ISSN: 2321-7782 (Online)

Volume 3, Issue 2, February 2015

International Journal of Advance Research in Computer Science and Management Studies

Research Article / Survey Paper / Case Study Available online at: www.ijarcsms.com

Role of physical work environment on organizational performance
(A case study of Mysore Milk Union Ltd, Mysore)

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Abstract: Organizational performance (or) performance of the organization has always been measured in terms of profitability, leadership, market share etc. But, physical work environment is generally not well understood and accordingly not recognized as a means of assessing organizational performance. Work environment, in its literal sense, means surroundings at the place of occupation. An attempt is made by the researcher to investigate the role of physical work environment on organizational performance. Results indicate that there exist a positive relationship between physical work environment and organizational performance. Hence it can be implied that physical work environment can be employed for assessing organizational performance. Further, the organizational performance level and satisfaction level about the physical work environment provided by the organization is also calculated and tabulated.

Keywords: Physical work environment, organizational performance

I. INTRODUCTION

Work environment, in its literal sense, means surroundings at the place of occupation. A positive work environment is not only important for our physical, mental and emotional health, but is also important for the results that we produce for the company. The better we feel at work, the more likely we will take pride in our job activities and be loyal towards our place of employment.

Organizational performance refers to the actual output or results of an organization as measured against its intended outputs (or goals or objectives). Employee performance reviews can help to measure organizational success. Performance measurement provides many benefits to any organization, and creates a structured approach to reviewing goals, success and accountability. Measurement information is used to set goals, detect and correct problems, describe and improve processes, and document accomplishments. Several commercial tools are available to assess organizational performance, but internal measurements like SWOT analysis, strategic planning, SMART goals and company reviews typically give greater insight into performance.

II. STATEMENT OF THE PROBLEM

An attempt is made by the researcher to assess the influence of physical work environment on organizational performance at Mysore Milk Union Ltd, Mysore.

III. OBJECTIVES

- 1. To study the relationship between physical work environment and organizational performance.
- 2. To study the level of organizational performance and physical work environment satisfaction level.

IV. METHODOLOGY

To accomplish the purpose of the study, the author has collected requisite information from Mysore Milk Union Ltd., Mysore. To fulfill the objective of the study the author had prepared questionnaire with the help of the experts.

V. SUBJECTS

50 respondents working at Mysore Milk Union Ltd, Mysore are taken as the sample.

VI. QUESTIONNAIRE

The questionnaire consists of 30 questions comprising of two variables namely physical work environment and Organizational performance. The questions relating to physical work environment comprises of three parameters namely facilities provided, space configuration, and medical facilities. The question relating to organizational performance comprises of two parameters namely leadership styles and absenteeism. The questionnaire consists of 5 questions relating to facilities provided, 4 questions relating to space configuration, 6 questions relating to medical facilities, 8 questions relating to leadership styles and 6 questions relating to absenteeism, using Likert's scale with 1 to 7 from highly dissatisfied to highly satisfied.

VII. PROCEDURE

The self prepared questionnaire is administered to the subjects and collected back. The collected information were Tabulated accordingly for analytical purpose.

VIII. STATISTICAL TOOL USED

To fulfill the objectives of the study correlation and chi – square test were used.

IX. LIMITATIONS

- » The study is limited to Mysore Milk Union Ltd, Mysore.
- » The number of respondents is limited to 50.
- » Family background and domicile is not considered.

X. STATISTICAL HYPOTHESIS

H1: There was no correlation between physical work environment and organizational performance.

H2: The level of organizational performance and physical work environment satisfaction level follows uniform distribution.

XI. DATA ANALYSIS AND INTERPRETATION

<u>H1</u>

To test H1, correlation analysis was used and the computations were tabulated in the table below.

Correlations				
		Work Environment	Organizational performance	
Work Environment	Pearson Correlation	1	.482**	
	Sig. (2-tailed)		.000	
	N	50	50	
Organizational performance	Pearson Correlation	.482**	1	
	Sig. (2-tailed)	.000		

	N	50	50
**. Correlation is significant at the 0.01 level (2-tailed).			

From the above table we infer that there exist significant correlation between work environment and organizational performance and r = 0.482.

<u>H2</u>

To test H2, it was customary to present the norm table for organizational performance and physical work environment with the 3 sigma concept and then chi square test was used.

Organizational performance:

NORM TABLE

σ – level	Class	Level	Frequency	Percentage
$\mu - 2\sigma, \mu - 1\sigma$	43-57	Below average	6	12
$\mu - 1\sigma, \mu + 1\sigma$	57-75	Average	35	70
$\mu + 1\sigma, \mu + 2\sigma$	75-84	Above average	9	18

Calculated chi-square value = 33.44

Table chi-square value = 5.991

Since the calculated value was greater than table value, the test was significant at 5% levels, that is, among 50 employees, 70% of the employees contributed towards average level of organizational performance and 18% of employees contributed towards above average level of organizational performance and 12% contributed towards below average level of organizational performance and was found to be statistically significant.

Work environment:

NORM TABLE

σ – level	Class	Level	Frequency	Percentage
$\mu - 2\sigma, \mu - 1\sigma$	62-72	Below average	9	18
$\mu - 1\sigma, \mu + 1\sigma$	72-90	Average	32	64
$\mu + 1\sigma, \mu + 2\sigma$	90-100	Above average	9	18

Calculated chi-square value = 23.52

Table chi-square value = 5.991

Since the calculated value was greater than table value, the test was significant at 5% levels, that is, among 50 employees, 64% of the employees were at average satisfaction level about physical work environment and 18% each of the employees were at below average satisfaction level and above average satisfaction level of physical work environment provided by the organization and was found to be statistically significant.

XII. FINDINGS

The following results were listed from the statistical analysis made:

- » There exist significant correlation between work environment and organizational performance and r = 0.482.
- Among 50 employees, 70% of the employees contributed towards average level of organizational performance and 18% of employees contributed towards above average level of organizational performance and 16% contributed towards below average organizational performance.

» Among 50 employees, 64% of them were at average satisfaction level about physical work environment and 18% each of them were at below satisfaction level and above average satisfaction level of physical work environment provided by the organization.

XIII. CONCLUSION

As per the analyzed data it can be seen that there exist significant correlation between organizational performance and physical work environment and hence organizational performance is dependent on the physical work environment like facilities provided, space configuration, and medical facilities. Further it is also seen that employees' contribution towards organizational performance is also dependent on the physical facilities provided in the organization.

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