

A

Project Report on

**“ORGANIZATIONAL CLIMATE”**

**AT**

**BAJAJ ALLIANZ**



**Palamuru University**

This project Report submitted in partial fulfillment of the requirement for the award of the Degree of **“BACHELOR OF COMMERCE”**

**2022-2023**

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UNDER THE ESTEEMED GUIDENCE OF

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## CERTIFICATE

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This is to certify that this project work entitled  
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AT  
"BAJAJ ALLIANZ "

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university or Institution for the award of any UGB.Com/Certificate.

  
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*Amit*

EXTERNAL EXAMINAR

*[Signature]*

INTERNAL EXAMINAR

# **CERTIFICATE**

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**S. SHANKAR**  
**PROJECT GUIDE**

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## **DECLARATION**

We hereby declare that the project work entitled on “**ORGANIZATIONAL CLIMATE”AT BAJAJ ALLIANZ (MAHABUB NAGAR)**

submitted by us to the Department of Commerce is a Bonafide work done by us and it is not submitted to any other university or Institution for the award of any UG B.Com.Certificate or published any time before, under the guidance of S.SHANKAR **lecturer in commerce.**

The project embodies the result of original work and studies carried out by us and the contents of the project do not form the basis for the award of any other degree to us.

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## **ACKNOWLEDGEMENT**

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HOD **Mrs.Dr.K.MANJULA** and our project guide **S.SHANKAR lecturer in commerce** for the kind encouragement and constant support extended completion of this project work.

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# **CHAPTER I**

## **INTRODUCTION**

## INTRODUCTION

Organization climate is comprised of mixture of norms, values, expectations, policies and procedures that influence work motivation, commitment and ultimately, individual and work-unit performance. Positive climate encourages, while negative climate inhibits discretionary effort. 'Organization climate' refers to the quality of working environment. If people feel that they are valued and respected within the organization, they are more likely to contribute positively to the achievement of business outcomes.

Creating a healthy organizational climate requires attention to the factors, which influence employee's perceptions, including the quality of leadership, the way in which decisions are made and whether the efforts of employees are recognized. "Climate may be thought as the perception of the characteristics of an organization."

Climate for an organization is like the personality for a person. As every individual has a personality that makes each person unique, each organization has an organization climate that clearly distinguishes its personality from other organizations. Organizational climate is one of the most important concepts to enter into the theory of organizational climate as a mature concept in management. The concept has also proved useful in predicting and explaining a variety of job-related behavior, attitudes and performance and organizational performance.

The Organization provides rewards and punishments of varying nature or different kind of behavior, this influence individual behavior evaluation. The performance of employees has influence on behavior of a person, amenities provided to the employees, the interpersonal relations.

"Organizational climate is less encompassing than the concept of organizational culture and is more readily measured. Organization climate is how organization members perceive the culture that has been created and perpetuated in their unit or organization"

## NEED OF THE STUDY

- Organizational climate serves as a guideline for dealing with people, and has major influence on motivation and productivity of individuals as well as total work group.
- An organizational climate that gives its members a clear vision of organization's mission also perceps consistent image to its markets, customers and client over time, the image can give an organization a competitive advantage by building commitment to its products and services.
- The organizational climate factors shape and improve employee's perception towards organization and their jobs.
- It governs employee behavior by prescribing what type of behavior will be awarded and what will be punished. Thus, an organization can influence and motivate people to behave in desired manners that suit to organization.

## SCOPE OF THE STUDY:

- Organizational climate has a major influence on human performance through its impact on individual motivation and job satisfaction. It does this by creating certain kinds of expectations about what consequences will follow from different actions. Individuals in the organization have certain expectations depends upon their perception as to how the organizational climate suits to the satisfaction of their needs.
- Higher productivity is expected from people with skills and attitudes that are associated with independence of thought and action and the ability to be productive in free and innovative climate. Pstent climate than those who work in an inconsistent organizational climate.erformance is expected to be more predictable for employees who work in consi
- The perception of the extent of organizational constraints, rules, regulations, individual responsibility feelings of autonomy of being one's own boss; rewards, feeling related to being confident of adequate and appropriate rewards; risk and risk-taking perceptions of the degree of challenge and risk in the work situation.

## OBJECTIVES OF THE STUDY

- To study the social profile of the employees at Bajaj Allianz.
- To study crucial factors such as communication, leadership, motivation, decision making & goals accomplishments at Bajaj Allianz.
- To study the satisfaction level of the welfare measures at Bajaj Allianz.
- To suggest the measures to improve organization climate at Bajaj Allianz.

# **RESEARCH METHODOLOGY**

## **Pilot Study**

The researcher at the initial phase of the study conducted a pilot study **Bajaj Allianz.**, whereby he was able to glean knowledge about the chosen area of study. The pilot study was very instrumental in obliging the researcher with a very clear understanding of the field.

## **Research Design**

The Researcher will adopt exploratory research design; the purpose being a more precise investigation and to develop a working hypothesis from an operational point of view and also to explore possible new avenues in the chosen area of study.

## **Sampling Method**

The Researcher will adopt snow ball sampling technique. The snow ball sampling technique relates the set of procedures by the initial respondents who are selected by probability method and there in after additional respondents are obtained on the basis of information provided by them. This technique is used to identify elements of rare population by referrals.

SNOW BALL SAMPLING is a technique for developing research sample where existing study subjects recruit subjects from among their acquaintances. Thus the sampling group appears to grow like a rolling snow ball. This sampling technique is often used in hidden populations which are difficult for the researcher to access, because sample members are not selected from a sampling frame, snow ball samples are subject to numerous biases. For insistence people who have many friends are more likely to be recruited into the sample.

## **Tool of Data Collection**

A questionnaire facilitates easy response when the sample size is huge. It also facilitates in collection of data in a short span of time. Moreover, the respondents may not be in a position to reveal the subject with ease in an interview schedule; therefore, a questionnaire was used as a tool to collect the data. The questions were in the form of statements.

## **Sources of Data Collection**

### **Primary Source of Data**

The primary sources of data are that, which are collected afresh for the first time and thus happens to be original in character. The primary source of data collection were, information obtained from respondents through a structured questionnaire.

### **Secondary Sources of Data**

The Secondary sources of data collection were information obtained from books, journals, articles, magazines, websites and contacts with resource persons.

### **Pre testing**

A pre test of the questionnaire was carried out among 10 staffs at **Bajaj Allianz**. The pre test helped the researcher gain more confidence and knowledge on the research subject and enabled easy proceeding.

## **LIMITATIONS OF THE STUDY**

The following are the limitations of the study.

1. The study is limited only to **Bajaj Allianz**.
2. The results of the study cannot be generalized with any other organization.

## **CHAPTER II**

# **REVIEW OF LITERATURE**

## THEORETICAL FRAME WORK

Organizational climate is about the perceptions of the climate and about absolute measures. Climate, as a metaphor is helpful - e.g. temperature is a measurable element of geographic climate, but it is not the absolute temperature that matters as much as human perception of it (is it cold, hot, or comfortable?). It is only after knowing what temperature means in terms of human comfort, that measurement of temperature becomes useful. Complicating perception is the probability that what may be too cool for one person may be too warm for another and just right for someone else. Similarly for organizations, the 'climate' may be regarded in absolute terms and measured by instruments, but is 'felt' differently by individuals. The absolute climate may suit one person and not another. "What it's like to work here" or 'How I feel when I work here'.

Climate is worthwhile to understand and measure because there are organizational and human benefits a 'good' climate, and powerful disadvantages of many kinds of bad climate.



### Why Measure Organisational Climate

**'Bad'** Climate has been linked to:

- Turnover
- Stress
- Sickness
- Poor performance
- Error rate
- Wastage
- Accidents

**'Good'** Climate has been linked to desirable outcomes such as:

- Job satisfaction
- Confidence in management
- Affective commitment
- Intention to quit
- Emotional Exhaustion
- Faith in Organizational
- Performance



and to bad behaviors such as:

- Sabotage
- Absenteeism
- Go-slow
- Bullying

and to desirable behaviors such as:

- risk-taking (strategic),
- departure from the status quo,
- open communication,
- trust,
- operational freedom, and
- employee development -

A key point to make is that a 'good' climate is not just one that keeps people comfortable, but one that is strategically advantageous to the organization while simultaneously bringing out the best in its members because they are in a motivational climate.

#### **Bad - climate 'of'**

- fear,
- crisis,
- anxiety,
- workplace aggression,
- employee and executive burnout,
- employee turnover,
- politicking,
- decay,
- hopelessness,
- stagnation

#### **Good - climate 'of'**

- respect,
- support.
- entrepreneurialism,
- innovation,
- cooperation,
- performance,
- profitable management practices,
- knowledge management,
- organizational learning
- employee readiness to change,
- collective learning,
- openness

## **Measuring climate**

Measurement of climate seeks to identify the components of both bad and good climate, both in absolute terms and perceptual terms. While there are commercial instruments that measure climate, there are powerful arguments for having one tailor-made to the organization, and that changes as the organization changes. Generally, the areas of interest to measure are:

- External environment - organizational interface with it
- Organizational leadership / mission
- Organizational structure / systems
- Organization and you
- Management practices
- Working - co-workers / teams / supervisor
- Self - at work - your role, development, opportunities, motivation, commitment, stress  
Self - outside work - how work affects your life (good/bad) - vice-versa

## **Strategic Climate Planning & Alignment**

Although organizational activities are theoretically conducted in an emotionless manner, and strategic plans are highly mechanistic in nature, there are at least two occurrences of 'below the line' interactions that need acknowledgement. Firstly, humans are doing the strategic planning, so feelings and emotions are an unavoidable (even if denied) and integral part of all group conversations. The climate that is 'felt' by participating executives will influence their behavior during that conversation. In other words, climate influences strategic conversation. Secondly and conversely, the strategic decisions affect feelings and emotions of employees impacted by the decisions and thus influence the perceptual climate. So, strategic conversation influences climate.

## **Climate and strategic planning**

Before organization-wide strategic thinking and conversation can occur, employees must 'feel' they are in a safe climate that encourages their understanding of, and involvement in, strategic conversation. It is even intuitively reasonable to expect a different climate report from within

an organization that merely 'permits' strategic thinking, to one that proactively encourages from within a climate of psychological safety. In support of this approach is empirical evidence that climate and culture do indeed impact strategic thinking (Harris cited in. This line of argument provides support for the possibility of using climate planning intelligently - strategically - as a way to move strategic conversation throughout the organization. The same argument supports acknowledging human behavior within the resultant strategic plan - that is, the plan should acknowledge that it is dealing with humans.

Strategic climate planning and alignment (the subject of current research & development work by the author) therefore refers to an organizational system whereby the strategies that result from scenario planning are considered in the light of 'what kind of organizational climate do we need?' for the various scenarios. The design of organizational climate should address both external and internal environments. This question about climate then drives a new round of discussions by a similar spread of stakeholders to plan the climate that should suit the scenarios and resultant strategies..

## **Climate and strategy**

Some people describe organizations in terms of warfare (objectives, goals), and organizational processes in warlike terminology (strategic planning, tactics). Others, who don't like the idea of having to go to war every day, prefer other more familial or paternal analogies.

However, there is no avoiding the existence of competition between and within organizations, and that Humans love competition - judging by the strong support for sporting activities. Humans also love challenge, judging by the recreational activities we choose. Interestingly, sporting groups also use the same war-like terminology - strategies and tactics.

Perhaps, then, we can learn something by looking at military cases. For example, if a group of men is sent into the bush, what will happen?

Did you just make an assumption? In your mind's eye were they fully trained military combat personnel on a mission.

In fact, based on information you were given (a group of men is sent into the bush), not much of any value will happen. Outcomes might improve if they have goals - at least they will know why they are going. If they also have a plan, then it is more likely that the desired outcome will be delivered. It is even better if it is a strategic plan, with matching tactics and appropriate skills and abilities.

- Stratagem: artifice, trick (ery), device(s) for deceiving enemy.
- Strategic: Of, dictated by, serving the ends of, strategy; designed to disorganize the enemy's internal economy & to destroy morale.
- Strategy: Generalship, the art of war; management of an army in a campaign, art of so moving or disposing of troops, ships or aircraft as to impose upon the enemy the place & time & conditions for fighting preferred by oneself.
- Tactical: adroitly planning or planned in support of strategic operations.
- Tactics: art of disposing forces in actual contact with enemy, procedure calculated to gain some end, skilful device(s).

Let's examine this more closely. Consider two combat groups about to be sent into an aggressively hostile zone. One group is poorly trained, poorly prepared, and has vague goals. The other fully trained elite group has goals, objectives, strategies, contingencies and tactics all worked out.

- What will the climate be like within each group?
- Which group would you rather belong to?

- How does fear influence motivation?
- What about skills and the clarity of how skills (group capability) match task (required capability)?

One can understand fear in a military engagement.

- What has been learned here about climate?
- What could the army do to create the most beneficial group climate?

If climate is about my perception - the way I feel about being here, what is felt at the individual level? To help explore this, consider two individuals in three situations. First they are combatants in national championships for martial arts, with high chance of pain or injury, but each looking forward to the experience - nervous, some fear, but wouldn't miss it. Now they're together and facing a mountain. Person A sees all the places you can fall from. Person B sees all the handholds and footholds and assesses the various tracks for reaching the top. Now, put them on the beach looking at white-caps and rough water with high wind. Person A grins while preparing the windsurfer, and B can't imagine anything more frightening. The different approaches to situations may be due to skills, abilities and also due in some way to a personal characteristic to see the challenge and excitement rather than the danger and fear. Increasing stimulus increases excitement - to a point - then it becomes increasing stress.

However, you can hardly have a one-person climate. But imagine a group of A's versus a group of B's at the mountain - then you have group climates. It also suggests how any one person contributes to group climate. The B people do not want any A's spoiling their group atmosphere, and vice versa. In other words, climate is of interest at personal, group, and organizational levels-

So climate is personal, and personal behaviors influence it, just as climate influences personal behavior. It's a strong two-way relationship. So let's apply this to organizations and continue with the component - fear.

We don't often think about fear as an issue in organizations, yet climate instruments consistently detect fear, or variables related to fear, among respondents. There are many things to fear in an organization. Ask.

- Assuming there is fear, what does that do for the climate?
- How does that climate impact motivation?
- What will that do to efforts by members to deliver high performance aimed at corporate goals and strategies?

We have already suggested the importance to climate of having clear strategies, so are there clear goals and strategies in your organization?

By contrast, what chance for success is there for the organization with opaque goals and a climate of fear or uncertainty?

So let's assume that your organization has clear goals and strategies. What happens now?

If the organization just rambles on as always, reactive and putting out fires while responding to ideas and whims, then having goals and strategies means nothing, and the climate will be one of confusion and lack of commitment. How can any member commit to an organization that either doesn't know where it is going, or doesn't follow its own map?

In having goals and strategies, it is as important to stop doing non-strategic acts as it is to start doing strategic ones. Too often, organizations spend resources on a project that was someone's idea, but it was never properly assessed for its strategic relevance, risks, or opportunity costs of time consumed. The people on that project know they are working on something that is merely a pet issue, and not really important in the scheme of things. How do they feel? What are they learning about the organization? How important a contribution do they feel they make? Do they feel good at the end of the day? What sort of climate are they 'feeling'?

These are climate issues because they impact climate.

- What is the policy for outsourcing, and what internal resources are needed to administer any outsourced activity? This is another climate issue.

Clear procedures help clarify climate variables. Unclear procedures introduce climate 'noise' -

climate movements with unclear origins, and variations between silos that interpret policies differently.

## **ORGANIZATIONAL CLIMATE:**

Organizational climate has been defined in three different ways namely (1) as objective phenomena, (2) as a subjective phenomenon and (3) as an outcome of person-environment interaction. However, apart from such difference in definition many other conceptual issues related to the different aspects of the climate concept such as the dimensions, the researchers raised context, facets, contents and levels. (e.g., Chhokar and Sethumadhavan 1992: Hellriegel and Slocum 1974: James and Jones 1974: Muchinsky 1976). Georgopoulos (1960) defines, “Organizational Climate as a normative structure of attitudes and behavioral standards which provide a basis for interpreting the situations and act as a source of pressure for directing activities”.

Forehand and Gilmer (1964) define “Organizational Climate as a set of characteristics that describe an organization and that (a) distinguish one from another (b) are relatively enduring over a period of time and (c) influence the behavior of people in the organization”.

Litwin and Stringer (1968) define “Organizational Climate as a relatively enduring quality of the internal environment that is experienced by its members, influence their behavior and can be described in terms of the values of a particular set of characteristics of the organization”.

Taguiri and Litwin (1968) Organizational climate has been defined as the “relatively enduring quality of the internal environment of an organization that a) Experienced by its members, b) influences their behavior, and c) can be described in terms of the values of a particular set of characteristics (or attitudes) of the organization.”

Friedlander and Margulies (1969) define Organizational Climate as a relatively stable or ongoing property of the organization which may release, channel, facilitate or constrain organizations technical as well as human resources.

Cambell (1970) defines “Organizational Climate as “A set of attributes specific to a particular organization that may be induced from the way that the organization deals with its members and its environment. For the individual members within the organization, climate takes the form of a set of attitudes and expectancies which describe the organization in terms of both static characteristics (such as degree of autonomy) and behavior outcome and outcome – outcome contingencies”.

Payne (1971) defines “Organizational Climate as a normal concept, reflecting the context and strength of the prevalent values, norms, attitudes, behavior and feelings of the members of a sound system, which can be operationally measured through the perception of system members or observational and other objective process”.

Pritchard and Karasick (1973) defines “Organizational Climate as a relatively enduring quality of an organization internal environment, distinguishing, it from other organizations which (a) results from the behavior and policies of members of the organization, especially in top management (b) is perceived by members of the organization (c) serve as a basis for interpreting the situation and (d) acts as a source of pressure for directing activity”.

Hellriegel and Slocum (1974) define “Organizational Climate as a set of attributes which can be perceived about a particular organization and for its subsystems and which may be induced from the way that organization deals with its members. Several themes are implicit in this definition of organizational climate. (a) Perpetual responses sought are primarily descriptive



rather than evaluation, (b) The level of inclusiveness of the items, scales and contracts are macro rather than micro, (c) The unit of analysis tends to be attributes of the organization rather than individuals, (d) The perception of organizational climate have potential behavioral consequences”.

Glick (1985) The psychological climate refers to the beliefs and attitudes held by individuals about their organization. The climate is an enduring quality of an organization that (1) is experienced by employees, and (2) influences their behavior. It should be thought of and measured “at the organizational level of analysis.

Ekvall (1990) studied that conglomerate of attitudes, feelings and behaviors that characterizes life in an Organization. This definition of organizational climate is just one of many in the literature.

Koys and DeCotiis (1991) define the psychological climate as “an experimental-based, multidimensional, and enduring perceptual phenomenon, which is widely shared by the members of a given organizational unit.” They state that the psychological climate is the description—and not the evaluation—of experience.

## **RELATED APPROACHES / MODELS:**

### **ORGANIZATIONAL CLIMATE:**

Organizational Climate is one of the most important concepts to enter in to the theory of organizations in this century (Guion, 1973). The intensive research as well as debates on its conceptualization and assessment during the last three and a half decades seems to have helped to develop organizational climate as a mature concept in management. The concept has also proved useful in predicting and explaining a variety of job related behaviors, attitudes and

performance as well as organizational performance on a number of dimensions (Kacka and Kirk, 1968; Lawler et al, 1974). An overview of the history of the organizational climate research indicated that the concept has evolved through four approaches namely,

- 1) Structural and objective approach
- 2) Perceptual and subjective approach
- 3) Interactionist approach
- 4) Integrated and refined approach

#### 2.2.1.1. Structural and Objective Approaches:

Due to the influence of sociological theories, many of the organizational researches in the 1940's and 1950's had focused on the structural / sociological aspects (e.g. Fayol, 1940; Parson, 1956; Weber, 1964) of the organizations. Consequently early researchers defined organizational climate as a characteristic of the organizations, and directed their measurement efforts mainly on the physical characteristics of the organization that people notice or observe. For example Forehand and Glimmer (1964) define organizational climate as a set of characteristics relatively enduring over time that describe the organization and distinguish it from other organizations, apart from influencing the organizations.

These as well as the other initial climate researchers who adopted a structuralism view have emphasized the environmental and situational factors than the individual cognition (e.g. Fried Lander and Margulies, 1969). They in general argued that individuals in any work environment tend to have homogeneous perceptions of the objective reality. Cummings, 1979; Schneider and Reichers, 1983). Perceptual and Subjective Approaches:

James and Jones (1974) defined organizational climate as a psychological meaningful cognitive representations of the situations. They defined climate as an attribute of the individual, which is learned, historical and resistant to change (James and Sell, 1981). Similarly, Schneider (1975) also defined climate as perceptions or interpretations of meaning which help individuals to make sense of the world and know how to behave.

Litwin and Stringer (1968) in their landmark study brought the concept of organizational climate to lime light.

## **Integrated and Refined Approaches:**

Currently organizational climate is one of the central constructs in management and is considered as an important factor in any Human Resource Development (HRD) system as well as decisions on organizational design. Despite the overwhelming impact of Litwin and Stringer's definition and operationalization of the concept, the researchers have attempted to develop new approaches to conceptualize and operationalize the concept. The driving needs behind such innovations were: a) The need to make the concept of climate more relevant to the specific sample, organization, context, researcher's objective, theoretical frameworks and so forth. b) The need to make the conceptualization, operationalization and assessment of climate more practically useful, theoretically rigorous, and methodologically perfect. The first approach regards the concept of climate as an individual perception and cognitive representation of the work environment. From this perspective climate assessments should be conducted at an individual level. The second approach emphasizes the importance of shared perceptions as underpinning the notion of climate (Anderson, & West, 1998; Mathisen & Einarsen 2004). Reichers and Schneider (1990) define organizational climate as the shared perception of the way things are around here. It is important to realize that from these two approaches, there is no "best" approach and they actually have a great deal of overlap.

## **SURVEY OF RELATED STUDIES:**

### **ORGANIZATIONAL CLIMATE – RELATED STUDIES:**

Forehand and Gilmer (1964) stated that variables like structure, goals, supervisory practices, etc. interact with personality to produce perceptions and it is through these perceptions that we can understand the relationship between causal and end-result variables.

Asschin (1965) puts, if two sets of factors interact in a complex situation requiring us to develop theories and research approaches which can deal with systems and independent phenomenon.

Frederikson (1966) on the basis of laboratory studies involving 260 middle level managers concludes that different organizational climate has different effects on human performance. He

summarizes his findings in the following statement: It appears that the amount of administrative work in the stimulated job is more predictable in a climate that encourages innovation than in one that encourages standard procedures and that in an innovative climate (but not in a rules climate),

Litwin and Stingers (1968) study – Measuring organizational climate trying to measure organization climate is an attempt to capture the sense, environment, order and pattern of an organization. He has identified several properties of organizational climate and measured them in Structure – The organization’s rules, red tape and constraints, Challenge and Responsibility – The feeling of “being one’s own boss”,

Stren (1970) explored the association between a personal needs and perception of climate using Murray’s ‘need press’ theory framework for both personality measure and climate measure. Joint factor analysis of measure shows little overlap between them. The evidence, though limited scope in coverage nevertheless show that perceptual description of an organization and is not totally idiosyncratic, but say something about organization reality.

Whisendpaul (1971) as studied in his book police ‘supervision’ that, when an individual joins in the organization, he brings with all characters of a whole man, perception, needs, attitudes, motivation, tension, knowledge and problem solving capacities.

Schneider and Hall (1972) in the study on organizational climate aimed to find the interaction between personal and organizational characteristics and its relationship to organizational climate. The authors in the findings perceived organizational climate as a phenomenon that represents an interaction between personal and organizational characteristics.

Pajne and Mansfield (1973) conducted the study on organizational climate; the objective of the study was to determine the linkage between individual and organization. The findings of the study revealed that there is conceptual linkage between organization and individual that intervenes between specific situation attitudes on events and individual perceptions, attitudes and behavior.

Badris (1974) examines the effect of group’s size, tenure, position, power and task structure on the relationship holds under some conditions and not under others. Insel and Maos (1974) conducted a study on organizational climate; the objective of the study was to determine the

influence of organization on individuals.

Gavin, J.F. (1975) examined personnel and organizational correlated of climate perceptions to determine the interaction of the two in influencing organizational climate. The results indicate that climate perceptions are influenced equally by personal and organizational factors.

Johnston (1976) in his study research found two climates in a study of professionals in a small consulting firm. He noticed that long term employees deemed the climate flexible, supportive and non-authoritative, concerned with integrating individual with organizational goals, and generally organize, adaptive in its environment. Whereas, newer employees saw as rigid, procedural, strongly based on hierarchy, authority, more impersonal and emphasizing organizational goals.

Sutton and Rousseau (1979) suggest individual perceptions of job characteristics as an “intervening” variable in the relation between situational characteristics and individual responses. People in work settings form perceptions of organizational climate because apprehending order in the world is a basic human need.

James (1982) has suggested another criterion for inter-rater reliability and aggregation of climate scores over individuals. In this method, inter-rater reliability is defined as the degree to which raters agree with respect to their rating (perceptions) of a particular target (e.g. the organization) on a particular rating (Climate) scale.

Baldev, R. Sharma (1983) in his studies states that organizational climate is a multi dimensional phenomenon. The term organizational climate as used here refers to a set of characteristics, which can be individual from the way an organization deals with the members in the function of various personnel policies and practices as perceived by the members of that organization.

Ashforth (1985) discusses the integrationist perspective and highlights the susceptibility of newcomers to influence outcomes in their desire to fit into a new setting. Social comparison theory explains that individual compare their belief to others whom they perceive to be similar to them (for example, people in the same job)

Ekvall (1987) in his study concludes by stating, “In an overall organizational model climate can be seen as an intervening variable in the process between input an output, and one that has a modifying effect on this process. Climate affects organizational and psychological processes, and thus acquires an influence over the results of organizational operations”.

Pareek (1989) further contended that twelve processes or dimensions of organizational climate relate specifically to motivation: orientation, interpersonal relationships, supervision, management, communication, decision making, trust, management of rewards, risk taking, and innovation and change.

Kopelman, Brief and Guzzo (1990) provided a linear model of organization functioning that demonstrates the role of culture and climate as they are ultimately linked to organizational productivity. The model starts with societal and organizational culture as setting the parameters of the human resource practices. He states that organizational climate reflects both individual and organizational characteristics. organization and the ultimate outcomes. Richard,

Hodgettes (1991) states that organizational climate can range along a continuous form favorable to neutral and to unfavorable. Both employees and employers want a more favorable climate because of its benefits such as better performance and job satisfaction. Several typical climates that are identified to contribute to a favorable climate are given below,

Quality of work life, Amount of trust, Upward and downward communication, Feeling of useful work structure, Responsibility, Fair rewards, Reasonable job processes, Opportunity, Reasonable controls and bureaucracy, Employee involvement and participation.

Moran and Volkwein (1992) examined the relationship between culture and climate they saw an organization's climate as a specific portion of the overall construct. They viewed climate as embedded into the overall construct of culture, which was seen as large and more abstract.

Hooijberg and Petrock (1993) characterize the four corresponding climate type from the point of view of the competing values. "The group climate could be described as a friendly place to work where people share a lot of themselves. Schneider (1994) discussed climate in terms of the atmosphere that employees perceive is created in their organizations by practices, procedures, and rewards... Employees observe what happens to them (and around them) and then draw conclusions about the organization's priorities. They then set their own priorities accordingly.

Schneider, Gunnarson and Niles –Jolly (1994) claimed that organizational citizenship behavior is essential in creating a climate that allows for organizational success. Perceptions of fairness and trust, norms of helpfulness and co-operation and fair reward systems based a broad range of contributions are seen as essential in creating a good climate.

**CHAPTER III**  
**INDUSTRY PROFILE**  
**COMPANY PROFILE**



# INDUSTRY PROFILE

## **Life Insurance**

**Almost 4500 years ago**, in the ancient land of Babylonia, traders used to bear risk of the caravan trade by giving loans that had to be later repaid with interest when the goods arrived safely. In 2100 BC, the Code of Hammurabi granted legal status to the practice. That, perhaps, was how insurance made its beginning.

Life insurance had its origins in ancient Rome, where citizens formed burial clubs that would meet the funeral expenses of its members as well as help survivors by making some payments.

As European civilization progressed, its social institutions and welfare practices also get more and more refined. With the discovery of new lands, sea routes and the consequent growth in trade, medieval guilds took it upon themselves to protect their member traders from loss on account of fire shipwrecks and the like.

In 1347, in Genoa, European maritime nations entered into the earliest known insurance contract and decided to accept marine insurance as a practice.

## **The first step...**

Insurance as we know it today owes its existence to 17th century England. In fact, it began taking shape in 1688 at a rather interesting place called Lloyd's Coffee House in London, where merchants, ship-owners and underwriters met to discuss and transact business. By the end of the 18<sup>th</sup> century, Lloyd's had brewed enough business to become one of the first modern insurance companies.

## **What is life Insurance?**

Life insurance is a contract for payment of money to the person assured (or to the person entitled to receive the same) on the occurrence of the event insured against.

Usually the contract provides for-

- Payment of an amount on the date of maturity or at specified periodic intervals or at death, if it occurs earlier.
- Periodical payment of insurance premium by the assured, to the assured, to the corporation who provides the insurance.

### **Who can buy a life insurance policy?**

Any person above 18 years of age, who is eligible to enter into a valid contract, Subject to certain conditions, a policy can be taken on the life of a spouse or children.

### **What is a Whole Life Policy?**

When most people think of life insurance, they think of a traditional whole life policy. These are the simplest policies to understand: you pay a fixed premium every year based on your age and other factors, you earn interest on the policy's cash value as the years roll by, and your beneficiaries get a fixed benefit after you die. The policy takes you into old.

### **What is an Endowment policy?**

Unlike whole life, an endowment life insurance policy is designed primarily to provide a living benefit and only secondarily to provide life insurance protection. Therefore, it is more of an investment than a whole life policy. Endowment life insurance pays the face value of the policy either at the insured's death or at a certain age or after a number of years of premium payment.

Premium for an endowment life policy is much higher than those for a whole life policy.

### **What is a Money Back policy?**

This is basically an endowment policy for which a part of the sum assured is paid to the policyholder in the form of survival benefits, at fixed intervals, before the maturity date. The risk cover on the life continues for the full sum assured even after payment of survival benefits and bonus is also calculated on the full sum assured. If the policyholder survives till the end of the policy term, the survival benefits are deducted from the maturity value.

### **What is Annuity Scheme?**

Annuity schemes are those wherein your regular contributions over a period of time (or a one-time contribution) accumulate to form a corpus with the insurer. This corpus is used to yield you a regular income that is paid to you until death starting from your desired retirement age. Some annuity schemes have the option to pay your survivors a lump sum amount upon your death in addition to the regular income you receive while you are alive.

### **What is Bonus?**

An insurer distributes its profits among its policyholders every year in the form of a Bonus. Bonuses are credited to the account of the policyholder and paid at the time of maturity. Bonus is declared as a certain amount per thousand of sum assured. The term “bonus” is used interchangeably with “with profit”.

### **What are Survival Benefits?**

In some policies, a part of the sum assured is paid to the policyholder in the form of Survival Benefits, at fixed intervals before the maturity date. The risk cover for life continues for the full sum assured even after payment of survival benefits and bonus is also calculated on the full sum assured. If the policyholder survives till the end of the term, the survival benefits will be deducted from maturity value.

### **What are Accident Benefits?**

On payment of an additional premium of Rel per Rs1000 of Sum Assured per year, the assured is entitled to the following benefits: -

In case of accidental death, the nominee shall receive double the sum assured.

In case of total and permanent disability due to accident, risk coverage continues without further payment of premium. In addition, an amount equal to the sum assured is paid to the assured in monthly installments spread over 10 years. However, subsequent accidental death will not entitle the nominee for double the sum assured.

### **What are Disability Benefits?**

If the assured becomes totally and permanently disabled due to any accident, he need not pay future premiums and his policy shall remain in force for the full Sum Assured.

### **What are the various modes of payment for premium?**

Premiums, other than single premiums, can be paid by the policyholders to the insurer in yearly, half-yearly, quarterly or monthly installments or through a Salary Savings Scheme. If the mode of payment is yearly or half-yearly, some insurers give a rebate of 3% and 1.5% (this additional charge is waived for the Salary Saving Scheme).

### **What is Salary Savings Scheme?**

Salary Savings Scheme provides for payment of premiums through monthly deductions by the employer from the salary of employees. For this scheme, the additional charge of 5%

of the premium usually added for the monthly mode of payments will be waived.

### **What loans are available against life insurance policies?**

At present loans are granted on unencumbered policies as follows-

Up to 90% of the Surrender Value for policies, where the premium due is fully paid-up, and Up to 85% of the Surrender Value for policies where the premium due is partly paid-up. The minimum amount for which a loan can be granted under a policy is Rs150. The rate of interest charged is 10.5% p.a., payable half-yearly. Loans are not granted for a period shorter than six months, or on the security of lost policies (the assured must have the duplicate policies) or on policies issued under certain plans. Certain types of policies are, however, without loan facility.

### **What is Surrender Value?**

The cash value payable by the insurer on termination of the policy contract at the desire of the policyholder before the expiry of policy terms is known as the surrender value of the policy. Generally, a policy can be surrendered provided the policy is kept in force for at least 3 years, The bonus is also added to the surrender value if the policy has been in force, in most cases, for at least 5 years.

### **What is a Death Claim?**

The claim is usually payable to the nominee/ assignee or the legal successor, as the case may be. However, if the deceased policyholder has not nominated/assigned the policy or not made a will, the claim is payable to the holder of a Succession Certificate or such evidence of title from a Court of Law

### **What are Medical and Non-Medical Schemes?**

Life insurance is normally offered after a medical examination of the life to be assured. However, to facilitate greater spread of insurance and also as a measure of relaxation, some insurers do offer insurance cover without any medical examination, subject to certain conditions.

### **How do you effect a Change of Address and Transfer of Policy Records?**

When a policyholder wants to change his address in the insurer's records, notice of such change should be given to the Branch office servicing his policy. Policy records can be transferred from the Branch office that services the policy to any other Branch Office nearest to the policyholder's place of residence. The correct address facilitates better services and quicker settlement of claims.

### **When does a policy lapse?**

When the premium is not paid within the days of grace provided after the due date, the policy lapses. The grace period in case of yearly, half-yearly and quarterly modes of payment is one month and in case of the monthly mode of payment, it is 15 days.

### **Can a policy be altered?**

No alteration is permissible in the policy document-the evidence of contract, unless both the parties to the contract agree. After the policy is issued, a Policyholder in a number of cases finds the terms not suitable to him/her and desires to change them to suit his/her convenience. As all insurers also realize that insurance is a long term contract, certain changes under given circumstances might necessitate an alteration of the contract.

### **What is the difference between Life Insurance and General Insurance?**

A Life Insurance deals with various plans connected with the life of a person, whereas all kinds of non life insurance policies are issued by the General Insurance companies.

### **What are the documents to be executed at the time of taking insurance?**

## **Insurance Sector Reforms**

### **Why It became Inevitable**

Despite the phenomenal success of The Life Insurance Corporation of India the government and the public at large were not satisfied with it and by signing the GATT accord the Government of India was committed to open up the insurance sector to both domestic and international firms. A committee under the chairmanship of late Mr.R.N Malhotra was formed (ex governor RBI) and came to conclude that the monopoly of LIC led to the lack of sensitivity towards policy holders and only 22% of the insurable population was insured.

In 1999 the Insurance Regulatory and Development Authority Bill was passed by the government to facilitate the growth and regulate the newly opened insurance sector and to guarantee the investments made by the people.

On August 15,2000 the sector was finally opened for foreign sector participation.

#### **Deregulation came with certain conditions:-**

First, all new foreign players entering the Indian market must set up a joint venture with a local company.

Secondly, the maximum share the foreign player can hold is 26% with the local company (or companies) holding the balance. Regulators are currently reconsidering the foreign equity cap of 26%

#### **Proactive steps taken by the IRDA for development of the market:-**

- 1) Market regulation by prudential norms.
- 2) Registration of players who have the necessary financial strength to withstand the demands of a growing and nascent market.
- 3) Implementation of a solvency regime that ensures continuous financial stability.
- 4) Presence of an adequate number of insurers to provide competition and choice to the customers.
- 5) Development of market capacity by asking insurers to retain bulk Of the premium within the country and to exhaust local market

#### **Capacity before reinsuring abroad**



In today's highly competitive financial services environment, effective organizations will employ technology in a strategic role to achieve competitive edge. Technology will play an increasing role in aiding design and administering of products, as well in efforts to build life-long customer relationships

## **Insurance**

A thriving insurance sector is of vital importance to every modern economy. Firstly it encourages the savings habit. Second because it provides a safety net to rural and urban enterprises and productive individuals. And perhaps most importantly it generates long-term investible funds for infrastructure building. The nature of the insurance business is such that the cash inflow of insurance companies is constant while the payout is deferred and contingency related.

The insurance industry in India has registered a growth of 10.5% in the life insurance market and a 13% growth in the non life insurance market. This is primarily because of the liberalization of the insurance sector and the consumer awareness drive launched by both L.I.C and private sector players.

## **The concept of Insurance**

The business of insurance is related to the protection of the economic value of an asset for which a normal lifetime exists during which it is expected to perform. However if the asset gets Damaged, destroyed or is made non functional by the occurrence of some unfortunate event the owner of the assets suffers. Insurance is a mechanism to reduce the financial implications of such consequences.

## **LIFE INSURANCE MARKET**

## STATISTICS

Population: 1.07

Billion Economics: 4<sup>th</sup> largest in the world in terms of Purchasing Power Parity (PPP).

|  |   |                   |
|--|---|-------------------|
| Savings Rate                             | : | Around 20% of GDP |
| GDP growth Rate                          | : | Over 7.3%         |
| Estimated insurable Population           | : | 900 million       |
| Insured Population                       | : | 70 million only   |
| Insurance premium as a percentage of GDP | : | 2%                |
| Size of market, life and Non-life        | : | \$9.94 billion.   |
| Total global insurance premium           | : | \$2422 billions   |
| Rate of Annual Growth year 2004-05       | : | Life 21.57        |
| Non-life                                 | : | 13.5%             |

### Number of Registered Companies:

Type of Business Life Insurance

|                |   |    |
|----------------|---|----|
| Public sector  | : | 1  |
| Private sector | : | 12 |
| Total          | : | 13 |

### General Insurance

|                  |   |   |
|------------------|---|---|
| Public insurance | : | 4 |
| Private          | : | 9 |

## TOP PRIVATE LIFE INSURERS IN INDIA

| S.NO | NAME OF THE COMPANY |
|------|---------------------|
|------|---------------------|

|    |  |
|----|--|
| 1  | ICICI prudential life Insurance Company Ltd. |
| 2  | HDFC Standard Life Insurance Company Ltd.    |
| 3  | Max New York Life Insurance Co. Ltd.         |
| 4  | OM Kotak Mahindra Life Insurance Co. Ltd.    |
| 5  | Birla Sun Life Insurance Company Ltd.        |
| 6  | TATA Aig Life Insurance Company Ltd.         |
| 7  | SBI Life Life Insurance Company Ltd.         |
| 8  | ING Vysya Life Insurance Company Ltd.        |
| 9  | Allianz Bajaj Life Insurance Company Ltd.    |
| 10 | Aviva Life Insurance Company Ltd.            |
| 11 | Reliance Life Insurance Company Ltd          |

## **Market share and growth**

LIC dominated the life insurance market with 87.4% of the premiums collected during FY 2014 from Rs. 348.920 mn in FY 2014 to Rs 498219 mn in FY 2013 by comparison LIC'S premium income had increased 25.1% during 2014 and 21.2% during 2010.

The private life insurance companies have improved their market shares while LIC'S market share is down in the financial year ended 2013-14 during the year the market share of private life insurers has improved from 12.96% to 21.9% while LIC'S

Market share in terms of premium collected is down to 78% as against 87% during the year before.

This life insurance industry on the whole underwrote first year premium of Rs. 18,710.15 Crores during the year and recorded a growth of 10.48% over the previous year while LIC witnessed a growth rate of just about 1.93% in the first year premium at year premium collected by the 15 private players however is just about 2425.46 Crores i.e., 14.89% of LIC'S first year premium collected.

Among the private players ICICI prudential led with a market share of 6.25% (Premium collection is about 750.91 Crores) followed by Allianz Bajaj at 3.4% (premium collection is about 449.86 Crores)

Further a comparison of the individual single premium underwritten by the private players and LIC'S reveals a decline of 3.42% and 61.29% at Rs.287.97 Crores and Rs.1161.71 Crs respectively. Under the group insurance scheme the premium underwritten by the private players and LIC stood at 376.79 Crs and Rs.3647.82 crores with lives covered at 17.35 lakh and 45.10 lakh respectively the market share of the private insurers and LIC in terms of premium underwritten for group insurance was 9.36%, 90.64% respectively.

## **INSURANCE INDUSTRY-A SWOT ANALYSIS**

### **Major Strengths**

- 1) Premium rates are increasing and so are commissions
- 2) The variety of products is increasing.
- 3) Prospects expect more services from their brokers
- 4) Flexibility in payment of premium
- 5) Flexibility in investment option.
- 6) Open offices structure.
- 7) Competitive environment.

### **Major Weaknesses**

- 1) Insurance companies are often slow to respond to changing needs.
- 2) There is an increasing trend of financial weakness among the companies.
- 3) There are more competitors for agencies to compete with banks and Internet players

### **Opportunities**

- 1) The ability to cross sells financial services is barely being tapped and can still be developed by collaborative efforts.
- 2) Technology is improving to the point that paperless transactions are available.
- 3) The client's increasing need for an "insurance consultant" can open new ways to service the client and generate income.

### **Threats**

- 1) The increasing cost and need for insurance might hit a point where a backlash with occur.
- 2) Government regulations on issues like health care, mold and terrorism can quickly change the direction of insurance. Increasing expenses and lower profit margins will hit hard on the smaller agencies and insurance companies.
- 3) Increasing expenses and lower profit margins will hit hard on the smaller agencies and insurance companies.

## **Factors Responsible for the Likely success of Insurance Companies.**

Several factors are responsible for responsible for the likely success of the various insurance companies in general viz.

- a) The A change in the attitude of the population.
- b) An open and transparent environment created under the IRDA.
- c) A well-established distribution network.
- d) Trained professionals to build and sell the product.
- e) A more rational approach to the investment criteria
- f) Encouragement of newer and better products.
- g) A stringent accounting practice to prevent failures amongst the insurers.
- h) A level playing field at all stages of development in the sector for all the players.

# COMPANY PROFILE

## **Bajaj Allianz Life Insurance Company Limited**

Bajaj Allianz Life Insurance Co. Ltd. Is a joint venture between two leading conglomerates, Bajaj Auto, one of the biggest 2 and 3 wheeler manufacturers in the World and Allianz AG, one of the world's largest insurance companies

Bajaj Allianz Life Insurance

Is the fastest growing private life insurance company in India?

Currently has over 3,00,000 satisfied customers?

We have customer care centers in 155 cities with 28000 Insurance Consultant providing the finest customer service.

One of India's leading private life insurance companies.

Bajaj Allianz General Insurance Company Limited.

Bajaj Allianz General Insurance Company Limited is a joint venture between Bajaj Auto Limited and Allianz AG of Germany. Both enjoy a reputation of expertise, stability and strength.

Bajaj Allianz General Insurance received the Insurance Regulatory and Development Authority (IRDA) certificate of registration (R3) on May 2<sup>nd</sup>, 2001 to conduct General Insurance business (including Health Insurance business) in India. The Company has an authorized and paid up capital of Rs. 110 crores. Bajaj Auto holds 74% and Allianz, AG, holds the remaining 26% Germany.

In its first year of operations, the company has acquired the No.1 status among the private non-life insurers. As on 31<sup>st</sup> March, 2014, Bajaj Allianz General Insurance maintained its leadership position by garnering a premium income of Rs. 1000 Crores. Bajaj Allianz also became one of the few companies to make a profit in its first full year of operations. Bajaj Allianz made a profit after tax of Rs.9.6 crores.

Bajaj Allianz today has a network of 872 offices spread across the length and breadth of the country. From Surat to Siligui and Jammu to Thiruvananthapuram all the offices are interconnected with the Head Office at Pune.

In the first half of the current financial year 2013-2014 Bajaj Allianz garnered a premium income of Rs. 405 crores. Achieving a growth of 84% and registered a 52% growth in Net

profits of Rs. 20 Crores over the last year for the same period. In the financial year 2011-14, the premium earned was Rs. 480 crores, which is a jump of 60% and the profit zoomed by 125% to Rs. 21.6 crores.

### **Vision**

- a. To be the first choice insurer for customers
- b. To be the preferred employer for staff in the insurance industry
- c. To be the number one insurer for creating shareholder value

### **Mission**

As a responsible, customer focused market leader, we will strive to understand the insurance needs of the consumers and translate it into affordable products that deliver value for money.

### **A Partnership Based on Synergy**

Bajaj Allianz General Insurance Company offers technical excellence in all areas of General and Health Insurance as well as Risk Management. This partnership successfully combines Bajaj Auto's in-depth understanding of the local market and extensive distribution network with the global experience and technical expertise of the Allianz Group. As a registered Indian Insurance Company and a capital base of Rs. 110 crores, the company is fully licensed to underwrite all lines of general insurance business including health.

With management Bajaj Auto Limited

Shareholders & Promoters

Bajaj Auto Limited is the largest manufacturer of two and three wheelers in India and also one of the largest manufacturers in the world. Bajaj Auto has been in operation for over 55 years. As a promoter of Bajaj Allianz General Insurance Company Ltd., Bajaj Auto has the following to offer.

- d. Vast distribution network
- e. Knowledge of Indian consumers.

### **Allianz AG Germany**



Allianz AG is in the business of General (Property & Casualty) Insurance Life & Health Insurance and Asset Management and has been in operation for over 110 years. Allianz is one of the largest global composite insurers with operations in over 70 countries. Further, the Group provides Risk Management and Loss Prevention Services. Allianz has insured most of the world's largest infrastructure projects (including Hong Kong Airport and Channel Tunnel between UK and France), further Allianz insures the majority of the fortune 500 companies, besides being a large industrial insurer, Allianz has a substantial portfolio in the commercial and personal lines sector, using a wide variety of innovative distribution channels.

Allianz AG has the following to offer Bajaj Allianz General Insurance Company Ltd.,

- f. Set up and running of General insurance operations.
- g. New and improved international products
- h. One of the world's leading insurance companies
- i. More than 700 subsidiaries and 2 lack employees in over 70 countries world wide
- j. Provides insurance to almost half the Fortune 500 companies.

### **Other similar businesses**

The promoters have also incorporated a Life Insurance Company in India, called Bajaj Allianz Life Insurance Company Limited to provide life insurance solutions.

The Bajaj Allianz Difference

- k. Business strategy aligned to client's needs and trends in India and global economy/industry.
- l. Internationally experienced core team, majority with local background
- m. Fast decentralized decision making
- n. Long-term commitment to market and clients

### **Trust**

At Bajaj Allianz we realize that you seek an insurer whom you can trust. Bajaj Auto Limited is a trusted name for over 55 years in the India market and Allianz AG has over 110 years of global experience in financial services. Together we are committed to provide you with time tested and trusted financial solutions that provide you all the security you need for your investments and more.

- Underwriting Philosophy
- Our underwriting philosophy focuses on :
  - Understanding the customer's needs
  - Underwriting what we understand
  - Meeting the customer's requirements
  - Ensuring optional coverage at a lowest cost
  - Claims Philosophy

The Bajaj Allianz team follows a service that aims at the anxiety out of claims processing. We pride ourselves on a friendly and open approach. We are focused towards providing you a hassle free and speedy claims processing.

### **Our claims philosophy is to**

- 1) Be flexible and settle fast
- 2) Ensure no claim file to be seen by more than 3 people.
- 3) Check processes regularly against the global Allianz OPEX (Operational Excellence) methodology.

### **Customer Orientation**

At Bajaj Allianz, our guiding principles are customer service and client satisfaction. All our efforts are directed towards understanding the culture, social environment and individual insurance requirements – so that we can cater to all your varied needs.

### **Experienced and Expert Servicing Team**

We are driven by a team of experienced people who understand Indian risks and are supported by the necessary international expertise required to analyse and assess them.

Superior Technology

In order to ensure speedy and accurate processing of your needs, we have established world class technology, with renowned insurance software, which networks all our offices and intermediaries. Using the Web, policies can be issued from any office across the country for retail products.

Unique, user friendly software developed to make the process of issue of policies and Claims settlement simpler (e.g. online insurance of marine policy certificate)

### **Unique Forms of Risk Cover**

Special PA cover for Amarnath Yatris

Film insurance

Event management Insurance Package

Risk Management- Our Expertise

Our services methodology is tried, tested and Proven the world over and involves

Risk identification: Inspections.

Risk Analysis Portfolio review and gap analysis

Risk retention

Risk Transfer: To an insurer as well as reinsurer (as required)

Creation of need based products

### **Company Products**

### **Retirement Solutions**

- Swarna Vishranti
- Unit Gain Easy Pension
- Unit Gain Life Pension
- Swarna Raksha. ROC

### **Life insurance**

- Unit gain SP
- Child gain
- Unit gain Plus
- Invest gain
- Unit gain Gold
- Cash gain
- Care First (new)
- Health plans
- Children plans
- Money back plans

## **CHANNEL PARTNERS (CORPORATE AGENTS)**

### **Standard chartered bank**

E-mail address: [customer.care@in.standaredchartered.com](mailto:customer.care@in.standaredchartered.com)

### **Syndicate bank**

E-mail address: [insurancediv@syndicatebank.net](mailto:insurancediv@syndicatebank.net)

Visit us at: [www.syndicatebank.com](http://www.syndicatebank.com)

### **Placement sales and services ltd.**

E-mail address: [placements@rediffmail.com](mailto:placements@rediffmail.com)

Address: regency centre, kalavary road, west fort, thrissur-4  
Kerala, India

### **Team life care co. (India) ltd,**

Website: [www.teamlifecare.com](http://www.teamlifecare.com)

Address: 5/118, yercaud main road, chinnakollapatti, Salem – 636008.

**GE money**

Address: 4A, DLF corporate park

Qutab enclave, phase – 3

Gurgaon – 122002, Haryana

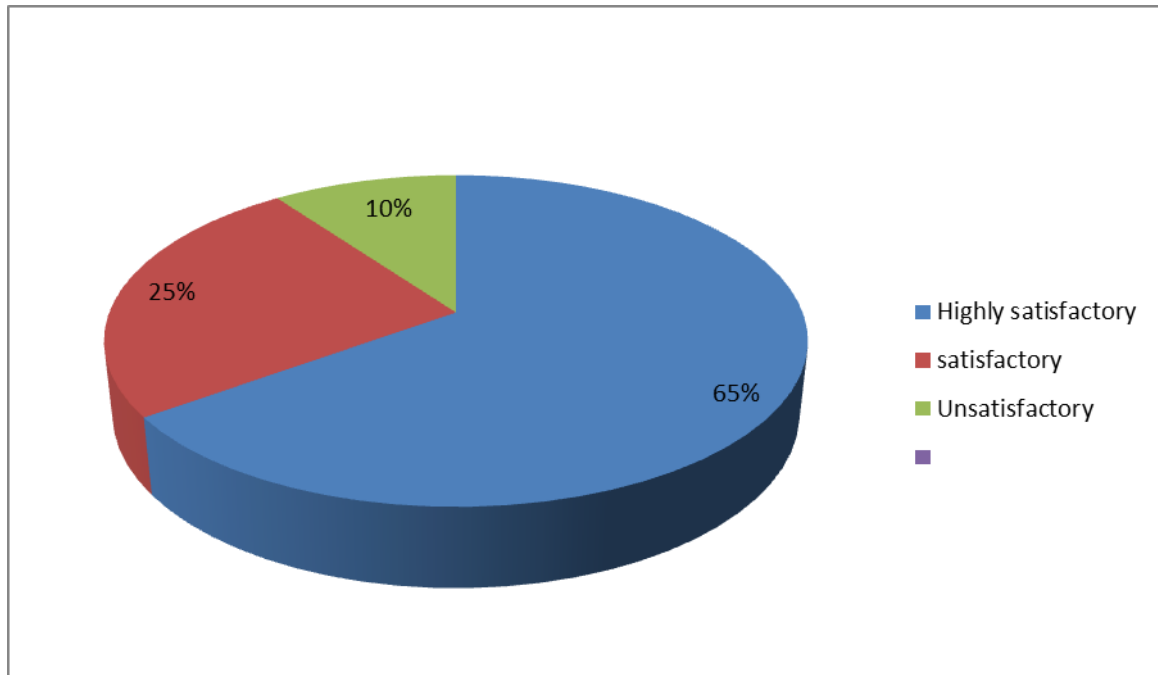
India

Website: [www.gemoney.com.in](http://www.gemoney.com.in)

**CHAPTER IV**  
**DATA ANALYSIS**  
**AND**  
**INTERPRETATION**

### 1. The cordial relationship with colleagues

|                            |            |
|----------------------------|------------|
| <b>Highly satisfactory</b> | <b>65%</b> |
| <b>Satisfactory</b>        | <b>25%</b> |
| <b>Unsatisfactory</b>      | <b>10%</b> |



#### **Interpretation:**

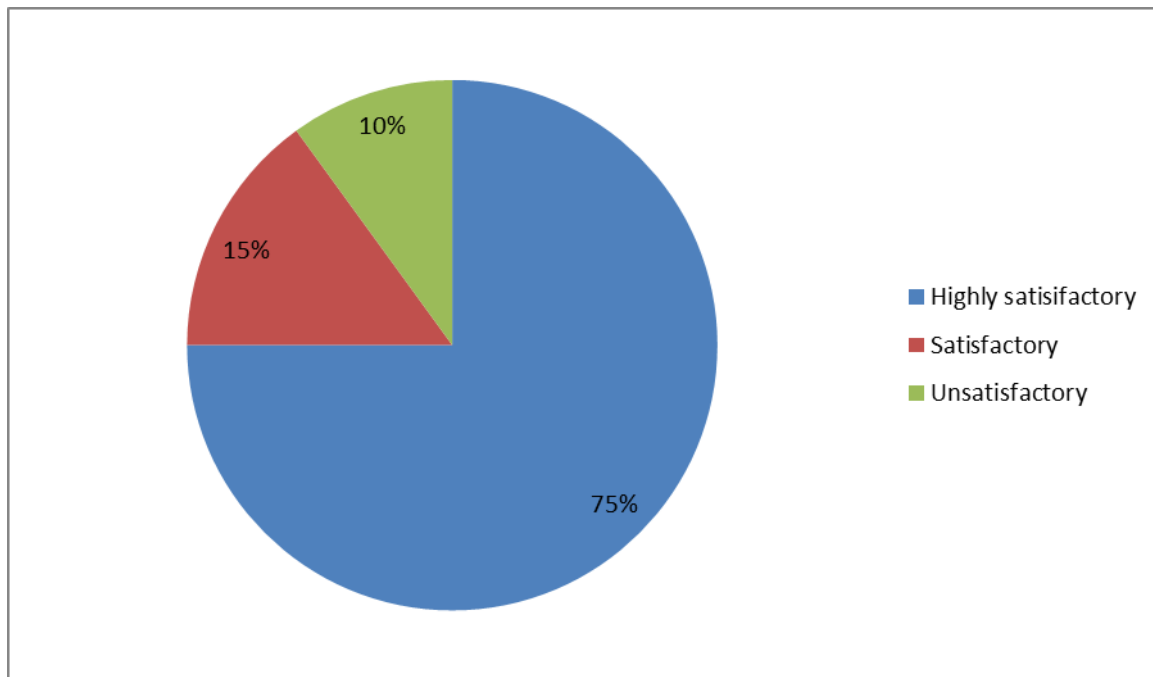
This variable was studied to find out whether there is cordial relationship that exists between the employees 65 % of the employees are highly satisfactory about the relationship patterns , 25 % percent of the employees are satisfactory and 10% of employees are unsatisfactory.

#### **Analysis:**

65% of employees are highly satisfied.

## 2. INTEREST OF IMMEDIATE SUPERVISOR IN THEIR SUBORDINATES WORK

|                            |            |
|----------------------------|------------|
| <b>Highly satisfactory</b> | <b>75%</b> |
| <b>Satisfactory</b>        | <b>15%</b> |
| <b>Unsatisfactory</b>      | <b>10%</b> |



### **Interpretation:**

This variable was studied to find out the interest of superiors in their subordinates work, 75% are highly satisfactory and 15 % are satisfactory and 10% are unsatisfactory with the interest level of their superiors in their task.

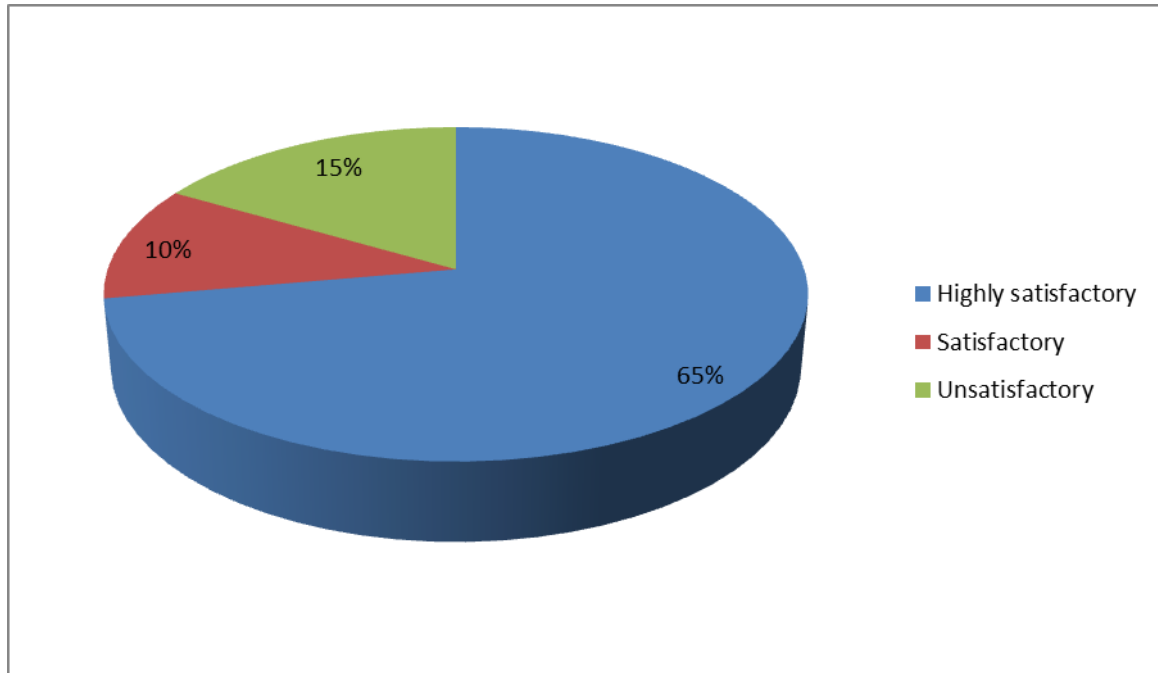
### **Analysis:**

75% of employees are highly satisfied with their work.



### 3. THE ROLES AND RESPONSIBILITIES I HAVE IN MY JOB IS

|                     |     |
|---------------------|-----|
| Highly satisfactory | 65% |
| Satisfactory        | 10% |
| Unsatisfactory      | 15% |



#### **Interpretation:**

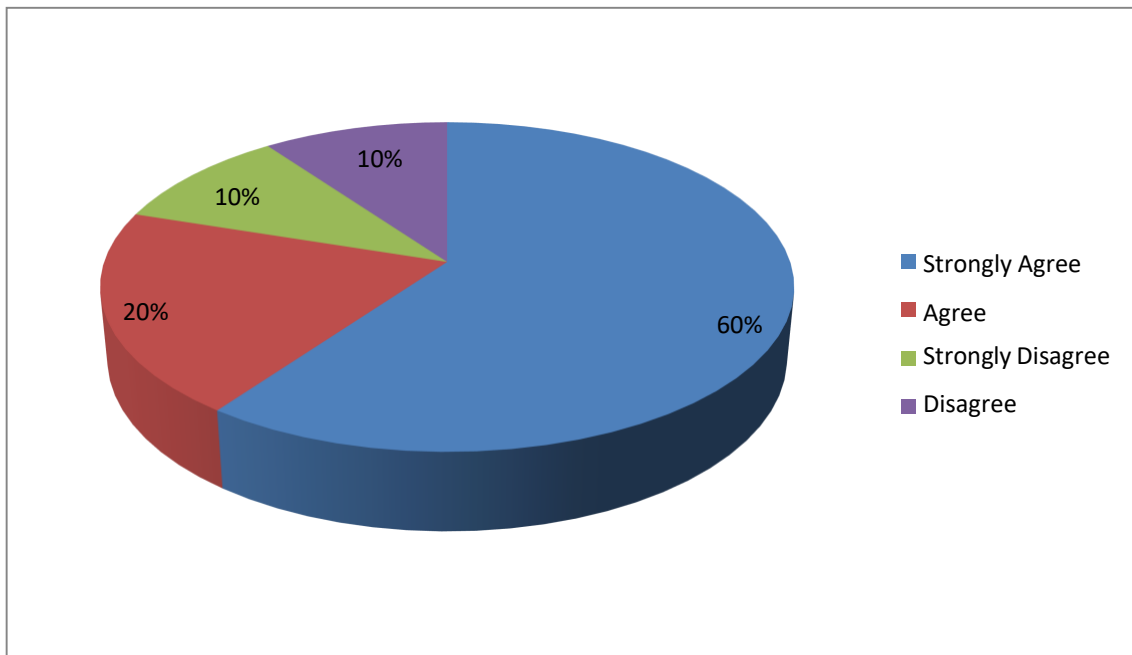
This variable was studied to find the satisfactory level of the roles and responsibilities that employees have in their job, 65 % of them are highly satisfactory and 10 % are satisfactory and 15% are unsatisfactory about their roles and responsibility

#### **Analysis:**

65% of the employees are highly satisfied with their role and responsibility

#### 4. INTERACTION BETWEEN MY SUPERVISOR AND ME IS GOOD.

|                          |            |
|--------------------------|------------|
| <b>Strongly Agree</b>    | <b>60%</b> |
| <b>Agree</b>             | <b>20%</b> |
| <b>Strongly Disagree</b> | <b>10%</b> |
| <b>Disagree</b>          | <b>10%</b> |



#### **Interpretation:**

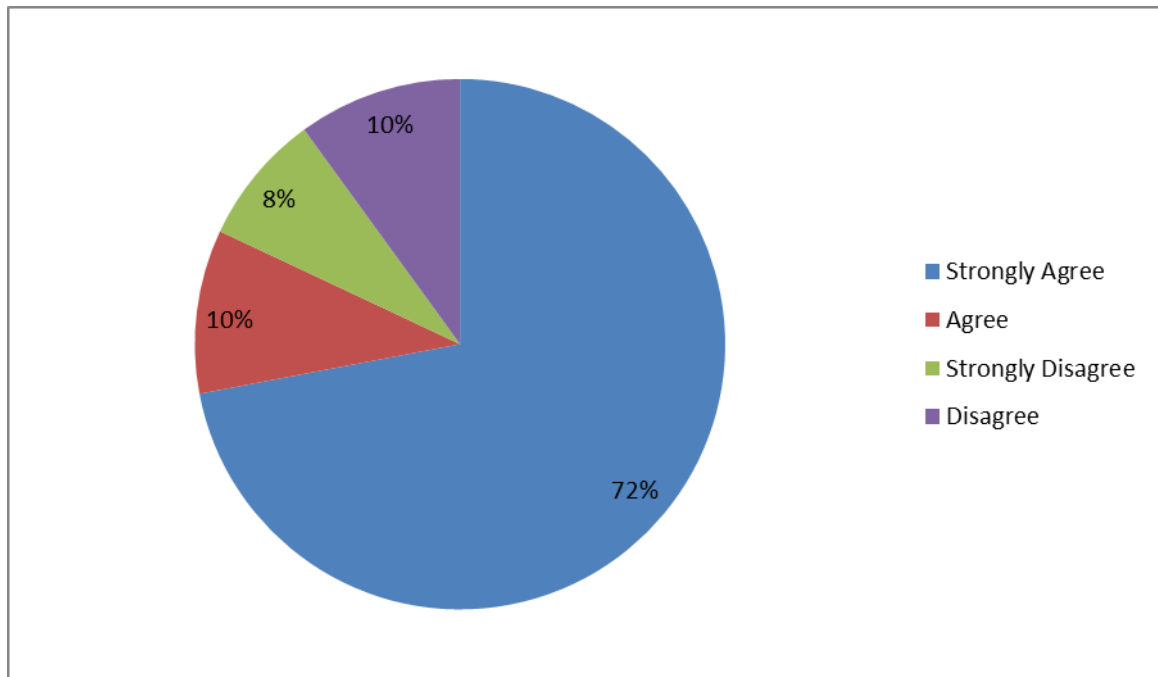
This variable was studied to find out the interaction level of the superiors and subordinates, 60 % of them strongly agree, 20 % of them agree, 10 % of them Strongly disagree and 10% of them Disagree.

#### **Analysis:**

60% of the employees strongly agree

## 5. MANAGEMENT/SUPERVISORS FACILITATE MY WORK PROCESS.

|                          |            |
|--------------------------|------------|
| <b>Strongly Agree</b>    | <b>72%</b> |
| <b>Agree</b>             | <b>10%</b> |
| <b>Strongly Disagree</b> | <b>8%</b>  |
| <b>Disagree</b>          | <b>10%</b> |



### **Interpretation:**

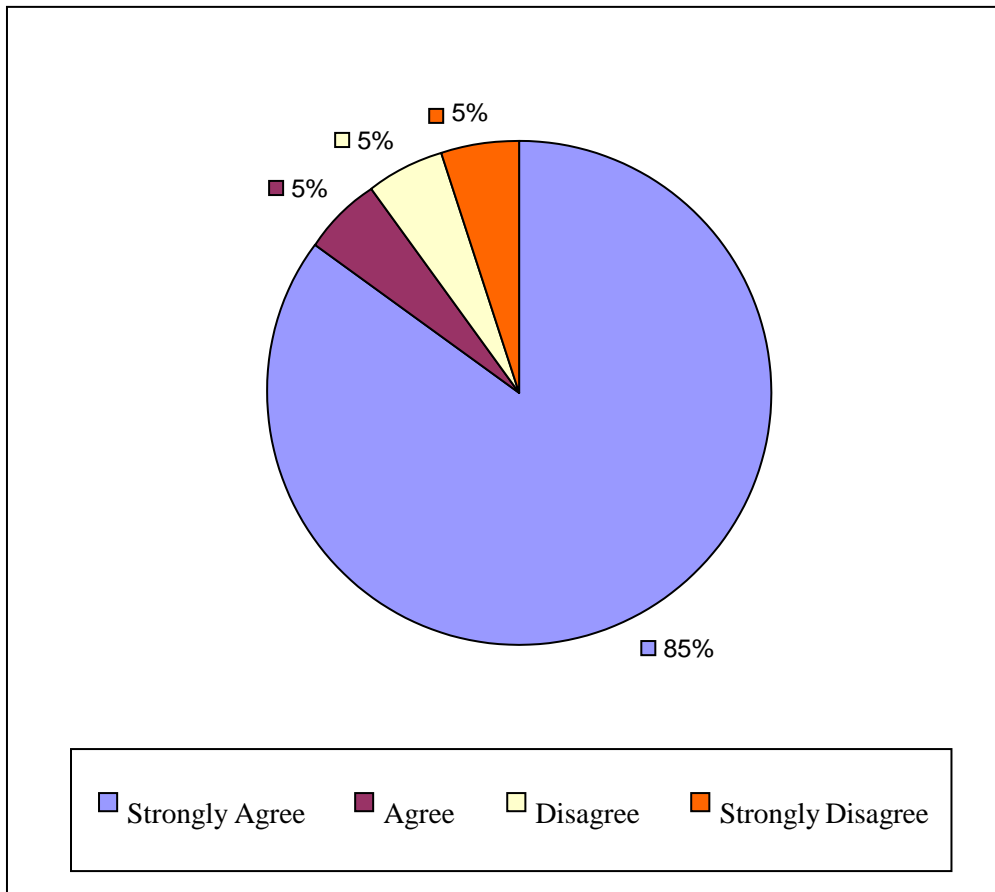
This variable was studied to find out whether management and supervisors facilitate in the work process 72 % strongly agree,10 % agree ,8 % strongly disagree and 10% disagree to the statement.

### **Analysis:**

72% of the employees strongly agree with the work process

## 6. MANAGEMENT REWARDS ME PROPERLY FOR MY ACHIEVEMENTS.

|                          |            |
|--------------------------|------------|
| <b>Strongly Agree</b>    | <b>85%</b> |
| <b>Agree</b>             | <b>5%</b>  |
| <b>Disagree</b>          | <b>5%</b>  |
| <b>Strongly Disagree</b> | <b>5%</b>  |



### Interpretation:

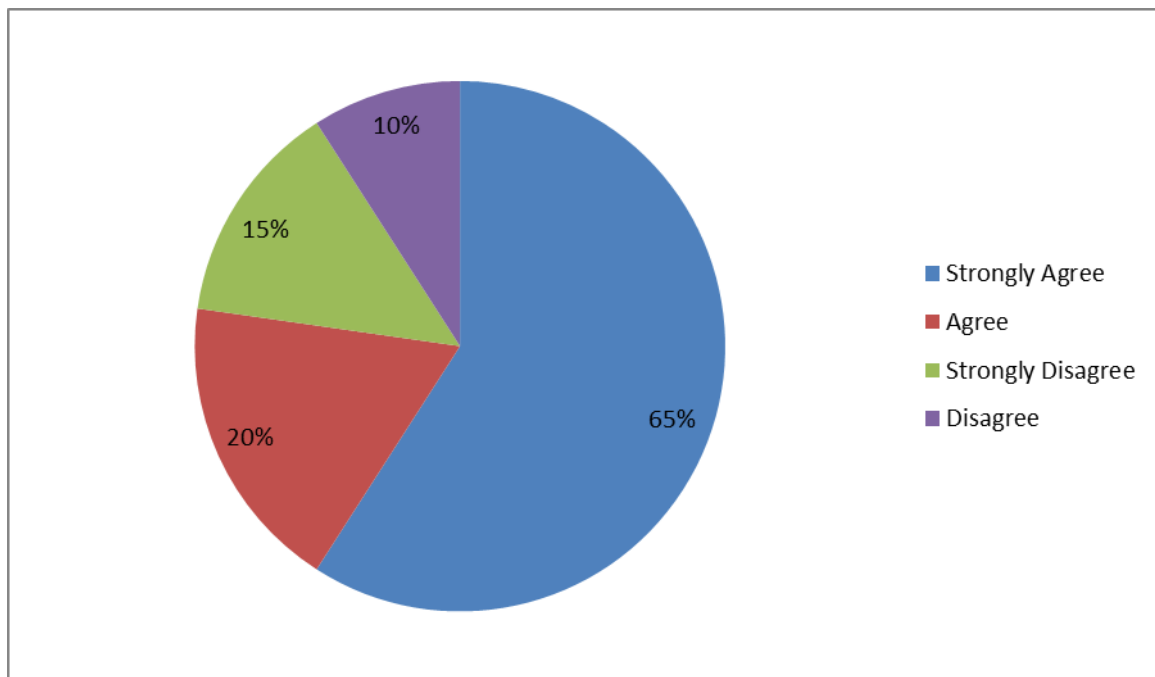
This variable was studied to find out whether management rewards the employee for his achievements or not, 85 % of them strongly agree, 5% of them agree, 5 % of them strongly disagree 5 % of them disagree.

### Analysis:

85% of the employees strongly agree with the management

**7. MANAGEMENT PROVIDES OPPORTUNITY TO WORK WITH OUT CLOSE SUPERVISION/MONITORING.**

|                          |            |
|--------------------------|------------|
| <b>Strongly Agree</b>    | <b>65%</b> |
| <b>Agree</b>             | <b>20%</b> |
| <b>Strongly Disagree</b> | <b>15%</b> |
| <b>Disagree</b>          | <b>10%</b> |



**Interpretation:**

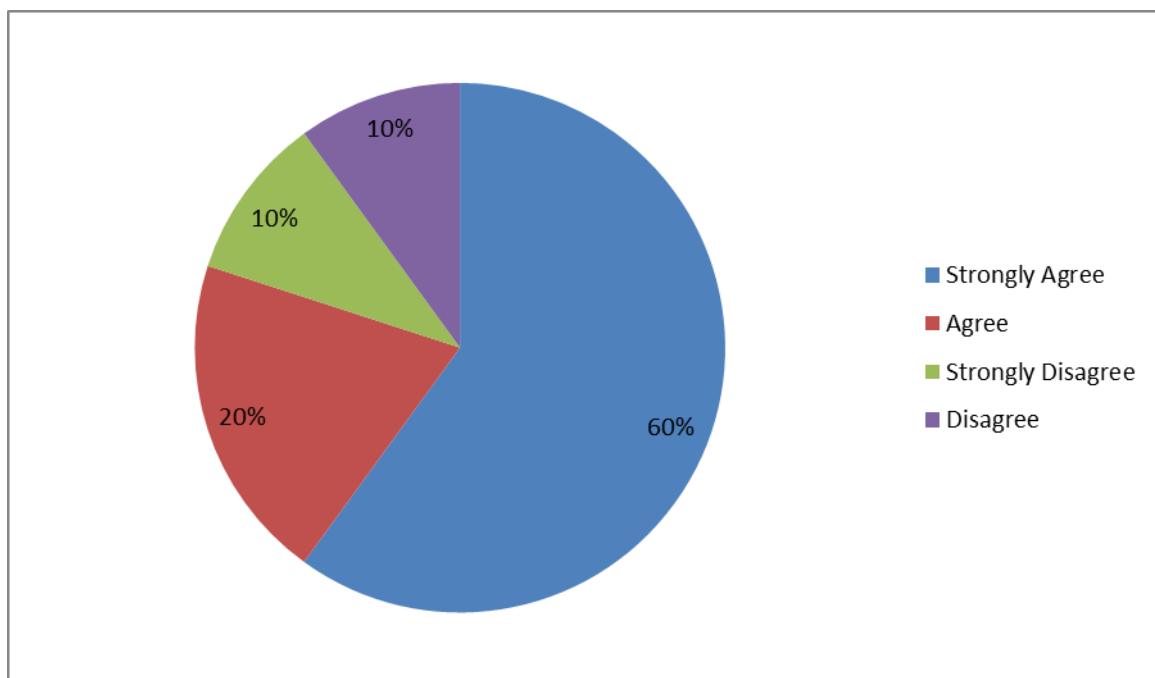
This variable was studied to find out whether management provides opportunity to work without close supervision, 65 % of them strongly agree, 20 % of them agree, 15% of them strongly disagree and 10% of them disagree to the statement.

**Analysis:**

65% of the employees strongly agree with the work.

**8. MANAGEMENT CARES FOR MY CAREER GROWTH AND OPPORTUNITY IN THE ORGANIZATION.**

|                          |            |
|--------------------------|------------|
| <b>Strongly Agree</b>    | <b>60%</b> |
| <b>Agree</b>             | <b>20%</b> |
| <b>Strongly Disagree</b> | <b>10%</b> |
| <b>Disagree</b>          | <b>10%</b> |



**Interpretation:**

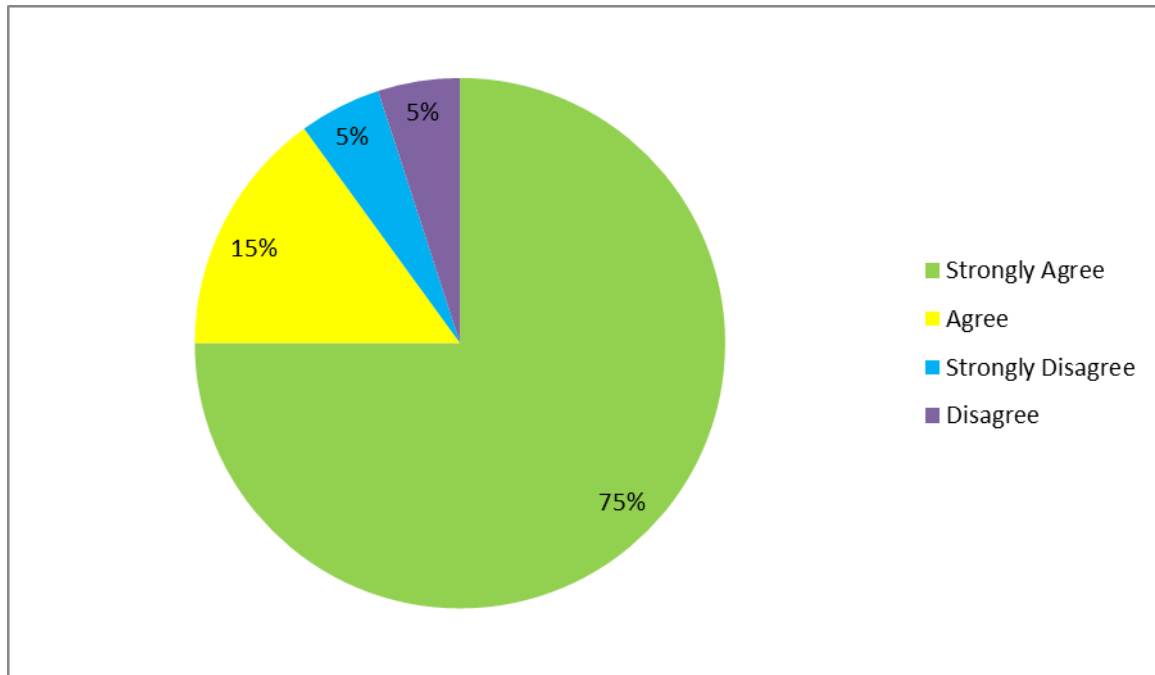
This variable was studied to find out the career planning initiatives and the satisfactory level of the employees, 60% of them strongly agree, 20% of the agree, 10% strongly disagree and 10% disagree to the statement.

**Analysis:**

60% of the employees strongly agree with the career growth and opportunity

**9. TO UPGRADES MY SKILLS I RECEIVE NECESSARY TRAINING AND COACHING.**

|                          |            |
|--------------------------|------------|
| <b>Strongly Agree</b>    | <b>75%</b> |
| <b>Agree</b>             | <b>15%</b> |
| <b>Strongly Disagree</b> | <b>5%</b>  |
| <b>Disagree</b>          | <b>5%</b>  |



**Interpretation:**

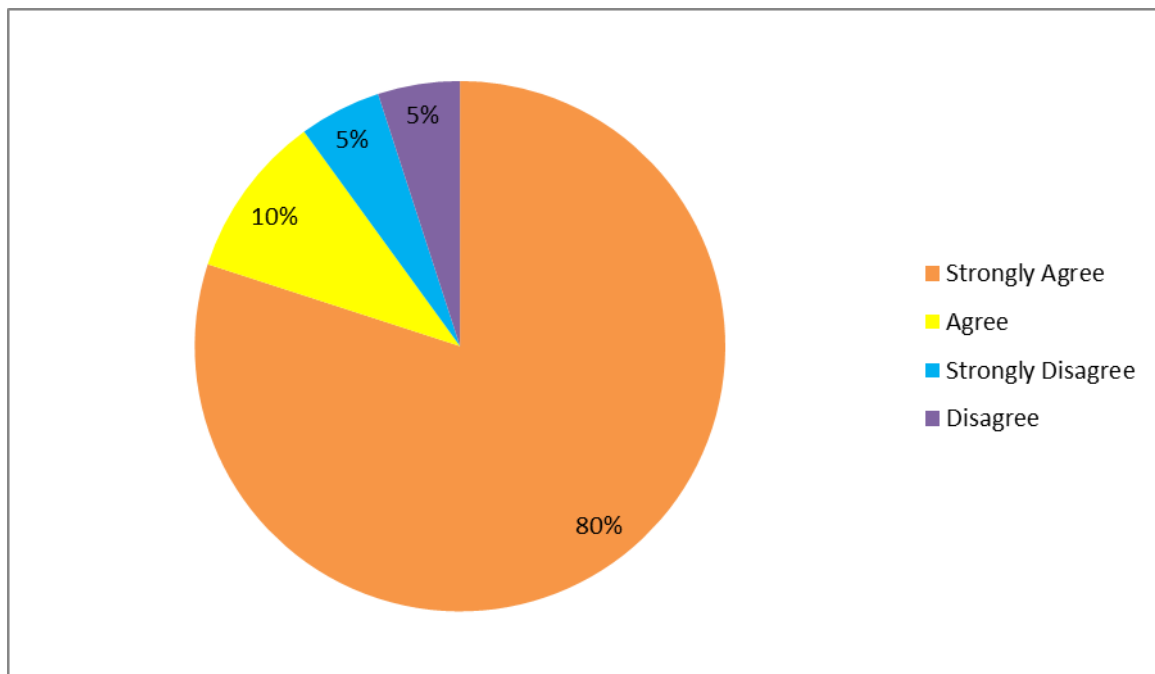
This variable was studied to find out whether employees receive necessary training for which 75 % of the respondents strongly agree, 15% of the respondent agree, 5% strongly disagree and 5% of the respondents disagree to the statement.

**Analysis:**

75% of the respondents strongly agree.

**10. THE MANAGEMENT UNDERSTANDS MY FEELINGS / COMPLAINTS /GRIEVANCES.**

|                          |            |
|--------------------------|------------|
| <b>Strongly Agree</b>    | <b>80%</b> |
| <b>Agree</b>             | <b>10%</b> |
| <b>Strongly Disagree</b> | <b>5%</b>  |
| <b>Disagree</b>          | <b>5%</b>  |



**Interpretation:**

This variable was studied to find out the satisfactory level of the grievance handling process for which 80% of them strongly agree, 10 % agree, 5% of them strongly disagree and 5% disagree to the statement.

**Analysis:**

80% of them strongly agree.



**CHAPTER V**  
**FINDINGS**  
**SUGGESTIONS**  
**CONCLUSION**

## FINDINGS

- ❖ 87% of the respondents are highly satisfactory with the cordial relationship with their colleagues.
- ❖ 70% of the respondents are highly satisfactory with the interest their immediate supervisors show in their work.
- ❖ 90% of the respondents are highly satisfactory about the job security they have in their profession.
- ❖ 70% of the respondents are highly satisfactory about the use of talents and competencies in their job.
- ❖ 87% of the respondents are highly satisfactory about the roles and responsibilities they have in their job.
- ❖ 93% of the respondents are highly satisfactory about the recognition they have in their job.
- ❖ 84% of the respondents strongly agree to the statement that their superiors have confidence and trust on subordinates.
- ❖ 60% of the respondents strongly agree to the statement that interaction between their supervisor and them is good.
- ❖ 82% of the respondents strongly agree to the statement that management/supervisors facilitate their work process.
- ❖ 85% of the respondents strongly agree to the statement that management rewards them properly for their achievements.
- ❖ 70% of the respondents strongly agree to the statement that management provides opportunity to work without close supervision/monitoring.
- ❖ 80% of the respondents strongly agree to the statement that management cares for career growth and opportunity in the organization

## ❖ SUGGESTIONS:

- Managers play a key role in creating the workplace environment. Managers should Use every possible opportunity to improve the business literacy of staff by providing information on the strategic context in which the department operates, its key objectives and strategies and the links to workgroup activity Demonstrates by their actions that they do not require Absolute control by trusting staff to get their jobs done.
- Encourages self-reliance and self-confidence so that Employees Takes Responsibility upon Themselves.
- Let self managed teams and individual staff manages their own work within reasonable and agreed limits. This can be demonstrated not changing decisions, Correspondence or reports unless the reasons are Clearly explained and the discussion focuses on Professional development
- Support the decisions made by staff. Instead of Rejecting a decision, asks how the staff member came to that decision.
- Encourages staff to address problems relating to their Own job responsibilities is available to provide advice and support and is fair in sharing their time according to the needs of staff
- A problem and that they don't always have the right answer is consistent and delivers.
- If they say they will do something then they do it assists staff to do their work efficiently by having a quick turnaround time on areas of comment or advice values staff problem solving by showing that it is all right to make the occasional mistake puts on an occasional morning tea or other activity to celebrate birthdays and other key milestones

## CONCLUSION

A sound climate is a long-run proposition. Managers need to take an assets approach to climate, meaning that they take the long run view of climate as an organizational asset. Many think that organizational climate is an indirect determinant of behavior in an interactive sense. The individual's perceptions of what are "out there" acts as a moderating or intervening variable between organizational stimuli and resultant behavior.

In view of the above discussion, the findings and their implications should be taken into account in the design of human resource programs as well as in the making of policy. Due attention has to be paid to the value systems of the population as a whole, as well the differences in perceptions found between sub-populations.

The finding of the study also suggests that, similar studies may be taken up on several organizations in the same industry at a time to examine the variations in perceptions across organizations in an industry. There exists a gap between what an employee wants and has. This study has examined the perceptions of employees.

Further studies may explore the relationship between what an employee perceives and what his superior things the employee perceives. Thereby filling the gap between what is expected and what is resulted. This study merely explored organizational climate in the **Bajaj Allianz.** organization should provide necessary facilities, conducive organizational climate and take actions that cater for the welfare of the workers to improve organizational commitment. In sum, the construction of work environments moderates the relationship between certain climatic elements of organizations (i.e. emphasis on teamwork, innovation, quality of communication, managerial support, and the work itself), and employee affective attitudes such as job satisfaction.

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