationship between the independent and dependent variables.

Table No-1: Organisational climate of IT companies based on education

Organisational Climate	Education	Mean	S.D	F-value	P-value
Consistency	HSC	20.40	3.18	1.488	0.217 (NS)
	Diploma	20.55	3.75		
	Degree	19.77	3.65		
	Post-Graduation	20.95	3.89		
Adaptability	HSC	22.34	5.12	11.964	0.001*
	Diploma	25.59	4.72		
	Degree	22.83	5.09		
	Post-Graduation	24.21	3.75		
Involvement	HSC	18.46	5.16	11.459	0.001*
	Diploma	19.65	4.66		
	Degree	16.48	4.84		
	Post-Graduation	18.78	3.71		
Mission	HSC	21.04	4.15	3.890	0.005**
	Diploma	20.98	3.96		
	Degree	19.48	4.52		
	Post-Graduation	20.69	3.26		
	Total	20.52	4.18		
Responsibility	HSC	21.95	6.49	6.433	0.001*
	Diploma	23.74	5.30		
	Degree	21.02	5.78		
	Post-Graduation	23.43	5.51		

Source: Primary data computed * *Significant at five percent level;

*Significant at one percent level, NS Non-significant

Table -1 indicates the respondent’s opinion towards organisational climate dimension of IT companies based on their education

The respondent’s education is classified into four categories. Organisational climate dimensions mean score and standard deviation value are calculated with respect to the educational qualification of the respondents. From the mean score, it is observed that the post graduate are experienced higher level of opinion towards the dimensions Consistency, Adaptability, Involvement and Responsibility. HSC employees are experienced higher level of opinion toward mission

Ho: There is no difference of opinion towards organisational climate dimension based on the respondent educational qualification.

In order to examine the above stated hypothesis, One-way ANOVA is executed. Consistency, adaptability, involvement, mission and responsibility are organisational climate dimension are the found to be significant. Because, the calculated p-value is significant. Hence, Consistency, adaptability, involvement, mission and responsibility are the dimensions significantly varied based on the respondent’s education. Hence, the stated hypothesis is rejected.

With regard to adaptability, HSC categories respondent are secured the mean score of 22.34. Those, who are having Diploma education, they are having mean score of 25.59, degree holders are having the mean score of 22.83. The postgraduates are experienced with mean score of 24.21. While observing the mean score, it is inferred that the Adaptability service of the IT companies is varied based on educational qualification of the employees. Here, corresponding f-value is found to be 11.964 and p-value is 0.001, which is significant at one percent level. Hence, there is a mean difference between educational qualification and Adaptability service of the IT companies. It is found that the Diploma level educators and post graduates level educators are experienced higher level of adaptability service than other groups.

In the case of involvement, among the HSC level of education groups are secured the mean score of 18.46. The Diploma level educators are having the mean score of 19.65. Degree holders are secured the mean score of 16.48. The post graduate groups are having the mean score of 18.44. From the mean values, it is observed that the respondents opinion toward Involvement service of the IT companies are varied based on their educational qualification. ANOVA result indicates that there is significant difference of opinion towards Involvement service of the IT companies. It is found that diploma level educators are having higher level of opinion towards Involvement services of the IT companies than other groups.

For mission, the calculated mean score is lies between 21.04 to 19.48. Here, the HSC respondents are experienced higher (21.04) level of services relating to Mission followed by diploma level educators (20.98), post graduates (20.68) and degree holder (19.48). Further ANOVA result indicates that (F-value 3.890 and p-value 0.005) there is difference of opinion toward mission aspect among the employees based on their educational qualification. It is found that the HSC and Diploma level employees are experienced better services relating to mission aspect.

In the case of responsibility service, the calculated mean score is ranged between 23.79 to 21.03. Those who are in the HSC categories, they are secured the mean score of 21.95. Diploma level educators group are having the mean score of 23.24. Degree holders are having the mean score of 23.43. Further, the calculated f- value is 6.43 and p-value is 0.001, which is significant at one percent level. It is inferred that the employees opinion towards responsibility service is significantly varied based on their educational qualification. It is found that the diploma level educators and post graduate level employees are having better experience toward Responsibility service.

It is observed that the mean score is significantly varied due to respondent educational qualifications towards the organisational climate dimensions namely Adaptability, Involvement, mission and responsibility. It is found that post graduate respondents are experienced higher amount of quality of services towards adaptability, involvement and responsibility than others. But, HSC are experienced the better service on mission aspects.

Table No-2: Employee job satisfaction and education

Education	Employee job satisfaction		ANOVA result	
	Mean	S.D	F-value	P-value
HSC	15.39	4.88	4.352	0.005**
Diploma	14.23	3.71		
Degree	13.26	4.05		
Post graduation	13.30	4.30		

Source: Primary data computed; **Significant at five percent level

Table -2 indicates the employee’s opinion towards level of satisfaction with the IT companies based on their education.

The mean score and standard deviation value of employee job satisfaction is calculated with respect to their educational qualification. From the mean score, it is observed that the HSC groups are secured higher levels of means score (15.39) followed by Diploma level (14.23), post graduates (13.30) and degree holders (13.26). It shows that HSC groups are having higher level of satisfaction than other groups.

Ho: There is no difference of opinion towards of satisfactions level based on employee’s education.

In order to test the above stated hypothesis, One-way ANOVA is applied. The calculated F-value is 4.352 and P-value is 0.005. The P-value is significant at five percent level. Hence, the stated hypothesis is rejected. Hence, the employee job satisfaction is significantly varied based on their educational qualification. It is found that HSC groups are having more satisfaction towards the IT companies when compared to other groups.

Table No: 3 Organisational Emotional intelligence based on educational qualification

Education	Organisational Emotional intelligence		ANOVA result	
	Mean	S.D	F-value	P-value
HSC	25.27	5.50	6.634	0.001*
Diploma	24.63	5.13		
Degree	22.17	6.30		
Post graduation	24.08	4.15		

Source: Primary data computed; *Significant at one percent level

Table-3 explains the employee’s opinion towards organisational Emotional intelligence of the IT companies based on their educational qualification. The mean score and standard deviation value of organisational Emotional intelligence is calculated with respect four groups of educational qualification of respondents. The calculated mean value is ranged between 25.27 to 22.11. It is observed that the HSC group secured higher levels of mean score (25.27) followed by Diploma level (24.63), post graduates (24.08) and degree holder (22.17). It is inferred that HSC group is having higher level of organisational Emotional intelligence towards the IT companies.

Ho: There is no difference of opinion towards organisational Emotional intelligence of IT companies based on their education.

Here, One-way ANOVA is applied to examine the above stated hypothesis. From the ANOVA result, (f-value 6.634 and p-value is 0.001), it is noted that the p-value is significant at five percent level. Hence the stated hypothesis is rejected. It is inferred that the employees organisational Emotional intelligence towards the IT companies is significantly varied based on their educational qualification. It is found that HSC group, Diploma level educators and post graduate are having higher level of organisational Emotional intelligence towards the IT companies when compared to degree holders.

Table No - 4 Opinion towards employees Organisational trust based education

Education	Organisational trust		ANOVA result	
	Mean	S.D	F-value	P-value
HSC	25.33	6.16	2.821	0.039**
Diploma	25.30	5.40		
Degree	23.55	5.52		
Post-Graduation	24.21	6.99		

Source: Primary data computed; **Significant at five percent level

Table-4 explains the employee’s opinion towards Organisational trust of IT companies based on their educational qualification.

The respondents are classified into four categories based on their educational level. Employee’s Organisational trust mean score and standard deviation value are calculated with respect to the respondent’s educational qualification. From the mean score, it is observed that those who are in the HSC groups and Diploma level, they are secured higher levels of means score followed by post graduate (24.21) and degree holder (3.55). It is inferred that HSC and Diploma level education are having higher level of Organisational trust towards the IT companies.

Ho: There is no significant difference of opinion towards Organisational trust based on their education.

To test the above stated hypothesis, one-way ANOVA is executed. From the ANOVA result (f-value is 2.821 and p-value 0.039), it is inferred that stated hypothesis is rejected. Because the p.value is significant at five percent level. It is noted that the employee’s Organisational trust is significantly varied based on their educational qualification. It is found that HSC group and diploma levels of people are having higher level of Organisational trust towards the IT companies when compared to other groups.

Table No -5 Opinion towards Employee motivation based on education

Education	Employee motivation		ANOVA result	
	Mean	S.D	F-value	P-value
HSC	20.01	4.02	1.599	0.189 (NS)
Diploma	19.29	3.66		
Degree	18.89	3.51		
Post graduation	18.89	4.65		

Source: Primary data computed; NS-Non-significant

Table-5 shows the employees opinion towards Employee motivation of the IT companies based of their educational qualification. Employee motivation mean score and standard deviation value are calculated based on the respondent’s educational qualification. The calculated mean score is ranged between 20.01 to 18.52. It is observed that the HSC groups are secured higher levels of mean score (20.01) followed by Diploma level (19.29), Degree holder (18.89) and post graduate (18.52). It is indicated that HSC group is having higher level of Employee motivation with the IT companies.

Ho: There is no difference of opinion towards Employee motivation based on their educational qualification.

Here, One-way ANOVA is applied to examine the above stated hypothesis. The F-value is 1.599 and p-value is 0.189. It is noted that the P-value is non-significant. Hence, the stated hypothesis is accepted. So that the all groups of educators are having the similar level of opinion towards Organisational trust of the IT companies.

Table No – 6 Opinion towards Emotional intelligence based on education

Education	Emotional intelligence		ANOVA result	
	Mean	S.D	F-value	P-value
HSC	25.40	4.67	1.586	0.192 (NS)
Diploma	24.55	5.35		
Degree	23.82	5.51		
Post graduation	23.39	6.46		
Total	24.40	5.38		

Source: Primary data computed; NS-Non-significant

Table 6 explains the employee's opinion towards Emotional intelligence of IT companies based of their education

Emotional intelligence mean score and standard deviation value is calculated with respect to varies groups of the education. From the mean score, it is observed that the HSC group of employees perceived higher levels of mean score (25.40) followed by Diploma level (24.55) degree holders (23.39) and post graduates (23.82). It shows that HSC group is having higher of Emotional intelligence towards the IT companies.

Ho: There is no difference of opinion towards Emotional intelligence level based on their educational qualification.

To test the above stated hypothesis, One-way ANOVA is applied. While observing the ANOVA result F-value is 1.586 and P-value 0.192. The P-value is non-significant. So, the stated hypothesis is accepted. Hence, the employees opinion towards Emotional intelligence is not varied with respect to their educational qualification.

Conclusion

The concept of emotional intelligence has gained much attention in the management literature as a factor useful in predicting individual performance at work and it has become necessary to understand and leverage it so as to gain sustainable competitive advantage by creating emotionally intelligent environment which will enable creation and maintenance of a positive supportive organizational climate by incorporating emotional intelligence competencies like self-awareness, commitment, optimism, interpersonal connectivity and personal integrity among employees. The research results presented in the paper show that the level of emotional intelligence of managers and employees has influences by organisational climate. Identification of the level of the emotional intelligence of their employees is the core responsibility of a manager. It is because the emotional intelligence determined the means and tools to be applied to stimulate and motive the employee to make an effort towards more effective performance.

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