

## Research Article

### The Relation of Organizational Climate and Working Life Quality with Staff Productivity of Telecommunication Company of Tehran

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**Abstract:** This study seeks to investigate the relationship of the organizational climate and the quality of working life with productivity of the staff of Telecommunication Company of Tehran. This study is a correlative descriptive research. The statistical universe comprises 588 people-all the regular and contractual employees. The sample including 234 employees was selected by a simple random sampling method. The data were collected through the organizational climate questionnaire, the quality of working life questionnaire and productivity questionnaire. To determine questionnaire reliability, Cronbach's alpha method was adopted and adequacy of all tools was approved. Data gathered by the Pearson Correlation Coefficient, Multiple Regression Analyses Correlation Coefficients and Route Analysis were analyzed. The results reveal a statistically positive and significant relationship between the organizational climate and productivity and between the quality of working life dimensions and productivity. Organizational climate is an effective variable on the quality of working life and has a direct effect on the productivity.

**Keywords:** Organizational climate, productivity, Telecommunication Company of Tehran, the quality of working life

## INTRODUCTION

Seeking perfection is one of the human traits and a main factor in human progress over his lifetime. Productivity is also one of the human voluntary activities and among indices of reaching perfection in systems built by human. Human endeavor has been always focused on attaining maximum return from minimum resources. So productivity is not a new issue and dates back to the beginning of the human life. Nowadays productivity is discussed as one of the main field of development and endeavors for its achievement is regarded as one of the high goals and standards in the world people life (Tolentino, 2000).

From long ago, human has thought about his available capabilities, facilities and resources. It has been never more important than present juncture. Regardless of being a criterion, productivity has been considered as a culture and attitude and its improvement is the main source of economic development. Numerous factors are important in improving productivity and performance. However, from most experts' point of view, human resources are deemed as the most valuable and salient factor in achieving organizational goals.

One of the factors of a manager success is proper and optimal use of the material resources (equipment and capital, etc.) and human resources of its organization. Increase in the rate of organization productivity and success is dependent upon applying material and human resources accurately. Some of these factors have been discussed as the indices of working life quality (Asadi, 2008).

It must be noted that higher productivity improves life quality and social welfare. Incomes increase more by optimal use of entities which leads to more proper growth of production, victories in the competitive world, business boom and consequently high quality of life in the society. This process will not be realized unless by an accurate attitude towards productivity (Tusi, 1999).

In today competitive world in which productivity has been increased in all fields only firms may survive which optimize use of their resources and achieve the highest productivity (Farokhi, 2007).

Staff is the most valuable asset. Through appropriate treatment, human resource may take stride towards organizational goals. So understanding human resource behavior is a matter of particular magnitude in management. Albeit understanding human resources is not just keeping individuals in the organization, rather it

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is creating correlation between individual and the organization. From Hersi and Belanchard opinion, organizations success and working environment is fully dependent upon efficient use of human resources based on behavioral sciences. This is a challenge that has increasingly drawn the attention of managers and those involved in the organization affairs. No doubt, circumstances in which we try to do a job may influence the efficiency and speed of our endeavors. When we are doing a job, the environment is effective as with our real capability. Among factors affecting staff behaviors, working physical conditions is the most salient one. However, the results obtained by carrying out research plans of Western Electric Company in Hawthorne Plant in 1927 have developed the attention of psychologists beyond complicated issues of human relations, motivation and traits. The findings suggested that social and psychological conditions of the working environment are further more important than physical conditions (Abadollahi, 2008).

Organizational climate reflects individual attitude towards an organization to which they feel attached and it is a set of traits that is effective as a main force in determining staff behavior (Alagheband, 1997). So the present study seeks to investigate the relation of organization climate and working life quality with staff productivity in Telecommunication Company of Tehran.

## LITERATURE REVIEW

Ta'ali (1995) concluded in a research titled as "the effects of working life quality on staff productivity in the Iranian banks" that the most important factor in popularity of banks is customers' satisfaction. He recommended that necessary training must be provided for banks staff regarding proper behavior with customers. Also fulfilling material needs of staff is among effective factors on their productivity increase. Banks authorities must try to distribute facilities among staff fairly and grant them freedom besides monitoring them.

Tusi and Nazem (2001) in their research titled as "the relation of leadership style and organizational climate with productivity of principals' services in Tehran high schools" concluded that principals' services productivity has a direct relation with three levels of organizational space in schools environment. And such factors as reward, friendship, support and identity, that are constructive aspects of organizational space, directly affects principals and teachers morale and consequently productivity of the principals services.

Karimzadeh (2002) in a paper titled as "the relation between organization climate and staff productivity in Jahrom Power Organization" concluded that open climate in an organization affects staff productivity and existence of a non official culture in the organization brings about more productivity along with more satisfaction of the staff.

Karimvand (2004) carried out a research titled as "the relation between working life and productivity in Tehran Education Organization". The statistical universe comprises all official and contractual employees in districts 9, 13 and 14 of Tehran education organization, sample volume was 200 and data were gathered by Achive productivity questionnaire. The results are as below:

There is a positive and significant correlation between staff working life and productivity in education. There is a positive and significant correlation between staff participation in decision making and their productivity. There is a positive and significant correlation between fair payments of wages and benefits in the organization and staff productivity. There is also a significant relation between staff gender and their productivity.

Dehghan and Tahmineh (1999) carried out a research titled as "the relation between nurses working life quality and their productivity". The statistical universe comprises all nurses employed in hospitals of Tehran University of Medical Sciences. Three hundred and sixty people were selected randomly and the findings revealed that there is a significant relation between productivity and working life quality. Managers may improve nurses working life quality and its important components by adopting proper solutions and provide the stage for improving services quality and productivity of nurses.

Vauyhan (1983) in a paper titled as "the relation of education, training and experiences of managers with organizational space and productivity" carried out in a retail unit of a computer company, found out that organizational space has a direct relation with productivity and managers' performance is related to education, training and their experiences.

Witt (1985) in a research titled as "organizational space for productivity as a promising factor in organizational productivity" found a relation between organizational space and productivity.

Litain and Stringer (1986) found out that dictator organizational climate based on centralized decision making decreases staff productivity and job satisfaction; on the contrary, friendly climate increases job satisfaction and positive attitude of staff.

Decenzo and Robbins (1988) findings reveal that working life quality means enjoying a working environment that is proper for staff. In the other words, productivity may be improved by freedom, independence, commitment, progress, development and internal rewards.

Hibler (1990) found out those factors such as organizational role, hierarchy and organizational structure have a direct and significant relation with performance, job satisfaction and productivity.

Boyd (1997) found in a paper titled as "university organizational climate and its effect on departments" that staff creativity, job satisfaction and productivity are higher in the universities with open organizational climate.

Adler (2002) found out that in systems that people jobs are important, they have freedom, receive feedback and their jobs involve various skills, personnel have higher motivation, job satisfaction and productivity.

Petterson and Warr (2004) demonstrated that organization productivity is highly related to some aspects of organizational climate which has a strong correlation with job satisfaction. Furthermore, managers' attitude towards relation between organizational climate and productivity has been remarkably more positive compared with others.

Patterson *et al.* (2005) showed that there is a positive relation between human resources management and productivity for companies with positive organizational climate and firms that use differentiation strategy.

Adler (2002), found out that job security, compensating staff services, job identity, job importance and independence in job lead to increase in staff motivation and productivity.

Love and Edwards (2006) found out that individual awareness of job needs, controlling job and enjoying jobs with high prestige improve staff productivity.

Morrison *et al.* (2006) suggested that individuals' independence in job results in increase of progression opportunities and improvement of their skills and thus their productivity.

Rolland *et al.* (2011) in a research carried out in five coal mines for 153 mine workers concluded that

there is a positive and significant relation between organizational climate and productivity.

## RESEARCH METHODOLOGY

The present study is a correlative descriptive research. The statistical universe comprises all staff of Telecommunication Company of Tehran which equals to 588.

To determine sample volume, Morgan table was applied and 234 people were selected via simple random sampling method.

### Hypotheses:

- There is a significant relation between organizational climate and productivity.
- There is a significant relation between working life quality and productivity.
- Organizational climate aspects can predict productivity.
- Working life quality aspects can predict productivity.

**Question:** What are the properties of a proper model for determining the relation among organizational climate, working life quality and productivity?

**Research conceptual model:** The research conceptual model is shown in Fig. 1.

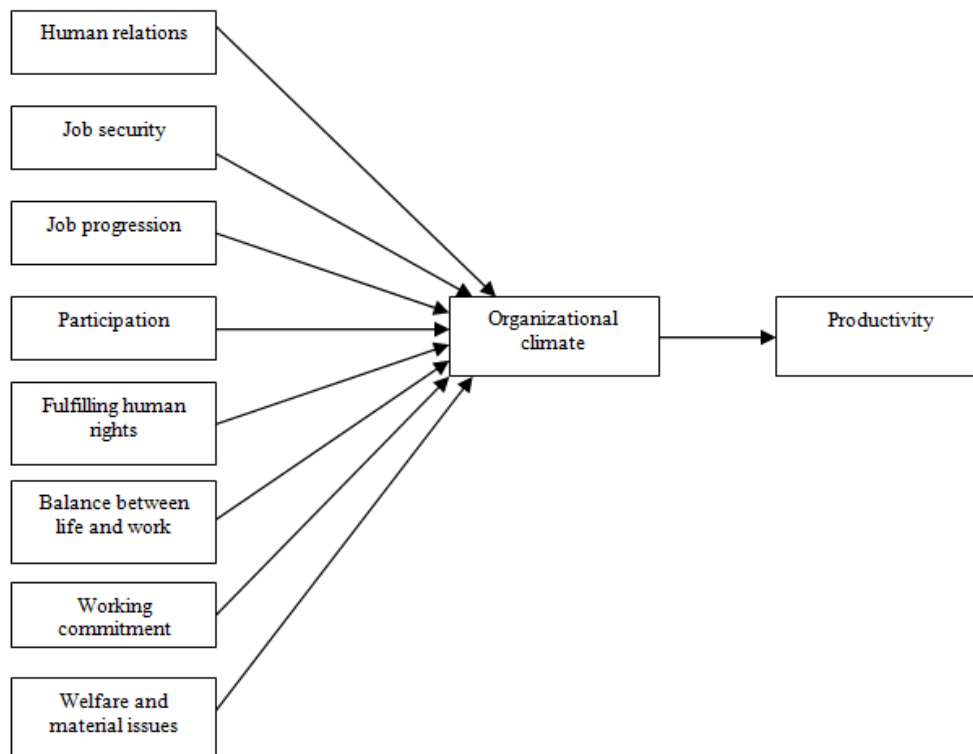


Fig. 1: The research conceptual model

Table 1: Tools reliability and validity

Organizational climate questionnaire	0.87
Working life quality questionnaire	0.79
Productivity questionnaire	0.80

**Data collection tools:** To gather data, three questionnaires were applied:

- **Organizational climate questionnaire:** This questionnaire has been used for recognizing staff organizational climate. It has been made by Susman and Deep (1989). Organizational climate has five aspects and this questionnaire contains 20 articles.
- **Working life quality questionnaire:** This questionnaire has been prepared by Ghasemzadeh (2005) based on eight main components of working life quality which has 8 aspects.
- **Productivity questionnaire:** It has been designed by Hersey and Blanchard (1994) to help managers in determining the reason of performance problems and creating change strategies to solve these problems. This questionnaire has 7 statements. Tools Reliability and Validity is shown in Table 1.

To determine questionnaires reliability, Cronbach's alpha method was applied. To analyze data, Pearson correlation coefficient, multiple regression analysis and route analysis were applied.

### RESULT ANALYSIS

**First hypothesis:** There is a relation between organizational climate and productivity.

To assess this hypothesis, correlation coefficient statistical test was applied. Table 1 depicts correlation coefficients between organizational climate aspects and productivity.

Correlation coefficient between organizational climate aspects and productivity is shown in Table 2.

As shown in Table 2, there is a positive and significant relation between all organizational climate aspects and productivity.

**Second hypothesis:** There is a significant relation between working life quality aspects and productivity. To test this hypothesis, correlation coefficient test was applied. Table 2 depicts the results of this analysis. Correlation coefficient between working life quality aspects and productivity is shown in Table 3

As shown in Table 3, all aspects of working life quality have positive and significant relation with staff productivity; so second hypothesis is approved.

**Third hypothesis:** Organizational climate aspects can predict productivity. To assess this hypothesis, multiple regression analyses test was used.

The results of multiple regression analysis of organizational climate aspects and productivity are shown in Table 4.

As it is seen, multiple correlation coefficients between prediction variables (organizational climate aspects) and benchmark variable (productivity) equal to 0.554; that is, organizational climate aspects can predict 30% of productivity changes.

Also since F equals to 18.25 and it is significant at 0.001 levels, it can be concluded that organizational climate aspects can predict productivity. The aspect

Table 2: Correlation coefficient between organizational climate aspects and productivity

Organizational climate aspects	Correlation with productivity	Significance level
Clarity and consistency of goals	0.642	0.0001
Clarity and consistency of roles	0.438	0.0001
Satisfaction with rewards	0.325	0.0001
Satisfaction with procedures	0.670	0.0001
Efficiency of relations	0.721	0.0001

Table 3: Correlation coefficient between working life quality aspects and productivity

Working life quality aspects	Correlation with productivity	Significance level
Human relations in working environment	0.562	0.0240
Job security	0.495	0.0001
Job progression	0.623	0.0001
Participation	0.520	0.0270
Fulfilling human rights	0.492	0.0140
Balance between work and life	0.369	0.0120
Working commitment	0.440	0.0140
Welfare and material issues	0.521	0.0250

Table 4: The results of multiple regression analysis of organizational climate aspects and productivity

Prediction variable	R	R <sup>2</sup>	F	F sig.	B	t	t sig.
Clarity and consistency of goals	0.554	0.306	18.25	0.001	3.711	36.32	0.0001
Clarity and consistency of roles					0.271	0.574	0.5660
Satisfaction with rewards					0.716	-1.410	0.1590
Satisfaction with procedures					0.829	1.680	0.0930
Efficiency of relations					0.208	0.351	0.7600

Table 5: Multiple regression analysis of working life quality aspects and productivity

Prediction variable	R	R <sup>2</sup>	F	p≤	B	t	t sig.
Human relations in working environment	0.487	0.237	10.14	0.0001	-0.0940	-0.4480	0.6500
Job security					2.9190	7.0220	0.0001
Job progression					0.6970	1.9000	0.0590
Participation					-0.5110	0.8890	0.3740
Fulfilling human rights					0.3550	-0.6090	0.5430
Balance between work and life					0.0920	0.2860	0.7730
Working commitment					-0.1400	0.5440	0.5780
Welfare and material issues					0.0440	0.1950	0.1950

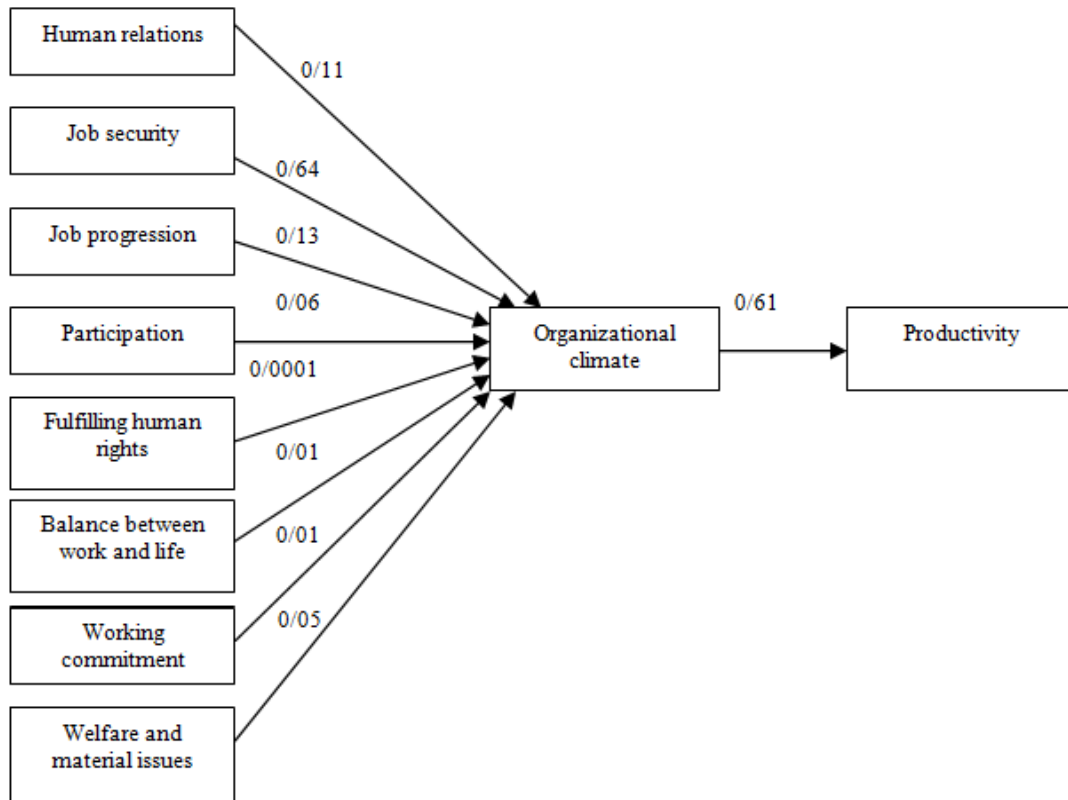


Fig. 2: The (measured) conceptual model

clarity and consistency of goals has the highest prediction power and the efficiency of relations has the lowest prediction power.

**Forth hypothesis:** Working life quality aspects can predict productivity.

To test this hypothesis, multiple regression analysis was applied. Table 5 shows regression results.

As shown in the above table, multiple correlation coefficient between prediction variables (working life quality aspects) and benchmark variable (productivity) equals to 0.487 and r-squared is 0.237 which indicates that prediction variables can predict 24% of productivity changes. Also since F is 10.14 and it is significant at  $p \leq 0/0001$  level, it is concluded that working life quality aspects can predict productivity. Here the aspect job security has the highest prediction power ( $B = 2.919$ ) and the aspect balance between work

Table 6: Conceptual model indices of the relation among organizational climate, working life quality and productivity

RMSEA	GFT	df	X <sup>2</sup>
0/03	0/91	8	8/44

and life has the lowest prediction power. With regard to t value, it may be concluded that it is only the aspect job security that can predict productivity by controlling other aspects by itself.

**Question:** What are the properties of a proper model for determining the relation among organizational climate, working life quality and productivity?

The (measured) conceptual model is shown in Fig. 2.

Conceptual model indices of the relation among organizational climate, working life quality and productivity is shown in Table 6.

In the above table, GFT (Goodness of Fit indices) equals to 0.91, RMSEA (Root Mean Square Error of Approximation) is 0.03 and df and  $X^2$  are 8 and 8.44, respectively. As GFI approximates more to one, model goodness of fit is more. With respect to above values, the model is approved. And model has acceptable goodness of fit.

## CONCLUSION

The findings of the present study revealed that there is a positive and significant relation between organizational climate aspects and productivity. Among the aspects, clarity and consistency of goals has the highest correlation and the aspect satisfaction with rewards has the lowest correlation. So, as organizational climate aspects increase, productivity will go up. The results of this hypothesis are consistent with researches of Karimzadeh (2002), Tusi and Nazem (2001), Vaughan (1983), Boyd (1997), Witt (1985), Hibler (1990), Petterson and Warr (2004), Patterson *et al.* (2005) and Rolland *et al.* (2011). The more organizational space is healthy and proper for staff expectations and staff is satisfied with role, reward and communications with others, the more individuals working capability and compatibility with the environment will be; so productivity will increase in the organization.

Also there is a significant relation between working life quality aspects and productivity. Among these aspects, the highest relation belongs to job security and the lowest one belongs to participation and this hypothesis is approved. The results obtained from this hypothesis are consistent with the researches of Ta'ali (1995), Karimvand (2004), Dehghan and Tahmineh (1999), Decenzo and Robbins (1988), Adler (2002), Love and Edwards (2006) and Morrison *et al.* (2006).

One can state that high human relations along with job security, participation of staff in decision making, fulfilling human rights, welfare and material issues and working commitment of staff increase working capability and productivity in the organization.

The next finding reflected that organizational climate aspects can predict productivity. Among the aspects, clarity and consistency of goals has the highest prediction power and the aspect efficiency of the relations has the lowest prediction power.

The more organizational goals are clear for the staff the more organization productivity will be. In Power Organization, it was concluded that clarity of goals can bring about an effective prediction.

It was also depicted that aspects of working life quality can predict productivity. Among these aspects, job security has the highest prediction power. Since this organization provides conditions for staff in which they believe that likelihood of losing their job is very low and they do their jobs with satisfaction, its productivity is high.

The model of this study has been designed to determine the relation of organizational climate and working life quality with productivity.

The findings of this model reveal that organizational climate, as an effective variable, has a direct relation with working life quality and productivity. Here, job security has the highest effect on organizational climate and also job security, job progression, participation, fulfilling human rights, balance between work and life, working commitment, welfare and material issues have direct relation with organizational climate.

When individuals do not feel secure in their jobs and are constantly concerned about losing their jobs which will influence the organization climate, they do not undertake their jobs properly and will encounter with problems in relation with others and or organization. Their attachment to the organization will be reduced and they will not have a positive attitude towards it any more. Yet when managers take staff interests into account and provide the stage for their progression, they will actually bring about organization progress. Fair payments to the staff and also incentive payments will influence their perception of the organization and increase productivity. This model is proper for the relation among organizational climate, working life quality and productivity.

## RECOMMENDATIONS

With regard to the practical application of research results to improve organizational climate in Telecommunication Company of Tehran and also to reduce staff reluctance, working interruptions and increase staff morale, it is suggested to adopt solutions such as increasing wages and welfare, creating job security and support regulations, respecting staff personality and their job, creating facilities for flourishing their potentials to increase their motivations.

With respect to the findings and the effective role of working life quality in increasing productivity, managers and planners are recommended to consider staff differences in terms of gender and education so as to strengthen foundations of working life quality in companies.

Due to the fact that job security has been identified as the most effective factor in improving staff productivity, strengthening of this factor by below methods will be effective in increasing productivity:

Fair payments to the staff based on their jobs and the organization needs to their skills and also incentive payments to them to compensate what they do in the organization.

Updating staff information may increase their capability in assessment of themselves as per changes created in the environment and may be useful in consolidating their job position.

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