



Organisational Climate and Job Satisfaction among Bank Employees: A Case Study from Mayiladuthurai

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ABSTRACT

This study's findings are significant as they shed light on the relationship between organisational climate dimensions and job satisfaction among bank employees in the Mayiladuthurai district. The data, collected from a sample of 50 bank employees and analysed using correlation analysis and multiple regression techniques, reveal that job satisfaction positively correlates with dimensions such as effective communication, supportive leadership style, and work-life balance initiatives. However, organisational culture did not emerge as a significant predictor of job satisfaction. These findings underscore the importance of specific aspects of organisational climate in shaping employee satisfaction within the banking sector. The study also provides suggestions for enhancing organisational practices and policies and recommendations for future research to explore additional factors influencing job satisfaction and organisational effectiveness.

Keywords: *Job Satisfaction, Organisational Climate, Leadership Style, Communication, Organisational Culture, Recognition and Rewards, Work-Life Balance.*

1.0 INTRODUCTION

The topic of this study, the dynamics between organisational climate and job satisfaction, is of utmost importance. Organisational climate, characterized by the prevailing atmosphere, attitudes, and behaviours within an organisation, plays a pivotal role in shaping employees' experiences and attitudes towards their work environment. Job satisfaction, a critical aspect of organisational climate, reflects employees' contentment and fulfilment with their roles, tasks, and overall work conditions. Understanding these dynamics is essential for fostering a conducive work environment and enhancing employee well-being, as well as for the overall effectiveness and success of the organisation.

Previous research has extensively explored the relationship between organisational climate and job satisfaction across various industries and contexts. In their study, Schneider et al., (2013) emphasised the significant impact of organisational climate on employees' job satisfaction, highlighting the role of leadership, communication patterns, and organisational culture in shaping employees' perceptions and attitudes.

Furthermore, the study conducted by Ostroff et al., (2012) highlighted the importance of organisational climate dimensions, such as supportiveness, innovation, and clarity of goals, in influencing employees' job satisfaction levels. Similarly, Robbins and Judge (2019) emphasised the role of organisational justice, fairness, and perceived equity in determining employees' overall satisfaction with their jobs.

Moreover, research by Peccei and Rosenthal (2001) emphasised the role of employee participation and involvement in decision-making processes as significant determinants of job satisfaction within organisational settings. Additionally, findings from a study by Rhoades and Eisenberger (2002) underscored the importance of recognition, rewards, and opportunities for advancement in fostering job satisfaction among employees.

Despite the existing body of research on organisational climate and job satisfaction, limited studies have delved into the specific context of the banking sector, particularly in regions such as Mayiladuthurai. Therefore, this research aims to fill this gap by investigating the relationship between organisational climate and job satisfaction among bank employees in Mayiladuthurai, shedding light on the unique factors influencing employees' perceptions and attitudes within this specific context.

In light of the literature mentioned above, this study seeks to examine the following research questions:

1) What do bank employees perceive as the key dimensions of the organisational climate in Mayiladuthurai?

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- 2) How do these dimensions of organisational climate influence job satisfaction among bank employees?
- 3) What are the implications of the findings for enhancing organisational effectiveness and employee well-being in the banking sector?

This research addresses these questions and contributes to the existing body of knowledge on organisational behaviour. It provides practical insights for organisational leaders and policymakers in the banking sector to promote a positive work environment and enhance employee satisfaction and performance.

1.1 Literature Review

Organisational climate and job satisfaction are critical factors influencing employee well-being and organisational performance within the banking sector. A literature review reveals several key dimensions of organisational climate and their impact on job satisfaction among bank employees.

Schneider, Ehrhart, and Macey (2013) emphasise the importance of organisational climate in shaping employees' attitudes and behaviours in the workplace. They argue that organizational climate reflects employees' shared perceptions of the prevailing work environment, including leadership style, communication patterns, and organisational culture.

Effective leadership has been identified as a significant determinant of job satisfaction among bank employees (Robbins & Judge, 2019). Transformational leadership, characterised by inspiration, intellectual stimulation, and individualised consideration, has positively influenced employees' job satisfaction levels (Bass & Avolio, 1994).

Furthermore, communication is crucial in fostering a positive organisational climate and enhancing job satisfaction among bank employees (Ostroff et al., 2003). Transparent and open communication channels facilitate information sharing, collaboration, and mutual understanding among employees, leading to higher levels of job satisfaction.

Organisational culture, defined as the shared values, beliefs, and norms within an organisation, also significantly influences job satisfaction among bank employees (Denison, 1990). A culture that promotes fairness, respect, and employee engagement fosters a sense of belonging and satisfaction among employees (Ostroff et al., 2003).

Recognition and rewards are essential components of the organisational climate that contribute to employees' job satisfaction (Rhoades & Eisenberger, 2002). Employees who feel adequately recognised and rewarded for their contributions are likelier to experience higher job satisfaction and commitment to the organisation.

Work-life balance initiatives have gained increasing importance in the banking sector as organisations recognise the impact of employees' personal and professional lives on job satisfaction (Guest, 2002). Providing flexible work arrangements, wellness programs, and support for work-life balance enhances employees' overall well-being and job satisfaction (Nijp et al., 2016).

In summary, the literature underscores the significance of organisational climate dimensions, including leadership, communication, culture, recognition, and work-life balance, in influencing job satisfaction among bank employees. Understanding and addressing these dimensions are essential for creating a positive work environment and enhancing employee well-being and organisational performance within the banking sector.

1.2 Research Objective

- 1) To identify the key dimensions of the organisational climate perceived by bank employees in Mayiladuthurai.
- 2) To examine how these dimensions of organisational climate influence job satisfaction among bank employees.
- 3) To explore the implications of the findings for enhancing organisational effectiveness and employee well-being in the banking sector within the context of Mayiladuthurai.

1.3 Research Hypotheses

- **H₁:** There is a significant positive relationship between supportive and empowering leadership style and job satisfaction among bank employees.
- **H₂:** There is a significant positive relationship between effective communication channels and job satisfaction among bank employees.
- **H₃:** There is a significant positive relationship between an organisational culture that emphasises fairness and respect and job satisfaction among bank employees.
- **H₄:** A significant positive relationship exists between feeling adequately recognised and rewarded and job satisfaction among bank employees.
- **H₅:** A significant positive relationship exists between organisational support for work-life balance and job satisfaction among bank employees.

2.0 RESEARCH METHODOLOGY

2.1 Research Design

This study employs a quantitative research design to investigate the relationship between organisational climate dimensions and job satisfaction among bank employees in the Mayiladuthurai district.

2.2 Sampling Technique

A simple random sampling method was utilised to select 120 bank employees from various banks operating in the Mayiladuthurai district. This sampling technique ensures that each employee has an equal chance of being selected, thus enhancing the sample's representativeness.

2.3 Data Collection

Data were collected using a structured questionnaire administered to the selected bank employees. The questionnaire includes items measuring organisational climate dimensions (e.g., leadership style, communication effectiveness, organisational culture) and job satisfaction. The Likert scale captured respondents' perceptions and attitudes towards these dimensions.

2.4 Instrumentation

The questionnaire was developed based on a review of relevant literature and adapted to suit the specific context of the banking sector in Mayiladuthurai. Pilot testing was conducted to ensure the reliability and validity of the instrument.

2.5 Data Analysis

Correlation analysis will examine the relationships between organisational climate dimensions and job satisfaction among bank employees. Pearson correlation coefficients will be calculated to determine the strength and direction of the relationships. Multiple regression analysis will be conducted to identify the dimensions of organisational climate that significantly influence job satisfaction. Organisational climate dimensions will be entered as independent variables, while job satisfaction will be the dependent variable. The analysis will help assess the unique contribution of each organisational climate dimension in predicting job satisfaction among bank employees.

3.0 RESULTS AND DISCUSSION

3.1 Demographic Profile of the Respondents

Understanding the demographic profile of bank employees in Mayiladuthurai is essential for gaining insights into the workforce participating in the study. The demographic profile encompasses gender, age, educational qualification, and annual income. Gender distribution provides insights into the representation of male and female employees within the banking sector, highlighting potential gender disparities and their implications for organisational dynamics and job satisfaction. Age distribution offers insights into the generational composition and tenure within the workforce, identifying trends such as younger employees entering the workforce and older employees nearing retirement age. The educational qualification reflects the workforce's academic attainment and skill sets, informing job roles, career advancement opportunities, and job satisfaction levels. Similarly, annual income indicates financial well-being and socioeconomic status, providing insights into employees' earning potential, financial stability, and perceptions of compensation fairness within the organisation. By examining these demographic factors, this study aims to understand the workforce characteristics and their potential impact on organisational climate perceptions and job satisfaction levels within the banking sector in Mayiladuthurai. The demographic profile of the respondents is presented in Table 1.

Table 1 Demographic Profile of the Respondents

Demographic Profile	Frequency	Percent
Gender		
<i>Male</i>	64	53.3
<i>Female</i>	56	46.7
Age		
<i>26-30 years</i>	35	29.2
<i>31-35 years</i>	12	10.0
<i>36-40 years</i>	39	32.5
<i>40 years and above</i>	34	28.3
Educational Qualification		
<i>Graduate</i>	32	26.7
<i>Post-Graduate</i>	88	73.3
Annual Income		
<i>₹25,001 - ₹30,000</i>	21	17.5

₹30,001 - ₹35,000	18	15.0
₹35,001 - ₹40,000	9	7.5
More than ₹40,001	72	60.0

Source: Primary data

The demographic profile of the respondents in the study reflects a diverse workforce composition within the banking sector in Mayiladuthurai. Regarding gender distribution, most respondents were male, comprising 53.3% of the sample, while female respondents accounted for 46.7%. Regarding age distribution, the most significant proportion of respondents fell within the age bracket of 36-40 years, constituting 32.5% of the sample, followed closely by those aged 40 years and above, making up 28.3%. Additionally, respondents aged 26-30 and 31-35 represented 29.2% and 10.0% of the sample, respectively. Regarding educational qualification, most respondents held post-graduate degrees, accounting for 73.3%, while the remaining 26.7% held graduate degrees. Furthermore, concerning annual income, most respondents reported earning more than ₹40,001 annually, comprising 60.0% of the sample. A smaller proportion reported earning between ₹25,001 - ₹30,000 (17.5%), ₹30,001 - ₹35,000 (15.0%), and ₹35,001 - ₹40,000 (7.5%). These findings provide valuable insights into the demographic characteristics of bank employees in Mayiladuthurai, which may have implications for organisational dynamics, job roles, and perceptions of job satisfaction within the banking sector.

3.2 Correlation Analysis

Correlation analysis is a statistical method used to explore the relationships between variables. This study examines the correlation between job satisfaction, the dependent variable, and several independent variables, including Work-Life Balance, Organizational Culture, Leadership Style, Communication, and Recognition and rewards within the banking sector. These findings will offer insights for enhancing employee well-being and organisational effectiveness in the banking sector.

Table 2 Result of Correlation Analysis between Dimensions of Organizational Climate Influence Job Satisfaction

		Job Satisfaction
Leadership Style	Pearson Correlation	.228*
	Sig. (2-tailed)	.012
Communication	Pearson Correlation	.520**
	Sig. (2-tailed)	.000
Organisational Culture	Pearson Correlation	-.004
	Sig. (2-tailed)	.964
Recognition and Rewards	Pearson Correlation	.481**
	Sig. (2-tailed)	.000
Work-Life Balance	Pearson Correlation	.521**
	Sig. (2-tailed)	.000

The correlation analysis revealed significant relationships between job satisfaction and several dimensions of organisational climate within the banking sector. Firstly, there was a positive and statistically significant correlation between job satisfaction and Communication ($r = 0.520$, $p < 0.001$), indicating that as communication effectiveness increases, job satisfaction also tends to increase. Similarly, a positive and significant correlation was found between job satisfaction and Recognition and Rewards ($r = 0.481$, $p < 0.001$), suggesting that employees who perceive adequate recognition and rewards for their contributions tend to report higher levels of job satisfaction. Additionally, a positive and significant correlation was observed between job satisfaction and Work-Life Balance ($r = 0.521$, $p < 0.001$), indicating that employees who perceive a better balance between work and personal life tend to experience higher levels of job satisfaction. However, there was no significant correlation between job satisfaction and Organizational Culture ($r = -0.004$, $p = 0.964$), suggesting that organisational culture may not directly influence job satisfaction among bank employees. These findings highlight the importance of effective communication, recognition and rewards, and work-life balance initiatives in fostering job satisfaction within the banking sector. At the same time, organisational culture may not play a significant role.

3.3 Multiple Regression

Multiple regression analysis is a statistical technique used to explore the relationship between a dependent variable and multiple independent variables simultaneously. In this study, we employ multiple regression analysis to investigate the relationship between job satisfaction (dependent variable) and several independent variables, including Work-Life Balance, Organizational Culture, Leadership Style, Communication, and Recognition and rewards within the banking sector. Job satisfaction is crucial for employee well-being and organisational effectiveness, reflecting employees' contentment with their roles and work conditions. By examining the impact of various dimensions of organisational climate on job satisfaction, this analysis aims to provide insights for enhancing employee well-being and satisfaction within the banking sector.

Table 3.1 Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
.652 ^a	.426	.400	2.264	1.942

a. Predictors: (Constant), Work-Life Balance, Organizational Culture, Leadership Style, Communication, Recognition and Rewards

b. Dependent Variable: Overall Satisfaction

Table 3.2 Result of ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Regression	432.756	5	86.551	16.890	.000 ^b
Residual	584.169	114	5.124		
Total	1016.925	119			

a. Dependent Variable: Overall Satisfaction

b. Predictors: (Constant), Work-Life Balance, Organizational Culture, Leadership Style, Communication, Recognition and Rewards

Table 3.3 Result of Coefficients

	Unstandardised Coefficients		Standardised Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	3.385	1.175		2.881	.005
Leadership Style (OC1)	.915	.259	.257	3.534	.001
Communication (OC2)	.987	.254	.344	3.889	.000
Organisational Culture (OC3)	-.118	.196	-.044	-.602	.548
Recognition and Rewards (OC4)	.418	.364	.122	1.148	.253
Work-Life Balance (OC5)	.707	.290	.248	2.434	.016

a. Dependent Variable: Overall Satisfaction

The multiple regression analysis examined the relationship between job satisfaction, as the dependent variable, and several dimensions of organisational climate, including Work-Life Balance, Organizational Culture, Leadership Style, Communication, and Recognition and rewards. The model summary (Table 3.1) indicates a significant relationship between the independent variables and job satisfaction, with an R Square value of .426, indicating that the independent variables can explain approximately 42.6% of the variance in job satisfaction. The ANOVA results (Table 3.2) further confirm the significance of the regression model ($F(5,114) = 16.890$, $p < .001$), suggesting that the independent variables collectively predict job satisfaction significantly.

Upon examining the coefficients (Table 3.3), it is evident that Leadership Style ($\beta = .257$, $p = .001$) and Communication ($\beta = .344$, $p < .001$) have statistically significant positive effects on job satisfaction. This implies that employees who perceive supportive leadership styles and effective communication channels tend to report higher levels of job satisfaction. However, Organizational Culture ($\beta = -.044$, $p = .548$) and Recognition and rewards ($\beta = .122$, $p = .253$) do not significantly affect job satisfaction.

Interestingly, Work-Life Balance ($\beta = .248$, $p = .016$) also exhibits a significant positive effect on job satisfaction, suggesting that employees who perceive a better balance between work and personal life tend to experience higher levels of job satisfaction. These findings underscore the importance of leadership style, communication effectiveness, and work-life balance initiatives in influencing job satisfaction among bank employees, highlighting areas for organisational interventions to enhance employee well-being and satisfaction.

The regression equation predicting job satisfaction is as follows:

Job Satisfaction = 3.385 + 0.915(Leadership Style) + 0.987(Communication) - 0.118(Organizational Culture) + 0.418(Recognition and Rewards) + 0.707(Work-Life Balance)

This equation suggests that Leadership Style, Communication, and Work-Life Balance are essential predictors of job satisfaction among bank employees. At the same time, organisational culture, recognition and rewards may have less influence in this context.

SUGGESTIONS AND IMPLICATIONS

The findings of this study have several implications for organisational practices and policies within the banking sector:

- Improving leadership style towards a more supportive and empowering approach can contribute to higher levels of job satisfaction among bank employees. Investing in effective communication channels and practices can foster a positive work environment and enhance employee well-being.
- Organizations should prioritise implementing work-life balance initiatives to support employees in achieving a better balance between their work and personal lives. Flexible work arrangements, wellness programs, and support for family responsibilities can increase job satisfaction and overall employee satisfaction.

- While Organizational Culture did not emerge as a significant predictor in this study, it remains an essential aspect of the work environment. Organisations should strive to cultivate a culture that values fairness, respect, and employee engagement, as these factors are foundational to a positive organisational climate and employee satisfaction.
- Recognition and rewards significantly shape employees' perceptions of their contributions and value within the organisation. Organisations should ensure that employees are adequately recognised and rewarded for their efforts, which can lead to increased motivation, engagement, and job satisfaction.

CONCLUSION

In conclusion, this study investigated the relationship between organisational climate dimensions and job satisfaction among bank employees in the Mayiladuthurai district. By utilising primary data gathered from a sample of 120 bank employees and employing statistical techniques such as correlation analysis and multiple regression, significant insights have been gleaned regarding the factors influencing job satisfaction within the banking sector.

The findings of this study underscore the importance of various dimensions of organisational climate in shaping job satisfaction among bank employees. Specifically, effective communication channels, supportive leadership styles, and initiatives promoting work-life balance emerged as significant predictors of job satisfaction. These results highlight the critical role that organisational practices and policies play in fostering a positive work environment and enhancing employee well-being within the banking sector.

Furthermore, while specific dimensions of organisational climate, such as recognition and rewards, demonstrated a positive relationship with job satisfaction, others, such as organisational culture, did not emerge as significant predictors in this context. These findings suggest that organisations should prioritise and invest in specific aspects of organisational climate that significantly impact employee satisfaction.

The implications of this study extend beyond organisational practices to encompass broader implications for employee well-being, organisational effectiveness, and future research endeavours. By implementing strategies to improve communication, leadership effectiveness, and work-life balance, organisations can create a more supportive and satisfying work environment for their employees, increasing employee engagement, retention, and organisational performance.

Future research could explore additional factors influencing job satisfaction among bank employees, such as job autonomy, organisational support, and career development opportunities. Longitudinal studies could also investigate how job satisfaction and organisational climate perceptions evolve and their impact on employee retention and performance.

In conclusion, this study contributes to the growing literature on organisational behaviour and provides valuable insights for organisational leaders and policymakers in the banking sector. By understanding the factors influencing job satisfaction among bank employees, organisations can take proactive measures to enhance employee well-being and organisational effectiveness, ultimately fostering a positive work environment conducive to long-term success and sustainability.

LIMITATION AND SCOPE FOR FUTURE RESEARCH

While this study provides valuable insights into the relationship between organisational climate dimensions and job satisfaction among bank employees in the Mayiladuthurai district, several limitations should be acknowledged. Firstly, the study's cross-sectional design limits the ability to establish causality between organisational climate dimensions and job satisfaction. Future research could employ longitudinal or experimental designs to explore causal relationships comprehensively. Additionally, the sample size of 120 bank employees may restrict the generalizability of the findings to a broader population. Future studies could expand the sample size and include participants from diverse geographical locations to enhance the generalizability of the results.

Furthermore, this study focused on specific dimensions of organisational climate, such as communication, leadership style, organisational culture, recognition and rewards, and work-life balance. In contrast, other potentially relevant factors, such as job autonomy and organisational support, were not examined. Future research could investigate the influence of these additional factors on job satisfaction among bank employees to provide a more comprehensive understanding of the phenomenon. Despite these limitations, this study lays the groundwork for future research endeavours to explore the complexities of organisational behaviour and enhance employee well-being within the banking sector.

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