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Attributes of Organizational Climate Affecting Employee Productivity: A Study of Select Banks in Chandigarh Tricity

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Abstract – Organisational Climate is the shared perception of an organisation's environment and is a positive indicator of organisational performance. The performance and growth of various banks are dependent on the employees and work culture affecting prevalent organisational climate. This study aims to identify critical attributes of organisational climate affecting employee productivity of select bank groups. Survey questionnaires based on Organisational Climate Model (OCM) by Patterson et al., (2005) were administered to about 450 employees of 17 select banks divided into four groups of MNC, public, large and small private banks. Principle component analysis, confirmatory factor analysis and non-parametric correlations were performed as the data was not normally distributed. The analysis concluded that ten dimensions distributed in three sub-models of OCM positively affected productivity. Five dimensions of Human relations model and three of Rational goal model were most relevant. Two dimensions of Open systems model were also positively significant. MNC banks performed higher on employee productivity. Public sector banks fared least. The paper highlights vital attributes of organisational climate and significantly contributes to understanding factors affecting employee productivity in banks.

Keywords – Banks, Organisational Climate, Productivity, OCM, Human Performance, Dimensions

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I. INTRODUCTION

Extensive research on the subject on organisational climate, "the way people think about working for an organisation", demonstrates that organisational climate has a considerable and significant impact on human performance. Organisational Climate is "the shared perception of the way things are around here" (Reichers & Schneider, 1990). The perception of employees on their leadership and his management team consequently drives the organisational climate and employee performance to achieve competitive advantage. Organisation climate hence becomes "an important indicator of organisational performance affecting human resources as a source of sustained of competitive advantage" (Lado & Wilson, 1994). Several researchers and authors have established a positive relationship between organisational climate and performance, employee satisfaction, employee engagement, safety, motivation, leadership types and so forth. Identifications of dimensions and constructs of organisational climate and developments of various measurement tools have enhanced the understanding of the attributes of organisational climate, identification of its weaknesses and application of appropriate interventions. Research on organisational climate has grown substantially since the turn of the century (Kuenzi & Schminke, 2009). The efficacy of the organisational climate and its subsets on various organisational functions and outcomes is now a contemporary subject for researchers.

Financial sector within India in recent times has seen high and competitive growth. With economic liberalisation and relaxation of licenses, the stronghold of the public sector was weakened and many players to include public financial institutions like ICICI, IDBI and HDFC, private corporate houses and Multi-National Banks have aggressively entered the banking sector. Previous research indicates that the performance and growth of various banks are directly dependent on the quality of customer services offered due to the employees and work climate, arising from positive working or organisational climate prevalent (Leblebici, 2012). Evidently, the banking sector in the present millennium will play a crucial role in the economic strength of India as well of the world. McKinnon (2014) believes that an increase in banking services and financial activities are accelerating economy toward growth. Further, the banking sector is one of the most sensitive businesses all over the world and would play a significant role in the world economy (Khan, 2004). The financial sector within India in recent 2-3 decades has seen highly accelerated and competitive growth with nationwide

proliferation from metropolitan cities to rural areas. The banking sector has immensely benefited post liberalisation in the early 1990s with enhanced growth in all segments of the population. The total scheduled commercial banks assets in India are estimated at $ 1.53 Trillion (RBI, 2017). The performance and growth of various banks are directly dependent on the quality of customer services offered due to the employees and work culture, which in turn is due to the organisational climate prevalent. It is hence imperative to study and bring out essential parameters or dimensions of Organisational Climate attributing to productivity in banks.

A: *Literature Review*

The study of organisational climate emerged from psychology in understanding the situational influence on behaviours. The focus on the meaning and cognitive restructuring of actual experiences in climate research was due to psychological traditions, especially Gestalt Psychology. In contrast, to focus on values and beliefs and the methods by which they are transmitted indicate the locus of organisation culture in anthropology and sociology. Researchers studied the effects of sensory processes with essential human learning and motivation process. Industrial psychology emphasised individual perception and behaviour; however, at a later stage, the individual differences at work also were studied. (Ghiselli, 1939). Study of these individual differences or perception called Psychological Climate was necessary for understanding behaviours at work and effectiveness in an organisation. Psychological climate is defined

as the "individual employee's perception on the psychological impact of the work environment on own well-being" (L. A. James & James, 1989). The psychological climate was latter differentiated with organisational climate. Psychological Climate is described as a core of an individual's perception, as the attributions were solely on an individual's cognition. These perceptions may be shared with a group or organisation as a "shared psychological environment" (Jones & James, 1977). Glick was, however, having a view that climate emerged out of shared social interaction and is a property of the system, which could not be reduced to mean of an individual's perceptions. A general psychological climate factor (PCg), as suggested by James and James could be reduced to "an individual's general attitude towards his or her organisation". (Glick, 1988; L. A. James & James, 1989; L. R. James et al., 1990; Parker et al., 2003).

Hawthorne studies by Elton Mayo and Fritz Roethlisberger conducted at Hawthorne plant of the Western Electric Company were the earliest studies on the impact of climate on productivity. These studies gave a different connotation from individual difference model and demonstrated the immense influence of work situation on employees and their performance (Florence et al., 1941; Mayo, 1933; Roethlisberger, 1941). The experiment demonstrated as to how employees felt when subjected to various work conditions and also, as to how it affected productivity.

McGregor (1960) discovered that employees could be motivated either via authoritative direction and control or by integration and self-control. McGregor addressed these as Theory X and Theory Y, respectively. (Likert, 1961) contrary to the traditional theory emphasised less on control through authority and more on meeting worker's needs for higher effort. (Gilmer, 1966) observed that "The social aspects of job-work groups leadership, and organisation of the company, all add up a psychological climate for the person to work in". This aggregation was the Organisational Climate. organisational climate is defined as a "relatively enduring quality of an organisation's internal environment distinguishing it from other organisation: (a) which results from the behaviour and policies of the members of the organisation, especially top management; (b) which is perceived by members of the organisation; (c) which serves as a basis for interpreting the situation; and (d) acts as a cause of pressure for directing activity" (Pritchard & Karasick, 1973).

B:Dimensions or Organisational Climate: OCM

The study of dimensions or constructs of Organisational Climate is paramount to develop the framework of the concept and measurement instruments. As the concept of organisational climate developed over a period, theoretical interpretations which evolved and as envisioned by various theorists and researchers with time, the dimensions of climate and its measurement were also refined and transformed. The relevant constructs as developed over the period and elucidated by the various researcher(s) are tabulated at Table I.

Table I: Development of Dimensions of Organisational Climate

Researcher(s)	Dimensions	Description
(Halpin & Croft, 1963)	Eight	Disengagement, hindrance, esprit, intimacy, aloofness, production, emphasis, thrust and consideration
(Evan, 1968)	Three	Value climate, task climate and interpersonal climate
(Litwin & Stringer, 1968)	Nine	Structure, responsibility, risk, reward, warmth, support, standards, conflict and identity
(Pritchard & Karasick, 1973)	Eleven	Decision centralisation, flexibility and innovation, level of rewards, status polarisation, structure, achievement, autonomy, conflict versus cooperation, performance-reward dependency, social relations and supportiveness
(James & Jones, 1974, 1976)	Six	Conflict and ambiguity; job challenges, importance and variety; leader facilitation and support, workgroup cooperation, friendliness and warmth, professional and organisational esprit and job standards
(Ekvall, 1991)	Ten	Challenge, freedom, idea time, dynamism, idea support, trust and openness, playfulness and humour, conflicts, debates and risk-taking.
(Stringer, 2002)	Six	Structure, standards, responsibility, recognition, support, and commitment.
(M. G. Patterson et al., 2005)	Seventeen (four quadrants)	Autonomy, Integration, Involvement, Supervisory Support, Training, Welfare, Formalization, Tradition, Innovation & Flexibility, Outward Focus, Reflexivity, Clarity of Organisational Goals, Efficiency, Effort, Performance Feedback, Pressure to Produce and Quality

C*: *Instruments for Measuring Organisational Climate

In early studies, climate as a core of an individual's perception as the attributions were interpreted solely on an individual's cognition. These perceptions, when shared with a group or organisation, created a shared psychological environment. However, later a view developed that Organisation Climate emerged out of shared social interaction and is a property of the system, which could not be reduced to mean of individual perceptions of a general psychological climate factor. (Glick, 1988; L. A. James & James, 1989; L. R. James et al., 1990; Parker et al., 2003).

As the dimensions of Organisational Climate developed over the period, the instruments for its measurement also emerged. After an extensive review of the literature by (James & Jones, 1976), a climate questionnaire from a set of 35 concepts were developed related to the organisational climate elaborated into 145 item questionnaire. Organization Climate Index developed by Patterson, Payne and West, (1996), consisted of 28 item scales. However, only eight were used due to their length Kozlowski and Doherty, (1989) used a 55 measures instrument consisting of 11 sub-scales that overlapped instrument by James & Jones, (1976). Pritchard and Karasick, (1973) developed a comprehensive climate measure with ten dimensions which were factor analysed and further reduced to six dimensions by Joyce and Slocum, (1984).

Organisational Climate Questionnaire (OCQ) developed by Litwin and Stringer is one of the popular general measures of organisational climate. It comprises of 50 items assessing nine dimensions of climate (Litwin & Stringer, 1968). Likert's (1967) profile of organisational characteristics and Pritchard & Karsick (1973) instrument were both based upon Campbell *et al*. (1970) model, which used eleven of their original 22 measures (Campbell et al., 1970; Likert, 1961; Pritchard & Karasick, 1973). Schneider and Bowen derived five human resource dimensions affecting the relationship between climate and service quality of banks with several items comprising each dimension (Schneider & Bowen, 1985). The five human resource dimensions were Work facilitation, Organisational career facilitation, Organisational status and New employee socialisation

Patterson *et al.*, (2005) developed a global multi-dimensional measure of organisational climate which was intended to address the conceptual and methodological issues in an organised, comprehensive and targeted technique. The model developed was based on the Competing Values Framework (CVF) developed by Quinn and his colleagues through a series of articles and studies which suggested that the organisational effectiveness criteria could be best concluded when fundamental dimensions are arranged and organised in a competing framework. Flexibility versus Control. Internal Orientation versus External Orientation (R. E. Quinn & McGrath, 1985; Robert E. Quinn & Rohrbaugh, 1983a).

The measures of the Organisational Climate Model (OCM) developed by (M. G. Patterson et al., 2005), were designed to be theoretically well established to clearly and reliably specify to the appropriate frames of reference. These are applicable across a wide range of settings and target all levels of employee hierarchy (from the lower-level workforce to managerial employees) through the Competing Values Framework (CVF) (Robert E. Quinn & Rohrbaugh, 1983b). OCM consists of 17 dimensions distributed in four quadrants of CVF, Human Relations, Open Systems, Rational Goal and Internal Process. The four quadrants of the model are derived from four major schools of study of organisational effectiveness. They are laid out in a competing framework - flexibility versus control and internal versus external orientation. OCM is a consolidated model reflecting long traditions in management and organisational psychology. Due to its inherent advantages, OCM is selected for instant research.

Human Relations	**Open System**
1. Autonomy. Designing jobs in ways which give employees wide scope to enact work.	9. Innovation & Flexibility. Accepting change and encouragement for new ideas and innovative approaches.
2. Integration. Extent of interdepartmental trust and cooperation.	10. Outward Focus. Responsivenes to the needs of the customer and the marketplace in general.
3. Involvement. Having considerable influence over decision-making.	11. Reflexivity. Reviewing and reflecting in order to adapt.
4. Supervisory Support. Support and understanding from their immediate superiors.	
5. Training. The concern with developing employee.	
6. Welfare. The extent to which the organisation values and cares for employees.	
Internal Process	**Rational Goal**
7. Formalisation. A concern with formal rules and procedures.	12. Clarity of Organisational Goals. clearly defining the goals of the organisation
8. Tradition. The extent to which established ways of doing things are valued.	13. Efficiency. Employee efficiency and productivity at work.
	14. Effort. How hard work towards achieving.
	15. Performance Feedback. Feedback of job performance.
	16. Pressure to Produce. The extent of pressure for employees to meet.
	17. Quality. Emphasis is given to quality.

Figure 1. Organisational Climate Model (OCM) by Patterson et al., (2005)

***D: Organisational Climate**: An Indicator of Higher Productivity*

Extensive research has linked Organisational Climate and its individual component to higher productivity. Relevant studies are summarised as under:-

- Autonomy and positive work stress (Hirst et al., 2008).
- Job Satisfaction, Autonomy and other aspects of Human Resource Model , innovations. (Bailey, 1995; Drucker, 2006).

- Cost benefits and associated productivity by implementing training systems. (Kearsley & Compton, 1981) (Dearden et al., 2006)

- Self-managed teams, performance feedback, Job rotation, effective communications and training enhance productivity. (Black & Lynch, 2001)

- Shop floor management, factory operations, performance management and talent management. (N. Bloom et al., 2007; Dowdy & Van Reenen, 2007)Formalisation and traditions have relatively higher levels of productivity in newer and hierarchical organisations. (Saiyadin & Gupta, 2009)

- Individual efforts and pay dispersions are positively related to multiple measures of individual and organisational performance. (M. Bloom, 1999)

- Innovation and continuous improvements substantially increase productivity. (Berkun, 2010)

- A positive feedback is also a motivational tool to enhance employees effort and in turn the overall productivity. (Borcherding et al., 1980).

- Framework for enhancing satisfaction, motivation, and productivity in the workplace. (Martin, 2005)

OCM is an effective tool and measure to assess organisational effectiveness and productivity. Studies indicate that though all dimensions contribute to productivity, some dimensions are relevant to higher productivity in comparison to others. As dimensions are positioned in competing values quadrants in OCM, the comparison of these dimensions and attributes can guide and help managers to lay stress and importance on important attributes with resultant higher productivity.

E: Productivity in Banks

Productivity is construed as the ability and willingness of an economic unit to produce maximum possible output with given inputs and technology. Higher the output per unit of input, higher is the productivity. High productivity implies a large amount of output with little input (Yadav & Garima, 2015).

Unlike a typical firm, the bank does not produce a definite product or output; in fact, banks are a multi-product producing unit dependent on information and human capital. Productivity in banks has been enhanced lately by IT solutions and by corresponding technical up-gradation of the workforce employed. Hence, labour cost plays a vital role in determining the profitability of banks. To minimise the labour cost (input) and maximise the profitability/ income other levers come into play to include ethos of customer service, procedures and policies, managerial functioning and workforce talent. Reserve Bank of India (RBI), data indicates that the labour cost per unit of earning asset has declined by one half from 2.30 per cent in 1991-92 to 1.23 per cent in 2006-07.

Previous studies indicate that post-liberalisation private banks have grown at faster rates than other banks. Public banks have continued to perform lower in business despite support by the government. Private banks have a higher rate of growth on interest, whereas MNC banks have higher productivity from employees (Malyadri & Sirisha, 2015). MNC banks have better human resource practices, which help to retain talent besides higher compensation as a strategy (Caussat et al., 2015). MNC banks usher international work ethos with initiatives enhancing the quality of life and work-life balance. Further, MNC tends to attract a niche market of High Networth Individuals (HNIs) and consequently have a higher business per customer.

Further, another RBI report states that labour cost currently stands at an average of 35.5% of the total overall cost in Financial Service (Das et al., 2016). Conclusively, the fundamental concept and definition of productivity as applied in manufacturing industries cannot be applied as such in the banking sector because it is primarily a service industry (Ray & Sahu, 1989). In banks, the “Business per Employee” and “Profit per Employee” are usually employed by banks to verify profitability and this secondary data is published annually by RBI. (Jani & Raval, 2012; Yadav & Garima, 2015).

H1 – Organisational Climate has a positive effect on employee productivity parameters.

H2 – The competing quadrants (models) of OCM affect employee productivity parameters variedly.

H3 - There are significant dimensions of OCM attributing to employee productivity parameters.

II. METHOD

To study the relationship between the dimensions and the models, with factors of employee productivity, OCM Questionnaire (M. G. Patterson et al., 2005) was applied. The questionnaire consisted of 82 items distributed in 17 dimensions of four model domains. The instrument has high acceptability for research on Organisational Climate. The distribution of 17 dimensions within four model quadrants is given at Fig. Demographic variables like gender, years of experience and job profile were also incorporated. A four-point scale for OCM was used and interpreted as 1 = very strongly disagree, 2 = disagree, 3 = agree and 4 = very strongly agree. No neutral value response were

included to prevent social desirability bias. Further, 32 responses were reversed and reordered to prevent order bias. The productivity parameters selected as dependent variables were Business per Employee and Profit per Employee.

F: Validity

OCM has been a comprehensive well researched and validated measurement too. However, to validate the given sample, reliability analysis was returned high value (α =0.888) which meets the criteria (Nunnaly, 1978).

G: Period of Study

The study was carried out in the year 2017-18 at Chandigarh in 17 selected banks of public and private sectors including two MNC banks.

H: Collection of Data

Ideal data for this should represent the entire country and all branches of banks; however, due to the limitations and scope of the study, a convenience sample with representative data was collected from 17 bank branches. These 17 branches were selected from eight banks, selected from Chandigarh Tricity. The banks were further classified into four categories.

Table II. Participating Bank Groups

Banks Group	Banks and Branches Surveyed
Public Sector	SBI (3) and PNB (3)
Large Private Sector	HDFC Bank (3)and ICICI Bank (3)
Medium Private Sector	Kotak Bank (1) and Yes Bank (2)
Multi-National Company	HSBC (1)and Standard Chartered Bank (SCB) (1)

Average employee strength of 17 selected bank branches varied from 15-20 in small branches to 30-35 in large branches (total population approximately 450). Questionnaires were forward to all select bank branch employees through email and social media as a link to Google Forms, and data aggregation website www.surveymonkey.com.The valid responses received were 239 against the requirement of 208 for 95% confidence level and 5% margin of error. Eight responses were later discarded for errors and inconsistent data. Post collection data was coded and transposed to a Microsoft Excel worksheet for easy compilation. Secondary data on productivity parameters were obtained from the websites of Reserve Bank of India (RBI) and moneycontrol.com portal.

I: Tools and Techniques for Evaluation and Analysis

OCM Climate measures questionnaire (M. G. Patterson et al., 2005) was administered to the respondents. A correlation matrix was employed to determine the strength of significant correlations between attributes of Organisational Climate with parameters of productivity. Means of productivity parameters were used for comparison of significantly correlated dimensions within the group of banks, to highlight their attributability for productivity.

J: Component Analysis of Data

In order to assess the internal consistency of the instrument OCM, a component analysis was conducted on various statistical parameters. Cronbach's Alpha was returned for the data at α=0.888. This satisfied the basic reliability parameters. Further, to verify the sample adequacy, KMO & Bartlett's test was applied to the returning sample. Resultantly KMO achieved was 0.87, which is over the universal accepted level of 0.6. The result was statistically significant for Bartlett's test of sphericity, χ^2 test, df =136, (ρ < 0.001). The measure satisfied sample adequacy with greater dispersion and variance within data as proposed. Prior to the component analysis, the data was decoded from the reversed order responses.

The compiled data failed the test of normality under the Shapiro-Wilks test at the significance level (ρ < 0.05). Hence, parametric tests were not feasible. Consequently, Spearmans Correlation was performed to adjudicate the relationship between variables.

The Principal Component Analysis returned four factors with eigenvalues > 1 and the cumulative sum of squares at 67.28%. Other 13 component variables had eigenvalue < 1. The results were acceptable and matched the four model quadrants of OCM.

Table III: Results of Factor Analysis on Organisational Climate for Eigenvalue ≥ 1

Component	Factor Variance								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	7.1	41.5	41.5	7.1	41.5	41.5	4.9	28.6	28.6
2	2.0	11.8	53.3	2.0	11.8	53.3	2.6	15.4	44.0
3	1.3	7.7	61.0	1.3	7.7	61.0	2.0	11.9	55.9
4	1.1	6.3	67.3	1.1	6.3	67.3	1.9	11.3	67.3

For effective analysis of data, Collinearity of Data was inspected with Tolerance values were higher than 0.1, and VIF was lower than 10, thus fulfilling

assumptions (Hair et al., 2010). The OCM model hence fulfilled the criterion for the study.

III. ANALYSIS AND RESULTS

K: Descriptive: OCM

The result of descriptive data indicate that from total respondents (n = 231), 52.1 per cent were males (n =121) and 47.9 per cent were females (n = 110). From the entire respondent population, 10.82 were managers (n =25), 48.78 were middle-level employees (n =115), and 39.39 per cent were junior employees(n =91). On the descriptive on experience, 23.38 per cent had over 12 years of experience (n =54), 35.50 per cent had experience from six to 12 years (n =82), and 41.13 per cent had experience below six years (n =95).

L: Descriptive: Bank Productivity

The data for productivity was obtained from the RBI website annual reports and publications. The data of Financial Year 2016-17 indicated the following as tabulated for the research.

Table IV. Productivity Parameters for Bank Groups (Data RBI: 2016-17)

PRODUCTIVITY PARAMETERS: SELECT BANKS GROUPS				
	Public Sector Banks	MNC Banks	Medium Private Banks	Large Private Banks
Total Employees	322368	9416	63089	184854
Business per employee (in Rs.lakhs)	3041	4937	2430	2225
Profit per employee (in Rs.lakhs)	7.11	88.07	31.00	28.00

M: Strength of Relationships: Organisational Climate Quadrants and Productivity Parameters

Spearman's Correlation between the four quadrants of OCM, Human Relations Model, Open Systems Model, Internal Process Model and Rational Goal Model with Business per Employee and Profit per Employee is highlighted at Table V below with levels of significance. The consolidated data of bank groups was correlated with the two bank productivity parameters to derive the strengths of their significant relationships.

The strength of a correlation is deduced by significant values (ρ ≤ 0.01 and 0.05), and is deduced (Evans, 1996). Very strong correlation(r = .80 to 1.00), strong correlation (r= .60 to .79), moderate correlation (r= .40 to .59), weak corelation (r =.20 to .39) and very weak correlation (r= .00 to .19).

The results (n =231) are reflected for correlation (ρ ≤ 0.01 and 0.05) in the Table VI below.

Table V. Correlation Matrix with Model Quadrants of Organisational Climate with Productivity Parameters

	Human Relations Model	Internal Process Model	Open Systems Model	Rational Goal Model	Business Per Employee	Collinearity Statistics	
						Tolerance	VIF
Human Relations Model	1.0					0.4	2.5
Internal Process Model	0.1	1.0				0.3	3.6
Open Systems Model	.694**	0.1	1.0			0.9	1.1
Rational Goal Model	.796**	.159*	.795**	1.0		0.2	4.7
Business Per Employee	0.1	.388**	-.161*	-0.1	1.0		
Profit Per Employee	.924**	.227**	.628**	.825**	.752**		

** Correlation is significant at the 0.01 level (2-tailed),
* Correlation is significant at the 0.05 level (2-tailed).

These responses to the individual organisational climate dimensions were also correlated with the levels of strength of significant correlations. The results of correlations are tabulated as per the strengths of significant correlations (ρ ≤ 0.01 and 0.05).

The results interpreted from Table VI below indicate that except for dimensions Clarity of Organisational Goals and Traditions, no other dimension ((r_s)> .4) is significantly correlated with productivity parameter Business per Employee. Further, both the employee productivity parameters Business per Employee and Profit per Employee were weakly correlated. ((r_s) = .212, ρ ≤ 0.01). Hence, it was assumed that Business per Employee lacked value for study and hence was not considered hereafter. Overall Organisation Climate of select banks was also correlated with the productivity parameter Profits per Employee evincing a very strong correlation (r = .834, ρ ≤ 0.01).

Table VI: Correlation Matrix (Spearman): Dimensions of Organisational Climate and Productivity

Strength of Relationship	Business Per Employee	Coefficient (r_s)	Profit Per Employee	Coefficient (r_s)
Very Strong Correlations (.80 to.99)	Clarity of Organizational Goals	.818**	Autonomy, Welfare	.928** .801**
Strong Correlations (.60 to .79)			Integration, Supervisory Support, Innovation & Flexibility, Performance Feedback, Pressure to Produce	.607** .739** .626** .721** .735**
Moderate Correlation (.40 to .59)	Tradition	.401**	Clarity of Organizational Goals, Outward Focus, Involvement	.506** .444** .454**
Weak Correlations (.20 to .39)	Supervisory Support, Integration	.354** .361**	Training, Formalisation, Reflexivity, Effort	.319** .345** .233** .223**
Very Weak Correlations (.00 to .19)	Reflexivity,	-.146*	Efficiency, Quality	.159* .177**
No Correlation	Innovation & Flexibility, Outward Focus, Training, Formalisation Involvement, Performance Feedback, Pressure to Produce, Autonomy, Welfare Efficiency, Effort, Quality	-.126 -.015 .083 .014 -.028 -.061 -.097 .128 -.009 -.042 -.113 -.098	Tradition	-.145

** Correlation is significant at the 0.01 level (2-tailed),
* Correlation is significant at the 0.05 level (2-tailed).

N: Analysis of Productivity in Banks Groups

Four bank groups display varied ratios on employee productivity parameters required for the research. It is evident from Table IV that MNC Bank Group has the highest Business per Employee and Profit per Employee relative to other bank groups. Public Sector Bank Group also register high on business per employee; however, fare low in Profit per Employee. Hence, the banks perform defectively to convert the volume of business in matching profits. Private Sector Bank Groups reflect marginally lower productivity parameters and ability to convert the volume of business to profits in comparison MNC Bank Group. They have the highest productivity ratios and profit creation ability. The impugned disparities on productivity parameters indicate inability and inefficiency of converting business volumes to profit by Public Sector Bank Group.

O: Effect of Organisational Climate Model Quadrants on Banks Productivity Parameters

A line graph of bank groups on various dimensions or Organisational Climate indicates varied responses of employees, which, when compared to significant correlations with productivity parameters, can reveal critical dimensions responsible for higher productivity.

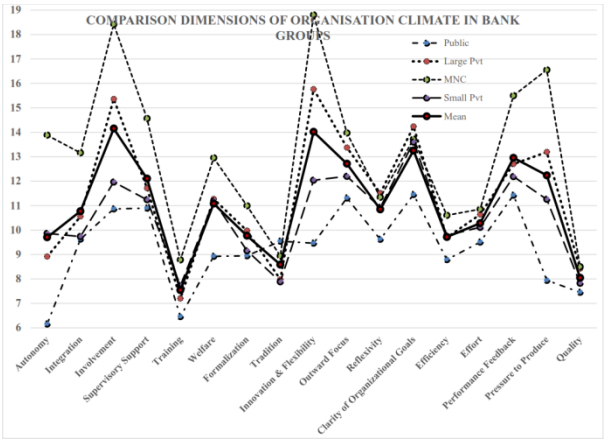

Figure 2. Line Graph Depicting the Response by Bank Groups on Dimensions of Organisational Climate.

The respondents have graded the Organisational Climate parameters in their organisation (banks) which is summarised as under.

Table VI. Summary of Responses of Banks to Dimensions of Organisational Climate.

Response Value	Organisational Climate Dimensions
High (>12.0)	Involvement, Supervisory Support, Innovation and Flexibility, Outward Focus, Clarity of Organisational Goal, Performance Feeback, and Pressure to Produce.
Medium (9.0 to 11.9)	Autonomy, Integration, Welfare, Formalisation, Reflexivity, Efficiency, and Effort.
Low (6.0 to 8.9)	Training, Traditions, and Quality.

P: Summary of Results

The analysis is ideally summarised in various quadrant models of OCM. The parameters examined are the responses to the dimensions and in totality the quadrant model itself.

Human Relations Model. A strong conclusive relationship of Human Relations Model exists with Profit per Employee with r_s values at .924 ($\rho \leq 0.01$) respectively. It shows strong correlations with the other quadrant models, Open Systems Model (r_s = .694, $\rho \leq 0.01$) and Rational Goal Model (r_s = .796, $\rho \leq 0.01$), however,, it displays no correlations with Internal Process Model (r_s = .113).

Four out of six dimension of Human Relations Model score medium and high response by employees with “very strong” and “strong” correlations Autonomy (r_s = .928, $\rho \leq 0.01$), Integration (r_s = .607, $\rho \leq 0.01$), Supervisory Support (r_s = .739, $\rho \leq 0.01$) and Welfare (r_s = .801, $\rho \leq 0.01$) with Profit per Employee. Involvement indicates moderate correlation (r_s = .444, $\rho \leq 0.01$).

Training has a weak relationship (r_s = .319, ρ ≤ 0.01). Further, the strengths of responses in Human Relations Model in most dimensions are highest with MNC Bank Group and lowest with Public Sector Bank Group, with other bank groups generally aligned to means. MNC banks, in particular, respond with an explicitly higher level of Autonomy, Involvement and Supervisory Support dimensions, with low ratings by Public Sector Banks on Autonomy, Integration and Training.

***Internal Process Model*.** The model indicates weak correlations (r_s = .227, ρ ≤ 0.01) to productivity parameter Profit per Employee. Within the model, Formalisation (r_s = .345, ρ ≤ 0.01) indicates weak strength and Tradition (r_s = -.145, ρ ≤ 0.05) displays very weak correlations. Profit per Employee and Business per Employee, respectively. Most bank groups perform lower and are aligned with meaning scores for both dimensions.

Open Systems Model. The Open Systems Model displays a strong relationship with productivity parameters Profit per Employee (r_s = .628, ρ ≤ 0.01). It has strong correlations also with other models Human Relations Model (r_s = .694, ρ ≤ 0.01) and Rational Goal Model (r_s = .795, ρ ≤ 0.01). The model, however, offers no significant correlation with Internal Process Model (r_s = .085).

The three integral attributes of Open Systems Model score a mixed response with varied strengths of correlations with Profit per Employee; Innovation and Flexibility (r_s = .626, ρ ≤ 0.01), Outward Focus (r_s = .454, ρ ≤ 0.01) and Reflexivity (r_s = .233, ρ ≤ 0.01).

The MNC Bank and Large Private Bank groups respond with higher values, with Public Sector Banks scoring lower than mean values. MNC Banks display high scores for Innovation and Flexibility.

Rational Goal Model. A very strong significant relationship of this model exists with productivity parameters Profit per Employee with r_s = .825, ρ ≤ 0.01. The model also correlates strongly with Human Relations Model (r_s = .796, ρ ≤ 0.01) and Open Systems Model (r_s = .694, ρ ≤ 0.01).

The dimensions of Pressure to Produce (r_s = .735, ρ ≤ 0.01) and Performance Feedback (r_s = .721, ρ ≤ 0.01) indicate a strong correlation. Clarity of Organisational Goals (r_s = .506, ρ ≤ 0.01) display a moderate correlation productivity parameters Profit per Employee. Efficiency (r_s = .1591, ρ ≤ 0.01), Effort (r_s = .233, ρ ≤ 0.05) and Quality (r_s = .177, ρ ≤ 0.01) indicate weak or very weak correlations to the productivity parameters Profit per Employee. High response values are correspondingly obtained on Pressure to Produce, and Performance Feedback led by MNC Banks. In contrast, Efficiency, Effort and Quality are rated low by employees across bank groups.

IV. DISCUSSION AND CONCLUSION

The purpose of this study was to test the extent Organisational Climate affects productivity in bank groups and to identify salient dimensions and quadrant models of OCM, which attribute to higher productivity. The test of dimensions of the construct of OCM indicates the validity of scales used for the study (α = .888, N=231). The component analysis of OCM indicates the goodness of fit of the relevant data collected (KMO test = 0.87, Bartlett's Test of Sphericity (ρ < 0.001)). The data also fulfils the test of Non-Collinearity of data with Tolerance < 1 and VIF < 10. However, the data fails tests of Normality as the respondent perceived scores are varied across bank groups for most dimensions. This implication limits the data only for non-parametric evaluation.

The study indicates strong evidence that Organisational Climate affects productivity positively (r_s = .738, ρ ≤ 0.05) with corresponding very strong (r_s >.8, ρ ≤ 0.01) and strong relationships (r_s >.6, ρ ≤ 0.01) of identified quadrant models. Human Resource Model and Rational Goal Model indicate very strong relationship and Open Systems Model, a strong relationship affiliation. These three models also reflect a greater degree of inter-correlation (r_s >.6, ρ ≤ 0.01) within themselves. This inter-relation indicates the corresponding bearing on the Competing Values Framework as described by the OCM (M. G. Patterson et al., 2005) in the literature.

Human Relations Model has a substantial reflection on Organisational Climate. The model is very strongly correlated to Organisational Climate. Five out of six dimensions of Human Relations Model contributed to higher productivity. Human Relations Model emphases on belonging, trust, and cohesion within the organisation. It facilitates coordination and control through empowerment and participation, and greater interpersonal relations from support, cooperation, and trust. Human Relations Model also correspondingly reflects on Open Systems Model and Rational Goal Model. It is hence, the most significant consequence on the study of Organisational Climate's effect on productivity. The important affecting dimensions as determined and interpreted from Tables VI and VII and Figures 2 and 3 are:-

- Higher Autonomy results in higher productivity (MNC banks returned higher profits with higher scores for Autonomy Dimension).
- Welfare encourages employees to perform (MNC banks reflected higher response with corresponding higher productivity parameters in contrast to public sector banks).

- Integration implying interdepartmental trust and cooperation reflects strongly on enhanced productivity. (MNC banks reflect greater integration and higher productivity).

- Supervisory Support indicates that support for immediate seniors is an essential facet for subordinate employee performance resulting in higher productivity. (Low supervisory support in public and private sector banks results in lower productivity in comparison to MNC banks).

- Involvement of employees in decision making. reflects moderately on productivity. (MNC banks have higher response scores on Involvement and higher indications of productivity)

Internal Process Model lays importance on stability, and the effects of environmental uncertainty are disregarded. Adherence to formal rules and procedures are given prominence. The model indicates a weak relationship to profitability in banks and no association to other model quadrants. Its dimensions too reflect a weak association to productivity.

Open Systems Model focuses on readiness, change and innovation, through resource acquisition, creativity and adaptation. The model associates itself strongly with Human Relations and Rational Goal Models.

- Innovation and flexibility depict encouragement to change, support for innovative approaches and novel ideas. (This dimension strongly associates with higher productivity levels in large Private and MNC Banks, which reflecting a higher-level response.)

- Outward focus dwells on responsiveness to customer and marketplace needs. (The dimension reflects moderately on productivity in banks with MNC Banks reflecting higher innovation through better customer experience and novel products attracting higher investments.)

- Reflexivity concerns with positive adaptation on objectives, strategies, and work processes. A weak association exists with productivity in banks.

Rational Goal Model reflects very strongly on employee productivity and is associated with well-defined objectives which realise higher productivity, efficiency, goal fulfilment, feedback, and rewards. The quadrant model also associates itself strongly with Human Resources Model and Open Systems Model. The dimensions of this model indicate a mixed association with employee productivity.

The pressure to produce indicates the extent of pressure for employees to meet targets. Its positively and strongly associated with employee productivity. Employees of public sector banks have rated this factor low due to the permanent nature of their employment and irrelevant targets. Other banks employees rate the dimension higher with MNC banks leading with the highest response and employee productivity.

- Performance feedback reflects on recognition of job performance through feedback, and the factor is strongly associated with employee productivity. MNC and private sector banks reflect positive feedback programmes through performance appraisal systems, reward and recognition initiatives. Public sector banks lag in similar initiatives with low response value.

- Clarity of organisational goals is moderately associated with employee productivity.

- Dimensions of Effort, Efficiency and Quality do not reflect high by most banks and weakly associated with employee productivity.

The analysis of data and results of the study indicate that ten dimensions of three quadrant model of Organisational Climate Model significantly contribute to employee productivity. Banks achieving low employee productivity need to enhance deficient dimensions and climate models in orders to enhance productivity. However, attempting to change organisational climate would imply a considerate evaluation with the alignment of underlying organisational culture and actions to enhance or constrain the achievement of desired climate (Ehrhart et al., 2015; Schein, 2010).

Q: Limitations and Future Research

The analysis of data and results of the study indicate that ten dimensions of three quadrant model of Organisational Climate Model significantly contribute to employee productivity. Banks achieving low employee productivity need to enhance deficient dimensions and climate models in orders to enhance productivity. However, attempting to change organisational climate would imply a considerate evaluation with the alignment of underlying organisational culture and actions to enhance or constrain the achievement of desired climate (Ehrhart et al., 2015; Schein, 2010). Effective HR management contributes principally to a conducive organisational climate and resultant productivity. Innovation and flexibility with a corresponding outward focus in business also add to productivity. Further, the rational organisational goals aid productivity through clear organisational objectives, positive work pressure and appropriate performance employee feedback. The study is also related to outcomes of similar studies on the subject

in the Indian context (Arya & Sainy, 2017; Gani & Shah, 2001; Lehal, 2002).

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