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## Organization Climate & Employee Creativity in Automobile Company in India

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### **Abstract:**

*This article presents a relationship between Organizational Climate and levels of employee creativity in an automobile company. A standardized questionnaire is used to test Organizational Climate and Employee Creativity (Udai Pareek). The objective of the study is to identify the impact of Organizational Climate on Employee Creativity. Organizational climate is about the perceptions of the employees in an organization & about absolute measures. Organizational climate emphasizes creativity and innovation and their profits. Some of the studies have identified the relationship between organizational climate and employee creativity. Findings of this study indicate that the factors of Organizational Climate, have an impact on Employee creativity. Supervision, Management of mistakes, decision making show a negative impact on employee creativity.*

**Key words:** Organizational climate, Management of mistakes, Decision Making, Employee Creativity

### **1. Introduction**

Organizations differ in various aspects like their goals, ethnic composition of their population. One can sense or 'feel' the norms of an organization. Sometimes, this individuality is labeled the organization's atmosphere. Other similar commonly used terms are tone of the Organization, environment, and personality of the organization or organization's climate. This 'feeling' 'Which enables us to know that one organization is different from another are relatively intangible we can observe the behavior of people in an organization we get proof of this. For example, in one Organization members may seem relaxed and at ease with each other while in another we may find greater tension which is seen on members' faces, their speech, how they work etc. In some organizations, the head may have the authority and status, generally emphasizing formality in dealing with others while in others; he may be informal in his behavior without reducing the Importance at his role in the system. These subtle differences which characterize the psychological Environment are the domains of the climate of an organization. The term 'climate' is referred as a general feeling arena of persons in groups towards each other and some of the attitudes they reveal in their behavior.

#### *1.1. Organizational Climate: History*

Organizational climate is a term that was probably first used by Cornell in 1955. He used the term to denote a "delicate blending of interpretations or perceptions by a person in organization of their jobs or roles in relationship to others and their interpretation of the roles of others in the Organization". Argyris (1957) used the term 'personality or organizational climate while some others referred the term as 'a general flow of behavior and feeling' and felt the organizational climate to be the interaction between environmental and personal variables of members of a group or groups which operate in an organization.

#### *1.2. Definitions*

Organizational climate is defined as the aggregated perceptions of individuals concerning the organization - its degree of trust, conflict, morale, rewards equity, leader credibility, resistance to change (Burton et al., 2004

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Organizational climate is about the perceptions of the employees in an organization & 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' differ by every individuals. The climate which suits one person cannot be comfortable to another person not another. Climate is related to understanding and measuring because there are organizational and human who get a benefits & effected of a 'good' climate, .

An organization's climate, however, refers to the recurring patterns of Behavior exhibited in the day to day environment of the organization, as experienced, Understood, and interpreted by the individuals within that organization. Climate, then, may be defined as:

It is people's perception of these behaviors, attitudes and feelings that influence their Attitudes at and to work as well as their levels of performance, their creativity and Resulting productivity. At the individual level the concept is called the psychological Climate. When the concept at the team level aggregated might be called the team climate and at the bigger picture level, the organizational climate Perhaps one of the most important and significant characteristics of a great workplace is its organizational climate.

- Denison (1990) found that an organizational climate that encourages employee involvement and empowerment in decision-making predicts the financial success of the organization.
- Schneider (1996) found that service and performance climates predict customer satisfaction.
- Patterson, Wart, & West (2004) found that manufacturing organizations that emphasized a positive organizational climate, specifically concern for employee well-being, flexibility, learning, and performance, showed more productivity than those that emphasized these to a lesser degree.
- Potosky and Ramakrishna (2001) found that an emphasis on learning and skill development was significantly related to organizational performance.
- Ekvall (1996) found a positive relationship between climates emphasizing creativity and innovation and their profits.
- Hansen and Wernerfelt (1989) found that organizational climate factors explain about twice as much variance in profit rates as economic factors.
- Thompson (1996) found that company's human resource practices impacting climate such as customer commitment, communication, empowerment, innovation, rewards and recognition, community involvement and teamwork outperformed organizations with low practices.

Organizational climate impacts the success of any organization. Hellriegel and Slocum (2006) explain that organizations can take steps to build a more positive and employee-centered climate through:

- Communication – How timely the communication is done in the organization.
- Values – The principles whether they are followed by the employees.
- Expectations – Decision making in the organization.
- Norms – the normal, routine ways of behaving and treating one another in the organization
- Programs – Workplace culture & Climate
- Leadership – Style of leadership being followed.

Organizational climate is the perception which every individual have about an organization. Organization climate is the exhibition of the attitudes of organizational members toward the organization itself. An organization tends to attract and keep people who fits in.

It is often felt that any one individual may influence the organizational climate to some degree, but the tracing of the effects of individual behavior on the climate would-be quite complex.

### *1.3. Components of organizational Climate*

The parameters that collectively represent the climate are as follows:

- Members' Concern  
The orientation of an organization found dominant is the concern of the organization.
- Interpersonal relationships  
An organization is a set of people. Interpersonal relationships depict the nature of the organization.
- Degree of Control  
Flexibility in the organizational system is important. The system can be either flexible or controlled. The degree of control can be centralized or decentralized.
- Individual Freedom  
Empowerment and autonomy are required to bring efficiency in work.
- Type of Structure  
The type of structure is linked to who reports to whom. The chain of command is important to increase productivity.
- Reward System  
A carrot and stick approach is important for the organization. When the rewards are based on merit and productivity, there will be an atmosphere of competition among employees for higher performance. They will put more and more hard work to develop themselves and earn higher rewards such as increments and promotions
- Risk-taking  
How members respond to risks and whose help is sought in situations involving risk are important in any organization. If individuals feel free to try out new ideas without any fear, they will not hesitate in taking risks. Innovative ideas will be encouraged.
- Conflict Management  
Differences among people and groups in organizations are not uncommon. If they are managed effectively, there will be an atmosphere of cooperation in the organization. If they are suppressed or not handled properly, people will be unhappy and there will be an atmosphere of distrust and non-cooperation.

- Degree of Trust

The degree of trust or lack of trust among various members and groups in the organisation affects the climate. If there is Mutual trust between different individuals, groups and also between management and workers, there will be peace in the organization. The members will cooperate with one another for achieving the individual as well as organizational goals.

#### 1.4. Employee Creativity

Employee Creativity: It's a Matter of Management

Creativity has been an important topic in our global world as well as in the social sciences for last decades. There has been a growing consensus among creativity researchers regarding the appropriateness of defining

#### 1.5. Definitions

Creativity in terms of an outcome (Amabile, 1983) such as an idea or product (Amabile, 1988; Woodman, Sawyer & Griffin, 1993). Farmer & Graen, 1999; Prabhu, Sutton & Sauser, 2008). Consistent with these studies, we defined creativity as the generation of novel, unique, and original ideas that are related to processes and procedures used in workplace creativity has seen as a requirement for innovation as well as surviving and adapting in challenging world, and gaining competitive advantage.

A company's most important assets include raw materials, technology and political influence. But most important of all is creative capital. Simply stated, it's a group of creative thinkers whose ideas can be turned into valuable products and services. Creative employees bring new technologies, develop new industries and power economic growth. By creativity, we mean the ability to produce something that's new and that will add value to the company," Zhou says. "That can include fresh approaches to production, managing people, or delivering services—anything with a tangible result. Not surprisingly, managers can help build an organizational culture that supports creativity."

No business can make any progress if it's dependent on only one employee's creativity or productivity. No matter how good you are, you won't be able to achieve any growth without tapping into the employee creativity of your own organization.

Employee creativity to be the production of ideas, products, or procedures that are original and potentially useful to the organization (Amabile, 1996; Shalley, 1991; Zhou & George, 2001).

These ideas may reflect either a recombination of existing materials or an introduction of new materials to organization. Further, creative Ideas may be generated by employees in any job and at any level of the organization

## 2. Literature Review

- Organizational climate for Creativity
- Organization Climate Perception & its Scales
- The Differential Effects of Creative Organizational Climate
- Organizational Climate for Creativity and Innovation
- Intrinsic Extrinsic Motivation for Employee Creativity & Leadership Styles
- Organizational climate as a predictor of innovative work Behavior
- Organizational climate on safety climate
- Perception of the best & worst Climate on employee creativity

### 2.1. Organizational climate for Creativity

The task is being achieved when creative talent is in the organization, so creativity is fully link with the climate of an organization. & organization climate is created by organization design, control system & reward system. Best use of creativity in any goal seeking organization is depending on the top management attitude & resources i.e. input in an organization. It is also said that any individual is being recruited by analyzing his creative ability in accordance with an achievement of goals of an organization. So finally it is resulted that for the implementation of organization design we need creative talent which can be explored effectively. Larry Cummings (Indiana University, 1965)

### 2.2. Organization Climate Perception & its Scales

Many people made an effort to describe climate in their own way i.e. climate is an environment which has fundamental element which have perception that worker has the structure and processes in a working environment but after that here comes that organizational climate with an atmosphere composed of institutions and external forces that may affect their performance.

There are some scales which give benefit or effect organization climate i.e. (Litwin & Stringer)

- Structure: it is about the perception of the members of the organization about the number of rules, procedures, procedures, rules, constraints and other constraints they face in carrying out its work.
- Reward: Refers to the perception of members on the reward received for better work performance. It is the extent to which the organization uses the award & punishment, this method can generate an appropriate climate in the organization, but as long as it does not punish the employee is encouraged to do their job well and if he does well is encourage him to improve .
- 3. Challenge: It is related to the goals that members of an organization have with respect to certain goals or possible risks during the course of their work.

- Relationships: It is the general thinking of members of the company about the existence of a pleasant working environment and good social relations both among peers and between bosses and subordinates; these relationships are generated within and outside the organization. Help in forming the better climate

Cooperation: The feeling of the members of the organization about the existence of a spirit of support from managers and other employees of the group. Emphasis on mutual support, both vertically and horizontally. Is helpful for better performance overall.

Standards: This dimension speaks to how members of an organization perceive they have set standards for productivity of the organization. All these goals are taken in to consideration while thinking about benefit & effect of climate of organization

### *2.3. Intrinsic Extrinsic Motivation for Employee Creativity & Leadership Styles*

There are two types of motivation; extrinsic and intrinsic. To the effect that, while an employee is intrinsically attracted to task, he/she is more likely to focus on it explore and experiment with it, hence give more creative performance and specified leader behaviors are important determinants of intrinsic motivation and creativity at work. Oldham & Cummings (1996) If there is transformational leaders who care for their employees' feelings and needs, facilitate their skill development, show them ways to achieve the goals and express confidence in them are likely to enhance their employees' interest in their task

### *2.4. Perception of the best & worst Climate on employee creativity*

Best climate for the creativity is that one which generates productivity, consideration & use of new products & ways of working. The climate which properly helps in developing an individual & utilization of different new approaches so organization climate is an intervening variable that effect the individual & organizational performance too. & there are many factors which make worst climate i.e. communication & coordination as well as decision making, group behavior. & all their problems directly influence the employee creativity there are external factors also which effect employee creativity i.e. technology change & resource availability so organization climate can be improved by keeping focus on individual needs & motives theirs are the physiological factors which improve climate. There are some preferred styles i.e. their work thinking, solve problems, so creative climate can be done by completing their physiological needs i.e. their self-esteem, needs. (Ekvall & Alexander Britz, 1996)

## **3. Research Methodology**

### *3.1. Sample Size*

A sample size of 82 employees is taken from an automobile company in Gurgaon

### *3.2. Sampling Technique*

#### 3.2.1. Primary Source

- Two standardized questionnaires are used for the study. A 6point Likert scale standardized questionnaire is used to study organization climate
- A standardized 4 point scale is used to study creativity assessment inventory (Udai Pareek)

## **4. Objectives**

- To Study organization climate of an automobile company in Gurgaon region.
- To analyze the employee creativity in an automobile company in Gurgaon region
- To study the impact of organizational climate on employee creativity in automobile company in Gurgaon region

## **5. Major Hypotheses**

- H0: There is no significant impact of organizational climate on employee creativity
- H1: There is significant impact of organization climate on employee creativity

## **6. Data Collection**

The data was collected through the questionnaire method. The respondents were given a period of two days to read, fill and understand the questionnaire. In case of any doubt, they could ask for clarifications. Two questionnaires were designed. One questionnaire on Organizational climate was designed on 6point likert scale. Employee creativity was measured using the standardized 4point likert scale questionnaire.

## **7. Data Analysis & Interpretation**

### *7.1. Data Analysis*

Analysis of data is done using the multiple regression analysis. There is a dependent variable Creativity and independent variable is Organization Climate

### *7.2. Pilot study*

The cronbach alpha for cultural diversity questionnaire is .78. The cronbach alpha for team performance is .85. It is higher than 60 percent. Hence the questionnaire is reliable

### 7.3. Data Analysis & Interpretation

For analysis of Organization climate we have make 6 parameters i.e. 1.least like the situation, 2 less like the situation, 3 somewhat like the situation,4somewhatlikely , 5 more like the situation ,6 most like situation according this we do interpretation of every variable . Organizational climate is analyzed by dividing them into 12 factors as given by a standardized questionnaire in Udai Pareek.

### 7.4. Data Interpretation

Sl. no.	Factors	Mean Combined Value
1	Orientation	2.29
2	Interpersonal Relationship	2.233
3	Supervision	2.29
4	Problem Management	2.38
5	Management of Mistake	2.237
6	Conflict Management	2.239
7	Communication	2.21
8	Decision Making	2.25
9	Trust	2.264
10	Management of rewards	2.264
11	Risk Taking	2.264
12	Innovation	2.264

- **Factor 1: Orientation**  
Analysis indicate that According to mean value 2.29 orientation is less likely in automobile company by employees
- **Factor 2: Interpersonal Relationship**  
Analysis indicate that mean value 2.233 interpersonal relationships is less like by employees
- **Factor 3: Supervision**  
Analysis indicate that mean value 2.29 so supervision is less likely by employees in a company.
- **Factor 4: Performance Management**  
Analysis indicates that According to mean value 2.38 performance management is less likely by employees of company.
- **Factor 5 : Management of Mistake**  
Analysis indicates that combine mean value 2.237 Management of mistake is less likely by employees of company.
- **Factor 6: Conflict Management**  
Analysis indicate that Mean Value 2.239 conflict management is found less likely in the company
- **Factor 7: Communication**  
Analysis indicate that mean value 2.21 communications is less likely by employees in company
- **Factor 8: Decision Making**  
Analysis indicate that According to Mean Value 2.25 decision making factor is less likely by employee in company
- **Factor 9: Trust**  
Analysis indicate that mean Value 2.264 trust is less likely by employees in company
- **Factor 10: Management of rewards**  
Analysis indicate that mean value 2.264 it is less like situation by employees in company
- **Factor 11: Risk Taking**  
Analysis indicate that According to mean value 2.264 it is less like situation by employee in company
- **Factor 12: Innovation & change**  
Analyses indicate that mean Value 2.264 it is less like situation by employees in company.
- **Employee Creativity**  
here 4 likert scale questionnaire is selected where we will interpret according to the responses these are as follows here we make 4 parameters 1 not likely , 2 less likely,3 somewhat likely, 4 most likely on this basis we will do interpretation of data collected
- **Variable 1 If come across a problem, try & solve it immediately**  
Analysis indicate that mean value 2.304 if employees come across a problem, Try & solve it immediately is found less likely.
- **Variable2 like to be myself**  
Analysis indicates that mean value 2.719 so employees like to be themselves is found less likely. In a company
- **Variable 3 get involved in a lively debate or discussion**  
Analysis indicate that mean value 2.06 employees get involved in a lively debate or discussion is less likely
- **Variable 4 every mistake is learning experience for me**  
Analysis indicate that mean value 2.68 every mistake is a learning experience for employees is less likely

- **Variable 5 question a stated opinion / position**  
Analysis indicate that mean value 3.57 employees question stated opinion is somewhat like in the company
- **Variable 6 I hesitate in taking initiative**  
Analysis indicate that mean value 2.74 employee hesitate in taking initiative is less likely in company
- **Variable 7 I feel threatened if I come across a problem**  
Analysis indicate that mean value 2.6 Employees feel threatened if they come across a problem is less likely
- **Variable 8 consult others before taking decision**  
Analysis indicate that mean value 2.52 employees consult others before taking decision is found less likely
- **Variable 9 enjoy jokes / hobbies / movies**  
Analysis indicate that mean value 2.25 employee less likely enjoy jokes / hobbies / movies
- **Variable 10 trust others easily**  
Analysis indicate that mean value 3.06 employee trust other easily is somewhat likely in company
- **Variable 11. Work atmosphere is relaxed**  
Analysis indicates that mean value 2.76 employees work atmosphere is relaxed is less likely in a company
- **Variable 12 take responsibility readily**  
Analysis indicate that mean value 2.81 employee take responsibility less likely
- **Variable 13 think of alternative to accomplish difficult task**  
Analysis indicates that According to mean value 2.69 employee think of alternative to accomplish difficult task is less likely in company
- **Variable 14. Find it hard to take decision**  
Analysis indicates that mean value 2.67 employees find it hard to take decision is less likely in company
- **Variable 15. Like enjoying with friends**  
Analysis indicates that mean value 2.52 employees is less likely like enjoying with friends
- **Variable 16 get upset easily by mistakes**  
Analysis indicates that mean value 2.71 employees get upset easily by mistakes is less likely in company
- **Variable 17 give ideas & suggestion to people when they need it.**  
Analysis indicates that mean value 1.98 employees give ideas & suggestion to people when they need it is not likely
- **Variable 18 hesitate giving or acting on new ideas**  
Analysis indicates that mean value 2.32 employees hesitate giving or acting on new ideas is less likely
- **Variable 19 make use of available resources to develop new ideas & solve it**  
Analysis indicates that mean value 2.57 employees make use of available resources to develop new ideas & solve it less likely in company
- **Variable 20 work well when there are no hard line rules**  
Analysis indicates that mean value 2.70 employee works well when there are no hard lines rules is less likely in company
- **Variable 21 excited about new programmes & projects**  
Analysis indicates that mean value 2.20 employees excited about new programmes & projects is likely in company
- **Variable 22 likes to work in groups.**  
Analysis indicate that mean value is 2.57 employees like to work in groups is less likely.
- **Variable 23 in case of arguments keep calm & communicate with understanding & empathy**  
Analysis indicate that mean value 2.75 employee in case of arguments, keep calm & communicate with understanding & empathy is less likely in company
- **Variable 24 people think impractical**  
Analysis indicates that mean value 2.31 employee think impractical is less likely in company
- **Variable 25 Creativity**  
Analysis indicates that mean value 2.57 it is less likely by employees in organization.

### 7.5. Multiple Regression

Multiple Regression estimates the coefficients of the linear equation, involving one independent variable that best predict the value of the dependent variables which have 12. Variables i.e. as

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \beta_9 X_9 + \beta_{10} X_{10} + \beta_{11} X_{11} + \beta_{12} X_{12} + u_i$$

- Y= Creativity
- X1 = orientation
- X2= Interpersonal relationship
- X3=Supervision
- X4= Problem Management
- X5= Management of Mistake
- X6= Conflict Management
- X7= Communication
- X8= Decision Making

- X9=Trust
- X10=Management of Rewards
- X11=Risk Taking
- X12= Innovation & Change

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.615	12	.218	3.627	.000 <sup>a</sup>
	Residual	4.146	69	.060		
	Total	6.761	81			
a. Predictors: (Constant), VAR00012, VAR00004, VAR00006, VAR00005, VAR00003, VAR00001, VAR00002, VAR00009, VAR00008, VAR00011, VAR00007, VAR00010						
b. Dependent Variable: creativity						

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	f	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.077	.616		6.614	.000
	Orientation	-.137	.113	-.130	-	.009
	IR	.199	.098	.237	2.026	.047
	Supervision	-.197	.078	-.283	-	.015
	PM	-.187	.093	-.210	-	.049
	Mgt of mistake	-.080	.091	-.088	-	.048
	CM	.342	.110	.413	3.103	.003
	Communication	.169	.139	.186	1.214	.039
	DM	-.679	.140	-.706	-	.000
	Trust	-.159	.143	-.181	-	.020
	MOR	.086	.151	.093	.568	.003
	RT	-.136	.131	-.150	-	.002
	Innovation	.132	.147	.141	.893	.015
	Dependent Variable: creativity					

Multiple regression was conducted to measure the impact of organization climate on employee creativity. The dependent variable is Organization climate and the independent variable is creativity. The p value is <.05. Hence the regression model is significant. Orientation helps in building better climate but here  $\beta = -.130$ ,  $p < .05$  but, so it indicates that orientation have negative impact on creativity so people in automobile company & are not concerned with following established rules & procedures & main concern of the people here is not to help one another develop greater skills as well as achieving or surpassing specific goals doesn't seem to be the main concern of people here. Consolidating concern one's own personal position & influence do not seem to be main concern & dominant concern here is not to maintain friendly relation with others. Finally main concern is not to develop people's competence & expertise

Now about the interpersonal relation is  $\beta = .237$ ,  $p < .05$  so it has positive impact on creativity it means organization form, informal group are formed around experts, atmosphere here is very friendly & people spend enough time in formal & social relation. & in this company strong cliques protect their own interest as well as businesslike relationship prevail here, people are warm, but get together primarily to ensure excellence in performance, people here have strong association mostly with their supervisors & look to them for suggestion & guidance, people have a high concern for one another when ever is needed

Now supervision is showing negative impact i.e.  $\beta = -.287$ ,  $p < .05$  it means supervision have negative impact on creativity so it states that the purpose of supervision here is usually not to check Mistakes & to catch the person making the mistake, supervisors here not strongly prefer their subordinate to ask them for instruction & suggestion, supervisors here do not take pains to see that their subordinate improve personal skills & chances of advancement. Supervisors here not get reward outstanding achievement,

for influencing their subordinate supervisors here do not try to use their expertise & competence rather than their formal authority, as well as supervisors here are not more concerned with maintaining good relation with their subordinate than with encompassing duty & performance.

Problem management have negative impact on creativity here  $\beta = -.210, p < 0.05$  so People here do not take problems as challenges & try to find better solution than anyone else when problems are faced here, experts are not consulted & do not lay an important role in solving these problem, in dealing with problem people do not consult their friends, when working on solution to problem, people here do not keep in mind the needs of organization member as well as society large, people here do not usually refer problem to their superior & do not look to them for solution. Problems here are not solved by supervisors, subordinate are involved

Management of mistake show negative impact on creativity  $\beta = -0.88, p < 0.05$  here people make mistake they are rejected instead their friends show them much understanding & warmth, here philosophy is not that the supervisors can make no mistake & subordinate dare not to make one, usually people here are not able to acknowledge & analyze their mistake because do not expect to receive help & support & support from others. when subordinate make mistake here, supervisors do not treat it as learning experience that can prevent failure & performance in future, supervisors here do not expect guidance from their supervisors in correcting & or preventing mistake, here people do not seek the help of experts to analyze & prevent mistake

Conflict management show a positive impact on creativity here  $\beta .413, p \text{ value} < 0.05$  Most interpersonal & interdependent conflict here arise as a result of striving for higher performance. In analyzing & resolving these conflicts, the overriding consideration is productivity. Arbitration or third party intervention performed by experienced is sought & used here. In conflict situation here those who are stronger force their point of view. In resolving conflict here, appeal is made to principals, organization ideals, experts are consulted & their advice used in resolving conflict.

Communication factor show a positive impact on creativity  $\beta .186, p \text{ value} < 0.05$  So while making decision, people here make special attempts to maintain cordial relation with all concerned, decision are made at the top & communicated down-ward & people here generally this, people who have demonstrated high achievement have a big say in the decision made here, decisions here generally made without involving subordinate, decisions here are made & influenced by specialist & other knowledgeable people, decisions are made here by keeping in mind the good of employees & society

Decision making show negative impact on creativity  $\beta -0.784, p \text{ value} < 0.05$  while making decisions, people here do not make special attempts to maintain cordial relation with all concerned, decisions are not made at the top & communicated downward, people here generally do not prefer, people who have not demonstrated high achievement have a big say in decision made here, decisions have not generally made without involving subordinate, here decisions are not by keeping in mind is influenced by specialists & other knowledgeable people. Decisions are not made by keeping in mind the good of employees & society

Trust have negative impact on creativity here beta coefficient  $\beta = < 0.5$  so, no people is trusted by management even if they are quite influential, trusting & friendly relation are not valued here, high value is not placed on the base of trust between supervisors & subordinate, supervisors & experts are not highly trusted here, a general attitude of helping do not generate mutual trust here, those who can achieve goals are not highly trusted.

Management of rewards have positive impact on awards as its  $\beta .93, p < 0.5$  so here the main thing that is rewarded is excellence in performance & accomplishment of tasks, knowledge & experts are rewarded here, loyalty is rewarded more than anything else, the people who are reward here are those who help their juniors colleagues to achieve & develop, the ability to control subordinate & maintain discipline is afforded the greatest importance in rewarding supervisors here, the ability to get along well with others is highly rated & rewarded here.

Risk taking have negative impact on creativity as its  $\beta -.150, f > 0.5$  so when confronted by risk situation, supervisors do not seek guidance & support of friend, in risky situation, supervisors here have not a strong tendency to rely on expert specialist for their advice, supervisors here do not generally go to their supervisors for instruction in risky situation, in responding to risky situation, supervisors do not show great concern for [people working in the organization, in responding to the risky situation, supervisors do not take calculated risk & strive above all to be more efficient or productive.,

Innovation & change have positive impact on creativity as its  $\beta .141, f < 0.5$ , So innovation & change are initiated & implemented here primarily by experts & specialists, here innovation or change is primarily ordered by top management, before initiating innovation or change, supervisors here generally go to their supervisors for sanction & guidance, those who initiate change here demonstrate a great concern for any possible adverse effects on others, innovation or change here is mainly initiated & implemented through highly result oriented individuals, supervisors here seldom undertake innovation that disturb their existing friendship in the organizational or the earn the enmity of organizational member

## 8. Conclusion

The study done so far on organization climate, how best climate of organization is maintained and its impact on employee creativity have reached a common consensus. Combining all the articles the following points are relevant and show a clear picture of organization climate and how it is impacting employee creativity. Most of the studies consider organization climate as a complex phenomenon for creativity of employee. So this study draws the conclusion that for improving employee creativity and there is need for providing the best climate so that it can bring innovation in a company, employees are able to handle risky situation easily as it is showing negative impact in company, rules & procedures should be like by all employees so that it will not effect. The impact of organization climate on employee creativity has been categorized in 12 factor which tell about an impact of climate on creativity i.e. orientation, interpersonal relationship, conflict management which are found less likely by employees so here a company need to focus on these factors & the conclusions here state that company need to focus on all the important parameters of climate so that the employee creativity will be best in company bring good productivity & innovation in company



.creativity is a novelty as well as make good interpersonal relationship . So organization climate is an important element for best employee creativity.

### 9. Recommendations for Company for Better Organization Climate

The major issue discussed in this study is the organization climate & its impact on employee creativity. Organizations can achieve better creativity by focusing on the climate . The success of an organization depends on the creativity of employees where the role of the supervisors or employer play an important role so this company should apply these suggestion for achieving better employee creativity ie as follows,

- Company should apply that orientation by which employees are agree so that it will not effect creativity of employees it includes rules & rules & procedure
- Risk taking should be taken in to consideration when confronted by risk situation, supervisors should take guidance & take support of friend, as well as, supervisors should have a strong tendency to rely on expert specialist for their advice, so that best creativity will be delivered.
- Trust plays an important role on creativity as well as climate so, employees should be trusted by management if they are quite influential, trusting & friendly relation, high value placed on the base of trust between supervisors & subordinate, there should mutual trust fro bets organization climate
- While making decisions, people should make special attempts to maintain cordial relation with all concerned, decisions that are made at the top & communicated downward, people should generally prefer those people who have demonstrated high achievement have a big say in decision made here, Decisions should be made by keeping in mind the good of employees & society
- Management of mistake if people make mistake they should not be rejected instead their friends show them much understanding & warmth, if people here are not able to acknowledge & analyze their mistake so they should receive help & support from others. when subordinate make mistake here, supervisors treat it as learning experience that can prevent failure & performance in future ,
- Problem management should take problems as challenges & try to find better solution than anyone else when problems are faced here, experts should consulted & do lay an important role in solving these problem, in dealing with problem people do consult their friends, when working on solution to problem , people here do keep in mind the needs of organization member as well as society
- Purpose of supervision should not be usually to check Mistakes & to catch the person making the mistake, supervisors should strongly prefer their subordinate to ask them for instruction & suggestion, supervisors take pains to see that their subordinate improve personal skills & chances of advancement. Supervisors should get reward for outstanding achievement,

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