# IMPACT OF TRANSACTIONAL PROFILE ON ORGANISATIONAL CLIMATE A Comparative Study among Public and Private Sector Banks in Uttarkhand

## Neha Choksi

Research Scholar, Uttarakhand Technical University, Dehradun.

## Dr. Ashish Sinha

Assistant Professor, Doon University, Dehradun.

# Dr. Harpreet Singh Grewal

Dean, School of Management, Uttranchal University, Dehradun.

## Dr. Ajay Kumar Saini

Professor, School of Management, Graphic Era Hill University, Dehradun.

Employee opinions of government as well as private sector banks and their perceptions of it are both influenced by the organizational climate. The goal of the current study is to investigate the business environment in the banking industry in Uttarakhand by using the more prevalent organizational climate variables. Empirical research in different Indian firms has demonstrated the benefits of an environment that prioritizes employee success. The goal of the research was to determine how bank employees in the government or privatized sectors are compensated. perceived the organizational climate. The sample was made up of 100 workers, 50 of whom worked for in the government sector as well as 50 in the private sector. The study's findings showed that the organizational atmosphere differs greatly in public as well as private sector. According to the study's findings, the organizational culture in the government & privatized banking sectors differs dramatically. The study found that organizational atmosphere and a single point of control in the business both inspire workers and make them feel like a member of the team. Employees receive sufficient training for their position in order to fulfill professional requirements. Employee efficiency and effectiveness are much greater for private sector bank personnel when it comes to training and development. A valid investigation's conclusions would lead to recommendations for changing the organizational climate at banks in the public and private sectors. Additionally, it prompts researchers to consider what factors should be included in a study of organizational climate. Attempts are decided to make to research the work environment in public banking sector viz., SBI, OBC, PNB, Canara Bank and private sector banks such as AXIS, HDFC, ICICI & IndusInd in Uttarakhand.

**Keywords:** Public banking sector, Private banking Sector, Organizational culture, Organizational Climate,

## INTRODUCTION

An essential component of management and organization is the organizational atmosphere. The growing body of research in this area and the intense discussion of the topic helped to conceptualize and define it, which aided in the development of a broad understanding of organizational climate as a significant concept. The perception that all individuals that operate alongside and for the company share is known as the organizational climate. Shared values,

viewpoints, and workplace cultures make up an organization's climate, which may have a big impact on how its people behave. It has been suggested that organizational climate may play a part in organizational learning since it may offer encouragements and supports for fostering interpersonal relationships and communication. Knowledge is too difficult to disseminate among members of an organization because of its stickiness. It is a set of quantitative working factors that workers experience immediately or unintentionally and that have an impact on their ability to work and level of satisfaction. It is the aggregate of all employees' impressions of organizational procedures, policies, and practises. Organizational climate refers to both complete measures and perceptions of the climate. Although the "Climate" can be evaluated in definite words & quantified by tools, each person's "feeling" of it varies. One person may thrive in the ideal climate while another may not. A cultural environment is essential to the eventual achievement of an organization's objectives. according to all organizational theorists and academics. The performance of an individual or work unit is ultimately influenced by the standards, attitudes, beliefs, laws, as well as processes that are consistent with make up the organizational climate.

Today's interaction combines quick change with a dynamic setting. The information, abilities, and skills of the organization's employees are crucial to its performance and long-term viability. Only the most contented professionals who fully demonstrate their abilities to match the needs of the organization will be watched. For intents and goals of all organizations, considering the current environment of intense rivalry and general discontent, look for opportunities to expand employee accountability and maintain them accountable for achieving the objectives. The chairman is ultimately bases hiring decisions on talent selection and registration in order for the organization to flourish by inspiring and gratifying its workforce, which results in high-quality programmes that foster engagement and raise its profile.

The banking industry's prior role in India was to regulate change in order to advance cultural & economic progress. In order to accomplish this development goal and maintain direct government control over the banks, the government established a number of important banks in 1969. There have been some adjustments made to these banks since the government's inclusion. Today, however, private sector banks continue to demand a lot of work and are frequently seen as rivals to governmental banks. By doing so, it attracts the internal flexibility the several types of institutions as well as its influence on the delegates' satisfaction.

The numerous affirmations are open and written in copy form to demonstrate that the delegate's participation and the organization's status are inextricably linked. Numerous studies have demonstrated a relationship between corporate atmosphere and employee satisfaction, agent revenues, reduced creative expenses, and professional assassination. A person's performance is impacted by the workplace culture since it affects employee happiness and motivation. The weather accomplishes this by raising questions regarding the course of particular exercises. Employees want their view of a cooperative environment to have some bearing on their salary and level of satisfaction. The fulfilment of the needs of the people in this organization depends on their acceptance of whether or not the environment is appropriate for those demands.

Currently, the representation of agents working for any company is closely tied to the weather. According to Wendell et al., disposition or atmosphere are indicators of a person's organizational standing. toward meetings, including their views on whether a workplace is an excellent or poor workplace, amount of charity or disdain, degree of consistency or joy, etc. Meeting culture is a

crucial strategic component because it fosters skeptical traits as well as sensations that are enduring, not very frequent, or complicated to change. Additionally, he claimed that since the weather was dependent on the delegates' opinions, it was simple to adjust.

It will be attempted to ascertain how the workplace can affect and impact employees' performance.

## **ORGANISATIONAL CLIMATE**

Research on the culture of the organization dates back to the 1930s. Researchers are shifting their focus from a "tough" actuality to a "weak" imagine, the concept of organizational structure was developed. Kurt Lewin, was the first researcher to propose an organizational environment in his renowned study on "leadership style" adopting 3 separate management philosophies viz., Free enterprise, absolutism and multiple principle system way in 1939. In line with this three crucial ideas concerning organizational climate was given:

First, it moves between different Organisations; second, it is persistent; and third, it has the power to affect how people behave in social situations.

Although organizational climate is a full concept in and of itself, much research on it aims to provide a lively commonsense application that addresses a number of challenges, including: Does Organizational Does Climate Have a Substantial Impact on Human Capital or Business Governance? What aspects of the work environment are significantly influenced by job satisfaction, efficiency, stress, success, or personal worker profit, as well as fostering social cohesion, individual integrating, or collective achievement?

## ORGANISATIONAL CLIMATE: DEFINITION AND CONCEPT

The phrase "repeated examples of action, mentalities and sentiments that reflect life in the association gradually connected with aim and qualities" is used to describe organizational climate. The term "organizational context" refers to characteristics and viewpoints that are hidden but affect an employee's work ethics and morals.

This idea, according to Garg and Rastogi, is a "feeling" that arises from how an organization is structured, how its members interact with one another, and how they hire and fire others.

According to According to Litwin & Stringer, the organizational architecture is a healthy working layout. Frameworks that employees operating inside the organization's environment may regard as legitimate or important and that affects and improves their behaviours.

Employee perceptions of the workplace are determined by the organizational environment. accordance with Campbellite, Work engagement is a set of qualities that are specific to a particular organization and might even come out of its interactions with its members or environment. Individual perception data on organizational characteristics have been utilised to identify organizational climate in studies on organizational climate. Organizational climate, according to Helleries and Slocum, is a collection of properties of the organization (or its subsystems) that are inferred from how the organization and its people interact with one another and their surroundings. A group of universal beliefs managed to hold by representatives of an organization regarding their workplace environment is known as the organizational climate.

Schneider and Reicher's (1990) Shared perspectives or predominant organizational norms for carrying out workplace activities are considered components of organizational climate. "People's perspective of their working environment with reference to compassion and friendliness" is how

Cooper defines organizational climate. A person's behaviours can be positively or negatively influenced by their shared perceptions, emotions, and attitudes about the core components of the organization. These perceptions, emotions, and attitudes reflect the culture of the organization and its established norms, values, and attitudes.

## ORGANISATIONAL CULTURE: DEFINITION AND CONCEPT

A set of values, beliefs, behaviours, practises, and attitudes known as organizational culture directs how individuals behave within the organization. The boundaries and rules established by an organization's culture enable its personnel understand how to carry out their duties in a proper manner. It has become embedded in how people behave within an organization, and in a manner, it reveals the "personality" of the business. The members of an organization's favorable and negative attitudes toward how their particular organization operates influence organizational culture. People that are a part of the group experience the distinctive atmosphere that is created by the distinctive culture of the group as the organization's climate.

The connection between an organization's vision and values and its workers' involvement, satisfaction, efficiency, turnover percentage, good recruiting efforts, and other factors makes organizational culture crucial. The organizational culture can both support or undermine the organization as well as its future goals, making it equally as crucial as the broader business plan. The appropriate behaviours within the organization is established by organizational culture. The leadership' common perspectives and ideals are communicated and repeated via a number of methods, eventually affecting how workers see the universe, behave, or perceive.

There cannot be a constant culture that serves all Organisations because industries and circumstances vary greatly. According to the widely held belief of cultural priority, its values place more emphasis on the organization and its objectives than on individuals.

Change poses a challenge to managers since it frequently affects the current group norms, beliefs, and values when a company decides to modify how its procedures and frameworks work. This is organizational culture, which refers to the collection of common standards, convictions, and values that help employees identify with their workplace and guide how it should be run.

A bad society can hurt both the organization's achievement as well as the achievement of its rulers. The people hired must possess both the necessary talents and the capacity to blend in with the corporate culture. A latest report in the Harvard Business Journal says that a firm 's organizational cultural identity is made up of the principles, attitudes, as well as behaviours that all of its staff communicate.

Relation the Relationship between Organizational Environment as well as Organizational Cultural

In organizational experiments about ideas, theories aspects of organizational environment as well as cultural sometimes utilised against scientists as though they were indistinguishable Both cultural as well as environment have been extensively studied researched in academia, the commercial and governmental sectors, and through many years of study (Glisson and James, 2002). Organizational structure and culture are incontrovertible concepts in literature, of course. The way members interact with other members of the company while retaining consumers or acting in any other way unaffected, or the organizational environment, is an inclination that is passed on through body architecture. The emphasis on communication between representatives is due to the fact that by seeing how the foundation's personnel interacts, one may determine if

the organizational structure is advantageous or disadvantageous.

Once again, organizational cultural identity is a concept as well as way of doing things that everyone in the organization shares. Before they can join the group, new recruits must read it and agree with it. This means that culture is something that could indeed be learned, passed on, as well as decided to share. Thus, the norms and characteristics of an organization are reflected in a blend of ideas, values, images, language, and behaviours. To guarantee that all delegates have a shared knowledge of their heritage and may advance to the same level, the Chief communicates the organization's culture to all of its employees.

## **OVERVIEW OF LITERATURE**

Few literature related to the topic is presented

Pratap.et.al., demonstrated Government sector organizations in Uttar Pradesh were found to have a much less pleasant work environment than private sector enterprises. According to research, the organizational climate in the private textile sector was seen as authoritarian, while it was democratic in the public textile industry.

Dawson focused on the demographic factors that influence workers' job satisfaction, but other researchers link it to the nature of the work and the working environment. Similar to this, a fair advancement structure inside the company, job autonomy, leadership style, interpersonal relationships, and the job itself are all crucial elements of job satisfaction.

As per Park's research on the topic of "connection among work satisfaction and organizational environment; research of public sector: enterprise in Uttar Pradesh," there is a statistically significant correlation connecting the two variables. According to Purring, Worker impression of the HRD atmosphere in private or international businesses is substantially higher than in the government sector.

Butt conducted study on Organizational The Environment & Work Happiness in Government, Private, and International Bankers. It was concluded that foreign bank had the most favorable ultimately perceptions of organizational climate compared to nationalized public as well as private banks which have less pleasant work environments.

The idea, components, determinants, and correlates of organizational climate are adequately described by Gani. The survey revealed that the organizations of private sectors banks are weaker than those of public sectors banking, as well as that the organizational environment in the financial field in its entirety is evaluated negatively.

An investigation into employee perceptions of the workplace's within-group agreement was carried out by Klien K J. An organization's climate is made up of a set of traits that characterize it, set it apart from similar organizations, are largely stable over time, and affect how its members behave. The worker's impression of his working environment, as opposed to climate refers to a group of traits that characterize a company, set it apart from similar businesses, remain largely constant through time, and affect employee behaviours. Due to the fact that various individuals might have varied perceptions of a single employment, the viewpoint of the particular employee is considered instead of a typical perspective.

## PROBLEM STATEMENT

Every activity in a company is impacted by the organizational environment, either directly or indirectly. An organization's expansion is intimately correlated with the environment. The

organizational climate is one of the main variables that may affect how employees perceive their workplace. The quality of the organization is influenced by the organizational climate. The goal of the current study is to investigate the organizational climate that exists in both public and private sector banks using the more prevalent organizational climate variables. Empirical research in both Indian and Western firms has demonstrated the benefits of an environment that prioritizes employee success. It would make sense to look into the organizational climate in this situation. A legitimate investigation's conclusions would lead to recommendations for improving the work environment, motivating employees, and providing them with the training and development they need to reach new levels of productivity in the banking industry. Additionally, it inspires scholars to consider what factors should be included in a study of organizational climate.

## **NEED OF THIS PRESENT STUDY**

Through loans, investments, and money transfers inside the country and even across nations, banking serves a vital part in the successful utilization of country's assets. Banking plays a critical role in emerging nations. Numerous new private sector banks have recently entered the Indian economy. The rise of bank commercialization can be attributed to a number of factors. Such banks cannot expand until they achieve some level of success, whether that success is measured by customer happiness, the financial worth of the banks, the efficiency of their administration, or the connections of every private or government bank. The goal of the current study is to compare how organizational characteristics that affect climate perception in public sector banks viz., SBI, OBC, PNB, Canara Bank and private sector banks such as AXIS, HDFC, ICICI & IndusInd in Uttarakhand. The findings of previous research demonstrate that organizational climate differs. Each firm must therefore pay close attention to its workplace culture. The purpose of this research was to identify whether the respondents' perceptions of organizational climate had changed significantly.

## **OBJECTIVES**

- To look into how employees perceive their motivation in relation to the work environment in both government and private sector institutions.
- For research how workers among the government or private banking sectors view their working environment in relation to organizational climate.
- To examine how workers perceive their degree of training and development in relation to the workplace tradition among the government or private banking sectors.

## ANALYTICAL STUDY

The descriptive survey research is thought to be appropriate for the current investigation. The descriptive research design was chosen since it aids in a more comprehensive sense than just the empirical study approach.

The research collected information from various the main as well as other Information.

Journals, books, reports, records, PhD theses, and online sources are the primary sources for data collection carried out with the help of organized survey questions as well as information from other references.

Employees of banks in the public and private sectors participated in this survey. The sample was

chosen entirely and impartially at random. The sample was made up of 100 employees are chosen at random, of which 50 from the private sector banks and 50 from public sector bank employees to complete the structured questionnaire. The public sector banks viz., SBI, OBC, PNB, Canara Bank and private sector banks such as AXIS, HDFC, ICICI & IndusInd in Uttarakhand are considered for the study

Employee perceptions of the corporate climate were gathered using a structured survey employing a 5-item measure extending between "Strongly disagree" to "Strongly agree" and a grading scale of 1 to 5.

The questionnaire is prepared by considering these hypothesis. Regarding the workplace, there are no discernible differences between bank employees in the public and private sectors. The working conditions for employees of banks in the public and private sectors differ significantly. There are no appreciable differences in motivation between bank employees in both the private & governmental sector. The motivation levels of bank personnel in the public and private sectors differ significantly. In terms of training and development, there are no appreciable differences between staff members of public and private sector banks. When it comes pertaining to education & growth, there are considerable differences between the staff members of there are both private as well as public banks.

## **QUESTIONNAIRE**

This questionary is intended to collect information relating to your satisfaction with the organization culture and organizational climate in your work space. The information provided by you is used for quality improvement of the work culture.

Kindly express your degree of familiarity with the preceding assertions by selecting the appropriate radio button choosing a rating score between 1 and 5 (5: Excellent, 4: Very Good, 3: Good, 2: Satisfactory, 1: Poor).

- 1. Employee cooperation from coworkers and encouragement from superiors affects how motivated they are.
- 2. Motivation is influenced by the organization's working conditions and working environment.
- 3. The nature of the job affects how motivated a person is
- 4. Employees feel confident in themselves at work.
- 5. Employee efficiency is motivated by the organization's central authority.
- 6. Employee motivation and a sense of belonging are influenced by the organizational atmosphere.
- 7. Lighting setup in the workspace
- 8. Noises
- 9. Temperature
- 10. Work area has a safe working environment.
- 11. Level of concentrations in jobs
- 12. Any other suggestion/comment to improve/augment the bank organization climate/culture

#### RESEARCH FINDINGS

From the analysis, the following points were noted.

- Employee cooperation and support from superiors and co-workers have a greater impact on an employee's level of motivation when they work in the private sector.
- In private sector banks, the quality of the workplace and the working conditions has a greater impact on motivation and work
- Private sector workers responded favorably to the nature of the job has an impact on how much a person is motivated.
- When it comes to obtaining greater responsibility in the private bank sector, employees feelings of self-worth at work significantly differ from those in public bank sector.
- Centralized authority in the organization inspires and motivates employees, in the private bank sector more than public bank sector
- With regard to the public bank sector's organizational climate and public organizational sector, not much difference is noticed.
- Lighting setup is good in private sector bank.
- The amount of background noise in government-run financial institutions is much greater than in their private-sector counterparts.
- The public sector banks are far hotter than their private sector counterparts.
- The level of security in today's banks, either public and private, is unprecedented.
- Work concentration is more in private sector bank.
- More privacy and cabins will be needed to improve the bank organization climate/culture.

#### CONCLUSION

The study is conducted in public sector banks viz., SBI, OBC, PNB, Canara Bank and private sector banks such as AXIS, HDFC, ICICI & IndusInd in Uttarakhand. It was found that the organizational culture and organizational climate in private sector bank is better compared to public sector banks in Uttarakhand.

## **REFERENCES**

- 1. Abdullah and Ramay, M.I. (2012). Antecedents of Organizational Commitment: A Study of Banking Sector of Pakistan. Serbian Journal of Management, 7 (1), 89-102.
- 2. Akhilesh, K.B. and Pandey, S. (2013). A Comparative Study of Organizational Climate in Two Banks. Indian Journal of Industrial Relations, 21(4), 456-461.
- 3. Allen, N.J. and Meyer, J.P. (2015). The Measurement and Antecedents of Affective, Continuance and Normative Commitment to Organization. Journal of Occupational Psychology, 63 (1), 1-18.
- 4. Aman gala, T.A. (2013). The Effect of Demographic Characteristics on Organizational Commitment: A Study of Salespersons in the Soft Drink Industry in Nigeria. European Journal of Business and Management, 5(18), 109-118.
- 5. Angle H.L. and Perry J.L. (2014). Organizational Commitment: Individual and Organizational Influence. Work and Occupation, 10, 123-146.
- 6. Ashforth, B.E. (2016). Climate Formation: Issues and Extensions. Academy o management, 10(4), 837-847.
- 7. Bateman, T.S. and Strasser, S. (2014). A Longitudinal Analysis of the Antecedents of Organizational Commitment. The Academy of Management Journal, 27(1), 95-112.

- 8. Baumgartel, H. (2014). The Penetration of Modern Management Technology and Organizational Practices in Indian Business Organisations. Indian Administrative and Management Review, 3.
- 9. Becker, H.S. (2017). Notes on the Concept of Commitment. American Journal of Sociology, 66(1), 32-40.
- 10. Bhatti, K.K., Nawab S. and Akbar, A. (2011). Effect of Direct Participation on Organizational Commitment. International Journal of Business and Social Science, 2 (9), 15-23.
- 11. Biswas, S.N., "Perceptions of Organizational Climate and Effectiveness: A Comparative Regional Rural Banks," Indian Journal of Industrial Relations, January 1993, Vol. 28, Issue No. 3, pp. 225-37.
- 12. Biswas, S.N. (2012). Perceptions of Organizational Climate and Effectiveness: A Comparative Study of District Co-operative Banks and Regional Rural Banks. Indian Journal of Industrial Relations, 28(3), 225-237.
- 13. Boon O.K. and Arumugam V. (2016). The influence of Corporate Culture on Organizational Commitment: Case Study of Semiconductors Organisations in Malaysia. Sunway Academic Journal, 3, 99-115
- 14. Brown, M.E. (2017). Identification and some conditions of Organizational Involvement. Administrative Science Quarterly, 14, 346-355.
- 15. Buchanan, B. (2018). Building Organizational Commitment: The Socialization of Managers in Work Organisations. Administrative Science Quarterly, 19(4), 533-546.
- 16. Campbellite. (1970). Managerial behaviours, performance, and effectiveness", New York: McGraw-Hill.
- 17. Dawson. (1987). Computer Technology and the Job of the First-Line Supervisor New Technology. Work
- 18. Gania. and Farooq. A.Shah, "Correlates of organizational climate in banking industry", Indian Journal of Industrial Relations, 2001, p. 36.
- 19. Gerber, F. (2003). The influence of organizational climate on work motivation. Mcom Dissertation, University of South Africa, Pretoria
- 20. Hellriegal, D. & Slocum, J.W., "Organizational Climate: Measures, Research and Contingencies", Academy of Management Journal, 1974, Vol. 17, pp. 255-280.
- 21. Klien K. J., C. A. (2001). Is everyone in agreement? An exploration of within-group agreement in employee perceptions of the work environment. Journal of applied Psychology, 86, 3-16.
- 22. Litwin and Stringer, Motivation and Organizational Climate, Cambridge: Harvard University 1968.
- 23. Newman, "Development of a Measure of Perceived Work Environment (PWE), "Academy of Management Journal 20.4 (1977): 520 534.
- 24. Pratap, Swaran and Srivastava, S.K., "Relationship between Job Satisfaction and Organizational Climate; Study of Public Sector: Undertaking in Uttar Pradesh", Lok Udyog, 1983, Vol. 17, Issue No.6, pp. 39-43.
- 25. Purang, P. (2008). Dimensions of HRD climate enhancing organizational commitment in Indian organizations. Indian Journal of Industrial Relations, 43(4), 528-546
- 26. Rizzati.G.2002."Categories de analyse de climax organizational em universidades federais brasileiras" tese de doutorado- UFSC. Florianopolis, 2002.

- 27. Schneider. (1983). Work climates: An interactionist perspective", In Feimer, NW & Geller, ES (Eds.) 1983. Environmental psychology: Directions and perspectives, pp. 106–128.
- 28. Schneider, B., "Some relationships between Job satisfaction and Organizational Climate", Journal of Applied Psychology,
- 29. *1973, pp. 318-323*
- 30. Srivastav. (2009). Heterogeneity of Organizational Climate. Research and Practice in Human Resource Practice, 1-33
- 31. Woodman, R., & King, D. (1978). Organizational climate: Science or folklore. Academy of Management Review, 3(4), 816-826

		N	Mean	Std. Deviatio
				n
The degree of inspiration of an individual is affected	Public	92	4.1196	.70854
by their coworkers' engagement or their leaders'	sector			
encouragement.	Private	58	4.2414	.75650
	sector			
	Total	150	4.1667	.72738
The group's working atmosphere or workplace	Public	92	3.7500	.87235
conditions have an impact on employee	sector			
engagement.	Private	58	3.9310	.79167
	sector			
	Total	150	3.8200	.84401
	Public	92	3.9130	.99064
The structure of the work determines worker	sector			
engagement.	Private	58	4.1034	.83118
	sector			
	Total	150	3.9867	.93397
	Public	92	4.0217	.79805
Workers have such a sense of self-respect at work.	sector			
-	Private	58	4.3793	.67089
	sector			
	Total	150	4.1600	.76921
The group's centralized leadership stimulates staff	Public	92	3.7717	.97331
productivity.	sector			

	Private	58	4.0690	.85557
	sector			
	Total	150	3.8867	.93792
The organizational atmosphere inspires workers	Public	92	3.9022	.99515
and helps them feeling like they belong to the	sector			
company.	Private	58	4.2241	.99195
	sector			
	Total	150	4.0267	1.00299

		N	Mean	Std.
				Deviation
Worker output rises when	Public	92	4.239	.88168
working conditions are	sector		1	
brightly lit.	Private	58	3.913	.96035
	sector		8	
	Total	15	4.113	.92349
		0	3	
A worker will be able to focus	Public	92	4.260	.93608
on his or her task if the	sector		9	
workplace's sound or	Private	58	3.913	.94190
temperatures are managed.	sector		8	
	Total	15	4.126	.95043
		0	7	
The workplace has a secure	Public	92	4.250	.76496
atmosphere.	sector		0	
	Private	58	3.948	.90655
	sector		3	
	Total	15	4.133	.83277
		0	3	