

A Need for Investigating Organizational Climate and Its Impact on the Performance

Ahmed Hamden Lafta*
University of Baghdad

Norsida binti Man
Department of Agribusiness and Information System, Faculty of Agriculture, University Putra Malaysia

Jasim Mohammed Salih
Department of Agribusiness and Information System, Faculty of Agriculture, University Putra Malaysia

Bahaman Abu Samah
Department of Professional Development and Continuing Education, Faculty of Educational Studies, University Putra Malaysia

Nolila binti Mohd Nawi
Department of Agribusiness and Information System, Faculty of Agriculture, University Putra Malaysia

Raja Nerina binti Raja Yusof
Department of Management and Marketing, Faculty of Economics and Management

Abstract:

The role of agricultural extension in the development of agriculture throughout the world is very significant. It has remained one of the prime movers in the development of agriculture and invariably in the rural development. This paper reviewed some literature in organizational climate and its impact on the performance of agricultural extension workers in Iraq. The paper introduces some basic concepts underlying the meaning of agricultural extension, organizational climate and performance. The motivations and attentions are given to organizational climate to show through the relationship between the organizational climate and the other organizational changes, especially in the area of interaction between the individual and the regulatory environment which is determined by two basic axes. First axis is the individual's characteristics associated to a large extent to his knowledge system and his educational and cultural experiences. The second axis represents the internal work environment which describes the distinctive features of the organization. This paper distinguishes some characteristics which are organizational structure, communication system, and the nature of the work, leadership style, decision-making styles, colleagues of work, and the nature and physical of working environment.

Keywords: Organizational climate, Leadership styles, Job satisfaction, performance, Organization, Agricultural Extension Workers.

Introduction

In Iraq the agricultural sector is monitored by the ministry of agriculture which adopts agricultural policies as well as prepares programs to achieve the self-sufficiency from food. Organisations are important to propel the economy. Organizations characterise the most composite social structure recognised today because of energetic nature (Omolayo & Ajila, 2012). The agricultural extension as an organisation is one of the main pillars of ministry of agriculture which fosters to create development and change the rural family through the operations of extension. The extension process is an informal educational process aims to increase the rural people's knowledge to improve their skills, correct their attitudes, enable them to understand the modern technology and adopt these devices in their fields (Abdullah, 1990). Agricultural extension is an applied behavioural science, which is applied to bring about desirable changes in the behavioural complex of farming community, usually through various strategies and programmes of change, by applying latest scientific and technological innovation (Bokor, 2005, p.1). In essence, extension is profoundly education and it intends to alter farmers attitude so they that they can positively change their farming behaviours. Agriculture extension agents and extension personnel have a role of bringing scientific knowledge to farm families in the farms and homes. The crux of the task is to improve the efficiency of agriculture and subsequently the livelihood of farmers.

In this regards, organisations that are able to create environments that employees perceive as benign and in which they are able to achieve their full potential are seen as a key source of competitive advantage (Brown & Leigh, 1996). Organisational climate can therefore be regarded as a key variable in successful organisations.

Organizational climate

In the study of organizations, organisational climate is a significant concept with substantial consequences for understanding individuals in any organisations (Allen, 2003; Al-Shammari, 1992; Ashforth, 1985; Cotton, 2004). It expresses the workplace and its environment as well as the surrounding factors such as the style of dealing with human and how the human interact with each other from time to time. This fact manifest itself from empirical studies conducted and published regarding the nature and significance of organisational climate in all organisations and its influence on numerous organisational consequences over more than 60 years now (Glick, 1985; Pritchard & Ilgen, 1980; Schneider & Reichers, 1983). Some theorists argue that organizational climate is thought to influence behaviour in one or more of numerous diverse ways (Pritchard & Karasick, 1973).. Different authors have tried to define the concept organizational climate in a number of definitions (McMurray, 2003; Moran & Volkwein, 1992; Pritchard & Karasick, 1973; Schneider & Snyder, 1975). Although there is no single agreed definition of organization climate, most writers agree on a number of features that characterizes the concept and make it a distinctive construct. Yet, it is somewhat problematic to delineate organisational climate while integrating all the features of inherent in different organisations. This is so because the most frustrating feature of an attempt to deal with situational variables in a model of management performance is the enormous complexity of the organizations themselves. Some of these characteristics which researchers agree are: climate perceptions are descriptions of environmental events and conditions rather than evaluations of them, the climate construct is multidimensional, it refers to the 'feeling of an organisation. Thus, the organizational climate can be defined as the set of distinctive features of the internal environment work of which the employees perform their duties and works.

Both Litwin and Stringer (1968) noticed that the organizational climate is a set of characteristics that extinguish the work environment in the organization which are realized directly from the employees that have reflection and effect on their motivations and behaviours. It is clear from the foregoing that despite the multiplicity of concepts, but they all revolve around that the organizational climate consists of a set of characteristics that distinguishes the organization from other organizations as it is influenced by the quality of human resources within the organization and in the same time affects the employees' performance and behaviour positively and/or even negatively in the organization. Researchers concur on the significance of the organization climate on performance. For example, Mei (2013) and Siroos (2014) summed up the importance of the organizational climate in organizations could be important to the design of strategies to improve the services provided by organizations. Organizational climate in this regards, is the character that permits us to differentiate one organization from another. Organizational climate is essential for dynamism of a development system.

Importance of Organization Climate

The importance of organizational climate as a determining factor of organizational results is adequately documented evidence in numerous research. Accordingly, several characteristics of organizational internal climate have been associated in previous researches (Schneider, 1990) suggests work group cooperation, challenges in the work and autonomy features, supervisor support, pay related performance and performance linkage as well performance responses (Jones & James, 1979; Kopelman et al., 1990; Schneider, 1990). In essence, organization climate essentially represent the way employees perceive the working environment of their organization (Zhang & Liu, 2010). Although some studies in organization climate have identified matters such as recruitment, selection, training, salary or performance appraisal and benefits, as important issues essentially related to lively welfares of employees (Zhang & Liu, 2010), nevertheless, in other studies human resources management conditions was a critical factor for the employees (Ren, Huang & Zheng, 2001).

Theories and empirical evidence have also associated the importance of organizational climate to and management styles (Gibson & Hodgets, 2013). Thus, the managerial styles have to pay attention to the expectations of employees and changeability of their motivations from time to time. In real sense, organization climate is one of significant issues that may influence perceptions of members of any organization on participation and performance. It supports to establish the attitude of the organization and can exert to smooth or weaken employee performance (Shadur, Kienzle & Rodwell, 1999). Essentially, organization climate is crucial for employee to improve or decrease their performance. The emphasis in this respect is that any organization

quality innovation that overlooks the consideration of the organization climate is likely to be unsuccessfully and that a commendable organizational climate is required for any prosperous and successful organizational performance Davidson (2003).

Determinants of Organizational Climate

There are different perspectives of what count as organizational climate. The determinants of organisational climate have been studied in relation to welfare workforces. Issues such as job satisfaction, job stress and strain have been studied extensively. Some authors provide definitions that encompass these determinants. For example Bowen & Ostroff (2004) describe these determinants as shared perceptions of what organization is like in terms of practices, policies, procedures, routines and rewards. In view of that, determinants of climate measures incorporate the major organizational characteristics workers experience, virtually any study of employee perceptions of their work setting can be thought of as a climate (Pathak, 2011). Additionally, Al-Shammari (1992), explains four reasons why organizational climate varies from one organization to another. Although organizational climates are held to be perceptual and psychological in nature, organizational climate is considered to be predominantly descriptive rather than evaluative in nature.

The earlier prominent organizational climate definition originally incorporated the necessary condition as follow: "The concept of climate provides a useful bridge between theories of individual motivation and behaviour, on one hand, and organizational theories, on the other. Organizational climate, as defined here, refers to the perceived, subjective effects of the formal system, the informal 'style' of the managers, and other important environmental factors on the attitudes, beliefs, values and motivations of the people who work in a particular organization" (Litwin and Stringer, 1968: 5). Critical analysis Litwin and Stringer definition seemed to have given attention on the concerns of individual motivation, consequently approving the notion that climate embraces both organization conditions and individual responses to these conditions (Denison, 1996). By analogy, just like the geography of a region can have different favourable or unfavourable climatic conditions resulting from changes in temperature, humidity, wind, sunlight and rain accordingly, an organization can similarly have favourable or unfavourable work climate as a result of variations in provision of facilities, structures, systems and interaction of people. Nevertheless, some all-encompassing generalisations can be considered and it can be summarized that four basic factors are rather conjoint to the results of many studies. These features are: Individual autonomy, the degree of structure imposed upon the position, reward orientation and consideration, warmth and support.

Classifications of Organizational Climate

It is difficult to making near- and long term in response to the classification in agricultural extension that requires an understanding of a wide range of scientific and technical information Cash (2001). However, the organizational climate categories are varied into several classifications. Some researchers called it as the positive organizational climate and the negative organizational climate, and the other researchers called upon the organizational climate as the cooperative organizational climate and the obstructive organizational climate. The final group of researchers called it as the healthy organizational climate and sick organizational climate. There is no consensus among several researchers on the measurement and methods of organizational climate. Some researchers have emphasised on the levels of achievement, performance, creativity and bestowal in the organizational climate.

Others researchers have focused on the aspects of the measurement of satisfaction, morale spirit and the matter of identity and loyalty to organization. another of the researchers emphasizes on the rates of the courses, periods of work and the rates of injuries and accidents and disputes and complaints in the organizational climate, while the last group of the researchers considered the meetings and mutual visits between the employees and the level of cooperation and support, encouragement and stimulation which are provided by the organization to its employees and the speed in resolving their issues and meet their demands and solve their problems and involve them in program and policies as a basis for the processes of measurement. To know of these indicators help to measure and extinguish the type of organizational climate and its quality that surrounds the organization and employees who live in the middle of this climate. Survey is one of the commonly methods that is used to determine the prevailing climate in any organization.

Measuring Organizational Climate

Understanding measures of organizational climate depend on type of organization and the construct that the researcher whatnots to measure. However, generally these measure do look at the extent to which employees feel emotionally overcome by their work in an organization (Clarke, Sloane, & Aiken, 2002). Litwin & Stringer's

(1968) model is one of the best models of the survey, which contained 50 questions distributed to measure the nine dimensions of the organizational climate which are as follow:

- i. Organizational Structure comprises of the laws, regulations and procedures and the degree of red tape.
- ii. Responsibility: this refers to the employees' feeling of undertaking the responsibility.
- iii. Organizational challenge: it is the employees' sense that there is an atmosphere helps them to challenge and accomplishment
- iv. Promotions: include the individuals' feeling that there are fair policies and procedures to the rewards and promotions.
- v. Interactive relationship: it means the employees' feeling of existence interactive relationships based on honesty and warmth, whether between co-workers or subordinates.
- vi. Criteria: it means the objectivity of the available criteria to measure the performance of the individual and the group.
- vii. Organizational conflict: It means the extent to which employees' sense of the importance of the differences and disputes as a healthy phenomenon can be invested for the benefit of the organization.
- viii. Relationship with the heads of the work: it is an employee's feeling that his colleagues and the supervisor support and assist him.
- ix. Functional identity: It means the extent of the individual's sense of his importance and identity to the team of work and the organization as a whole organization Climate

Organizational Performance

There is sufficient empirical evidence suggesting that performance of individuals in organizations is associated to organization climate (Batt, 2002; Delaney & Huselid, 1996; Huselid, 1995; Wright, Gardner, Moynihan, & Allen, 2005). Thus, researchers have different perspectives about what really is organizational performance. For example, some researchers maintain that performance is an interaction of the employee's behaviour and effort. The behaviour can be determined by the interaction of the amount of employee's effort and ability. While others describe performance as the result of the efforts that the employee has exert in the organization to achieve a certain aim. It is mostly contingent from these mathematical relations that organizations climate can improve the performance capabilities of personnel, capabilities that are the result of not only proficiencies but also of the incentives and opportunities to exploit those proficiencies. It is argued that, "task routineness and the amount of discretion granted individuals in task performance have previously been reported to moderate the relationship between climate and performance" (Middlemist & Hitt, 1981).

However, it is theorized that supervisors' expectations of other workers' performance are articulated to employee through the supervisors' behaviours (Eden, 1984). As such, with boss-attendants relationship, it is expected that junior views of their administrators' behaviours could be perceived as representing the organizations as a whole. More importantly, when supervisors assume assistants to be resourceful, these assistants will identify the supervisors as inspiring and assisting their creative work. In real sense, when these behaviours are understood as representing of their organizations as whole, as a consequently the organizations could be viewed as supportive of inventiveness. Similarly, it has to be noted, implication of the performance features of the organizational climate also vary amongst different employees and organizations (Zhang & Liu, 2010). As such, in Iraq, beside with the steady alteration from small peasantry to complex farming in estates, the attitudes and behaviours of agricultural extension employees have also undertaken extraordinary changes in their perception of organizational climate as result of changing nature of organizations, hence affecting their performance. Although there has debate on the diversities in the definitions of organizational performance, there is also compromise in the three aspects entailed in all definitions:

- i. Employee: means what he or she possesses of knowledge, skills, values, attitudes and motivations.
- ii. Job: it means the requirements and challenges of the job and offer of employment.

- iii. Situation: means characteristics of the organizational environment, which includes the work climate and supervision, management systems and organizational structure.

The Need for an Investigation

The significance for the study of the organizational climate and the motivations of researchers to pay more attention on it lies on providing real data to the decision makers in order to help them to adopt a clear policies to create enough mental sprit to increase. Past research findings have indicated that there exist relationships between the dimensions of organizational climate and organizational performance and commitment. Spector (1997) maintains that job satisfaction is a associate and interpreter of organizational commitment; Gregersen and Black (1996) postulated that work procedure would improve a sense of felt accountability that led to an escalation in commitment amongst workforces; Varona (2002) on the other hand revealed that there is a relationship between communication and organizational commitment in terms of reaction and responses from both higher authority and employees; Mitchell et al (2001), Osbourn et al (1990), and Wellins, Byham, and Wilson (1991) indicate that team work contribute to better results for business organization due to personnel commitment to the organizations. Additionally, Angle and Perry (1981) suggest that good management and incentive influence commitment and would result in organizational effectiveness. Moreover, Steel, Jennings, Mento and Hendrix (1992) found that employee perception of decision-making influence was positively correlated with organizational commitment of employees. Finally, organizational performance has been often cited in the literature to be both a dependent variable as well as variable for antecedents such as age, tenure, and education (Mathieu and Zajac, 1990; Mowday et al., 1979; Dunham et al., 1994; Fauziah 2008). Thus, this paper has attempted to show the need to know the level of the organizational climate if the results are positive should be enhanced and if the results are negative should be solved. Since the performance related to the agricultural climate, the study and the results would help us to know the shortages which impact the performance. This paper tries to justify the need to investigate the organizational climate and performance in agricultural extension institutions.

Some Evidence form Previous Research

It is known in any field that some terms are most common than others. In order to emphasize the use of these jargons, in the following section we provide findings of some of the constructs of organizational climates as evidenced from previous studies.

Job Satisfaction

In this regards, Benjamin (2012) results showed that there is significant relationship was found between job satisfaction and organizational climate. As mentioned by Mei (2013), the finding indicates that organizational climate have significant impact on job satisfaction and intention to the leave the work.

Management Styles

Management styles according Habeb (2010) is one of the important functions of management towards enhancing efficiency is to create conditions to cultivate favorable climate perceptions. imply that climate perceptions contribute to are shaped by management actions mediated by employees' work related attitudes and values.

Motivation to Work or Job Motivation

As mentioned Siroos (2014), motivation to work refers to the desire to adopt high levels of personal effort justified by the achievement of organizational objectives, leading these efforts to the satisfaction of a particular individual need.

Agriculture extension

Van Den Ban and Hawkins (1988), defined extension as involving the conscious use of communication of information to help people form sound opinions and make good decisions. They explained extension systematically as a process which helps farmers to analyze their present and expected future situations, helps farmers to become aware of the problems, which can arise in such an analysis, increase knowledge and develops into problems and helps to structure farmers' existing knowledge, helps farmers to acquire specific knowledge related to certain problems, solutions and their consequences so that they can act on possible alternatives, helps farmers to evaluate and improve their own opinion-forming and decision-making skills.

Conclusion

Planned development of any type requires new knowledge, skills to use it and attitudes that place value on innovation. The role of Agricultural extension in national agricultural development is pertinent. It has been

established that no nation will have real growth in the agricultural sector without effective extension service. Agricultural extension is an educational process and brings about desired behavioral change in farmers and other stakeholders. The agricultural extension organization- extension workers and services have an important role to play in order to actualize the crucial role of agricultural extension in national development. Similarly, organizational climate is crucial to motivate or demotivate employees. According to Watkin and Hubbard (2003), organizations which perform highly have climates with particular quantifiable characteristics, which have demonstrated how organizational climate can directly account for up to 30% of the variance in key business performance measures.

References

- Ali Akbar Moayedi, Mehdi Azizi, (2011). Participatory Management Opportunity for Optimizing Inagricultural Extension Education, *Procedia Social and Behavioral Sciences* 15 1531–1534.
- Benjamin O. Omolayo (2012). Leadership Styles and Organizational Climate as Determinants of Job Involvement and Job Satisfaction of Workers in Tertiary Institutions , *Business and Management Research*, 1:13.
- Blackburn, D. J., & Flaherty, J. (1994). Historical roots. In: extension handbook, processes and practices, blackburn, D.J. (Ed). Thompson Educational Publishing Incorporated, Toronto, pp: 56-67.
- Bokor, Raymond K (2005). Agricultural extension: Its role in national development. <http://www.ghanaweb.com/GhanaHomePage/features/Agricultural-extension-Its-role-in-national-development-94412> accessed on 22.12.2015.
- Bowen, D. E., & Ostroff, C. (2004). Understanding HRM–firm performance linkages: The role of the “strength” of the HRM system. *Academy of management review*, 29(2), 203-221.
- Cash, D. W. (2001). “In order to aid in diffusing useful and practical information”: Agricultural extension and boundary organizations. *Science, Technology & Human Values*, 26(4), 431-453.
- Clarke, S. P., Sloane, D. M., & Aiken, L. H. (2002). Effects of hospital staffing and organizational climate on needlestick injuries to nurses. *American Journal of Public Health*, 92(7), 1115-1119.
- Davidson, M. G. (2003). Does Organizational Climate add to Service Quality in Hotels? *International Journal of Contemporary Hospitality Management*, 15, 4: 206 - 215.
- Denison, D. R. (1996). What is the difference between organizational culture and organizational climate? A native's point of view on a decade of paradigm wars. *Academy of management review*, 21(3), 619-654.
- Srinivasa, M.V.K. (2014). The Impact of Organizational Climate on Job Satisfaction, Morale and Team Performance: A Study in Visakhapatnam, A.P, IndiaA, *Zenith International Journal of Multidisciplinary Research* , 4, 7: 204-218.
- Eden, D. (1984). Self-fulfilling prophesy as a management tool: Harnessing Pygmalion. *Academy of Management Review*, 91: 64-73.
- Gibson, J. & Hodgetts, R. (2013). *Readings and Exercises in Organizational Behaviour*. Orlando: Academic Press Inc.
- Glosser, G. (2001). Why isn't cooperative learning used to teach Science? *American Institute of Science*. <http://www.findarticles.com>.
- Litwin, G.H. and Stringer, R.A. (1968). *Motivation and Organizational Climate*. Boston: Harvard Business School.
- Ludwing fritzsch (2009). *Effective HR systems: The Impact of Organization Climate and Organization Strategy on Strategic Behaviour*, University of Twente.
- Mei Teh, Goi , Impact of Organizational Climate on Intentions to Leave and Job Satisfaction , *Proceedings of Global Business and Finance Research Conference* 28-29 October, 2013, Taiwan.
- Middlemist. R. & Hitt, M. (1981). Tecbnology as a moderator of the relationship between perceived work environment and subunit effectiveness. *Human Relations*, 34: 517-532.
- Ming, L. (2004). Workers' Participation in Management and Firm Performance: Evidence from large and medium-sized Chinese industrial enterprises. *Review of Radical Political Economics*. 36 (3), 63-74.
- Muhs, W. (1982). Worker participation in the progressive Era: An assessment by harrington emerson. *Academy of Management Review*.
- Omolayo, B. O., & Ajila, C. K. (2012). Leadership Styles and Organisational Climate as Determinants of Job Involvement and Job Satisfaction of Workers in Tertiary Institutions. *Business and Management Research*, 1(3), 2012.
- Ostroff, Cheri, Kinicki, Angelo J, & Tamkins, Melinda M. (2003). *Organizational culture and climate*: Wiley Online Library.
- Pathak, S. R. (2001). Management Functions and Behaviours. Accessed on 2.12.2016 from <http://ms-01-ignou.blogspot.my/2011/05/what-are-basic-determinants-of.html>.

- Popa, Brîndușa Maria. (2011). The relationship between performance and organizational climate. *Journal of Defense Resources Management, JoDRM*, 02: 137-142.
- Pritchard, R., & Karasick, B. (1973). The effects of organizational climate on managerial job performance and satisfaction. *Organizational Behavior and Human Performance*, 9: 126-146.
- Ren, J.G., Huang, G.L., & Zheng, B.X. (2001). Organization culture and climate. In B.X. Zheng (Eds), *Staff member's culture, Taiwan: Yuan-Liou Publishing*, 63-170.
- Rogers, E. M. (1995). *Diffusion of Innovations*. 4th Edn., New York: Free Press.
- Shadur, M. A., Kienzle, R., & Rodwell, J. J. (1999). The relationship between organizational climate and employee perceptions of involvement. *Group and Organization Management*, 24, 479–503.
- Steel, R. P., K. R. Jennings, A. J. Mento and W. H. Hendrix. (1992). "Effects of Perceived Decision-Making Influence on Labor Relations and Organizational Outcomes." *Group & Organization Management*, 17: 24-43.
- Tiraieyari, N., Idris, K., Azimi, H., & Jegak, U. (2010) Importance of Program Development Competencies for Agricultural Extension Agents' Performance in Process of Technology Transfer. *American Journal of Agricultural and Biological Sciences*. 5 (3), 376-379.
- Watkin, C., & Hubbard, B. (2003). Leadership motivation and the drivers of share price: The business case for measuring organisational climate. *Leadership and Organization Development Journal*, 24(7), 380–386.
- Zhang J, & Liu Y. (2010). Organizational climate and its effects on organizational variables: an empirical study. *International Journal Psychological Studies*, 2(2): 189-201.