CHAPTER – 5

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CHAPTER - 5
SUMMARY OF FINDINGS

5.1 INTRODUCTION
Organizational culture being an important determinant of organizational performance needs to be studied, not only for its description, but also for its prediction. The business of the organization whether in manufacturing or service, is dependent on how the cultural elements are managed in the company. The study and findings come in handy for an organization, while it looks to change its technology or strategy.

5.2 FINDINGS OF THE STUDY IN RELATION TO THE OBJECTIVES OF THE STUDY.
In the backdrop of the objectives set forth, following are the findings. The specific findings are also furnished there after.

Objective-1: To compare the explicit and implicit dimensions of organizational culture in three different types of industrial undertakings.

The explicit dimensions are covered under question number 8 of questionnaire and analyzed vide section numbers 4.11.1 to 4.11.7. The implicit dimensions of organizational culture are covered under question numbers 1, 2, 5.1 – 5.6, 6.1 – 6.19 and 7.6 – 7.21 and are analyzed vide sections 4.3.1, 4.3.2, 4.4.1 – 4.4.6, 4.5.1 – 4.5.7, 4.6.1-4.6.2, 4.7.1, 4.8.1 – 4.8.9, 4.10.1 – 4.10.16. It can be seen that each of the above type of organization score different average ratings on the selected variables for the reason mentioned under each section and thus the explicit and implicit dimensions stand compared.

Objective-2: To study the influence of organizational culture, on its members attitude and behavior.

This aspect is covered under question number 10 of the questionnaire and is analyzed vide section numbers 4.13.1 – 4.13.8. Though certain variations are seen among the organizations, there seems to be a positive influence of organizational culture on the members’ attitude and behavior. The possible reasons are also discussed in each of the above sections.
**Objective-3:** To study the corporate governance practices vis-à-vis organizational culture dimensions.

This dimension of organizational culture is covered under question number 7.1 to 7.5 of questionnaire and is analyzed vide section numbers 4.9.1 – 4.9.5. The corporate governance practices are perceived to be implemented within the organizational culture limits of these organizations.

**Objective-4:** To identify the hierarchical level in the organizational structure, where the organizational culture manifests itself more predominantly compared to other levels.

This aspect of organizational culture is covered under question number 9.3 – 9.5 of the questionnaire. It was found that it is more at lower level in public sector undertakings than the other two sectors and is more at top level in MNCs than the others.

**Objective-5:** To suggest measures for the enhancement and improvement of key characteristics of organizational culture.

Based on the findings in the preceding sections, the suggestions and recommendations are provided in section 5.5 of this chapter.

### 5.3 SPECIFIC FINDINGS OF THE STUDY

The findings of the study have been presented as under

**Perceptional findings:** These are the findings which indicate different view points. Since the perceptions can vary from person to person, so also it can vary from group to group.

**Universal findings:** These are the findings for questions against which there is categorical affirmative or otherwise answers.
5.3.1. Perceptional Findings

• Organization in relation to membership and communication process:
  1. The employees of organizations selected for the study, in all 3 sectors viz. public sector, private sector and MNCs are aware of what is expected of them. This is in essence leads to ease of communication between management and employees. 40.9% of private sector respondents followed by 32.2% of MNCs employees have concurred with the above.
  2. The employees of the selected organizations have perceived that there exists a relationship between the person-job fit and the organizations in which they are working. As can be seen this is in line with the previous finding also. Unless it is perceived that there is a fit between the employee vis-à-vis job and the organization, awareness that what is expected of them may not also be perceived. It may be noted that 41.7% of private sector respondents have concurred with this aspect.
  3. It is found that there exists a positive perception about openness to suggestions. This can be further seen in the backdrop of above two findings regarding person-job and organization fit and awareness of what is expected of the employees by the organizations which have been perceived to be positive. The finding about openness to suggestions has also fallen in line with above two findings. 43.2% of MNCs respondents being the highest, 22.6% of public sector respondents are the least, to concur with this element of organizational culture.

• Organizational culture vis-à-vis HR Policies and Team Work
  1. It is perceived by the respondents that their HR departments are not creative enough to attract new talents. Though there exists several problems in attracting new talents, the HR departments have to devise such methods and techniques, whether in compensation management or competency management, which is totally new and unique. The average score for public, private and MNCS sector being 2.859, 3.016 and 2.959 respectively.
  2. The problem resolution, amongst the members is perceived to be negative. This can be considered as a lacuna in team processes of the organizations. One
implication is that HR policies are to be reframed, so that resolution of problems occur, then and there itself. The average score for the public, private and MNCs are 2.194, 3.724 and 3.560 respectively.

3. The messages that move across the organization have been perceived to be consistent. This can be interpreted as a positive aspect of the team processes of these organizations. The average score for public, private and MNCs are 3.603, 3.446 and 3.650 respectively.

4. The policies of the organizations, mainly assumed to be HR policies of the said organizations seems to have disabled the employees in maximizing their contribution. Again, the implication for HR department is to reframe its policies so that other positive aspects are brought together in this direction. The average score for public, private and MNCs being 3.589, 3.698 and 3.686 respectively.

5. It is perceived by the employees of the selected organizations that organizations, in which they work, do not play an important role in developing team work. As can be seen, this is in line with the above finding. The average score for public, private and MNCs being 3.768, 3.783 and 3.814 respectively.

6. The organizations have been perceived to be practical and realistic, which implies that the goals set by the organizations for itself is achievable and reasonable. The average score for public, private and MNCs are 3.937, 3.681 and 3.821 respectively.

The Context in which the Present Organizational culture is Understood by the Employees

Organizational culture as conceptualized by the management may be understood in different ways, in different degrees and with different meanings. In order that is described, following parameters were selected: Pro-activeness of the organization, Support, the members receive from each other, Value of entrepreneurship, Match between organizational culture and the nature of business it is carrying out, Top level management’s openness to new ideas, Management’s emphasis on long term goals of the organization, Management’s allowance to employees to think differently.

It is interesting to note that all the above parameters have perceived be positive by the employees except item (e) above i.e. top level management is perceived to be not open to new ideas.
Interestingly, this matches with the finding where in the HR departments are perceived to be not creative and attracting new talents. Though suggestions are allowed in the organization, there seems to be a reservation, when being accepted. The perception about the above parameters have shown following averages -

1. For “Pro-activeness” parameter the highest average score is 3.719 for private sector
2. For “Members support” parameter the highest average score is 3.677 for public sector
3. For “Value of entrepreneurship” parameter the highest average score is 3.615 for private sector
4. For “Match between organizational culture and the nature of business” parameter highest average score is 3.857 for MNCs
5. For “Long term goal emphasis” parameter the highest average score is 3.730 for private sector
6. For the parameter allowing “Employees to think differently” the highest average is 3.545 for private sector

- **Customer Service vis-à-vis Organizational Culture**

  All organizations, immediate to them, have the customers to serve, with the products and services they produce. The internal process of organizational culture gets reflected in customer service also. The finding on this aspect is divided into the following:

  - Products and services reflecting the diversity of customers
  - Responding to customers, in an effective way

  The organizations have been perceived to be positive on both of the above parameters. However private sectors have a highest average score of 3.524 with regard to reflection of diversity of customers; MNCs have a highest average score of 2.968 with regard to effective response to customers.
Organizational Culture and its Impact on Employees’ Satisfaction, Performance and Related Conditions

Organizational culture has a definite influence on employee satisfaction, performance etc. The analysis on the related parameters has lead to the following findings and organizations have been perceived to be positive with respect to the following parameters. The Likert scale ranging from very high to very much below is used for obtaining the responses.

1. Employees staying with the organization on a long tenure of their employment (with total 162 Nos. rating it as very high)
2. Cross functional communication in the organization (with total 174 Nos. rating it as very high)
3. Orientation towards continuous learning (with total 148 Nos. rating it as high)
4. Expenditure on training of employees (with total 134 Nos. rating it as very high)
5. Training objectives and goals being in alignment (with total 126 Nos. rating it as very high)
6. Attention given to employees' concerns and grievances (with total 154 Nos. rating it as high)
7. Performance management adopted by the organization to measure employee’s capability to adapt to future changes. (with total 105 Nos. rating it as very high)
8. Agreement of goals between superior and sub-ordinate (with total 136 Nos. rating it as high)

It is however negatively perceived with respect to expression of emotion. This negative perception may due to super cession of organizational culture with national culture, i.e. In Indian culture, expression of emotion in work place is still perceived to be bad (with total 133 Nos. rating it as high)

Organizational Culture in the Backdrop of Ethics and Corporate Governance

Several of the factors of ethics and corporate governance are shaped by organizational culture and they also in turn shape organizational culture. It was studied with respect to the following associated elements.

a. Ethical conduct and honesty
b. Conflict level, the employees feel while confiding with their superiors
c. Senior members understanding of their own decisions and its implications

d. Empowerment of employees

e. Effectiveness of decision making process.

It is interesting to note that all the above parameters have been perceived to be positive, though the highest scorings vary among the three sectors.

1. Private sectors have scored the highest average at 3.762 with regard to ethical conduct and honesty parameter.

2. Public sectors have scored the highest average at 3.738 with regard to comfort level of confiding with their superiors.

3. Private sectors stand high with regard to senior members understanding of their decisions and its implications and the corresponding average score being 3.789.

4. Empowerment of employees is perceived at the highest average score of 3.596 by MNCs.

5. Effectiveness of decision making is the highest with public sectors at an average score of 3.574.

Organizational Culture in the Context of Values and Leadership Styles

The values cherished by the organization, the style in which it is imbibed and propagated through various leadership styles, are important aspects of organizational culture.

Following are the findings, obtained under different descriptions of this aspect.

1. Top level people are averse to taking risk. This perception is more with MNCs with the highest average score of 3.288

2. Democratic leadership style is not practiced. This is more pronounced in case of MNCs with the highest average score of 3.346

3. Senior members do not disseminate values and beliefs. This is seen more with MNCs with the highest average score of 3.352

4. The lower level members can provide feed back to the higher ups. This is more pronounced with MNCs at the highest average score of 3.826

5. There is an unreasonable pressure from higher-ups to perform. The perception is the highest with MNCs at an average score of 3.807
6. The employees can air their concerns to their higher-ups. This aspect being positively related to the strength of the organizational culture is perceived to be more in public sectors with the highest average score of 3.831.

7. There is no close relationship between employee’s performance and rewards they receive. This perception is seen more in public sector organizations with the highest average score of 3.733.

8. Goals need not be accepted without criticism. This aspect is also positively related to the strength of organizational culture. The perception is seen more in public sectors with the highest average score of 3.536.

9. Employees of the selected industrial undertakings can express their negative thoughts. As in the previous finding, this is also positively associated with the strength of the organizational culture. This is more in MNCs with the highest average score of 3.553.

10. Normative behavior leads to order and will also strengthen organizational culture, in its own way. It is found from the study that non normative behaviors are tolerated in the organizations under study. This is more perceivable with private sectors with the highest average score of 3.646.

11. Conflicts do exist in any organization. The tolerance or otherwise to conflict is a key issue of organizational culture. In the present study, it was found that existence of conflicts is tolerated. The highest average score being 3.733 with MNCs, followed by public sector at a score of 3.676 and private sector at a score of 3.372.

12. It was found that respondents have perceived that promotions in their organizations are got by those people who are in proximity to the top. The perception is equal with the highest average score of 3.498 in case of both public sectors and MNCs.

13. The study found that top people are innovative. The highest average score are 3.617 for public sectors followed by private sectors at a score 3.555 and MNCs with a score of 3.377.

14. Elimination of conflict may not be desired in the interest of the organization itself. The study found that organization would feel better if conflicts are
completely eliminated. This perception with the highest average score of 3.617 is same for both private sector and MNCs.

15. It was found that bypassing of hierarchy leads to efficiency. Efficiency being the hallmark of any organization, presence of many levels poses a threat to the efficiency. The highest average score of 3.332 was seen with public sectors, followed by 3.178 in case of private sectors.

16. It was found that employees felt uneasy when rules are not clear, implying clarity of rule is a precondition for ease of work. However, rules, at many times will have to be of general nature only, as more clarity may lead to more complexities. The perception is more with the highest average score of 3.306 with private sectors followed by 3.232 in case of MNCs and 2.627 with public sectors.

- **Reward System and Innovations**

  It was found out in the study that presence of a reward system and innovations of the organization are positively related i.e. when reward system is there in the organization, innovations take place naturally.

- **Strength of Organizational Culture and Organizational Structure**

  There is an inverse relationship between strength of organizational culture and the height of organizational structure i.e. taller the organization weaker the organizational culture. 41.9% private sector respondents, 40.5% MNCs have concurred with the statement.

- **Organizational Culture and Employee Behavior**

  There exists a positive relationship between organizational culture and employee behavior. I.e. organizations culture elements influence the employee behavior. 41.7% MNCs respondents have affirmed that there exists a relationship followed by 34.3% of the private sector employees.

- **Organizational Culture and Employee Retention**

  It was found out from the study if the employees have to be retained, organizational culture needs to be strengthened. 41.4% of private sector employees have affirmed that retention of employees is dependent on organizational culture.
5.3.2. Universal findings

1. A total of 40.9% of employees in private sector are clearly aware of what is expected of them from the organization. In contrast, this figure is 26.8% in public sectors.

2. A total of 41.7% of employees in private sector think that they ‘fit in’ as organizational members. In public sectors, it is 22.3% who think that they ‘fit in’ as organizational members.

3. Openness to suggestions, at all levels have been answered in affirmative by 43.2% of MNCs respondents, which is the highest and the corresponding figure is the least with public sectors with a score of 22.6%

4. With respect to the likelihood of the present customers doing repeat business with the organization, it was found to be ‘very high’ at a score of 43.2% for MNCs; 32.6% for public sectors followed by private sector at a score of 24.2%. The rating ‘high’ provided by the respondents also follows the above pattern with 38% for MNCs, 31.5% for public sectors followed by private sectors at a score of 30.4%.

5. The dress code insistence is the highest in private sector with a score of 38.6% closely followed by MNCs with a score of 38.4%.

6. Regarding the perception of office furniture, it is again in private sector with a score of 38.2%, the respondents of which have perceived the office furniture to be costly, closely followed by 37.2% score with MNCs.

7. Regarding availability and use of furniture, 40.3% of the respondents in MNCs have indicated that it is dependent on the status of the employees in the organization. This is followed by 38.3% in private sector.

8. Like the office furniture, spacious rooms (presumably ventilated, air-conditioned, decorated etc.) also seem to be dependent on the status of the employee in the organization. Such a perception is high at a score of 49.8% in private sector, with the least score in public sectors at a score of 18.9%.

9. With regard to the appearance of the employees at and on work as to be ‘busy’ or ‘relaxed’, 43.95% of respondents from MNCs, which is the highest score, have indicated the appearance (look) as ‘Busy’ and a highest score of 36.26% is from public sector, indicating the appearance as ‘Relaxed’.
10. Women employees forming a considerable chunk in any organization are treated with special attention, which at times is a legal requirement also. 57.52% of private sector respondents have indicated that women employees are treated very high and it is perceived to be on par with men employees in MNCs at a score of 45.35%, which is the highest in the category.

11. Partying, amongst employees takes place for various reasons like promotion, birthday, marriage or even for a weekend get together party. The attitude towards such partying is perceived to be positive and favorable in MNCs at a score of 41% and is the least in public sectors at a score of 23.3%.

12. 42.1% of the respondents from private sector have indicated about the presence of stories about past and present heads of the organization. This is the least with public sector with a score of 22.8%.

13. Presence of jargons (i.e. the terms, used by the employees, which are not universal but only limited to themselves) is the highest in private sector with a score of 40.3% and the least with public sector at a score of 20%.

14. Meetings, which are common in any organization is the highest (under the category of more than 30) in private sectors, at a score of 38.6%.

15. The knowledge of salary levels of other employees which at times kept confidential is more, in private sector with a score of 41%.

16. Award of titles is a practice in many organizations. According to the present study it is the highest in private sectors at a score of 48% and is the least in MNCs with a score of 23.3%.

17. Regarding the attitude of employees towards the ‘Past’ of the company was found to be positive at a highest score of 40.8% in private sector followed by MNCs at a score of 36.2% and public sectors at a score of 23%.

18. The attitude towards the ‘Future’ of the company was found to be positive at a highest score of 42.1% in MNCs, followed by private sectors at a score of 38.3% and public sectors at a score of 19.6%.

19. Levels at which employer turnover is most, was indicated at top level with the highest score of 50% in private sector and the highest score of 45.7% in MNCs at lower level.
20. 47.6% of MNCs respondents which is the highest in the category have indicated that their organization is more horizontal.

21. Though Organizational culture pervades at all levels, usually it is at one level where it is concentrated and predominant. It was at top level in MNCs at a score of 44.3%; at middle level in private sectors at a score of 45.3%; at lower level in public sectors at a score of 27.8%.

22. The respondents have described their organization, with the highest scoring as under, for the descriptions provided to them through the questionnaire.

- 50% of the public sector respondents have termed their organizations as Status quoist.
- 53.8% of the private sector respondents have termed their organizations as innovative.
- 47.9% of MNCs respondents have termed their organizations as matured.

5.4 TESTING OF HYPOTHESES

H1: The Person-job fit is an important determinant of organizational culture and efforts are needed to strengthen it. The chi-squared test was used to test the hypothesis- “Employees perceive that they do not fit in with the organization as members”. Since the chi-squared value of 7.79 is more than the tabular value of 5.991, the hypothesis that “Employees perceive that they do not fit in with the organization, as members” stands - REJECTED.(Refer item no.4.3.2)

H2: The role of HR dept. in attracting new talent is another important aspect. The hypothesis that “Human Resource Department is not creative to attract new talents to the organization” was tested using one way ANOVA test. Since the calculated value of F of 2.049 is lower than the table value of F of 3.002, the hypothesis “Human Resource Department is not creative to attract new talents to the organization” stands - ACCEPTED.(Refer item no.4.4.1)

H3: Organizational culture should enable the employees to maximize their contribution. On this aspect, the hypothesis “Organizations do not enable the employees to maximize their contribution” was tested using one way ANOVA test. Since the calculated value of F of 1.763 is lower than the table value of F of 3.002, the
hypothesis “Organizations do not enable the employees to maximize their contribution “stands - ACCEPTED. (Refer item no.4.4.4)

H4: It is but natural that the organizational culture and the nature of the business that the organization is carrying out matches with each other. On this point the hypothesis “Organizational culture and the business of the organization are not related” was tested using one way ANOVA. Since the calculated value of F of 130.86 is higher than the table value of F of 3.002, the hypothesis “Organizational culture and the business of organization are not positively related” stands - REJECTED. (Refer item number 4.5.4)

H5: Organizations need to produce such products and services, which reflect the diversity of the customer it is serving. This is an important aspect of strengthening organizational culture. The hypothesis “There is no correlation between the reflection of products / services and the diversity of its customers” was tested using one way ANOVA test. Since the calculated value of F of 76.97 is higher than the table value of F of 3.002, the hypothesis stands - REJECTED. (Refer item number 4.6.1)

H6: It is implied that cross functional communication is considered while organizational culture is strengthened. The hypothesis “Organizational culture does not have an influence on the cross functional communication” was tested using K-S test. Since the table value of D is 0.0037 is lower than the calculated value of 0.42, the hypothesis stands - REJECTED. (Refer item number 4.8.2)

H7: Training is an important aspect of HR Management and there by organizational culture management also. Unless the training objectives and goals of the organizations are related, there will be little scope for strengthening of organizational culture elements. The hypothesis “Training objectives are not aligned with goals of the organization” was tested using K-S test. Since the table value of D is 0.0037, which is lower than the calculated value of 0.18, the hypothesis stands - REJECTED. (Refer item no.4.8.5)

H8: The senior employees need to understand broad implication of their decisions. as a part of managing organizational culture. On this aspect, the hypothesis “Senior members do not understand broad implications of their own decisions including its ethical implications” was tested using one way ANOVA test. Since the calculated
value of F is 12.152 is higher than the table value of F of 3.002, the hypothesis stands - REJECTED. (Refer item no. 4.9.3)

H9: Leadership styles have many implications for the organizations. Leadership style can vary from democratic to autocratic. The hypothesis “Democratic style leadership is not practiced in the organization” was tested using one way ANOVA test. Since the calculated value of F is 2.352 which is lower than the table value of F of 3.002, the hypothesis that “Democratic style leadership is practiced in the organization” stands - ACCEPTED. (Refer item no. 4.10.2)

H10: Organization structure can be multilayered or less layered. This depends on various factors such as the policies towards workflow, communication flow etc. The hypothesis “There is no correlation between the strength of the organizational culture and the height of the organization structure” was tested using Chi-square test. Since the Chi-squared value of 29.40 is more than the tabular value of 5.991, the hypothesis “There is no correlation between the strength of the organizational culture and the height of the organization structure, stands – REJECTED (Refer item number 4.13.3).