CHAPTER VI

SUMMARY AND CONCLUSIONS
This chapter presents overview of the study, summarises the findings and offers implications of the results for management practices for enriching organisational effectiveness.

Organisational culture and effectiveness is being increasingly written, discussed and debated in the literature of organisational behaviour. Besides, Liberalisation, Privatisation and Globalisation of the economies across the globe and among the corporate sectors have much more added the current relevance and significance of the concept. Organisational culture is a cognitive framework consisting of assumptions, attitudes, beliefs, values and norms that are shared by organisational members. A strong and favourable culture can help the organisations to survive, adopt, flourish, maintain itself without causing undue strain upon its members and thus may lead to organisational effectiveness. However, absence of such conducive culture would result in weak-culture that may, in turn, amounts to ineffectiveness.

Organisational culture in this study is assessed in terms of perceptions of members of organisations with respect to values, beliefs, policies and practices of the respective organisations.

In the present study organisational effectiveness is understood and measured as an end result of employees’ behavioural contributions such as commitment to work
and organization, adoptability to change, absence of work related strain, job satisfaction and job performance.

The present study is basically empirical in nature. It aims to identify the patterns of organisational culture among public and private sector enterprises. An endeavour is also made to correlate the patterns of Organisational culture with levels of Organisational effectiveness and also with demographic characteristics of the selected respondents.

For the purpose of the study, 4 enterprises each two from public and private sector in and around Bangalore city were selected by adopting purposive sampling technique. The rationale in selecting these enterprises in Bangalore city is primarily because of the fact that diversified work-force found working more in these enterprises as Bangalore city is well known for diversified culture. Besides, the investigator, hails from the same city and well-acquaint with the local language and accessible to visit the enterprises quite frequently to get the information.

The employees of each enterprises were then categorized under three levels viz., managerial, supervisory and workers at operational level. From each stratum, an equal number of 25 employees and thus 75 respondents from each enterprise were selected by adopting stratified random sampling method. Thus, altogether from 4 organizations, 300 (150 each from public and private sector enterprises) respondents were finally selected by giving equal representation to all the departments in the respective enterprises. The survey was conducted during July-November 2001.
Thus, the employees’ responses to the administered questionnaire and theoretical base found in the published literature were constituted the basis for arriving at the meaningful inferences.

The investigator held discussions with academicians, consultants, researchers on the concerned subject at Indian Institute of Management, Department of Management studies at Indian Institute of Sciences, Bangalore, National Productivity Council, All India Management Association, New Delhi and also with top level Executives of the selected enterprises to identify different variables to be considered and included in the questionnaire for the measurement of organisational culture and effectiveness. Thus, 12 organisation cultural dimensions like Autonomy, communication, collaboration, conflict management, decision-making, facilitativeness, innovation and change, interpersonal relations, Reward Management, supervision, transparency and trust are selected to measure organisational culture. Similarly six dimensions viz., ‘employees’ commitment to work, commitment to organization, employee job satisfaction, work related strain, employees’ adaptability to change and employees’ performance are selected for measuring organisational effectiveness.

Out of 300 selected employees, 253 representing 84.83 per cent were male employees, while 15.67 per cent were female employees. Designation-wise details show that from each category 100 employees (33.33%) were selected and majority of them fall in between 31-50 years age-group. More than 87 per cent of the total employees were graduates and postgraduates. Most of them were married. Salary
details showed that majority of the employees fall in the monthly salary range of Rs.9,001/- and above Rs.15,000/-.

For identifying the culture perception of the selected employees, a questionnaire with 59 statements reflecting 12 dimensions of organisational culture was prepared and the opinions were sought on a 5-point scale ranging from strongly agree to strongly disagree. Weights were assigned from 5- for strongly agree to 1 for strongly disagree. Out of 59 statements, some statements were adopted with modifications from questionnaires developed by Udai Pareek, E.G. Parameswaran and S.F. Chandrashekaran etc.

Similarly, for eliciting responses on organisational effectiveness, a questionnaire with 50 statements covering six dimensions of organisational effectiveness on a 5-point scale was prepared and responses were collected from the respondents. Out of 50 statements, statements for commitment to organisations and commitment to work were adopted with modifications from questionnaires developed by Mayer Allen, and Kanungo, while statements for other dimensions were framed by the investigator for the present study.

The collected data were tabulated in a 117 x 300 matrix form and statistical analysis was done with the help of SPSS PC package (7.5 version). For arriving at the scientific and meaningful findings appropriate statistical techniques were used. Besides, the data were also shown with appropriate graphic representation.

Measures of central tendency was used to classify the respondents under two patterns of culture viz., strong culture and weak culture based on employees’
perceptions on organisational culture. Mean (score) is also used to present the perceptions of selected employees on individual dimensions of organisational culture and effectiveness. Mean and Standard Deviation were applied to classify the employees under high, moderate and low levels of organisational effectiveness based on their contributions (total scores on Organisational effectiveness) to organisational effectiveness. In order to test whether there is a significant relationship between (1) ownership patterns (sector-wise) and Organisational culture, (2) sector and Organisational Effectiveness, the chi-square was applied. Multiple correlations were used to determine the significant relationship among (1) the selected cultural dimensions and Organisational Culture, (2) Selected effectiveness dimensions and organisational effectiveness and also between (3) organisational culture and organisational effectiveness.

**Major findings of the study**

1. Employees' perceptions of Organisational Culture

In public sector enterprises out of 150 sample respondents, 84 employees (56%) were perceived strong culture and 66 (44%) employee's perceived weak culture. Whereas in private sector enterprises 101 (67.33%) employees perceived strong culture and 49 (32.67%) employees perceived weak culture in their organizations. It shows that private sector enterprises flourish with better culture than public sector enterprises.

The mean score of culture perception of employees falling under strong culture is comparatively higher in private sector i.e. 3.94 (78.80%) while the same in
The mean score of culture perception of employees falling under weak culture is also high in private sector (66.56%) and it is 61.58 per cent in public sector. It clearly indicates that the employees falling under strong culture in private enterprises have perceived a strong, healthy cultural environment than in public sector. Conversely, culture perception scores of employees of private sector falling under weak culture are less for all the dimensions compared to perception scores of the employees falling under strong culture. However, their perception scores are higher than their counterparts in public sector.

The analysis reflects that the employees falling under weak culture have perceived the prevalence of anemic illness in their work environment due to deterioration of organisational values and improper practices. It can further be understood that the employees did not perceive a supportive, helpful and nurturing work environment. Besides, their perception of inadequate facilities and poor working conditions at workplace reflect the inadequate support by management and uncaring attitude towards the development of human resources. Regression of trust and poor interpersonal relations reveals the absence of emotional and psychological attachments among the members of the organisation. Lesser levels of autonomy, inadequate involvement of employees in decision making process, insufficient feedback, inadequate reward management system, lack of group cohesiveness and efforts and lack of timely conflict resolution system, resisting for change, poor supervisory system have reflected in perceptions of the employees falling under weak culture on the individual dimensions of organisational culture.

In private sector enterprises the total perception scores are comparatively higher for all dimensions than the total of perception scores on individual dimensions
in public sector enterprises. It reflects the fact that there prevails a relatively wide gap in the culture perception of the members of public sector enterprises than in private sector enterprises. The employees of both public and private sector enterprises have positively and uniformly responded to the cultural dimensions such as collaboration, communication, trust, and interpersonal relations. However, they differ in their perceptions on facilitativeness, decision-making, autonomy, supervision and conflict management. (Details can be seen in table 5.3) It is also found that innovation and change in public sector is in 10th rank and the same in private sector is placed in 7th place. It clearly indicates that the employees of private sector are more innovative and accepting the change positively than the employees of public sector enterprises.

In both public and private enterprises least perception score is noticed for autonomy dimension. It reveals the fact that employees are not given freedom to act freely and to choose their own method of working in both organizations.

2. Relationship between Organisational Culture and ownership pattern (sector) of the enterprises

The results of chi-square test established a significant association between organisational culture and ownership pattern (sector) of the organizations. The X² test result discloses the fact that private sector enterprises flourish with better culture than public sector enterprises.

3. Relationship between patterns of Organisational Culture and employees’ personal characteristics

Analysis of the study indicates that the Organisational Culture is not associated with age, experience, sex and marital status of employees. But its
significant association with education of employees brings to limelight the importance of highly educated employees to enrich Organisational Culture, the authority, autonomy, prestige and power enjoyed by the employees working at different levels of organisational hierarchy influencing their contribution to cultural enrichment of their enterprises.

Another important finding of this study is that Organisational Culture is significantly associated with training given to employees. This finding of the study reveals that training has the potential to contribute to the cultural enrichment of the enterprises.

4. Employees' contribution to organisational effectiveness in selected public and private sector enterprises

Private sector employees falling under high and moderate levels of organisational effectiveness are shown more emotional attachment to their organisation and work, they have felt proud to identify themselves as members of the organisation, they are ready to perform well for the good of the organisation, getting more satisfaction from their job, ready to accept any change that occurs in structure, technology, policies and practices of the organisation and experiencing low work-related strain than the employees falling under high and moderate levels of organisational effectiveness in public sector enterprises. However, the employees falling under low level of job satisfaction in private sector are more dissatisfied than the employees falling under low level of job satisfaction in public sector organisation.
On the whole, it can be concluded that the private sector employees are contributing more to organisational effectiveness of their organisations than their counterparts in public sector.

The average organisational effectiveness scores (dimension wise as well as overall) as displayed in table 5.18 shows that, in general employees' commitment level to their work and organisation, job satisfaction, adaptability and performance is fairly high in both public and private sector enterprises, which inturn results in higher levels of organisational effectiveness. The relative levels of organisational effectiveness are in the following order.

<table>
<thead>
<tr>
<th>Effectiveness Dimensions</th>
<th>Public Sector</th>
<th>Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Average Score</td>
<td>%</td>
</tr>
<tr>
<td>Commitment to Work</td>
<td>24.11</td>
<td>80.37</td>
</tr>
<tr>
<td>Commitment to Organisation</td>
<td>49.19</td>
<td>81.98</td>
</tr>
<tr>
<td>Adaptability to change</td>
<td>27.44</td>
<td>68.60</td>
</tr>
<tr>
<td>Absence of Work Related Strain</td>
<td>17.30</td>
<td>69.20</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>46.44</td>
<td>77.40</td>
</tr>
<tr>
<td>Performance</td>
<td>26.61</td>
<td>76.03</td>
</tr>
<tr>
<td>Organisational Effectiveness</td>
<td>191.05</td>
<td>76.42</td>
</tr>
</tbody>
</table>

Though employees' commitment, job satisfaction, adaptability to change and performance as displayed in table 5.18 is fairly high gap still persists in all the dimensions of organisational effectiveness. Dimension wise effectiveness gap is as follows.
### EXTENT OF DIMENSIONAL WISE EFFECTIVENESS SCORES GAP

<table>
<thead>
<tr>
<th>Effectiveness Dimensions</th>
<th>Public Sector</th>
<th>Private Sector</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Max. Score</td>
<td>Mean score</td>
</tr>
<tr>
<td>Commitment to Work</td>
<td>30.00</td>
<td>24.11</td>
</tr>
<tr>
<td>Commitment to Organisation</td>
<td>60.00</td>
<td>49.19</td>
</tr>
<tr>
<td>Adaptability to change</td>
<td>40.00</td>
<td>27.44</td>
</tr>
<tr>
<td>Absence of Work Related Strain</td>
<td>25.00</td>
<td>17.30</td>
</tr>
<tr>
<td>Job Satisfaction</td>
<td>60.00</td>
<td>46.44</td>
</tr>
<tr>
<td>Performance</td>
<td>35.00</td>
<td>26.61</td>
</tr>
<tr>
<td>Organisational Effectiveness</td>
<td>250.00</td>
<td>191.05</td>
</tr>
</tbody>
</table>

As the employees happen to be costlier and important resource, even a slight decline in their commitment, job satisfaction, adaptability and performance may adversely affect the organisational effectiveness. To bring in that organisational effectiveness corporate leaders must initiate appropriate strategies to bridge the gaps.

5. **Relationship between personal characteristics of employees and their contribution to Organisational Effectiveness**

In analysis of data it is found that employees’ contribution to Organisational Effectiveness is significantly associated with employees experience, salary and training and found not significantly associated with age, designation, marital status and gender. X² results also supported this finding.
6. Association between ownership pattern (sector) and employees' contribution to Organisational Effectiveness

The results of chi-square test established a significant association between employees' contribution to organisational effectiveness and ownership pattern (sector) of the organizations. $X^2$ results disclosed the fact that employee's contribution to organisational effectiveness in private sector enterprises is higher than the employees' contribution to organisational effectiveness of public sector enterprises.

7. Relationship between Organisational Culture and Organisational Effectiveness

The major finding of this study is that in both public and private sector enterprises there is a significant association between Organisational Culture and Organisational Effectiveness. The results of the chi-square test also established a significant association between Organisational Culture and Organisational Effectiveness.

Implications of the present study

1. The prevalence of weak cultures at higher degree in public sector enterprises indicates that there are inadequacies in their values, policies, and management practices. A high degree of politicalisation and deep rooted claims and alliances prevalent in public sector organization are the prime stumbling blocks that pollute the corporate cultural flavour and weaken the strength of its cultural fabric. To bring in that competitive cultural advantage, the top leaders of public sector organizations should devise and initiate appropriate culture change strategies for infusing commitment
generating, job satisfaction and performance enhancing values and practices
in order to improve the effectiveness of their organisations.

2. In the present study it is statistically found that training has the potential to
contribute both to the cultural enrichment and effectiveness. Hence, the
selected enterprises should use the training as right kind of mechanism or
devise to enrich organisational culture and organisational effectiveness.

3. It is empirically found in current study that cultural perception of the
employees is significantly associated with level of their education in both
public and private sector enterprises. However, employees' contribution to
organisational effectiveness is associated with level of their education only
in case of private sector enterprises. It is, therefore, suggested that while
filling the different positions, due weightage is to be given to the educational
qualifications.

4. The findings of this study revealed an insignificant association between sex
of the employees' and their culture perception and contribution to
organisational effectiveness. It reveals the fact that, there are likely to be
excellent and poor performers within each sex. Therefore, the enterprises
need to re-orient their selection process and remove cultural barriers if any,
to women employees. They should be gender blind and not hesitate to fully
capitalize on the potential of their female work force. To do this, corporate
leaders need to identify, develop, encourage and promote most effective
employees regardless sex.
5. In this study results of chi-square test established a significant association between the employees' contribution to organisational effectiveness and their work experience. It reveals the fact that more experienced employees are contributing more to organisational effectiveness. It is, therefore, suggested that care is to be taken to retain the experienced work-force who have well-shared the values, policies, and management practices and thereby contributed more to organisational effectiveness.

6. This study established a significant association between employees' salary and their culture perception and contribution to organisational effectiveness. It discloses that employees receiving high salaries have perceived better culture and contributed more to organisational effectiveness. From the above it can be inferred that reward system stimulate both thinking and doing process. Therefore, it is suggested that corporate leaders should frame an adequate and appropriate reward system.

CONCLUSION

In brief, the results of the study empirically indicated that employees who perceived strong culture have experienced higher levels of job satisfaction, commitment to work and organisation, adaptability to change, performance and experienced low work-related strain and in turn contributed more to organisational effectiveness compared to employees who perceived themselves as working in weak culture in both public and private sector enterprises. However, a deep peep into the analysis further brings us to conclude that the employees who perceived strong culture have evidently contributed a lot to the organisational effectiveness in private sector
enterprises than the employees who perceived the strong culture in public sector enterprises. Thus, in order to leverage the best out of organisational culture especially in the context of Liberalisation, Privatisation and Globalisation, the public sector enterprises should endeavour to make the employees more cohesive and synergetic. This culture building exercise should be made through understanding and sharing of core values of the enterprises by the employees of all cadres uniformly for achieving both strong cultural heritage and enrichment of organisational effectiveness.