CHAPTER – I

INTRODUCTION

The Chapter presents the concept of culture, commitment, statement of the problem, significance of the study, objectives of the study, research hypotheses, methodology, statistical tools used and it also highlights the limitations of the study and chapter arrangement.

1.0.0. INTRODUCTION

The field of organizational behavior and the related discipline of management science began investigating organizations in terms of culture as early as the 1930s. The final phase of the famous Hawthorne studies at the Western Electric Company marked the first systematic attempt to use a concept of culture to understand the work environment. While it was an important step forward in qualitative research, the investigation was rather blunt and the understanding of organizational culture remained fairly primitive during the following decades. Most mid-century attempts at understanding were conducted by scholars steeped in quantitative psychology and sociology, though by the 1970s researchers more explicitly and emphatically appropriated the theories and methods of anthropology. The late-century upsurge of interest in organizational culture is credited largely to the economic conditions of the 1970s when international competition had heightened and more foreign companies were operating factories in the United States. Specifically, the success of the Japanese in many industries sparked curiosity about whether their differing corporate values, attitudes, and behaviors were responsible for their often superior performance.

Since 1980s, academic and applied exploration of organizational culture has steadily increased and even now there is little indication of abatement as changes in data management, work organization, values, lifestyles, demographics, knowledge-intensive work, outsourcing, and a host of other social, economic, and technological factors continue to impact the relationship between organizations, workers, and the
workplace. *Peters & Wasserman (1982)* in Search of Excellence stirred through its suggestion that organizations with strong cultures were more effective.

### 1.2.0. THE CONCEPT OF ORGANIZATIONAL CULTURE

The concept of culture has become increasingly significant in almost all the fields of employment. There has been growing concerns over the ways many organizations have chosen to do business in the recent past. Organizational culture refers to the personality of an organization that guides how employees think and act on the job. Organization Culture relates to the informal aspects of organizations rather than their official elements. Culture is manifested by symbols and rituals rather than through the formal structure of the organization. It refers to the beliefs and values that have existed in an organization for a long time, and to the beliefs of the staff and the foreseen value of their work that will influence their attitudes and behavior. Organizational culture is considered the “glue” that holds an organization together and for others, the “compass” that provides direction. (Bruce M. Tharp 2009)

The topic of organizational culture has been studied from many perspectives and disciplines, such as anthropology, sociology, organizational behavior, and organizational leadership. An organizational culture signals to workers what is acceptable, what is worthwhile, and what makes sense. These signals are acquired gradually as a person learns from older hands and gains a sense of membership in a collective—a process of acculturation.

Ahiauzu (1986) comments that it is becoming increasingly widely accepted among social scientists, especially managers and organizational theorists that the patterns of management and employee behaviour in the work place are largely culture-bound.

Definitions of Organizational Culture are numerous. One helpful, though general, definition offered by *Edgar Schein* of MIT’s Sloan School (2004) of Management is that organizational culture is a pattern of shared basic assumptions that was learned by a group 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.

According to Bush (2003) Beliefs, values and ideology are at the heart of organizations. Individuals hold certain ideas and value-preferences which influence how they behave and how they view the behaviour of other members. These norms become shared traditions which are communicated within the group and are reinforced by symbols and ritual.

Deal (1999) defines organizational culture as values, beliefs, and behaviors that differentiate one organization from another. Schein, (1999) outlines the manifestations of culture as “the way we do things around here”, “the rites and rituals of our company”, “the company climate”, “the reward system”, “our basic values”, and so on. These are manifestations of culture because they do not represent culture at the deeper levels where we must understand and manage at the deeper levels.

Lundberg (1990) describes the defining features of an organizational culture as it is a **shared, common frame of reference**, i.e. it is largely taken for granted and is shared by some significant portion of members; **acquired and governs**, i.e. it is socially learned and transmitted by members and provides them with rules for their organizational behaviour; **a common psychology**, i.e. it denotes the organization’s uniqueness and contributes to its identity; **enduring over time**, i.e. it can be found in any fairly stable social unit of any size, as long as it has a reasonable history; **symbolic**, i.e. it is manifested in observables such as language, behaviour and things to which are attributed meanings; **at its core, typically invisible and determinant**, i.e. it is ultimately comprised of a configuration of deeply buried values and assumptions; is modifiable, but not easily so.

In the words of O’Neill (1994) Organizations, therefore, articulate values in order to provide form and meaning for the activities of organizational members in the absence of visible and certain organizational structures and relationships. In this sense the analysis and influence of organizational culture becomes essential management tools in the pursuit of increased organizational growth and effectiveness.
Organizational culture plays a central role in regulating and encouraging political behavior. Many politically manipulated meanings are embedded in the language and knowledge contained within a culture. Culture determines which political moves raise eyebrows and which are waved-off as “par for the course.” (Peter Stoyko 2009).

Thus Organizational culture is the basic pattern of shared assumptions and meanings. Values and beliefs are considered to be the correct way of thinking about and acting on problems and opportunities facing the organization. It also defines what is important and unimportant in the company. Beliefs represent the individual’s perceptions of reality. Values are more stable, long-lasting beliefs about what is important. Overall organization Culture focuses on the values, beliefs and norms of individuals in the organization and how these individual perceptions coalesce into shared meanings.

Culture is helpful in the fulfillment of committed goals of an individual, organization and society. It increases the capabilities and efficiency of an individual which is likely to reflect itself in the long run in the well-being of the individual good reputation of the institution and ultimately the well-being of the society.

1.3.0. ORGANIZATIONAL SUBCULTURES

In general, organizational culture actually refers to the dominant culture; that is, the themes shared most widely by the organization’s members. However, organizations are also comprised of subcultures located throughout its various divisions, geographic regions, and occupational groups. Some subcultures enhance the dominant culture by espousing parallel assumptions, values, and beliefs; others are called countercultures because they directly oppose the organization’s core values.

Subcultures, particularly countercultures, potentially create conflict and dissension among employees, but they also serve two important functions. First, they maintain the organization’s standards of performance and ethical behavior. Employees who hold countercultural values are an important source of surveillance and evaluation of the dominant order.
They encourage constructive controversy and more creative thinking about how the organization should interact with its environment. Subcultures prevent employees from blindly following one set of values and thereby help the organization to abide by society’s ethical values.

The second function of subcultures is that they are the spawning grounds for emerging values that keep the firm aligned with the needs of customers, suppliers, society, and other stakeholders. Companies eventually need to replace their dominant values with ones that are more appropriate for the changing environment. If subcultures are suppressed, the organization may take longer to discover and adopt values aligned with the emerging environment. (Bruce M. Tharp 2009)

Culture is important because it shapes organization’s decisions, employees behaviours and how they interact with each other within the organization. It also explains how individuals, work groups and the organization as a whole deal with work assigned to them, identifies the speed and efficiency with which things get done, help to know the organization’s capacity for and receptiveness to change and the attitudes of outside stakeholders to the organization

1.4.0. THE CONCEPT OF EMPLOYEE COMMITMENT

The term commitment has become an imperative part of management jargon today. Commitment is a psychological state that binds an individual to the organization. It refers to the likelihood that an individual will stick to the organization, feel psychologically attached to it, whether the job is satisfying or not. Companies often mistake employee retention for commitment. It would be wrong to say that an employee who stays with the company is committed. The various forms of commitment coexist simultaneously, yet are distinguishable from each other.

1.4.1. TYPES OF EMPLOYEE COMMITMENT

There is now a substantial body of evidence demonstrating the benefits to organizations of having a strongly committed workforce. In the 90s, Allen and Meyer proposed an analytic view of organizational commitment, splitting it into three
definable components – affective, continuance, and normative commitment. Affective commitment is the emotional attachment of an employee to organizational values – how much an employee likes the organization. Continuance commitment is a measure of the willingness of an employee to continue working for the same organization. Normative commitment deals with the feelings of obligation, or sense of responsibility an employee feels towards the organization. Though each component of organizational commitment may affect other components, for the purpose of designing management strategies, it is easier to segment and visualize the three types of organizational commitments in order to bolster them according to need. (www.employmentcrossing.com)

1.4.2. AFFECTIVE COMMITMENT

Affective commitment describes the emotional attachment of an employee to an organization and explains how much employees want to stay at their organization. If employees are affectively committed to their organization, it means that they want to stay at their organization. The employees with high level of affective commitment will enjoy the relationship with the organization and are likely to stay for a longer period. They typically identify the organizational goals, feel that they fit into the organization and are satisfied with their work. Employees, who are affectively committed, feel valued, act as ambassadors for their organization and are generally great assets for organizations. (www.mindtools.com/pages/article/three-component-model-commitment.htm)

1.4.3. CONTINUANCE COMMITMENT

Continuance commitment is the degree with which the employees believe that leaving the organization would be costly. If the employees have a high level of continuance commitment, will stay with an organization because they feel that they must stay. For example, the employee feels quitting the job may lead to an unacceptable length of unemployment. On the other hand, the employees may feel that they will lose a certain degree of status if they leave a well-respected organization such as a top law firm or research company. Thus, Continuance commitment relates to
how much employees feel the need to stay at their organization. In continuance commitment, the underlying reason for their commitment lies in their need to stay with the organization. Possible reasons for needing to stay with organizations vary, but the main reasons relate to a lack of work alternatives, and remuneration.

This type of commitment occurs when an employee weighs up the pros and cons of leaving the organization. The perceived losses, or "side bets," can be monetary professional or social. The severity of these "losses" often increases with age and experience. The employee is more likely to experience continuance commitment if he is in an established, successful role, or if he has had several promotions within one organization.

A good example of continuance commitment is when employees feel need to stay with their organization because their salary and fringe benefits won’t improve if they move to another organization. Such examples can become an issue for organizations as employees that are continuance committed may become dissatisfied (and disengaged) with their work and yet, are unwilling to leave the organization. (www.effectory.com/thought-leadership/blog/3-key-types-of-organizational-commitment)

1.4.4. NORMATIVE COMMITMENT

Normative commitment relates to how much employees feel that they should stay at their organization. Normatively committed employees feel that leaving their organization would have disastrous consequences, and feel a sense of guilty about the possibility of leaving.

Reasons for such guilty vary, but are often concerned with employees feeling that in leaving the organization they would create a void in knowledge/skills, which would subsequently increase the pressure on their colleagues. Such feelings can, and do, negatively influence the performance of employees working in organizations. Individuals with Normative Commitment stay with organizations because they feel they should.
This type of commitment occurs when the employee feels a sense of obligation to the organization, even if the employee is unhappy in the role given, or even if an employee wants to pursue a better opportunities. They feel that they should stay with their organization, because it's the right thing to do. This sense of obligation can stem from several factors. The employees might feel that they should remain with the organization because it has invested money or time in their training. Or perhaps it provided a reward in advance, such as paying for college tuition etc.

1.5.0. ORGANIZATIONAL CULTURE IN BANKING INDUSTRY

The rapid changes in national and international economic scenario have brought in a metamorphic change in the Indian banking system. The banking in our country is no longer the same as it used to be a couple of years ago; nor is it expected to remain the same a couple of years after. The manifestation of change in the system is large and vivid in all its forms; be it structural, attitudinal or qualitative. This transformation in our banking system has been possible mainly because of the following factors:

- Liberalized monetary, economic, and banking policies.
- Level playing field for both public and private sector banks.
- High level of mechanization and increased use of Information Technology.
- Downsizing the workforce through Voluntary Retirement Scheme (VRS).
- Reducing Government stake and more equity participation by the public.
- Stringent prudential norms and transparent accounting practices.
- Increased customer expectations following acute competition among banks.

The breath-taking competition among the banks has now become a “quest for survival”. Earlier banking was virtually a monopoly of the public sector banks with full protection from the state. However, the process of reforms in the Indian banking system has paved the way for more liberal and free market forces. Now the banks,
more particularly the public sector, feel the real heat of the competition. The reductions in interest rate, dwindling margins and more number of players to serve as reduced number of bankable clients have all added to the woes of the banks. The customer has finally come to hold the center-stage and all the banking products are tailor-made to suit his tastes and preferences. This spurt in the banking environment in the country has bereaved the banks of all their comforts and many of them grapple with the change. The complexities of the situation call for a thorough re-engineering of all the resources available with the banks including their “Human Resources”.

Banking is an organization basically of the people, by the people and for the people. Hence, the need and importance of human element in a bank can hardly be ignored. A thorough re-orientation in the attitude of the workforce is the need of the hour to respond to the challenges lying ahead of them. Man Power Management is undoubtedly the most decisive rather the most sensitive and the critical areas of management are to be handled with utmost care and diligence. It is always the people who are the victims of any change in policies, guidelines or methods. Their attitude, behaviour, commitment, and interpersonal relationship are changed either for the better or for the worst with every change that comes in their way. The changed banking environment has posed serious challenges before the bank managements. They have to fall in line with the global standards adopted by the new private and foreign banks in order to remain competitive in the market. The “Human Resource Development” (HRD) Departments have to play a more proactive role in shaping the workforce to face the challenges.

Change is inevitable. With the fast change in the global economic scenario, the banking system cannot remain unaffected. However, the change in the Indian Banking System has been a bit too fast. There have been some cross currents flowing to resist the change. Though, such resistances are mercurial. Eventually, the Human Resource Development departments in the banks have come in to play a far greater role in transforming the mind-set and attitude of the banking people by taking the change in their stride. It is, therefore, rightly said: “You cannot change the direction of the wind, but you can certainly adjust the sail”.

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1.6.0. IMPORTANCE OF ORGANIZATIONAL CULTURE IN THE BANKING SYSTEM

Banking is a service industry which delivers its services across the counter to the ultimate customer. The activities of banking industry are all about ‘relationship’. Hence, Organizational culture assume a very important role in banking industry for providing better services to the customer with a smile in order to cultivate and maintain long lasting relationship with their customers. Notwithstanding the level of technology, banking being a labour intensive service sector, can sustain its effectiveness and committed service only by giving importance to human resource management/ development; technology is only an aid to human effort and not a substitution there of. If technology is the equalizer, then the human capital shall be the differential in future.

The Organizational culture is the most important element for the progress of banking in India. Though technology can replace manual intervention, the thinking process is the exclusive preserve of human beings. With changing times and technology, banks would require employees with special skills in the areas of risk management, treasury, product development, customer relationship management and IT services. The technology can improve speed and quality of performance, but at the same time, it can also unleash the risk factor. It is a recognized fact that human resources occupy a unique and sensitive position in banking sector; no meaningful change is possible without the involvement of their employees. Therefore, banks have come to terms with the significant changes to adapt themselves to new competitive environment. The adoption is now in organizing and preparing its human resources to the requirement of competitive banking.

1.7.0. EMPLOYEES COMMITMENT IN BANKS

Commitment as a concept demands a specific and congenial climate to take root. It enriches the work life in banks and aims to link productivity with a sense of personal fulfillment. Commitment involves all management decisions and practices that direct, affect or influence the Human Resources in the banks. In recent years,
increased attention comes from the realization that the bank employees enable the banks to achieve its goals and the management and development of these resources is critical to a bank’s success.

Employee commitment is useful to both bank and its employees:

- It enables a bank to build managerial resources of quality and leadership.
- It inculcates an effective culture of teamwork.
- It creates value systems, which are conducive to growth.
- It motivates employees to provide prompt and innovative services to customers.
- It creates a sense of belonging among the staff.
- It will help a bank to develop and utilize the potential of workforce so as to achieve its goals.
- It will help to develop and maintain the quality of work life in the bank.
- It will improve the behavioural patterns of the staff and their commitment to the bank.

Commitment can offer the following benefits to employees:

- To sharpen existing skills.
- To acquire new skills.
- To discover and exploit their potential.
- To improve overall personality and career prospects.
- To perform existing and future roles effectively.
- To provide job satisfaction and self-actualization.

Thus, HRD helps to make a bank and its staff more effective and strong.
1.8.0. EFFECTIVENESS OF ORGANIZATIONAL CULTURE IN BANKING INDUSTRY

The banking industry at present is under a transition period owing to the enunciation of the policy of economic liberalization by the Government of India. In the wake of liberalization, the banking industry is thrown open to the benefit of all sectors of the economy. Organizational culture is a growing concept. It has tremendous relevance to a service sector like banking. Human input is the single largest input that goes into the banking industry. The level of efficiency/productivity of this input is reflected in the quality of service offered by banks to their customers and also in their ultimate growth, productivity, and profitability. Hence, the banks today emphasize on constructive culture.

Culture is considered to be very crucial in the organization’s well being. Presently banks have started realizing that culture is the most important of all their assets based on the emerging values of humanization. Development is considered to be the soul of organizational culture function, which reflects on the bank’s effectiveness. Organizational culture in a growing economy like India is the need of the hour and undoubtedly, banking sector is the most effective instrument for India’s economic development; hence developing human resources for this sector has become essential to achieve the national objectives. In spite of the rapid technological advancements, human resource remains the backbone of the organizational structure of Indian banks, which undertake the crucial responsibility of transforming their operational system into a modern one.

The environmental threats will harm the protective zone of Indian commercial banks. As such, Indian banking industry should strengthen itself with the required resources to face the environmental challenges and threats. Imperatively, the commercial banks have to formulate stable strategies but not growth strategies. This will help to formulate growth strategies later. Thus, culture has to play a vital role in the stability and growth strategies of commercial banks. Since there is a dearth of studies in this area for recognizing the pivotal position of Indian banks in developing the nation’s socio-economic structure, it is found necessary to empirically test the
extent of organizational culture in the Banking Industry. At this juncture, it would be more appropriate to attempt a comparative study of the present position of culture in Public and New Private Sector Banks in terms of practice, climate, outcomes, and organizational effectiveness.

Banking is now a part of the larger financial service industry. The number of players in the market and the range of services and facilities offered keep increasing, thereby driving the competition to greater intensity. The economic environment has posed new challenges as well as opportunities to the banks in India. To survive in an intensively competitive market, banks must measure up to in terms of efficiency—both market related and internal. In addition, one crucial factor that makes a big difference in competitive efficiency of any bank is the human resource factor.

Culture acquires a special meaning in the banking industry due to a host of factors. Banking is a labour-intensive industry. As such, the quality of banking services and the objectives in achieving the socio-economic goals are highly dependent on the employees who deliver the services. In addition, client development involves total involvement of the employees in the process of rendering service. Thus, the task of culture will irresistibly be the central and to swerve from it is to destroy the fabric of banking itself.

Despite the fact that commercial banks are one of the biggest employers in the country and have been working as public sector undertakings since 1969, studies dealing with the human resources development in commercial banks in India are scanty. Nevertheless, there are a few studies, dealing with the various aspects of human resource management/development in banks.

The careful examination of the studies conducted by Abraham, Anil K Khandelwal, Udai Pareek, T.V. Rao, T.P Raman, Amitabh Kodwani et al, Patel M K, Charumathi B, Rani Geetha Priyadarshini etc., on organizational culture in various dimensions of banks reveals that these studies are confined only to individual aspects, limiting to a particular bank and to a particular aspect of culture and thus limiting its scope. Further, almost the entire review is based on the personal experience and
perceptions of the bank executives rather than systematic findings of an empirical study.

1.9.0. NEED AND IMPORTANCE OF THE STUDY

The liberalization of the economy has created a competitive culture that has taken the service industry and particularly the banking industry by storm. The banking sector has been the backbone of every emerging country. It implements and brings about economic reforms. Any change in this sector through technology adoption has a sweeping impact on a country’s growth. The development in information collection, storage, processing and transmission technologies have influenced all aspects of the banking activity.

The major problem that every banking sector now facing is that they are taking much strain in keeping skilled and knowledgeable employees. The concept of organization culture and commitment has gained much attention in the field of management and behavioral science because of the expected outcome of commitment.

Organization Culture is a key factor not only in achieving organizational goals, but also in attracting and keeping desirable employees, creating a positive public image, and building respectful relationships with stakeholders. Thus, they are very passionate to make their employees more committed to their work.

The increased use of such cultural descriptors in the management is significant because it reflects a need for banking sectors to be able to articulate deeply held and shared values in more tangible ways and therefore respond more effectively to new, uncertain and potentially threatening demands on their capabilities.

In addition, culture is a complex phenomenon that ranges from underlying beliefs and assumptions to visible structures and practices, healthy skepticism exists with respect to whether organizational culture can actually be “measured” in a comparative sense.

Likewise, Employee’s commitment has been an important factor to determine the success of an organization. Employee commitment to an organization has acquired
increasing demand as it aids the organizations to retain more staff and thereby increase in expected achievement, productivity and effectiveness. No organization in the current ambitious world can execute at peak levels unless each employee is committed to the organization’s objectives and performs as an effective team member.

Some people are committed to their jobs because they love what they do, or because their goals align with those of the company. Others might stay because they fear what they could lose if they leave. Still others might stay because they feel obligated to the company, or to their manager. Therefore the importance of employee commitment for organizations is well documented. All three forms of commitment highly influence the length that employees stay with organizations.

Administrators usually adjust their leadership behavior to accomplish the mission of the organization, and this could influence the employees’ commitment. Failure to understand the nature of organizational commitment leads to a lack of understanding of employees’ attachment to the organization and in turn leads to deficient management strategies that fail to reach their assumed goals.

There is a large body of research demonstrating the impact of organizational culture on various dimensions. The results of the research reviewed here by suggest that the organizational culture can also have an effect on employee’s commitment.

To begin with these issues, it is therefore indispensable at the part of the Researcher to understand the relationship between organizational culture and employee’s commitment to have long business sustainability in the competitive world especially in banking sector which is the focal point of this present market idea of research.

1.10.0. STATEMENT OF THE PROBLEM

Banking is now a part of the larger financial service industry. The number of players in the market and the range of services and facilities offered to keep increasing, thereby driving the competition to greater intensity. The economic environment has posed new challenges as well as opportunities to the banks in India.
To survive in an intensively competitive market, banks must measure up to in terms of efficiency—both market related and internal. In addition, one crucial factor that makes a big difference in competitive efficiency of any bank is the human resource factor.

Organizational culture acquires a special meaning in the banking industry due to a host of factors. Banking is a labour-intensive industry. As such, the quality of banking services and the objectives in achieving the socio-economic goals are highly dependent on the employees who deliver the services. In addition, client development involves total involvement of the employees in the process of rendering services. Thus, the task of culture will irresistibly be the central and to serve from it is to destroy the fabric of banking itself and increases the commitment of the employees.

The research problem is around the impact of organizational culture on employees’ commitment in public and private sector banks in Krishna District of Andhra Pradesh. The research problem is fragmented into specifics and presented in the following sections as objectives.

1.11.0. OBJECTIVES OF THE STUDY

The following are the objectives of the present research study.

1. To examine the factors influencing the organizational culture in Public and Private Sector Banks.

2. To evaluate the present commitment level of employee’s in select Public and Private Sector Banks.

3. To compare the commitment level of employees in public and private sector banks.

4. To analyze the problems and difficulties of bank employees in accepting the changes in the organizational culture.

5. To study the relationship between organizational culture and commitment of the employees.
6. To study the influence of personal organizational details of the employees on organizational culture and commitment of the employees.

1.12.0. RESEARCH HYPOTHESES

The following research hypotheses are framed and evolved for this study:

1. There is no significant difference between select Public and Private Sector banks in the prevailing organizational culture.

2. There is no significant difference in commitment level of employees in select Public and Private Sector Banks.

3. There is no significant influence of organizational culture on employee’s commitment in select Public and Private Sector Banks.

4. There is no significant influence of personal and organizational variables of the employees on their perception of organizational culture.

5. There is no significant influence of personal and organizational variables of the employees on their perception of organizational commitment.

1.13.0. METHODOLOGY

The methodology of the study is based on the primary as well as secondary data. The study depends mainly on the primary data collected through a well-framed and structured questionnaire to elicit the well-considered opinions of the respondents. The Multi-Stage Random Sampling is adopted to obtain the responses from the employees of both Public and Private Sector Banks.

1.14.0. PILOT STUDY

A pilot study has been conducted by approaching all the existing Public Sector Banks (PSBs) and Private Sector Banks (PRSBs) in Krishna District. A pilot study has been conducted with a sample of 50 questionnaires covering 5 PSBs and 5 PRSBs. The statements included in the questionnaire are subjected to test of reliability using Cronbach’s Alpha Criterion. The value obtained is 0.918, which shows that the
instrument is highly reliable. In the light of the experience gained, the questionnaire is modified suitably to elicit the response from the sample group.

**Cronbach’s Alpha Co-efficient**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Research Instruments and their Components</th>
<th>Reliability Coefficient</th>
<th>No. of items</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Organizational culture</td>
<td>0.871</td>
<td>13</td>
</tr>
<tr>
<td>2</td>
<td>Employees commitment</td>
<td>0.929</td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>Problems and Difficulties in accepting culture change</td>
<td>0.880</td>
<td>12</td>
</tr>
</tbody>
</table>

The above-mentioned values imply that the statements considered for the above mentioned variables are highly reliable.

**1.15.0. STUDY AREA**

The study is confined to a few selected Public and Private Sector Banks and for this purpose 5 Public Sector Banks and 5 Private Sector Banks are considered as the sample domain: These banks are selected on the basis of more number of branches in Krishna district. The following five public sector banks are chosen to take the responses.

<table>
<thead>
<tr>
<th>NAME OF THE BANK</th>
<th>NO.OF BRANCHES</th>
</tr>
</thead>
<tbody>
<tr>
<td>STATE BANK OF INDIA</td>
<td>100</td>
</tr>
<tr>
<td>INDIAN BANK</td>
<td>42</td>
</tr>
<tr>
<td>CORPORATION BANK</td>
<td>15</td>
</tr>
<tr>
<td>SYNDICATE BANK</td>
<td>34</td>
</tr>
<tr>
<td>CANARA BANK</td>
<td>19</td>
</tr>
</tbody>
</table>
Similarly following private sector banks are chosen for the study based on the number of branches

<table>
<thead>
<tr>
<th>NAME OF THE BANK</th>
<th>NO.OF BRANCHES</th>
</tr>
</thead>
<tbody>
<tr>
<td>KARUR VYSYA BANK</td>
<td>14</td>
</tr>
<tr>
<td>TAMILNADU MERCANTILE BANK</td>
<td>3</td>
</tr>
<tr>
<td>CITY UNION BANK</td>
<td>3</td>
</tr>
<tr>
<td>ICICI BANK</td>
<td>9</td>
</tr>
<tr>
<td>HDFC BANK</td>
<td>14</td>
</tr>
</tbody>
</table>

Out of the 14 Public Sector Banks (PSBs) and 41 Private Sector Banks (PRBs) operating in Krishna district, 5 PSBs and 5 PRSBs are selected at random for the study. The researcher has obtained the responses from 10 percent of the branch offices of select banks rationally. Sample size is 25.

1.16.0. SAMPLING SIZE AND DESIGN

The researcher has taken 5 PSBs and 5 PRSBs located in Krishna District. Multi-Stage Random Sampling Method is used in the study to select the sample. A total of 600 questionnaires have been distributed and out of which 283 from PSBs and 270 from PRSBs are received. After the scrutiny of these questionnaires, 15 questionnaires from PSBs and 28 questionnaires from PRSBs are rejected on account of incomplete responses. Finally, 268 and 242 completed questionnaires with a total of 510 from PSBs and PRSBs respectively are used for the present study.

1.17.0. QUESTIONNAIRE DESIGN

A questionnaire with 5 sections is developed and finalized to examine the personal profiles, organizational profile, Organizational culture, employee’s
commitment and its problems in accepting the culture changes. The researcher used optional types, dichotomous types and scaling type’s questions.

1.18.0. SCALING TECHNIQUE IN THE QUESTIONNAIRE

The questionnaire of the research consists of both optional types and statements in Likert’s 5-point scale. The first and second section deals with the personal and organizational profile of the employees in both PSBs and PRSBs. The remaining sections deal with statements regarding culture, commitment and problems and difficulties. The responses of these sections are obtained from the employees in the 5-point scale, which ranges are as follows:

<table>
<thead>
<tr>
<th>SA-strongly agree</th>
<th>A-agree</th>
<th>N-neither agree nor disagree</th>
<th>DA-disagree</th>
<th>SDA strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

1.19.0. ANALYSIS OF DATA

The primary data collected from the employees of both PSBs and PRSBs are analyzed by using the following statistical tools to obtain a torrent of results concerning the objectives of the study:

1. Factor analysis.
2. Parametric and independent t-test.
3. K-Means cluster analysis
4. Linear multiple regression analysis.
5. The application of one-way Analysis of Variance (ANOVA)
6. Non parametric chi square analysis of association.
1.20.0. LIMITATIONS OF THE STUDY

The following are the limitations of the study:

1. The study is based on the perceptions of the employees in PSBs and PRSBs
2. The study is limited to only select PSBs and PRSBs
3. The study covers only branches located in Krishna District. Due to time constraint and the cost, the study is restricted only one District.
4. The study focuses on only major culture pertaining to PSBs and PRSBs.
5. The researcher undertook the study during the period 2011-2015.
6. The responses given by the respondents are based on the set-up existing in their respective banks.

1.21.0. PLAN OF THE STUDY

The thesis is presented in six chapters.

Chapter I Presents the concept of culture, commitment, statement of the problem, significance of the study, objectives of the study, research hypotheses, methodology, statistical tools used and it also highlights the limitations of the study and chapter arrangement.

Chapter II explains the Literature Review on the research works on culture and Commitment.

Chapter III presents the Conceptual frame work of organizational culture and employees Commitment.

Chapter IV Analyzes the Organizational culture in Banks.

Chapter V Analyzes the Employees commitment in Banks.

Chapter VI Summarizes the Findings, Suggestions and Conclusion sums up the Findings of the study, offer suggestions, indicate scope for further research, and arrive at the conclusion of the study.