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# The effects of organizational climate on emotional intelligence, employee motivation and satisfaction in IT sector, Tamilnadu

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**Abstract**—A positive organisational climate at workplace motivates employees, increases morale, enhances the company's profile, and attracts new talent. Climate properties can have a significant impact on every aspect of the workplace, from productivity to interpersonal relationships. This article will explain how to create an excellent organisational climate in your workplace to make it a more productive and fulfilling environment. This paper aims to analyse the most important determinants of organisational climate on employee's job satisfaction in IT industry in Chennai. The descriptive research design was used in this study and a simple random sampling method is used to collect the data. The sample for the present study will consist of approximately 347 employees. The descriptive statistics, regression and correlation are to measure the degree of relationship between the

independent and dependent variables. . It is clearly indicated that the organisational climate dimensions are having a significant effect on the employee job satisfaction.

**Keywords---**Organizational Climate, Emotional Intelligence, Employee Motivation, Employee Satisfaction, IT Sector.

## Introduction

Organizational climate is the key factor to explain the innovativeness of the employees. If the climate is healthy, employees will be more innovative as compared to other organization stressful climates. A good and healthy climate increases the productivity level of employees. Organizational climate represents how the employees feel about the atmosphere. Employees are the key resources of an organization. For the development of an organization it is necessary to make them feel good. Organizational climate refers to the employees' shared perceptions and the meaning they attach to the policies, practices and procedures they experience in their workplace, as well as to the behaviours they observe being rewarded, supported and expected regarding the human resources of the organization (Ahmad et al., 2018; Cygler et al., 2018; Schneider et al., 2013, 2016). Kumar-Bamel et al. (2013) argue that organizational climate encompasses organizational structure and processes, interpersonal relationships, employee behaviour, performance expectation and opportunities for growth. Additionally, organizational climate has important outcomes at the individual, group and organizational levels (Ghanbari & Eskandari, 2016). Studies have shown that organizational climate significantly affects employees' mood, attitude and behaviour, regarding their work environment (Abdulkarim, 2013). Organizational climate is positively linked to job satisfaction and commitment (Castro and Martins, 2010), employees' behaviour, motivation, engagement and outcomes, productivity, job satisfaction and performance, organizational performance, leadership behaviour, managerial and organizational effectiveness and decreases problems with staff.

Job satisfaction is one of the widely investigated job attitudes and one of the most extensively researched areas in the field of human resource management and organisational behaviour (Judge & Church, 2000). Spector (1997) defined job satisfaction as the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs and is also a contributing factor to the mental and physical well-being of the employees, which have a significant influence on job-related behaviours such as productivity, absenteeism and turn over intentions (Becker, 2004). It represents a combination of positive or negative feelings that the employees have towards their job (Locke, 1976). Again it is influenced by many factors including salary, nature of work, advancement opportunities, working conditions, realistic promotions and the effectiveness of business organisations (Alniacik et al., 2013).

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 customers 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 customers. 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 based on their EQ. In times of job insecurity and when the very concept of a 'job' is being replaced by 'marketable skills', EQ is considered 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 them 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 enhance their performance.

The Indian IT sector has built a strong reputation for its high standards of software development ability, service quality and information security in the foreign market which has been acknowledged globally and has helped to enhance buyer confidence. The industry continues its drive to set global benchmarks in quality and information security through a combination of provider and industry level initiatives and strengthening the overall frameworks, creating greater awareness and facilitating wider adoption of standards and best practices.

Information technology (IT) involves the study and application of computers and any type of telecommunications that store, retrieve, study, transmit, manipulate data and send information. Information technology involves a combination of hardware and software that is used to perform the essential tasks that people need and use on an everyday basis. Most IT professionals work with an organization and technically understand what they need to meet their needs, showing them what the current technology is that is available to perform their required tasks, then their current implementing technology in the setup, or creating a whole new set up. Information technology in today's world understates the scope of the critical career field. There is much-unexpected importance of Information Technology. Many companies now have IT departments to manage computers, networks and other technical areas of their businesses. IT jobs include computer programming, network administration, computer engineering, web development, technical support, and many other related occupations. Since we live in the "world of information", information technology has become a part of our daily lives. In the coming decades, many corporations will create so-called "IT departments" to manage computer technologies related to their business. Whatever these departments are working or will work on became the real definition of information technology, The importance of Information Technology in business is vast. It helps every business sector in automating their processes and

their systems to target objectives, generate revenue and reduce the inefficiency of their work. The value of Business information technology is increasing day by day in areas such as in commercial transactions, to fulfill the demands of customers and regulatory requirements. The purpose behind Business Information Technology is to fulfill the everyday growing needs of industries and to fulfill the growing expectations of customers of every field. To maintain the balance between complex computer systems and the right practices of business, employers eye on sound business information technology. Business IT backs the companies in a hardware system, software, system and all the changes in procedures. With the proper technology management, serving customers more will become easy as it helps in increasing employee engagement, gives access to information and provides flexibility in responding to business challenges. To collect information, programming/coding, data conversion, data communications retrieval and storage, system analyses are used. Even the education sector has been dramatically changed with the arrival of Information Technology. To run a business in the right way and generate expected outcomes, computers, software, and the internet helps a lot. Companies are now having virtual vaults which is a new form of storage system which allows users to keep or withdraw their documents. The IT department is providing a strong communication system to communicate effectively. The use of computers and the internet increases the quality of education. The pedagogical method of teaching and learning has been improving and IT contributes to improving school systems, student activities and teaching practices. Students are more open to learning with modern technologies and focusing on online teaching more. Their learning methods are depending on live interaction with the teachers and special classes for special children. Students are not bound to use the same old traditional method of learning. And all this made possible by the introduction of Information Technology in the education field and the **importance of technology** can be seen. The above discussion clears that Information technology is very important in this 21st century. Every field needs Information technology. Without the internet and technical system, no business, education, agriculture work and health sector can produce an expected outcome. **Technology in today's world** is important.

# Research methodology

This paper aims 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. The descriptive research design was used in this study and a 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 based 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 to measure the degree of relationship between the independent and dependent variables.

Table No -1 Organisational climate dimension based on association with IT companies

Organizational	Association with	Mean S.D		ANOVA result	
Climate	IT companies	Mean	wiean S.D	F-value	P-value
	below 5 year	21.19	3.36		
Consistency	6-10 year	20.08	3.63	6.662	0.001*
	Above 10 year	19.42	3.89		
	below 5 year	26.19	4.39	19.730	0.001*
Adaptability	6-10 year	23.61	5.04	19.730	
	Above 10 year	22.10	4.96		
Involvement	below 5 year	20.67	3.76	06 140	0.001*
	6-10 year	17.91	4.67	26.149	0.001"
	Above 10 year	16.05	5.88		
Mission	below 5 year	22.12	3.85	15.902	0.001*
	6-10 year	19.97	3.77	15.902	0.001"
	Above 10 year	19.25	4.96		
Responsibility	below 5 year	24.45	5.31		
	6-10 year	22.19	5.44	12.646	0.001*
	Above 10 year	20.54	6.54		

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

Table-1 the respondents are asked to rate their opinion towards organisational climate dimensions based on their number of years of experience with the IT companies. The customer association with the IT companies is classified into four groups. The mean value and standard deviation value of organisational climate dimension are calculated based on the customer experience. The calculated values are displayed in table 1. While observing the mean score, those who are having less than five years of association with the IT companies, they are experienced a higher amount of services relating to Consistency, Adaptability, Involvement, Mission and Responsibility.

Ho: Respondent's opinions towards organisational climate dimension are not varied across the number of years of association with the IT companies.

To test the above-stated hypothesis, One-way ANOVA is employed. From the ANOVA result, it is inferred that organisational climate dimensions Consistency, Adaptability, Involvement, Mission and Responsibility are significantly varied due to customer association with the IT companies. Because the corresponding P-values are significant at the one percent level. Hence the stated hypothesis is rejected.

In the case of Consistency, those who are having less than five years of association with the IT companies, have perceived a higher level of (21.19) Consistency services of the IT companies followed by 6 to 10 years of experience customer (20.8) and above 10 years experienced customer (19.42). It shows that the customer who are having than 10 years of association with IT companies and the customer who are having less than five years of association with IT companies, they are perceived a better level of Consistency services. But, those

who are having more than six years of association with IT companies, they are perceived a moderate level of Adaptability services of IT companies.

Relating to the involvement services of the IT companies, the customer who are having less than five years of association with IT companies, they are perceived better level of services. But, those who are having more than five years of association with IT companies, they are experienced least level of services.

Concerning the mission aspect, those who are having less than five years of association with IT companies are perceived a better level of mission services. Whereas, those who are having more than five years of experience are experienced the least level of mission services.

In the case of Responsibility services, with below five years experienced customers have received a higher level of Responsibility services. However, with more than 6 years experienced customers said that they are received a moderate level of Responsibility services.

It is found that there is a significant difference of opinion towards organisational climate dimension of the IT companies among the customer base of their association with the IT companies. Here, the customers who are having less than five years of association with IT companies, they are experienced a better level of services than another experienced group.

Association	Employee job satisfaction		ANOVA result	
with IT companies	Mean	S.D	F-value	p- value
below 5 year	15.07	3.92		
6-10 year	13.75	3.85		
Above 10 year	13 20	4 75	6.389	0.002**

Table No-2 Satisfaction level based on association with IT companies

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

Table 2 indicates the respondents' opinions towards satisfaction based on association with the IT companies. The mean score and standard deviation values for employee job satisfaction were calculated based on the customer association with the IT companies. The mean value is ranged from 15.07 to 13.20. From the mean value, it is inferred that the customer who are having less than five years of association with the IT companies, they are perceived a higher level of satisfaction with IT companies followed by 6 to 10 years of the experienced customer (13.75) and above ten years experienced customer (13.20).

Ho: There is no difference of opinion towards employee job satisfaction based on year's association with the IT companies.

In order to prove the above-stated hypothesis, One-way ANOVA is executed. From the ANOVA result, it is inferred that there is a significant difference of opinion towards the satisfaction level of customers based on their years of association with the IT companies. Because the calculated F-value is 6.389 and the P-value is 0.002. Here, the P-value is significant at the five percent level. Here, the stated hypothesis is rejected. It is found that the customer who are all having

less than five years of association with IT companies, they are perceived a better level of satisfaction than other groups.

Table No -3 Organisational Emotional intelligence based on association with IT companies

Association with IT companies	Organisational Emotional intelligence		ANOVA result	
	Mean	S.D	F-value	p- value
below 5 year	25.96	4.37		
6-10 year	23.59	5.64	17.500	0.001*
Above 10 year	21.42	6.41		

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

The respondents are asked to rate their organisational Emotional intelligence level of IT companies based on years of association with the IT companies. The calculated mean value and standard deviation value are displayed in table 3. From the mean score, it is observed that the less than 5 years of experienced customers are having a mean value of 25.96 followed by 6 to 10 years of experienced customers (23.59) and above 10 years of experienced customers (21.42).

Ho: There is no difference of opinion towards organisational Emotional intelligence of the IT companies based on years of association with the IT companies.

To test above stated hypothesis, One-Way ANOVA is employed. Here the calculated F-value is 17.5 and P-value is 0.001, which is significant at a one percent level. So, the stated hypothesis is rejected. Here, it is inferred that there is a difference of opinion towards the organisational Emotional intelligence among the customer due to their years of association with the IT companies. It is found that the customer who are having less than 5 years of association with the IT companies, they are having more rust with the IT companies. But, the customer who are all having above 10 years of association with IT companies, they are having low levels of organisational Emotional intelligence with the IT companies.

Table No-4 Employee motivation based on association with IT companies

Association	Employee motivation		ANOVA result	
with IT companies	Mean	S.D	F-value	p- value
below 5 year	20.14	3.35		
6-10 year	19.18	3.73	9.454	0.001*
Above 10 year	17.84	4.01		

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

Table 4 portrays the respondent's opinions towards Employee motivation based on association with the IT companies. The mean value is ranged from 20.14 to 17.84. From the mean value, the customers, who are having less than 5 years of association with the IT companies, have perceived a higher level of Employee

motivation with the IT companies, followed by 6 to 10 years experienced customers (19.18) and above 10 years of the customer (17.86).

Ho: There is no difference of opinion towards Employee motivation based on association with IT companies among the customer.

One-way ANOVA is applied to test the above-stated hypothesis. The calculated F-value is found to be 9.454 and P-value is 0.001. Here, P-value is significant at the one percent level. Hence, the stated hypothesis is rejected. It is inferred that there is a significant difference of opinion towards Employee motivation among the customer based on their association with the IT companies. It is found that the below five years experienced customers are having a good relationship with the IT companies.

Table No-5 Organisational trust level based on association with IT companies

Association	Emotional intelligence		ANOVA result	
with IT companies	Mean	S.D	F-value	p- value
below 5 year	25.90	4.67		
6-10 year	24.33	5.21	13.46	0.001**
Above 10 year	21.98	6.11		

"Source: Primary data computed \*Significant at one percent level

Table 5 shows the respondents' opinions towards Organisational trust based on their years of association with the IT companies. The mean value is ranged from 25.90 to 21.98. From the mean value, the customer who are having less than 5 years of association with the IT companies, are perceived a higher level of Organisational trust in the IT companies (25.90) followed by 6 to 10 years experienced customers (24.33) and above 10 years customer (21.98).

Ho: There is no difference of opinion towards Organisational trust based on association with IT companies.

One-way ANOVA is applied to test the above-stated hypothesis. The calculated F-value is found to be 13.46 and P-value is 0.001. Here P-value is significant at the one percent level. Hence, the stated hypothesis is rejected. It is found that there is a significant difference of opinion towards Organisational trust among the customer based on their association with the IT companies. It is found that the below 5 years and 6-10 years experienced customers are having higher level Organisational trust with the IT companies.

## Conclusion

The pieces of evidence that are focussed in the present study reveal that perceived Organisational climate improves Job Satisfaction, emotional intelligence and employees motivation and also reduces the Turnover Intentions. The mediating effect of employee's job satisfaction and emotional intelligence can better explain how the perceived organisational support can predict the impact of it on turnover intentions and employees motivation. In today's globalised environment, organisations need to equip themselves with the recession, a huge competition, meeting the customer's requirements, retaining the talented employees and so on. In such situation, the level of organisational support, job satisfaction and affective

commitment is expected to play a greater role in achieving the extra-role behaviour from the employees and in reducing the turnover rate of the employees. It helps the organisation in the effective attainment of its objectives.

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