A Study of Prevailing Organization Culture in Indian Industry

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Introduction

What is Organization Culture?

Organizational culture as a subject deal in great depth about how the employees perceive the characteristics of the prevailing culture in the organization. Culture when is characterized by a structure of shared significance, we can anticipate that organization employees coming from completely various backgrounds or working at different grades will in general depict the prevailing culture in organization almost similarly (Sanghi & Robbins 2007).

Summing up from the numerous definitions on organizational culture, it alludes to an arrangement of value system, conviction and conduct shared among employees of the organization (Webster and Deshpandeo, 1989). Schein (2004) has proposed most popular definition as: "Organizational culture is the pattern of basic assumptions that a group has invented, or discovered in learning to cope with its problems of internal integration and external adaptation, and is considered valid, to be taught as the right way to feel, perceive and think to the new members" (pg 3). Claver et al. (2001) statuses "organizational culture in essence is the sum total of values and symbols, shared by the workforce of a given organization, which describes the way things are done in an organization in order to solve both internal management problems and those related to external factors".

Tharp (2009) from his research work has highlighted two most common features covered in as many definitions on organizational culture. One is prevailing culture in the organization can be considered as a maze of social order, comprising of built-up elements as employees and organization specific events. Other common part in majority of organization culture definition is idea of internal sharing, this leading to conclusion that organization culture is also developed within groups (small or large). Summarily, from the multiple definitions on organizational culture, it can be considered as multileveled as well multi-dimensional subject which includes much more rational and symbolic aspects. Further, Schein (2004) has differentiated three likely perspectives on organizational culture:

1) Visible Objects: This covers the particular organization's unique character, principles and it's value system. Other aspects which can be uniquely associated with organization can be its geographical location and building style, vision and mission statements, niche product or technologies, dress codes if any, spoken and working language, past stories of success and failure

and specific historical events, etc.

- 2) Adopted values: These values are exhibited by the organization leadership and may not necessarily grow out from the existing organization culture. Management in the organization is expected to have high influencing skills in order to ensure these valued are practices by employees.
- 3) Basic assumptions: They refer to explanatory personal viewpoints used for perceiving situations, creating the basis for combined action. As superiors in organization pass their understanding and principles to other colleagues, these basic assumptions become deep rooted and employees start behaving in specific manner instinctively, and experience the feeling of belonging and security with their organization.

Culture can be aptly defined as the assembly of people either living or working at one place and displays similar type of behaviour and conduct. Individuals associated with particular type of culture will have similar customs, standards, past, religion background and principles which sets them apart from other individuals. Hence, there are so many different cultures and sub-cultures existing in different types of organization. As per International Review of Management and Marketing, organization culture is the perceptible and imperceptible environment where group of people work and live together (Gjuraj, 2013). As per analysis of the organization, prevailing culture in the organization details the inspiration and interface in between the employees and between their employing organization and its employees. Study of the specific organizational prevailing culture helps in detailing and investigation of the organization singularities (Tharp, 2009).

As per work done by Tayeb (1996), organizational culture as a subject been researched for past many decades, which clearly states the underlying fact on differences in values systems and outlooks among employees coming from different cultural backgrounds. Black et al. (1992) based on the research work have reached the conclusion that issues that are likely expected during global business operations are mistakenly linked to professional ineffectiveness, though issues likely happen because of the organization or employee's non-ability to anticipate other individual's thoughts or ideas and adapt themselves to such strategies successfully. This poses a basic challenge internally in organization to coherently categorize geographically different people in multiple groups, so as to increase exchanges and mutual benefit from this group knowledge diversity (Gruenfeld et al., 1996). Organization culture stems from the working relationship shared between

organization employees and their relationship with customers, and which necessarily is aligned with the organization broad marketplace objectives and strategy. In the early 1930's, a systematic attempt was made to describe organization's work environment as culture, in the Western Electric company. The key study objective was to understand if employees in factory will give higher productivity, by knowing that they are under a given study. Post that, numerous studies were undertaken, to measure employee's productivity at different times of day and under different lighting levels, work stations cleanliness and obstacle free floors. The research study by Mayo and Warner (1931-32)highlighted the built-up of smaller groups among employees, presided by not-so formal regulations on behaviour and intra-organization rules. Subsequently in the following decades, studies on the subject of organizational culture were conducted in great depth by various psychologists and sociologists around the globe to develop deeper understanding.

Objective of the present study:

• To identify the dominant culture prevailing in the industry.

Hypothesis

• A particular type of organization culture is prevailing in the industry

Research Methodology

Locale of the study: The desired sample was collected from people working in different industries like IT, manufacturing etc. from all over India

Sample Size: A total sample of 200 samples was collected from people belonging to different age groups, gender and designations.

Sampling Method: Feasible sampling methodology was used to collect data from sources

Data Collection Tools: Organizational Culture Assessment Instrument (OCAI) developed by Kim Cameron and Robert Quinn.

Organizational Culture Assessment Instrument (OCAI) Online

Organizational Culture Assessment Instrument (Robert Quinn, Kim Cameron) can be used for diagnosing organizational culture. OCAI is a authenticated tool, developed using competing values system and framework, which is practiced by companies globally to study the prevailing and preferred organization culture. The output of the study will be aligned with the competing values working, classifying into 4 different types of culture: Clan type, Adhocracy type, Market type, and Hierarchy type, culture.

The competing values will be based on the following six aspects: Employee management, Dominant characteristics, Organizational binding force, Organizational leadership, Strategic outlook and Criteria's use to measure success.

Statistical Tools & Technique used for the analysis of the data:

• Mean

The statistical mean is the mean / average that is considered for deriving central leaning of the data under analysis. It can be calculated as: addition of all data points in given population divided by number of points. This will provide the mean or average value.

• Standard Deviation (SD)

SD is used to calculate how values in the given population are spread over from the mean / average or pre-determined point. Lower SD value indicates that

maximum numbers in the population are within the close range of the average. Likewise, higher SD value indicates that numbers are vaguely spread across (Gauss, Carl Friedrich (1816)).

Data Analysis Results

As per the methodology of determining prevailing organization culture data collected was analysed and scores for six organizational characteristics were calculated whose analysis and description is given below. From these six characteristics scores for four types of cultures were determined and thereafter prevailing culture was determined.

Organization Culture

Organization culture prevalent in the organization can be understood based on the total points recorded for the particular cultural type. Based on the higher value, particular culture type will be more dominant.

Dominant culture in the organization indicates core values that are shared by a most of the employees in the organization.

| Statement | % | |
|---|-------|--|
| Organization is considered a personal place. As an extended family, with employees seem to share a lot between them. | 73.40 | |
| Organization is a very dynamic and entrepreneurial place. Employees are willing to put their necks out and take calculated risks. | | |
| Organization is very results focused. Critical concern is with regard to getting the job executed. People are achievement oriented and competitive/ | 73.00 | |
| Organization is a structured and controlled place. Formal procedures drives people's action. | 71.20 | |

Table 1: Dominant culture

Table 1 shows overall opinion of all the respondents regarding dominant characteristics in their respective organization. From the percentage score given in the table it can be observed that all the type of characteristics exists in the selected companies for some their organization is like personal place and extended family (73.40%), for some their organization is entrepreneurial and dynamic

entity (71.40%), for some their organization is result oriented (73.00%) and for rest their organization is very controlled and structure place and formal procedure generally governs what people do (71.20%). No particular dominant characteristics is seen to be emerged this may be probably due to selection of respondents from varied type of industries.

| Statement | | | |
|---|-------|--|--|
| The leadership in the organization is generally considered to exemplify mentoring, facilitating, or nurturing. | 74.00 | | |
| The leadership in the organization is generally considered to exemplify entrepreneurship, innovating, or risk taking. | 73.40 | | |
| The leadership in the organization is generally considered to exemplify a no-nonsense, aggressive, results-oriented focus. | 72.40 | | |
| The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency. | 70.80 | | |

Table 2: Organization leadership

Table 2 shows overall opinion of all the respondents regarding organizational leadership in their respective organization. From the percentage score given in the table it can be observed that all the type of characteristics exists in the selected companies for some their organization it is like exemplifying mentoring, facilitating or nurturing (74.00%), for some it is like exemplifying entrepreneurship, innovating or risk taking (73.40%), for some leadership is like exemplifying a no-nonsense, aggressive and result oriented focus (72.40%) and for rest

the leadership in their organization exemplifying coordinating, organizing or smooth-running efficiency (70.80%). Hence above analysis reveal that no particular dominant leadership exists in our sample but if we rank these characteristics it can be found that dominant leadership is like father like figure with characteristics like exemplify mentoring, facilitating, or nurturing. The reason again for not emerging a particular type of leadership is that our sample consists of different type of industry and in different type of industry different type of leadership exists.

Table 3: Management of Employees

| Statement | | | |
|--|-------|--|--|
| The management style in the organization is characterized by teamwork, consensus, and participation. | 72.40 | | |
| The management style in the organization is characterized by individual risk-taking, innovation, freedom, and uniqueness. | 71.20 | | |
| The management style in the organization is characterized by hard - driving competitiveness, high demands, and achievement. | 73.20 | | |
| The management style in the organization is characterized by security of employment, conformity, predictability, and stability in relationships. | 74.00 | | |

Above Table 3 highlights overall opinion of all the respondents regarding management of employees in their respective organization. From the percentage score given in the above table it can be observed that the organization's management strategy is considered by conformism, job security, likelihood, and relationship stability is 74%, for some their organization the management strategy is considered by competitiveness, high expectations and successful achievement (73.20%), for some their

organization teamwork, consensus, and participation are their style of management (72.40%) and for rest their organization the management strategy is considered by risk-taking abilities, uniqueness, freedom and innovation. (71.20%). From the above table we can see that no particular style of employee management is evident probably due to selection of respondents from varied type of industries.

| Statement | | | |
|---|-------|--|--|
| The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high. | 77.20 | | |
| The glue that holds the organization together is commitment to innovation and development. There is an emphasis on being on the cutting edge. | 72.00 | | |
| The glue that holds the organization together is the emphasis on achievement and goal accomplishment. Aggressiveness and winning are common themes. | 73.80 | | |
| The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important. | 74.80 | | |

Table 4 shows overall opinion of all the respondents regarding organizational Glue which holds the entire organization together. From the percentage score given in the table it can be observed that loyalty & mutual trust are very important factors that holds the organization (77.20%), for some the standardized rules, regulations & policies is the glue which maintains smooth running of the organization (74.80%), for some the glue that holds the organization together is the emphasis on achievement and

goal accomplishment(73.80%) and for rest it is organizations focus on the continuous innovation & development acts as the glue that holds them with the organization together (72.00%). Hence above analysis reveals that there is no specific reason which binds the organization, however mutual trust and loyalty can be one of the reasons which holds the commitment of the employees together.

Table 5: Strategic Emphases

| Statement | | | |
|--|-------|--|--|
| The organization emphasizes human development. High trust, openness, and participation persist. | | | |
| The organization emphasizes acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued. | | | |
| The organization emphasizes competitive actions and achievement. Hitting stretch targets and winning in the marketplace are dominant. | 75.20 | | |
| The organization emphasizes permanence and stability. Efficiency, control and smooth operations are important. | 73.40 | | |

Table 5 shows overall opinion of all the respondents regarding strategic characteristics of an organization. From the percentage score given in the table it can be observed that all the 4 statements mentioned above gives a strategic insight to the organization, it can be seen that organization which gives emphasis on competitive actions & achievements holds a dominant position in the market place. (75.20%), for some of the organization efficiency,

smooth operations and control are important. (73.40%), some organizations give emphasis on human development where high trust, openness & participation is of strategic importance (71.60%) and for rest the strategic importance is given to acquiring new resources 7 creating new challenges (70.20%). Hence the most important factor which is of strategic importance is of competition & achievement to meet the targets of the organization.

Table 6: Criteria of Success

| Statement | | | |
|--|-------|--|--|
| The organization defines success on the basis of the development of human resources, teamwork, employee commitment, and concern for people. | | | |
| The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator. | | | |
| The organization defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is key. | 73.20 | | |
| The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical. | 76.00 | | |

Table 6 shows overall opinion of all the respondents regarding success of the respective organization. From the percentage score given in the table it can be observed that all the type of characteristics exists in the selected companies for some their organization success is based on efficiency, delivery, smooth scheduling and low-cost production are important factors. (76.00%), for some market leadership is the key to success (73.20%), for some success is based on developing human resource (70.60%) and for rest being innovator & launching new product is key to success (68.00%). Hence above analysis reveals that efficiency is the major criteria to success.

Dominant Culture

From the analysis of six dominant characteristics of culture discussed above researcher tried to figure out type of culture prevailing in industry. The score for six characteristics viz. organizational leadership, organizational glue, strategic emphasis, dominant characteristics, employee management and criteria of success were later converted to culture score by methodology given by the designer of OCAI tool.

| Culture | % | Rank |
|-----------|-------|------|
| Clan | 73.12 | 3 |
| Adhocracy | 70.97 | 4 |
| Market | 73.44 | 1 |
| Hierarchy | 73.34 | 2 |

Table 7: Dominant Culture

From the table 7 given above it can be seen that no particular type of culture is seen to be emerged from the collected sample, the reason for which may be that the data we have collected was from different type of industries which resulted in mixed type of culture. Despite that if we rank the score for different type of culture, it can be seen that Market culture is prevailing on the first rank.

| Culture | N | Mean | SD | F | df | Result | |
|-----------|-----|-------|-------|--------------|--------|--------|--|
| Clan | 200 | 73.12 | 14.92 | | | | |
| Adhocracy | 200 | 70.97 | 12.64 | 154 | 3, 796 | NC | |
| Market | 200 | 73.44 | 12.84 | - 1.54 3,796 | | NS | |
| Hierarchy | 200 | 73.34 | 12.92 | | | | |

Table 8: Comparing different type of Culture

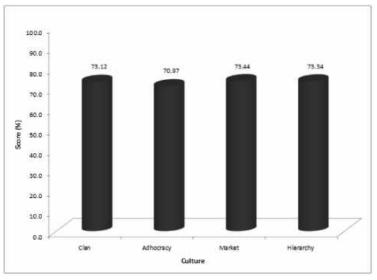


Fig. 1: Dominant Culture in the Industry

To test whether a particular type of culture is prevailing in the selected industry or prevalence of a particular type of culture is significantly higher as compared to other ANOVA was applied. Test results (table 8) shows nonsignificant difference in the scores for different types of culture (F = 1.54, p > 0.05). Hence the test result reveals that not a particular type of culture is dominant in the selected industry or rather it can be said that a mixed type of culture exists in the industry and our hypothesis that "a particular type of culture exists is rejected".

Conclusion

To study different type of culture prevailing in the industry and which culture is dominating a sample of 200 respondents was selected from different industry. To assess organizational culture the Organizational Culture Assessment Instrument (OCAI) developed by Kim Cameron and Robert Quinn was used. Results obtained shows that not any particular type of culture is dominating form where sample is collected rather a mixed type of culture is prevailing.

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