Comparative Analysis of Organizational Culture: The Empirical Study of IT Organizations in the Region of Mohali (Panjab, India)

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Abstract

The study was aimed at assessing the extent of culture prevailing in Indian IT organizations. The information collected from 100 employees working in 4 organizations covering IT sector in Mohali forms the basis for the study. The study emphasizes on comparative analysis of the organizational culture in IT industry. It was found that the extent of culture varies from organization to organization.The study was conducted in four IT organizations (C1, C2, C3, C4*) of Mohali region.Primary data is collected with the help of a survey with use of OCTAPACE profile (appendix-1), a standardized tool for cultural assessment. To collect the primary data, in the first stage 25 employees from each of the organization under study were selected using random sampling. In second stage the data was analysed by calculating the mean scores of the dimensions of the culture and the variation in four organizations with one way ANNOVA. The findings suggest that human resource manager could consider employees as important stakeholder as far as organization culture is concerned.

Keywords

Organizational Culture, Ethos, HRD Climate

I. Introduction

"Culture is the soul of the organization — the beliefs and values, and how they are manifested. I think of the structure as the skeleton, and as the flesh and blood. And culture is the soul that holds the thing together and gives it life force."

Henry Mintzberg

Organizational culture is being recognized increasingly as an important determinant of organizational performance. Culture serves as one of the most effective managerial control mechanisms in organizations because performance standards are enforced by the employees rather than by top-down bureaucratic rules and regulations. (John E., Kralewski, Terence D. Wingert, Michael H. Barbouche, 1996). The discussion on the term 'organizational culture' has gained importance as a way to comprehend and to be aware of human behaviours. Culture comprises the symbolic side of an organisation, and it gives dimensions to the human contemplation and behaviour in the system. The concept of organisational culture is very common issue of research since 1980. Organisational research traditionally focused heavily on the recognition of corporate climate, but in during, 1980 the term 'corporate climate' was reframed as the evident face of organisational values. Organisational Culture comprises beliefs and values of an organisation. Organisational norms, the guidelines or expectations are developed form organizational values that prescribe the apposite kinds of behaviour by employees and manage the actions of organisational employees towards one another.

II. Organizational Culture

Shafritz and Ott(2001) explained the organization culture as"A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems" Scholz(1987) defined corporate culture as the implicit, invisible, intrinsic and informal consciousness of the organisation, which guides the behaviour of the individuals. Deal and Kennedy (1982) defined organizational culture as the way things get done around here. Schein (1985) analyzed organisational culture as the "essential assumptions and beliefs that are commonly shared by employees of the organisation."

III. Review of Literature

The research studies done by various researchers indicates that the strong culture contributes to the organization's healthy working environment and self-assessment capabilities which in turn increase the proficiencies of individual, teams and the entire organizations. Empirical studies conducted by (Kumar and Patnaik, 2002; Rohmetra, 1998; Kumar, 1997; Mishra, Dhar and Dhar, 1999; Bhardwaj, 2002; Alphonsa, 2000; Rao and Abraham, 1999) depicts that the culture of OCTAPACE (Term coined by T.V Rao) values is assimilated by the culture of the many organizations to a good or moderate degree. These values help in gearing up a climate of persistent development for human resources.Eelke De Jong, et. al. (2006) in their study showed that there indeed exits a relationship between different dimensions of culture and openness. The researchers found individualism to have a positive effect on openness and uncertainty avoidance to have negative effect on openness.Krishna & Rao, (1977) surveyed the organizational climate of Bharat Heavy Electricals Limited in India, which depicts that environment of openness found to be good for middle and senior managers in the company. Rohmetra, (1998) in his study on banking sector concluded that environment is less open for employees in J & K. Sr. Alphonsa, (2000) in his study on hospitals of Hyderabad highlights the importance of openness and found the good level of openness amongst the employees of the organization. In a study on HRD climate in India with 1905 respondents from manufacturing, services and IT sector, M. Srimannarayana (2008) concluded that the overall OCTAPAC culture in the organizations under study seems to be above average with 60.06%. As far as dimensions of OCTAPAC are concerned, collaboration with mean score 62.45 ranked first amongst the ethos of organization culture, following authenticity, autonomy, trust, pro-activity, openness and confrontation.In comparison to the dimensions of OCTAPAC confrontation ranked lowest. It had also been observed by M. Srimannarayana that manufacturing sector ranked higher than service and IT sectors in OCTAPAC culture. Service sector is at first place with respect to pro-activity.

Instead of getting third rank in OCTAPAC culture, IT sector was found to be better with respect to confrontation in the comparative analysis with service sector.M. Srimannarayana (2007) in his study on HRD climate in Dubai observedthat that OCTAPAC culture was more widespread than HRD mechanisms and general HRD climate.Carole V. Wells and David Kipnis (2001) in their study concluded that distrust of subordinates by managers (n = 275) was associated with the use of strong tactics of influence, little dependency on employees, and the use of personal-related characteristics to explain distrust. It was also found that distrust of managers by subordinates (n = 267) was associated with the use of strong methods of influence, less interaction, less attempts to influence, and the use of personal-related characteristics to explain lack of trust. The study also suggested that both employees and employers could benefit from considering the significance of a trusting relationship in the workplace. Adam, Francesca and David(2001)in their study on "Role of employee proactivity" observed that proactive behaviors may be more effective with quieter leaders who are more receptive.Bhardwaj and Mishra (2002) in their study analyzed that the private sector managers perceived collaboration at their workplace more than average level. The study conducted by Rainayee (2002) in commercial banks, team spirit and collaboration in both the banks are found to be satisfactory. Another study conducted by Adam, Sharon and Catherine (2009) suggested that proactive behaviors are more likely to contribute to higher supervisor performance evaluations when employees express strong prosocial values or low negative affect. Derek C. Man and Simon S. K. Lam (2003) in their study on cross cultural analysis found that increase in job complexity and/or task autonomy will increase group cohesiveness, which subsequently translates to better performance. The positive effects of job complexity and autonomy on group cohesiveness are also found to be more prominent for individualistic rather than collectivistic work groups.Mufeed (2006) in his study on hospital analysed that the value of experimentation has been discouraging whereas the value of authenticity had been well developed. The management and higher level manager never encouraged the potential employees by sharing their new ideas and suggestions.

IV. Need and Scope of The Study

A strong culture is the driving force and this study helps to identify which cultures as compulsory adherence as rules and are not liked by the employees. This study helps to identify how organizational culture acts as an intrinsic motivation for the employees in organizations of IT industry.Practitioners are coming to realize that, despite the best-laid plans, an organisational change must include not only changing structures and processes, but also changing the corporate culture as well.The scope of study after the research would be that the organization which adopted the comparatively good culture can be adopted by other organization to bring about organization effectiveness as a result it will help the organization to build their culture in such a way that it brings about standardization in the industry. Another will be that it will help in the retention of the employees in the organization as work environment of the organization plays an important and vital role in the retention of employees.

V. Objectives of the Study

A. To describe the prevailing organizational culture in the organizations in IT industry.
1. The extent of the OCTAPACE dimensions like Openness, Confrontation, Trust, Authenticity, Proaction, Autonomy, Collaboration and Experimentation.
B. To study and compare the culture of the different organization in IT industry.
C. To study whether any differences in OCTAPACE cultural dimensionsexist in the IT organizations.

VI. Hypotheses of the Study

Depending upon the objectives stated above the following hypotheses were formulated:
* Hypotheses 1: Organizations under study do not differ significantly in their OCTAPACE Culture for all the employees.
* Hypotheses 1(a):Organizations under study do not differ significantly in their Openness Culture for all the employees.
* Hypotheses 1(b):Organizations under study do not differ significantly in their Confrontation Culture for all the employees.
* Hypotheses 1(c):Organizations under study do not differ significantly in their Trust Culture for all the employees.
* Hypotheses 1(d):Organizations under study do not differ significantly in their Authenticity Culture for all the employees.
* Hypotheses 1(e):Organizations under study do not differ significantly in their Proactivity Culture for all the employees.
* Hypotheses 1(f):Organizations under study do not differ significantly in their Autonomy Culture for all the employees.
* Hypotheses 1(g):Organizations under study do not differ significantly in their Collaboration Culture for all the employees.
* Hypotheses 1(h):Organizations under study do not differ significantly in their experimentation Culture for all the employees.

VII. Research Methodology

The 4-point scale developed by Pareek (2003) has been used for the present study. As many as 8 dimensions were taken to judge the organisational culture. The OCTAPACE profile is a 40 items instrument that gives the profile of the organisation's ethos in eight values. These values are openness, confrontation, trust, authenticity, pro-action, autonomy, collaboration and experimentation.The data, after collection has been processed and analyzed. In the present study, firstly, the simple tables were prepared for learning about the respondents selected for the study. The hypothesis framed for the purpose was tested statistically for their significance. To test Hypothesis 1, mean is calculated for all the aspects of OCTAPACE profile for all the four IT organizations. To test hypothesis 2 and its eight sub hypothesis one way ANOVA test is being applied, followed by Post Hoc test for testing the hypothesis on individual parameters of OCTAPACE culture. The One-Way ANOVA procedure produces a one-way analysis of variance for a quantitative dependent variable by a single factor (independent) variable. Analysis of variance is used to test the hypothesis that several means are equal.

VIII. Data Collection

In order to collect data, the OCTAPACE profile was distributed to all employees from the four IT organizations under study. Out of 160 questionnaires, only 128 were returned. Of these, 100

questionnaires (Completely filled) have been used in the present study. The questionnaires were directly given to the respondents. The instructions were clearly given on the questionnaire to facilitate easy and accurate responses but in order to avoid biasness in the responses; the purpose of the study was not disclosed. It was made sure, in this study, that the data collected through questionnaires were complete in all respects.

IX. Analysis and Discussion

The purpose of the organisational cultural study is to produce a comprehensive picture of the prevailing values in an organisation and of the views of the personnel. To test the hypothesis, the overall culture of the organisation as well as various elements of Ethos has been studied. The collected & tabulated primary data have been analyzed and interpreted using the above mentioned hypothesis. For testing first hypothesis and its 8 sub hypotheses, calculated mean weighted scores of each sample organizations were rated according to the prescribed scale of OCTAPACE Culture for Employees in IT organizations, and one way classification of ANOVA (Analysis of Variance) was used.

Table 1: Tentative Norms Applied to the OCTAPACE Profile are Listed Below:

OCTAPACE	LOW	HIGH
OPENNESS	13	17
CONFRONTATION	10	16
TRUST	10	14
AUTHENTICITY	10	14
PROACTIVITY	12	18
AUTONOMY	11	16
COLLABORATION	13	17
EXPERIMENTATION	11	16

The section presents the univariate description statistics (using the SPSS) for the key discussion of the organisation's Culture/Ethos. The mean of eight aspects (OCTAPACE), regarding the culture of the organisation C1, C2, C3 and C4, is presented in the Table 2

Table 2: Mean of the Level of Presence of Eight Aspects (OCTAPACE) of the Organisational Culture in the Organisations Under Study

	C1	C2	C3	C4
Variables	Mean	Mean	Mean	Mean
Openness	13.4	14.64	14.64	14.6
Confrontation	14.28	14.24	14.36	14.16
Trust	13.56	13.28	14.16	13.8
Authenticity	13.32	10.76	13.48	12.88
Proactivity	13.88	15.04	15.08	15.32
Autonomy	12.4	11.8	11.32	11.48
Collaboration	13.32	13.6	13.2	13.36
Experimentation	13.32	13.64	13.72	14.12

It is evident from the mean scores of the eight aspects (OCTAPACE) that in organization C1, the openness (M = 13.4) is an aspect, which exists in the industry at a lowest level than the other organization C2 (M=14.64), C3 (M=14.64), C4 (M=14.6) in the same industry. It implies that employees in C2, C3, and C4 are more comfortable and feel free to share their ideas, activities, and feelings with each other without defensiveness than in organization C1. But as compared to the tentative norm (Table 1.1) of openness (Mean, L=13, H=17) the observed means of openness for organizations under study is at the lower level. The mean scores of confrontation in organizations C1 (M=14.28), C2 (M=14.24), C3 (M=14.36) and C4 (M=14.16) are comparatively very low to the tentative norm (M=16) which depicts that in organisations employees hardly brought out problems and issues out in open with a view to solving them rather it seems that the employees hide the issues and problems to avoid the fear of hurting or getting hurt. In organization C3, the trust (M = 14.16) is an aspect, which exists in the industry at a highest level organization followed by C3 (M=13.8), C1 (M=13.56), C2 (M=13.28) in the same industry which shows that people in the organization C3 never display false emotions and are at their face value and they believe each other. The mean score for authenticity (M = 10.76) is least in organization C1 as compared to other organizations C4 (M=12.88), C1 (M=13.32), and C3 (M=13.48) which shows that the employees have the varying tendency to do to what they say.
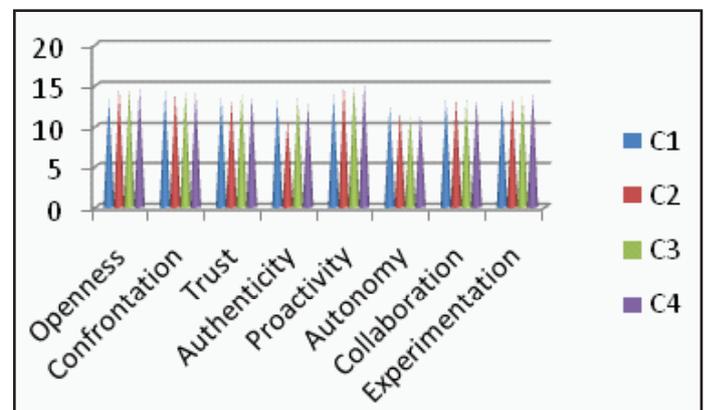

Fig. 1: Mean of the Level of Presence of Eight Aspects (OCTAPACE) of the Organisational Culture in the Organisations Under Study

In organisation C4, the pro-action (M = 15.32) is an aspect, which exists in the industry at a good level than any other aspect of OCTAPACE culture, but is comparative low as per tentative norm (Table 1) for Proactiveness (Mean, L=10, H=18). In comparison to C4 the mean scores of C3 (M=15.08), C2 (M=15.04) and C1 (M=13.88) are low. This meant that the attitude of the people in the organisations under study varies in taking the initiative, preplanning and preventive action calculating the pay-offs of an alternative cause before taking an action. The mean score for autonomy (M = 11.32) is least in organization C3 as compared to other organizations C4 (M=11.48), C2 (M=11.8), and C1 (M=12.4) which shows that the employees are having a comparative low freedom to plan and act in their own sphere and giving less freedom to let people work independently with responsibility in comparison to the tentative norm (Table 1.1) of authenticity (Mean, L=11, H=16). The mean scores for collaboration in C1 (M=13.32), C2 (M=13.6), C3 (M=13.2), C4 (M=13.36) depicts that employees accept interdependence, helpful to each other and work as teams. Experimenting C1 (M = 13.32), C2 (M=13.64), C3 (M=13.72), C4 (M=14.12) shows that the organisation in average encourages its employees towards innovative approaches to solve problems, using the feedback for improving; taking a fresh look at things and that it encourages creativity.

To test the hypothesis 1 and its 8 sub hypothesis one way ANOVA technique is used to check the significance in the difference in

the means of the samples. After the analysis of the parameters of OCTAPACE culture, the parameters which differ in the IT organizations are identified and post hoc test is applied to those parameters to check the significant differences in the culture of four organizations with each other.

Hypothesis 1: Organizations under study do not differ significantly in their OCTAPACE Culture for all the employees.

Using the results of the one way ANOVA to test whether there are any significant differences in the OCTAPACE culture among the four organisations, The one way ANOVA (Table 1.3see annexure I) depicts that that calculated significant values for openness, $(0.018<0.05)$ Authenticity $(0.000<0.05)$, Proactivity $(0.05=0.05)$, Autonomy $(0.045<0.05)$ comes out to be less than 0.05 significant level. The calculated significant values for Confrontation $(0.939>0.05)$, Trust $(0.161>0.05)$, Collaboration $(0.840>0.05)$, Experimentation $(0.264>0.05)$ comes out to be more than 0.05 significant level. Therefore Hypotheses 1 is rejected as some parameters of OCTAPACE culture differs in four IT organizations which shows that OCTAPACE culture is significantly different between the four IT organizations under study.Hypotheses1 (a), Hypotheses1 (d), Hypotheses1 (e), Hypotheses1 (f)are accepted as calculated significant values for openness, $(0.018<0.05)$ Authenticity $(0.000<0.05)$, Proactivity $(0.05=0.05)$, Autonomy $(0.045<0.05)$ comes out to be less than 0.05 significant level. The analysis clearly states that openness, authenticity, Proactivity and autonomy don't differ significantly in the four IT organizations under study.Hypotheses1 (b), Hypotheses1 (c),Hypotheses1 (g),and Hypotheses1 (h) are rejected as calculated significant values for Confrontation $(0.939>0.05)$, Trust $(0.161>0.05)$, Collaboration $(0.840>0.05)$, Experimentation $(0.264>0.05)$ comes out to be more than 0.05 significant level, which means that confrontation, collaboration, trust and experimentation differ significantly in the four IT organizations under study.

X. Conclusion

The present study attempts to uncover the culture of the organisations under study. The analysis shows that the employees perceive almost the same pattern in which the various values exist in the organisations. The main implication of this research on organisational culture suggest that there is a scope for further improvement in both the sample study organisations which would improve their work life by overcoming the monotony. In general, the top management should promote and imbibe culture among the employees to feel free to discuss their ideas, activities and feelings about the area of their operations related to their job description. The management should encourage their subordinates to confront problems bravely without searching escape routes. The employees should be given training in developing confrontation abilities and approaches for the creative problem solving.The management should exhibit a very high level of authenticity implying that what it says, it means and what it means, it says. Accepting people at their face value and trusting their words and approach in the true spirit promotes authenticity. The culture of pro-activity resolving issues should also be promoted. The management should involve people to anticipate the problems and arrangements for their resolutions well in advance so that the necessary systemic and process changes are made without compromising quality and quantity. Thus, the management should work for developing the conducive organisational culture that requires the culture of openness, collaboration, trust, pro-activity, autonomy, authenticity, confrontation and experimentation.

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Annexure-I

ANOVA						
		Sum of Squares	Df	Mean Square	F	Sig.
Openness	Between Groups	28.240	3	9.413	3.537	.018
	Within Groups	255.520	96	2.662		
	Total	283.760	99			
Confrontation	Between Groups	.520	3	.173	.136	.939
	Within Groups	122.720	96	1.278		
	Total	123.240	99			
Trust	Between Groups	10.440	3	3.480	1.753	.161
	Within Groups	190.560	96	1.985		
	Total	201.000	99			
Authenticity	Between Groups	118.910	3	39.637	14.258	.000
	Within Groups	266.880	96	2.780		
	Total	385.790	99			
Proactivity	Between Groups	31.230	3	10.410	2.680	.051
	Within Groups	372.880	96	3.884		
	Total	404.110	99			
Autonomy	Between Groups	17.070	3	5.690	2.791	.045
	Within Groups	195.680	96	2.038		
	Total	212.750	99			
Collaboration	Between Groups	2.110	3	.703	.280	.840
	Within Groups	241.200	96	2.512		
	Total	243.310	99			
Experimentation	Between Groups	8.120	3	2.707	1.347	.264
	Within Groups	192.880	96	2.009		
	Total	201.000	99			