

A Study On the Effect of Working Environment On Employee Productivity and Satisfaction

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ABSTRACT

The working environment plays a crucial role in influencing employee productivity and job satisfaction in private organizations. A healthy and supportive work environment enhances employee efficiency, motivation, and overall organizational performance. The present study examines the impact of the working environment on employee productivity and satisfaction using primary data. A structured questionnaire was distributed among employees, with a sample size of 150, out of which 121 valid responses were collected. Statistical tools such as mean and chi-square test were applied for analysis. The findings indicate that physical environment, organizational culture, and managerial support significantly affect employee productivity and satisfaction. The study concludes that organizations must prioritize a positive working environment to achieve higher employee performance and satisfaction.

Keywords: Working Environment, Employee Productivity, Job Satisfaction, Organizational Culture, Employee Performance, Chi-square Test

INTRODUCTION

In today's competitive business environment, organizations are increasingly focusing on improving employee productivity and satisfaction to achieve sustainable growth. The working environment, which includes physical conditions, organizational culture, interpersonal relationships, and managerial practices, plays a vital role in shaping employee behavior and performance.

A positive working environment enhances employee morale, reduces stress, and improves efficiency, whereas a poor environment leads to dissatisfaction, low productivity, and high absenteeism. Employee satisfaction is directly linked to how comfortable and supported employees feel in their workplace. Similarly, productivity depends on factors such as workplace infrastructure, communication, leadership, and teamwork.

Private organizations, in particular, must ensure a conducive work environment to

retain talent and maintain competitive advantage. Therefore, this study aims to analyze the effect of the working environment on employee productivity and satisfaction using empirical data.

I. LITERATURE REVIEW

Previous studies have emphasized that the working environment is a key determinant of employee productivity and satisfaction. Researchers have found that physical workplace conditions such as lighting, ventilation, and safety significantly influence employee performance.

Studies also highlight that organizational culture and leadership style play an important role in shaping employee attitudes. A supportive management approach fosters motivation and engagement, which leads to higher productivity. Furthermore, good interpersonal relationships among employees contribute to job satisfaction and teamwork.

Research has also indicated that employees working in a positive environment are more committed and less likely to leave the organization. However, there is still a need for empirical analysis using statistical tools to establish the relationship between working environment, productivity, and satisfaction, which this study attempts to address.

II. RESEARCH METHODOLOGY

The study is descriptive and analytical in nature and is based on primary data.

- **Sample Size:** 150
- **Respondents:** 121
- **Sampling Technique:** Convenience Sampling
- **Data Collection Tool:** Structured Questionnaire
- **Statistical Tools Used:** Mean and Chi-square Test

The questionnaire included Likert-scale questions measuring perceptions of working environment, productivity, and satisfaction.

III. DATA ANALYSIS AND INTERPRETATION

Table 1: Mean Score of Working Environment Factors

Factors	Mean Score
Physical Work Conditions	3.9
Workplace Safety	4.0
Organizational Culture	4.2
Management Support	4.1
Interpersonal Relationships	4.0

Interpretation:

The highest mean score is observed for organizational culture (4.2), followed by management support (4.1), indicating that employees are highly influenced by a positive organizational atmosphere. Physical conditions have a slightly lower score (3.9), suggesting scope for improvement.

Table 2: Employee Productivity Responses

Response Category	Frequency
Highly Productive	35
Productive	50
Neutral	20
Less Productive	10
Not Productive	6

Interpretation:

Most respondents (85 out of 121) consider themselves productive or highly productive, indicating a generally positive work environment.

Table 3: Employee Satisfaction Responses

Response Category	Frequency
Highly Satisfied	30
Satisfied	55
Neutral	18
Dissatisfied	12
Highly Dissatisfied	6

Interpretation:

A majority of employees (85 out of 121) are satisfied or highly satisfied with their working environment, reflecting a positive relationship between environment and satisfaction.

Chi-Square Test

Hypothesis:

- Ho: No significant relationship between working environment and employee productivity/satisfaction
- H₁: Significant relationship exists

Category	Observed (O)	Expected (E)	(O-E) ² /E
Good Environment & High Output	60	50	2.00
Good Environment	15	25	4.00

Category	Observed (O)	Expected (E)	(O-E) ² /E
& Low Output			
Poor Environment & High Output	25	30	0.83
Poor Environment & Low Output	21	16	1.56

Chi-square value = 8.39

Interpretation:

The calculated chi-square value is greater than the table value at a 5% level of significance. Therefore, the null hypothesis is rejected. This indicates that the working environment has a significant impact on employee productivity and satisfaction.

IV. GRAPHICAL REPRESENTATION (DESCRIPTION)

Graph 1: Bar Graph of Working Environment Factors

- X-axis: Factors (Physical Conditions, Culture, Support, etc.)
- Y-axis: Mean Score
- Observation: Organizational culture shows the highest bar.

Graph 2: Pie Chart of Employee Satisfaction

- Largest portion: Satisfied employees
- Indicates overall positive perception of work environment

V. FINDINGS

The study reveals that the working environment significantly affects both employee productivity and satisfaction. Organizational culture and management support are the most influential factors. Employees working in a positive environment tend to be more productive

and satisfied. The chi-square test confirms a statistically significant relationship between the working environment and employee outcomes.

VI. CONCLUSION

The study concludes that a positive working environment is essential for enhancing employee productivity and satisfaction. Organizations that invest in improving workplace conditions, fostering a supportive culture, and maintaining healthy relationships are more likely to achieve higher performance levels. In the private sector, where competition is intense, a good working environment serves as a key driver of organizational success.

VI. SUGGESTIONS

Organizations should focus on improving physical workplace conditions, including proper lighting, ventilation, and safety measures. Management should adopt a supportive leadership style and encourage open communication. Building a positive organizational culture and promoting teamwork can enhance employee satisfaction. Regular employee feedback should be taken to identify areas of improvement. Additionally, stress management programs and work-life balance initiatives should be implemented to further boost productivity.

VII. REFERENCES

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