

Effect of Functional Organisational Climate on Managerial Effectiveness in IT Sector as per Ancient Indian Texts

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Abstract: This study examined the organisational climate and managerial effectiveness in various information technology organisations. A sample of 311 participants was surveyed using the MAO-C questionnaire to assess the organisational climate and the PE-G to measure managerial effectiveness. The study focused on three functional climate motives: Achievement, Expert Power, and Extension, and aimed to determine their relationship with managerial effectiveness. The results indicated a positive correlation between functional climate and managerial effectiveness. By integrating ancient Indian principles such as dharma (duty), karma yoga (selfless action), and ahimsa (non-violence) into the organisational culture, leaders can enhance the functional climate, positively impacting managerial effectiveness. Although the specific concept of functional climate may not be directly addressed in ancient Indian verses, the underlying principles offer valuable insights for creating a productive and fulfilling work environment.

Keywords: organisational climate, sanskrit, ancient Indian principles, functional organisational climate, managerial effectiveness, personal effectiveness, IT Sector.

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Introduction

Organisational climate refers to the collective perceptions and attitudes of employees towards the work environment, their job roles, and the management practices in an organisation. According to Pareek (Pareek and Purohit, 2018), functional organisational climate refers to the climate that supports the achievement of organisational objectives and goals. It is characterised by a positive work environment, open communication, effective leadership, and a culture of trust, cooperation, and teamwork. A dysfunctional climate is characterised by negative work environment, lack of communication, ineffective leadership, and a culture of distrust, conflict, and competition. Pareek emphasises that organisational climate is crucial for organisations to develop and maintain a functional climate to achieve their objectives and goals. Present study is completely focused on impact of functional climate in IT sector.

Indian ancient texts like the *Arthashastra* by Kautilya, the *Bhagavad Gita*, the *Yoga Sutras* of Patanjali, the *Ramayana*, and the *Mahabharata* offer valuable insights into modern organizational climate theories. These texts provide guidance on leadership qualities, organisational structure, communication, motivation, and team building. They also highlight the importance of self-awareness, self-control, detachment, servant leadership, transformational leadership, emotional intelligence, mindfulness, ethical leadership, and values such as integrity, honesty, and empathy. They offer examples of effective and ineffective leadership styles and the consequences of different approaches, emphasising human behaviour and relationships.

Here are some Sanskrit quotes that support modern organisational climate theories and practices.

“राज्ञि धर्मिणि धर्मिष्ठाः पापे पापाः समे समाः।
राजानमनुवर्तन्ते यथा राजा तथा प्रजाः॥”

rājñi dharmiṇi dharmiṣṭhāḥ pāpe pāpāḥ same samāḥ।
rājānamanuvartante yathā rājā tathā prajāḥ ॥

“The queen, being righteous, makes the subjects righteous. The subjects follow the king, just as the king is.”

"As the king, so are the subjects" emphasises the importance of leadership in shaping the behaviour and performance of followers. (चाणक्यनीति)

“अयं बन्धुरयं नेतिगणना लघुचेतसाम् ।
उदारचरितानां तु वसुधैव कुटुम्बकम् ॥”

**ayaṁ bandhurayaṁ netigaṇanā laghucetasām ।
udāracaritānām tu vasudhaiva kuṭumbakam ॥**

"He is a relative, he is a friend, he is a leader for those of small minds. But for those with noble conduct, the whole world is their family." This promotes values such as inclusivity, diversity, and empathy, which are important for creating a positive and supportive organisational climate. (महोपनिषद्)

“इहैव तैर्जितः सर्गैर्येषां साम्ये स्थितं मनः ।
निर्दोषं हि समं ब्रह्म तस्माद् ब्रह्मणि ते स्थितः ॥

**ihaiva tairjitaḥ sargaueṣāṁ sāmye sthitaṁ manaḥ ।
nirdoṣaṁ hi samaṁ brahma tasmād brahmaṇi te sthitaḥ ॥**

"Here and now, having conquered their own selves, their mind is established in equanimity. For the faultless, the Supreme Reality is the same; therefore, they are established in the Supreme Reality.”

These lines promote treating all individuals with fairness, respect, and dignity, which are key components of modern theories of diversity and inclusion ('श्रीमद्भगवद्गीता' a).

“दुःखेष्वनुद्विग्नमनाः सुखेषु विगतस्पृहाः ।
वीतरागभयक्रोधः स्थितधीर्मुनिरुच्यते ॥”

**duḥkheṣvanudvigrāmanāḥ sukheṣu vigatasprhāḥ ।
vītarāgabhayakrodhaḥ sthitadhīrmunirūcyate ॥**

“The wise one, undisturbed by sorrows, free from longing in pleasures, and devoid of attachment, fear, and anger, is called a person of steady wisdom.”

This emphasises the importance of developing inner strength, resilience, and emotional intelligence, which are key components of modern theories of personal and organisational well-being. ('श्रीमद्भगवद्गीता' b)

“कर्मण्येवाधिकारस्ते मा फलेषु कदाचन।
मा कर्मफलहेतुर्भूर्मा ते सङ्गोऽस्त्वकर्मणि॥”

**karmaṇyevādhikāraṣte mā phaleṣu kadāchana।
mā karmaphalaheturbhūr mā te saṅgo'stvakarmani॥**

“You have the right to perform your prescribed duty, but you are not entitled to the fruits of your actions. Never consider yourself the cause of the results of your activities, and never be attached to not doing your duty.”

This emphasises the importance of focusing on action rather than outcomes, which is a key component of modern theories of mindfulness, resilience, and personal effectiveness. ('श्रीमद्भगवद्गीता' c)

The functional organisational climate can enhance managerial effectiveness by increasing motivation, job satisfaction, and commitment among employees, leading to better performance outcomes. Studies indicating that employees are more motivated and committed to the organisation when they perceive a positive work environment (Steenbergen and Van Der Hulst, 2015), a supportive work environment and positive organisational culture are important predictors of employee commitment and job performance (Saini and Kadian, 2018). Effective communication like transparent and timely communication positively influences job satisfaction and employee engagement (Hamed et al., 2019). Empathetic and empowering leadership can establish trust and collaboration, enhancing employee motivation and commitment (Nielsen et al., 2017). When employees perceive that their performance is being evaluated fairly and objectively, they are more likely to be motivated to perform better and contribute to the organisation's success (Kim and Lee, 2016).

According to Pareek (Pareek and Purohit, 2018), organisational climate refers to the psychological atmosphere of an organisation. It is the quality and intensity of the employees' experience of the organisation's culture, values, practices, policies, and procedures. Organisational climate affects how employees feel, think, and behave in their work environment, and it can significantly influence their productivity, job satisfaction, and motivation. The six key motives or needs that are important for comprehending human behaviour in organisations are: Achievement, Affiliation, Expert Influence, Control, Extension, and Dependency. These are categorised as functional or dysfunctional. The functional motives include Achievement, Expert Influence, and Extension, which are considered

positive and contribute to the effectiveness of individuals in their work settings. On the other hand, the dysfunctional motives include Control, Dependency, and Affiliation, which are considered negative and may hinder individuals' effectiveness in their work settings.

This study examines how functional motives, as independent variables, can improve managerial effectiveness, the dependent variable. By analysing the link between these motives and managerial effectiveness, organisations can gain insights into the factors that promote effective management and create plans to enhance managerial effectiveness in their workplaces.

Objectives

1. To study the strength of relationship between functional climate motives and managerial effectiveness.
2. To investigate the relationship between Achievement dominant climate and managerial effectiveness.
3. To study the relationship between expert power motive and managerial effectiveness.
4. To search the relationship between extension dominated motive and managerial effectiveness.

Hypotheses

1. There is a significant positive relationship between functional climate motives and managerial effectiveness.
2. A significant positive relationship between achievement dominant climate and managerial effectiveness.
3. There exist a significant positive relationship between expert influence climate and managerial effectiveness.

A significant negative relationship is observed between extension and managerial effectiveness.

Methods

Sample

This study included 311 managerial level employees from various IT organisations in India, selected through purposive random sampling. The participants were given the option to participate in the research.

Tools

The tools used for this study were,

(I) Organisational Climate Measure

To collect data on three dimensions of organisational motivational climate, the Motivational Analysis of organisational (Climate) tool developed by Pareek (Pareek & Purohit, 2018) was used. This tool includes 72 statements, with six statements for each dimension, and participants rank these statements based on their perception of the motivational climate of the organisation. The three dimensions are an achievement dominant climate, an expert power dominant climate, and an extension dominant climate.

Reliability and validity:

In 1981, Sen conducted a study to determine the reliability and validity of MAO©, also known as Motivational Analysis of Organisational (Climate). The findings revealed statistically significant reliability levels ranging from .001 to .008 for all climate dimensions, except for the dependency type of climate, which was statistically insignificant at .17. The study concluded that MAO(C) had an acceptable level of reliability and has since been utilised in numerous studies.

Sample survey question:

9. Trust

- _____ a. Only a few people here are trusted by management, and they are quite influential.
- _____ b. Trusting and friendly relations are highly valued here.
- _____ c. Here, high value is placed on trust between supervisor and subordinate.
- _____ d. Specialists and experts are highly trusted here.
- _____ e. A general attitude of helping generates mutual trust here.
- _____ f. Those who can achieve results are highly trusted here.

(ii) Managerial Effectiveness Questionnaire:

Pareek (Pareek & Purohit, 2018) developed a personal effectiveness (PE) scale questionnaire that can be used for different groups, such as managers, counsellors, students, and teachers. The test assesses personal effectiveness types in terms of self-disclosure, feedback, and perceptiveness through 15 statements, with five statements for each aspect. Respondents indicate the extent to which each statement is true of them on a 5-point scale.

Reliability and norms:

Alpha for group of 68 managers was found to be 0.90.

Sample survey question:

13. _____ I enjoy talking with others about my personal concerns and matters.

14. _____ I value what people have to say about my style, behaviour, etc.

Results and Discussion

In present study, all functional motives of organisational climate viz. achievement, expert power, extension dominant climates, and a cumulative effect of dysfunctional climates on managerial effectiveness were tested. As mentioned in Table 1-1, mean value and SD were 44.96 & 5.82 for achievement, 45.20 and 7.54 for expert power, and 44.67 & 6.73 for extension dominant climate and for cumulative functional climate were found to be 134.82 and 11.36 respectively. The data were further treated for finding relationship between climate as an independent variable and managerial effectiveness as dependant.

In this study, Correlation coefficient between achievement dominant climate and managerial effectiveness was found 0.59 which indicates moderate positive correlation between them i.e. When there is a concern for excellence and healthy competition to achieve set goals, the effectiveness of managers of an organisation increases. For expert power climate it was found 0.54, shows moderate positive relationship. It was also found that, if there is more concern for others; interest in super ordinate goals, performance of managers gets increased as correlation coefficient found 0.40 between extension oriented climate and managerial effectiveness.

Correlation coefficient of a cumulative effect of functional climate

and managerial effectiveness 0.90 indicates high positive correlation.

Based on the hypotheses and the correlation coefficients obtained, inferences are,

There is a significant positive relationship between achievement dominant climate and managerial effectiveness, indicating that managers perform better in organisations where there is a focus on excellence and healthy competition to achieve set goals.

There is a significant positive relationship between expert power climate and managerial effectiveness, suggesting that managers perform better in organisations that encourage expert opinions and are open to change.

There founds a significant positive relationship between extension oriented climate and managerial effectiveness, indicating that managers perform better in organisations where there is a focus on others' interests and super ordinate goals.

Finally, the study found a high positive correlation between functional climate and managerial effectiveness, suggesting that when an organisation's climate is positive and functional, it can significantly improve the performance of managers.

Overall, the study emphasises the importance of a positive organizational climate in improving the effectiveness of managers. Organisations can create a supportive environment by focusing on excellence, encouraging expert opinions and change, promoting a focus on others' interests, and setting superordinate goals. By doing so, organisations can potentially improve their overall performance and achieve their goals more efficiently.

In a broader context, ancient Indian principles can be associated with creating a harmonious and conducive work atmosphere. Concepts such as dharma, emphasising individuals' responsibility and commitment to their duties and roles within an organization, can foster a sense of purpose and accountability. Karma yoga, promoting selfless and dedicated action without attachment to outcomes, can encourage teamwork, collaboration, and a focus on collective goals. Additionally, the principle of ahimsa, which advocates non-violence and respect, can cultivate an environment of empathy,

understanding, and mutual support within the workplace.

By incorporating these principles into the organizational culture, leaders can enhance the functional climate, thereby positively influencing managerial effectiveness. It is important to note that while the specific concept of functional climate may not be directly addressed in ancient Indian verses, the underlying principles can be applied to promote a productive and fulfilling work environment.

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