CHAPTER THREE

Review of Literature
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3.1 Organizational Culture: Introduction

The antecedents of job satisfaction investigated in this thesis include measures of organizational culture & subculture.

The purpose of this thesis is to:
1. Discuss the schools of thought on the nature of organizational culture.
2. Discuss the different definitions of organizational culture.
3. Discuss the different conceptual frameworks of writers on organizational culture.
4. Differentiate between organizational culture and subculture.
5. Differentiate between culture and climate and culture.
6. Discuss organizational culture and subculture in software companies.
7. Discuss the conceptual framework of job satisfaction by different writers.
8. Discuss the various definitions of job satisfaction.
9. Discuss the past research on job satisfaction.

3.2 Definitions of Organizational Culture:

Of all the social disciplines, anthropology is the most closely related branch to the study of culture and cultural phenomena. Indeed, anthropology can be defined as the study of human cultures. Sociology has contributed to a long-term interest in studying the causes and consequences of culture. Sociologists most often have focused on informal social structure. Social psychological theory, with its emphasis on the creation and manipulation of symbols, provides a natural setting within which to analyze organizational culture is also known as Corporate Culture. An executive, when asked, defined organizational culture as "I cannot define it, but I know it when I see it."
The idea of viewing organizations as culture—where there is a system of shared meaning among members—is a relatively recent phenomenon. Until the mid 1980’s, organizations were, for the most part, simply thought of as a rational means, by which to coordinate and control a group of people. They can be rigid or flexible, unfriendly or supportive or innovative or conservative. Then an organization becomes institutionalized, taking on a life of its own, apart from its founders or any of its members and redefined itself.

Culture refers to “a pattern of shared basic assumptions that was learned by a group as it solves its problems of external adoption and internal integration, which has worked well enough to be considered valid and therefore to be taught to new members as the correct way to perceive, think, feel in relation to those problems and opportunities”. (Schein, 1980, 1983). The steps of External Adoption and Survival are: Mission and Strategy, Goals, Means, Measurements and Corrections. The Internal Integration Issues are: Creating a Common Language and Conceptual Categories, defining Group Boundaries and Criteria for Inclusion and Exclusion.

Organizational culture includes what is shared in an organization-wide consensus as well “the patterns of meaning that link these manifestations together, sometimes in harmony, sometimes in bitter conflicts between groups, and sometimes in webs of ambiguity, paradox and contradiction”

Culture is a Descriptive Term: How employees feel about organization’s environment, expectations, reward practices (job satisfaction to work environment). Organizational culture is descriptive where as job satisfaction is evaluative.

Distributing power and status, developing norms of intimacy, friendship, and love, defining and allocating rewards and punishments and explaining the unexplainable are some of the aspects of organizational culture. Organizational culture refers to a system of shared meaning held by members who distinguish the organization from other organizations. This system of shared meaning is, on a closer examination, a set of key characteristics which an organization values.
The research suggests that there are seven primary characteristics which, in aggregate, capture the essence of an organization's culture:

1. Innovation and Risk taking: The degree to which employees are encouraged to be innovative and take risks.
2. Attention to Detail: The degree to which employees are expected to exhibit precision, analysis, and pay attention to details.
3. Outcome Orientation: The degree to which management focuses on results or outcomes rather than on the techniques and processes used to achieve those outcomes.
4. People Orientation: The degree to which the decisions of the management are taken into consideration, affect the outcome of people within the organization.
5. Team Orientation: The degree to which work activities are organized within teams rather than individuals.
6. Aggressiveness: The degree to which people are aggressive and competitive.
7. Stability: The degree to which organizational activities emphasize maintaining the status quo in contrast to growth.

Each of these characteristics exists on a continuum from low to high. Appraising the organization on these seven characteristics, gives a composite picture of the organization's culture. Acknowledgement that organizational culture has a common property does not mean, however, that there cannot be subcultures within any given organization. A Dominant Culture expresses the core values (the primary or dominant values that are accepted throughout the organization), which are shared by a majority of the organization's members. When we talk about an organizational culture we are talking about dominant culture. It this macro view of culture, an organization is a distinct personality. Subcultures (Counter cultures) tend to develop in large organizations to reflect common problems, situations, or experiences which member's face. It is a mini-culture within the organization, typically defined by department designations and geographic separations. Strong Culture has a great impact on employee behavior and is more directly related to reduce turnover. In a strong culture, the organization's core values are both intensely held and widely shared. The more members who accept the core values and greater their commitment to those
values is, the stronger the culture is. But sometimes strong culture becomes a liability, as it may become a barrier to change, when shared values are not in agreement with those which will further enhance the organization's effectiveness. It is also a barrier to diversity as hiring employees who, because of their race, gender, disability, or other differences, may not be like the majority of the organization's members, and hence create a paradox. Strong culture is also a barrier to acquisition as merger decisions are related to financial advantages or product synergy.

Table: 3.1 Organizational Culture Definitions:

<table>
<thead>
<tr>
<th>Authors</th>
<th>Year</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Van Maanen and Schein</td>
<td>1977</td>
<td>Values, beliefs and expectations that members Come to share.</td>
</tr>
<tr>
<td>Schwartz and Davers</td>
<td>1981</td>
<td>A pattern of beliefs and expectations shared by the organization's members. These beliefs and expectations produce norms that powerfully shape the behavior of individuals and groups in the organization.</td>
</tr>
<tr>
<td>Ouchi</td>
<td>1981</td>
<td>Set of symbols, ceremonies, and myths that Communicate the underlying values and beliefs of the organization to its employees.</td>
</tr>
<tr>
<td>Martin and Sickle</td>
<td>1983</td>
<td>Glue that holds together an organization through shared patterns of meaning. Three-component system: Context or Core values, forms or process of communication -for instance jargons, strategies to reinforce content such as rewards, training programs.</td>
</tr>
<tr>
<td>Sathe</td>
<td>1983</td>
<td>A set of important understandings that members of a community share in common.</td>
</tr>
<tr>
<td>Wallach</td>
<td>1983</td>
<td>The shared understandings of the employees as to how things are done.</td>
</tr>
<tr>
<td>Wilkin and Ouchi</td>
<td>1983</td>
<td>The taken-for-granted and shared meanings that people assign to their social surroundings.</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Year</td>
<td>Definition</td>
</tr>
<tr>
<td>-----------------------</td>
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<td>-------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>McClure et al.</td>
<td>1983</td>
<td>The atmosphere of work place.</td>
</tr>
<tr>
<td>Schein</td>
<td>1985</td>
<td>The pattern of basic assumptions that a given group has invented, discovered or developed in learning to cope with its problem of external adoption and internal integration, and, that have 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 these problems.</td>
</tr>
<tr>
<td>Morgan</td>
<td>1986</td>
<td>By influencing the language, norms, folklore, Ceremonies and other social practices that communicate the key ideologies, values and beliefs guiding action&quot;</td>
</tr>
<tr>
<td>O'Reilly</td>
<td>1989</td>
<td>From a management perspective, culture, in the form of shared expectations may be, thought of as a social control system.</td>
</tr>
<tr>
<td>Denison</td>
<td>1990</td>
<td>The underlying values, beliefs and principles That serve as foundation for an organization's Management system as well as the set of management practices and behaviors both exemplify and reinforce those basic principles.</td>
</tr>
<tr>
<td>Kotter and Heskett</td>
<td>1992</td>
<td>An independent set of values and ways of and behaving that are common in a community that tends to perpetuate themselves. Sometimes long period of time.</td>
</tr>
<tr>
<td>Pheysey</td>
<td>1993</td>
<td>A way of seeing things that is common to many People.</td>
</tr>
<tr>
<td>Brown</td>
<td>1995</td>
<td>OC refers to pattern of beliefs, values and learned ways of coping with experience that have developed during the course of an organization's history, and which tend to be manifested in its material arrangements and in the behaviors of its members.</td>
</tr>
</tbody>
</table>
3.3 Organizational Culture Literature

The creation of Culture occurs in three ways. First, founders of an organization traditionally have a major impact on the organization's early culture. They hire and keep only those employees who think and feel the same way as they do. Secondly, they indoctrinate and socialize these employees to their way of thinking and feeling. And finally, the founders' own behavior acts as a role model that encourages employees to identify themselves with and thereby internalize their beliefs, values, and assumptions. The culture at Hyundai, the giant Korean conglomerate, is largely a reflection of its founder Chung Ju Yung. Founders who have had an immeasurable impact on their organization's culture would include Bill Gates at Microsoft, Ingvar Kamprad at IKEA, Herb Kelleher at Southwest Airlines, Fred Smith at Federal Express and Richard Branson at the Virgin group. National culture must be taken into account if accurate predictions are to be made about organizational behavior in different countries.

Managing Organizational Culture:

Many human resource practices like Selection process, Performance evaluation criteria, training and career development activities and promotion procedures ensure that those who are hired are fit enough for that culture, and rewards those who support it, and penalizes or expels those who challenge it. Three forces play a particularly important part in sustaining a culture: a) Selection Process, b) The Actions of Top Management and c) Socialization Method.

a. Selection Process: The explicit goal of the selection process is to identify and hire individuals who have knowledge, skills, and ability to perform the jobs within the organization successfully.

b. Top Management: The actions of top management also have a major impact on the organization's culture. By what they say and how they behave, senior executives establish norms that filter down through the organization as to whether risk taking is desirable; how much freedom a manager should give
to their employees; what is the appropriate dress; what action will pay off in terms of pay raises, promotions, and other rewards; and the like.

c. Socialization: The organizations want to help new employees adopt its culture. This adoption process is called Socialization. New employees are not fully indoctrinated in the organization's culture, mostly because they are unfamiliar with the organization and its culture. Socialization can be conceptualized as a process made up of three stages: i) Pre-arrival Stage, ii) Encounter and iii) Metamorphosis.

i. The Pre-arrival stage explicitly recognizes that each individual arrives with a set of values, attitude, and expectations. These cover the work to be done in the organization. If business executives believe that successful employees value the profit ethic, are loyal, will work hard, and desire to achieve, they would have hired individuals out of business schools who have been pre-molded in this pattern.

ii. Encounter Stage: Here the individuals confront the possible dichotomy between their expectations – about their job, their coworkers, their boss, and the organization in general and in reality. If the expectations are proved to be more or less accurate, the encounter stage merely provides a reaffirmation of the perception which is gained earlier.

iii. Metamorphosis Stage: Finally the new member must work out any problems discovered during the encounter stage. This may mean going through changes – hence, we call this the metamorphosis stage.
Another form of managing organizational culture consists of managing three elements; they are

i) Taking Advantage of Existing Culture.
ii) Teaching Organization Culture, and
iii) Changing Organization Culture.

Table 3.2: Social Science Contribution to Organizational Culture Analysis:

<table>
<thead>
<tr>
<th>Contributors</th>
<th>Areas of Study</th>
<th>Methods of Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anthropology</td>
<td>*Human Culture</td>
<td>*Thick Description</td>
</tr>
<tr>
<td></td>
<td>*Values &amp; beliefs of Society</td>
<td>*Interviews &amp; Observations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*Questionnaires.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*Statistics.</td>
</tr>
<tr>
<td>Social Psychology</td>
<td>*Creation &amp;</td>
<td>*Surveys.</td>
</tr>
<tr>
<td></td>
<td>*Manipulation of Symbols</td>
<td>*Observations.</td>
</tr>
<tr>
<td></td>
<td>*Use of Stories</td>
<td>*Statistics.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>*Mathematical Modeling.</td>
</tr>
</tbody>
</table>
Cameron and Freeman Model of Organizational Culture:

Cameron and Freeman Model (1991) of Organizational culture comprises of i) Clan culture ii) Adhocracy culture iii) Hierarchy Culture and iv) Market Culture. It was utilized as the conceptual framework for analysis of interview and observational data by comparing the existing type of culture in software companies and the level of satisfaction. Within the study conceptual framework, job satisfaction of software company employees invokes an alignment of cultures. Types of organizational culture as per Cameron and Freeman are as follows:

i. **Clan Culture**—its dominant attributes are cohesiveness, participation, teamwork and a sense of family; its leaders are mentors, facilitators and “parent figures” whose bonding is achieved through loyalty, tradition and interpersonal cohesion; and whose strategic emphases is developing human resources, commitment and moral.

ii. **Adhocracy culture**—its dominant attributes are entrepreneurship, creativity and adaptability; its leaders tend to be entrepreneur, innovators and risk takers; whose bonding is achieved through entrepreneurship, flexibility and risk; whose strategic emphases is innovation, growth and new resources.

iii. **Hierarch Culture**—its dominant attributes are order, uniformity, rules and regulations; its leaders tend to be co-coordinators or administrators; whose bonding is achieved through rules, policies and procedures; and whose strategic emphases is stability, predictability and smooth operations.

iv. **Market Culture**—its dominant attributes are competitiveness and goal achievement; its leaders are decisive achievement oriented; whose bonding is achieved through goal orientation, production and competition; and whose strategic emphases is competitive advantage and market superiority.
The pervasiveness of an organizational culture requires the management to recognize the underlying dimensions of its organization culture and its impact on employee related variables, such as satisfaction, commitment, cohesion, strategy implementation, and performance, among others. In this study the dimensions of organizational culture and job satisfaction are measured, so as to show the relationship between organizational culture and job satisfaction. And to know which type of organizational culture enhances employee satisfaction in these software companies.

Three Basic Approaches in Describing Organizational Culture:

There are three basic approaches to describe organizational culture, they are

i) Parson's AGIL Model.
ii) The Ouchi Framework.

i) Parson's AGIL Model.
Parson developed the AGIL Model to specify certain functions which a social system – whether a society, an economy, or an organization – must meet to survive and prosper. These functions are represented by the letters AGIL: A for adoption, G for goal, A for attainment, I for integration, and L for legitimacy. To survive and to prosper, a social system must be able to Adopt, Attain its Goals, Integrate its parts, and be considered Legitimate to people and other organizations external to itself.

Table: 3.3 Parson's AGIL Model:

<table>
<thead>
<tr>
<th>Type</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption:</td>
<td>the ability to adapt to changing circumstances</td>
</tr>
<tr>
<td>Goal Attainment:</td>
<td>the ability to articulate and reach system objectives</td>
</tr>
<tr>
<td>Integration</td>
<td>the ability to integrate different parts of a system</td>
</tr>
<tr>
<td>Legitimacy:</td>
<td>the right to survive and be accepted</td>
</tr>
</tbody>
</table>
Adoption and Goal Attainment organizations have to be aware of their environment, and understand how that environment is changing, and make appropriate adjustments. To attain its Goals, a social system must specify those goals, as well as design specific strategies for reaching them.

Integration refers to the need that every system has, in order to keep its constituents parts together. The parts of social system must be brought in contact with one another Interdependencies understood and organized, and the need for coordinated action resolved. Legitimacy refers to the need of every social system to be granted the right to survive by elements in its environment. A social system is said to be legitimate, in the sense, when the society as a whole agrees that it is appropriate for that system to continue.

ii) The Ouchi Framework:

One of the first researchers to focus explicitly on analyzing the culture of a limited group of firms was William G. Ouchi. Ouchi analyzed the organizational cultures of three groups of firms, which he characterized as typical US Firms, typical Japanese firms and Type Z U.S. Firms. Through his analysis, Ouchi developed a list of Seven Points on which these three types of firms can be compared. Ouchi argued that the cultures of typical Japanese firms and U.S. Type Z firms are very different from those of typical U.S. Type Z firms at the expense of the latter.
Table: 3.4 The Ouchi Framework:

<table>
<thead>
<tr>
<th>Cultural Value</th>
<th>Expression in Japanese Companies</th>
<th>Expression in Type Z American Companies</th>
<th>Expression in Typical U.S. Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment To employees:</td>
<td>Lifetime employment</td>
<td>Long-term employment</td>
<td>Short-term employment</td>
</tr>
<tr>
<td>Evaluation:</td>
<td>Slow and qualitative</td>
<td>Slow and qualitative</td>
<td>Fast and quantitative</td>
</tr>
<tr>
<td>Careers:</td>
<td>Very broad</td>
<td>Moderately broad</td>
<td>Narrow</td>
</tr>
<tr>
<td>Control:</td>
<td>Implicit and informal</td>
<td>Implicit and informal</td>
<td>Explicit and formal</td>
</tr>
<tr>
<td>Decision Making:</td>
<td>Group and Consensus</td>
<td>Group and consensus</td>
<td>Individual</td>
</tr>
<tr>
<td>Responsibility:</td>
<td>Group</td>
<td>Individual</td>
<td>Individual</td>
</tr>
<tr>
<td>Concern For people:</td>
<td>Wholistic</td>
<td>Wholistic</td>
<td>Narrow</td>
</tr>
</tbody>
</table>

Commitment to Employees:

According to Ouchi, typical Japanese firm and Type Z U.S. firms share the cultural value of trying to keep employees. Thus, both types of firms fire employees only as a last resort. In Japan, the value of "Keeping employees on" often takes the form of lifetime employment. In U.S. Type Z companies, this cultural value is manifested in a commitment to "Long Term Employment."

Evaluation:

Ouchi observed that in Japanese and U.S. Type Z companies, appropriate evaluation of workers and managers is thought to take a very long time- up to ten years- and requires the use of qualitative, as well as quantitative, information about performance. For this reason promotion of these firms is very slow, and promotion decisions are made only after interviews with many people who have had contact with the person being evaluated. In typical U.S. firms
evaluation is done rapidly and it emphasizes quantitative measures of performance.

**Careers:**

As per Ouchi's observation the career most valued in Japanese and Type Z U.S. firms span multiple functions. But in typical US firm it is considerably narrower. Ouchi's research indicates that most U.S. managers perform only one or two different business functions during their career.

**Control:**

Most Japanese and Type Z U.S. firms assume that control will be exercised through informal, implicit mechanism. But in typical U.S. firms it is expected that guidance will come not from informal or explicit cultural values but through explicit directions in the form of job description.

**Decision Making:**

Japanese and Type Z U.S. firms hold the strong cultural expectations that decision making occurs in groups and is based on principles of full information. In typical U.S. firms, individual decision making is considered appropriate.

**Responsibility:**

Ouchi showed that in Japan, strong cultural norms support Collective responsibility, but in both Type Z U.S. firms and typical U.S. firms, individuals expect to take responsibility for decisions.

**Concern for People:**

The last cultural value examined by Ouchi deals with a concern for people. In Japanese firms and Type Z Firms, the cultural value that dominates is a Wholistic concern for workers and managers ,i.e. person's private life, hobbies, personal beliefs, hopes, fears, and aspirations.

iii) **The Peters and Waterman Approach:**
Tom Peters and Robert Waterman, in their bestseller "In Search of Excellence" focused even more explicitly than Ouchi on the relationship between organizational culture and performance. Peters and Waterman chose a sample of highly successful U.S. firms and sought to describe the management practices that led to their success. Their analysis rapidly turned to the cultural values that led to successful management practices. These excellent values are listed in the table below.

**The Peters and Waterman Framework:**

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Table: 3.5 Attributes of Excellent Firm

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>2. Stay Close to the Customer</td>
<td>6. Stick to the Knitting</td>
</tr>
<tr>
<td>3. Encourage Autonomy and Entrepreneurship</td>
<td>7. Simple Form Lean Staff</td>
</tr>
<tr>
<td>4. Encourage Productivity Through People Organized</td>
<td>8. Simultaneous Loosely and Tightly</td>
</tr>
</tbody>
</table>

1. **Bias for Action:** According to Peters and Waterman, successful firms have a bias for action. Managers in these organizations are expected to make decisions even if all the facts are not "in." Delaying decision making in these situations is the same as never making decisions.

2. **Stay Close to the Customer:** Peters and Waterman believed that firms whose organization culture values customers over everything else will out-perform firms without this value. Focusing on the customer, meeting customer needs, pampering the customer when necessary, are actions that lead to superior performance.
3. Encourage Autonomy and Entrepreneurship: Peters and Waterman maintain that successful firms fight lack of innovation and the bureaucracy usually associated with large size. They do so by breaking the company into small, more manageable pieces and then encouraging independent, creative, even risk-taking activity within these smaller business segments. These kinds of action are not merely encouraged; but they are the “stuff of organizational legends.”

4. Encourage Productivity through People: like Ouchi, Peters and Waterman believed that successful firms recognize that their most important assets are their people—both workers and managers—and the organizations’ purpose is to let its people flourish. It is the basic value of the organization culture—a belief that treating people with respect and dignity is not only appropriate but also essential for success.

5. Hands-on Management: In Hands-on management Peters and Waterman noted the tendency of senior managers in large companies is that they lose touch with the basic business they are in. They also observed that to counter this tendency, the senior managers should stay in touch with the firms.

6. Stick to the Knitting. Another cultural value characteristic of excellent firms is their reluctance to engage in business outside their expertise. These firms reject the concept of diversification, the practice of buying and operating business in unrelated industries.

7. Simple Form Lean Staff. According to Peters and Waterman, successful firms tend to have few administrative layers and relatively small corporate staff groups. In many organizations, managers measure their status, prestige and importance by the number of people who report to them. In excellently managed companies, however, importance is measured not by the number of people who report to a manager but by the manager’s impact on the organizations performance.
8. *Simultaneously Loosely and Tightly Organized.* The final attribute of organizational culture identified by Peters and Waterman that a firm is simultaneously tightly and loosely organized appears to be contradictory in nature.

**Sub Culture (Counter culture):**

Most organizations of any size contain many identifiable subcultures, the beliefs, values and assumptions which may compete with the dominant culture. Organizations, like societies in which they exist, tend to be fragmented, consisting of multiple groups, and are dominated by political activity.

Organizational leaders can minimize these cultural collisions and fulfill their duty of due diligence by conducting a Bicultural Audit. A Bicultural Audit studies, cultural relations among the companies and determines the extent to which cultural clashes are likely to occur. "The process (of addressing cultural issues) really starts during due diligence. The Bicultural Audit process begins with interview, questionnaires, focus groups, and observations to identify cultural differences between the merging companies (or within the firm). Next the Bicultural Audit data is analyzed to determine which differences between the two firms will result in conflict and which cultural values provide common ground on which a cultural foundation in the merged organization can be built."
Content of organization Culture:

A large number of different aspects or elements of OC generally have been identified by theorists Andrew C. Brown and others, including

1. Artifacts
2. Language: in the form of Jokes, Metaphors, Stories, Myths and Legends.
3. Behavioral patterns in the form of Rites, Rituals, Ceremonies and Celebrations.
4. Norms of behavior.
5. Heroes.
7. Beliefs, Values and Attitudes.
8. Ethical Codes.
9. Basic Assumptions and
The various levels of organizational culture are explained below:

**Artifacts**: These are most visible and most superficial manifestations of culture in an organization.

Some fundamental subcategories of artifacts include:

i) **Material Objects**: like Corporate Logos, Mission Statements, Corporate

ii) **Architecture and Corporate Identity** (building etc.), Annual Reports, Advertising brochure.
iii) Physical Layout: Office space, Furniture, Dress code, Location of Different departments.

iv) Technology: Computers, office equipment, manufacturing equipment.

v) Language: Not merely a means of communication, it is also a fundamental determinant of how we comprehend the world we live in. How we interpret different abstractions like “Good Service” “High Quality and Excellence”. Language includes the following sub categories.....

a) Metaphors: A word or phrase applied to an object or action. Which does not literally denote? Different organizations use different metaphors from chess-white Knight, “Pawns”, “Game Plan” or military metaphors like “Attack”, “Retreats”, “Defense”, and “Strategies”, etc are the most common metaphors used in organizations. Digital equipment company (UK): has an exclusive dictionary of terms called “Dec Speak” circulates to new recruit, for “feedback”-is known as “Push Back”, digital employees known as “Deckies”.

b) Stories: Martin defined stories as “narratives which focus on single, unified sequence of events, and which are apparently drawn from the institution history” Stories are indicators of values, beliefs, the rules, consequences, status, and power structure of an organization. It also performs a vital “Third Order” control function in organization.

c) Myths: Myths are generally circulated in organizations in the form of narratives and are often indistinguishable from stories, except that the events they describe are wholly fanciful. Myths are unjustified beliefs often enshrined in stories, example of a wide spread myth is that women are unreliable workers, because they treat their career as secondary. Boje, Fedorer, & Rowland suggested four basic types of myths.

d) Ceremonies, Rites & Rituals:

Ceremonies are often very vivid and memorable for employees. They may be regarded as celebration of OC, or collective acts of cultural worship that remind and reinforce cultural values. During the annual ceremonies the employees are rewarded. Rites and rituals may be defined as
relatively elaborate, dramatic, planned sets of activities that consolidate various forms of cultural expressions into organized events, which are carried out through social interaction, usually for the benefit of audience e.g. Rites of passage. Ease transition in social roles and status. Rites of questioning: Can be employed by manager to facilitate change by challenging the existing order of things. Rites of renewal assist in smooth functioning of organization by bringing people together.

e) **Norms of behavior:** Norms are behavioral rules which dictate what is considered to be an appropriate or an inappropriate response from an employee in certain circumstances. E.g.: Los Angeles Organizing Committee Norms: The athletic comes first. The game must be providing sector financial. The organization must be decentralized.

f) **Symbols:** Symbols are words, objects, conditions acts or characteristics of persons which signify something different or wider from them. E.g. corporate logos, overtime by employees (symbolic loyalty). Symbols perform functions like description, the control of energy & system maintenance.

g) **Heroes:** Deal and Kennedy (1982) began identifying “Corporate Heroes”, who they claimed, were the key to the success of their organization. “The hero is a great motivator, the magician, the person every one will count on when things get tough. And he is a role model symbolizing an organization.

h) **Values:** Values are intimately connected with moral and ethical codes, and determine what people think ought to be done - integrity, honesty and openness. The corporate culture of SAS Institute, the North Carolina based statistical software company values work-life balance, and locks up the office at 5pm. Values are socially desirable, so what people say they value (Espoused Values) may differ from what they truly value (Enacted Values). Employee- Friendly Empowered, Frugal. No one knows for certain as to how many corporate cultural values are there?

i) **Beliefs:** Belief concerns with what people think are true and actually it is otherwise. E.g. the belief that increasing expenditure on advertising will
lead to increase sales and paying people according to their performance will improve output. Beliefs represent an individual's perception of reality. On the other hand values are more stable and long-lasting beliefs about what is important. For example, employees of Sparks.com, the San Francisco provider of internet greeting cards, think its “cool” to spend long hours at the office with fuzzy distinction between work and play. Values and beliefs are difficult to differentiate.

Figure: 3.4 A Selection of Beliefs/Values Commonly Found in Commercial Organizations:

<table>
<thead>
<tr>
<th>Beliefs/Values</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adaptability:</td>
<td>Change in Response to New Stimuli.</td>
</tr>
<tr>
<td>Autonomy:</td>
<td>Work Independently.</td>
</tr>
<tr>
<td>Co-operation:</td>
<td>Work well with others.</td>
</tr>
<tr>
<td>Creativity:</td>
<td>Able to Generate New Ideas and Innovations.</td>
</tr>
<tr>
<td>Equality:</td>
<td>Treat all the People Equally.</td>
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<tr>
<td>Honesty:</td>
<td>Work with Commitment.</td>
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<tr>
<td>Rationality:</td>
<td>Analytical and Logical.</td>
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j) Ethical codes: Ethical Codes are concerned with what is good and bad, right and wrong in organizations, decisions making, and often reflect attempts by senior managers to mould and manipulate the culture of their organization. E.g. world's most admired companies follow ethical codes stringently.

k) Basic Assumptions: Basic assumptions are Taken-For-Granted solution to an identifiable problem. E.g. Theories in use (Argyris). This guides their perceptions, feelings, attitude and emotions about things.
Schein has suggested typology of basic assumptions. They are:

Humanity's relationship to nature.

i. The nature reality and truth: Environmental friendly organization.


iii. The nature of human activity: Proactive, Hard works.

iv. The nature of Human relationship: Relate to each other.

L) History: Culture can be fully understood as the product of a historical process. The idea that OC develops and changes over time has been explicitly agreed by theorists. E.g. what happened at a particular time or situation in the past? What action did the management take when employees failed to perform their task?

Espoused Culture and Culture in Practice (Enacted Culture):

Espoused culture refers to a normative or desired state vision of organization, that is, what the organization should be (ideal). Culture in Practice is its actual culture as experienced by employees (Enacted Culture). The recognition of the existence of separately identifiable espoused cultures, and the culture in practice in organizations, helps us to understand why so many organizational cultures appear to be confused and contradictory.

Do Organizations Have Uniform Culture

Organizational culture represents a common perception held by the organization's members. This was made explicit when we defined culture as system of shared meaning. We should expect, therefore, that individuals with different backgrounds or at different levels in the organization will tend to describe the organization's culture in similar terms. Many organizations have a dominant culture and numerous sets of subcultures.
**Dominant Culture** expresses the core values which are shared by a majority of members in the organization. It is this macro view of culture that gives an organization its distinct personality.

**Sub culture (Counter Culture):** Tends to develop in large organizations to reflect common problems, situations or experience that members face. These subcultures are likely to be defined by department designations and geographical separations. The purchasing department, for example, can have a subculture, that is, uniquely shared by the members of the department. It will include the *core values* of the dominant culture plus additional values unique to members of the purchasing department, similarly an office or unit of the organization that is physically separated from the organization’s main operations may take on a different personality. Again, the core values are essentially retained, but they are modified to reflect the separated unit’s distinct situation. *Strong Verses Weak Culture:* It has become increasingly popular to differentiate between Strong and weak cultures. The argument here is that strong cultures have a greater impact on employee behavior and are directly related to reduce turnover. In a strong culture, the organization’s core values are both intensely held and widely shared. The more the members accept the core values, the greater their commitment to those values is, the stronger the culture becomes. Consistent with this definition, a strong culture will have a strong influence on the behavior of its employees because the high degree of sharing and intensity creates an internal climate of high behavioral control. One specific result of strong culture should be lower employee turnover. A strong culture demonstrates high agreement among the members as to what the organization stands for. Such unanimity of purpose builds cohesiveness, loyalty, and organizational commitment. These qualities, in turn, lessen an employee’s propensity to leave the organization.

**Culture as Liability:**

There is no doubt that culture plays a pivotal role in organization by creating a bond among its employees. But it has the potentially dysfunctional aspects, especially a strong culture, on an organization’s effectiveness. It can
become a *Barrier to Change* when the shared values are not in agreement with those that will further the organization’s effectiveness. If the organization sticks to its old and ineffective culture, it sometimes becomes a barrier to diversity, as in the hiring new employees, because of race, gender, disability, or other differences. It puts pressure on employees to confirm to rules and regulations which may not be acceptable commonly. Strong culture sometimes can become a *barrier to Acquisition and Mergers*. In recent years, *Cultural Compatibility* has become the primary concern. A number of acquisitions consummated in 1990’s have failed. And the primary causes are conflicting organizational culture. Example, AT&T’s 1991 acquisition of NCR was a disaster; the failure of the deal had cost AT&T more than $3 billion.

*Functions of Culture*: Following are the major functions of culture. First, it has a boundary defining role; that is, it creates distinctions between one organization and another. Second, it conveys a sense of identity for organization members. Third, culture facilitates the generation of commitment to something larger than one’s self interest. Fourth, it enhances the stability of the social system. Culture is the social glue that helps to hold the organization together by providing appropriate standards and behavior of employees. Finally, culture serves as a sense-making control mechanism that guides and shapes the attitudes and behavior of employees.

*Culture by definition is elusive, intangible, implicit, and taken for granted*. But, every organization develops a core set of assumptions, understandings and implicit rules that govern day-to-day behavior in the workplace.

*Creating and Sustaining Culture*:

How does a culture begin? What it has done before and degree of success. The three ways for the creation of culture are as follows:

The Founder of an organization, traditionally, has a major impact on that organization’s early culture and its vision. The culture creation occurs in three ways. First, founders hire and keep only employees who think and feel the same
way as they do. Second, they indoctrinate and socialize these employees to their way of thinking and behaving. Finally, founder's own behavior acts as a role model that encourages employees to identify themselves with, and thereby internalize their beliefs, values and assumptions. E.g. founders who had immense impact on their organization's culture are Bill Gates at Microsoft; Narayan Murthy at Infosys; Fred Smith at Federal Express; and Richard Branson at the Virgin Group.

**Keeping the culture alive:**

There are three major forces which keep the culture alive. First, Selection Process; Second, Top Management actions; and Third, Socialization, which includes adoption process, time of entry etc. Socialization process has the following steps. Pre-arrival, Encounter and Metamorphosis.

Figure 3.5 A Socialization Model:

![Socialization Model](image)

**Creating an Ethical Organizational Culture:**

Organizations' ethical climate and the ethical behavior of members. Ethical standards- high risk standards, low to moderate aggressiveness, obligation to customers, employees, the community and stakeholder. E.g. J&J withdrawn poisoned Tylenol by its employees. Create more ethical culture:

Companies can create ethical culture by following measures:
i. Be a visible Role Model.

ii. Communicate Ethical Expectations:

iii. Provide Ethical Training:

iv. Visible Reward for Ethical Acts and Punish Unethical ones:

**Spirituality and Organizational Culture:**

Spirituality here does not refer to God or religion. Work place spirituality recognizes that people have an inner life that is nourished by meaningful work that takes place in the context of community. In Spiritual culture, people possess a mind and spirit, which is meaningful and purposeful in their work, giving them Self satisfaction and self actualization. Characteristics of a Spiritual Organization includes: Strong Sense of Purpose; Trust and Openness; Focus on Individual Development; Employee Empowerment.

Organizational Culture: Interpersonal Interaction Model (Hofstede's)

Table: 3.6 Hofstede's Four Types of Organizational Culture (Pheysey 1993)

<table>
<thead>
<tr>
<th>Contingencies</th>
<th>Method of Control</th>
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<td></td>
<td>Control by Regulation                  Control by Appreciation</td>
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<tr>
<td><strong>ROLE CULTURE</strong></td>
<td><strong>ACHIEVEMENT CULTURE</strong></td>
</tr>
<tr>
<td>Internal Contingencies</td>
<td>Hierarchical Control Via Impersonal Regulations</td>
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<tr>
<td></td>
<td>Closer Problem Solving                      Separation Compromise</td>
</tr>
<tr>
<td>Internal Contingencies</td>
<td>Hierarchical Control via Direction Supervision</td>
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<tr>
<td>External Contingencies</td>
<td>Conquest Dynamic Connectedness</td>
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There are different types of organizational culture based on interpersonal Interaction Model developed by Hofstede, they are:

1. **Role Culture**: The way in which the occupant of each position in the firm is expected to act. A Role Culture is one which emphasizes conformity to expected role, achievement, power, support (RAPS).

2. **An Achievement Culture**: Achievement oriented organization makes high demand on its people’s energy and time, assuming that people actually enjoy working at tasks which are intrinsically satisfying. E.g. Research institutes and consulting firms.

3. **Power Culture**: In power culture certain persons (positions) are determinant and others are subordinates. There is “a relatively bounded and stable occurrence of social order based on habits of difference to authority”. Harrison; Leadership is based on strength, justice and paternalistic benevolence. The leader is expected to be “All-Knowing as well as All-Powerful”.

4. **Support Culture**: An employee is valued as a person, as well as a worker. The harmony of an employee is important. Weakness is a possible internal commitment without an external task force.

**Various Categories Used To Describe Culture:**


i. Observed Behavioral Regularities when people interact.

ii. Group norms.

iii. Formal Philosophy.

iv. Rule of the Game.

v. Embedded Skills.

vi. Habits of Thinking, Mental Models, and Linguistic Paradigm.

vii. Shared Meanings

viii. Root Metaphors or Integrating Symbols.

ix. Formal Rituals and Celebrations.
The various categories used to describe organizational culture are explained as follows:

i. **Observed Behavioral Regularities When People Interact**: The Language they use, the Customs and traditions that evolve, and the rituals they employ in a wide variety of situations (Goffman, 1959, 1967; Jones, Moore, and Snyder, 1988; Trice and Beer, 1993, 185; Van Maanen, 1979).

ii. **Group Norms**: The implication standards and values that evolve in working groups, such as the particular norm of "a fair day's work for a fair day's pay" that evolved in the Bank Wiring Room in the Hawthorn studies (Homan's, 1950; Kilman and Saxton, 1983). Espoused Values: the articulated, publicly announced principles and values that the group claims to be trying to achieve, such as "product quality" or "price leadership" (Deal and Kennedy, 1982, 1999).

iii. **Formal philosophy**: The broad policies and ideological principles that guide a group's action towards stockholders, employees, customers, and other stakeholders, such as the highly publicized "The HP way" of Hewlett-Packard (Ouchi, 1981; Pascale and Athos, 1981; Packard, 1995).

iv. **Rules of the Game**: The implicit unwritten rules for getting along in the organization; "the ropes" that a newcomer must learn in order to become an accepted member; "the way we do things here" (Schein, 1968, 1978; Van Maanen, 1979a, 1979b; Ritti and Funkhouser, 1987) Climate: the feeling that is conveyed in a group by the physical layout and the way in which members of the organization interact with each other, with customers, or with outsiders (Ashkanasy, Wildorom, and Peterson, 2000; Schneider, 1990; Tagiuri and Litwin, 1968).

v. **Embedded Skill**: The special Competencies displayed by the Group Members in accomplishing certain tasks, the ability to make certain things that get passed on from generation to generation without necessarily being articulated in writing (Argyris and Schon, 1978; Cook and Yanow, 1993; Henderson and Clark, 1990; Peters and Waterman, 1982)

vi. **Habits of Thinking, Mental Models and Linguistic Paradigms**: The shared cognitive frame which guides the perceptions, thoughts, and the language used by the members of a group and is taught to new members in the early
socialization process (Douglas, 1986; Hofstede, 2001; Van Maanen (1979b); Senge and others, 1994).

vii. **Shared Meaning**: The understanding created by members of a group as they interact with each other (as in Geertz, 1973; Smircich, 1983; Van Maanen and Barley, 1984; Weick, 1995).

viii. **“Root Metaphors” or “Integrating Symbols”**: The ways in which groups evolve to characterize themselves, which may or may not be appreciated consciously but which become embodied in building, office layout, and other material artifacts of the group. This level of culture reflects the emotional and aesthetic response of Gagliardi, 1990; Hatch, 1990; Pondy, Frost, Morgan, and Dandridge, 1983; Schultz).

ix. **Formal Rituals and Celebrations**: The ways in which a group celebrates key events which reflect important values or important “passages” by members, such as promotion, completion of an important project, and milestones (as in Deal and Kennedy, 1982, 1999; Trice and Beyer, 1993).

Figure: 3.6 Strategies for Strengthening Organizational Culture:
Functional Aspects of Organizational Culture:

There are different approaches, perspectives and dimensions of OC. It is also important to examine the functional aspects and outcomes of OC. This is because management's interest is to integrate employee's social and membership behavior in the organization in order to achieve the desired culture outcome (Pheysey 1993, Trice and Beyer 1993).

The functional approach describes organizational culture as a social force which promotes membership behavior. This social force controls patterns of organizational behavior by shaping member's cognition and perceptions of meaning and realities, providing effective energy for mobilization, identifying as to who belongs and who does not. The functional perspective provides an important understanding of the functions that organizational culture performs, and shows as to why organizational culture is of more interest to managers. Trice and Beyer (1993) have argued that a strong organizational culture could be dysfunctional. The drawbacks of strong culture include unwillingness to change, coloring the interpretation of information, encouraging behavior that few people do well, and encouraging ego involvement that heightens the emotionality of events (Trice and Beyer 1993). But organizations with innovative and strong learning organizational culture survive and succeed for longer period than other organizations.

Being concerned with the functional aspects of organizational culture, the managerial literature focuses on its relation to organizational performance and other outcomes. Researchers have directed efforts to the study of outcomes of organizational culture (Louis 1985, Pheysey 1993), such as performance and subsequent organizational culture. In relation to performance and outcomes, organizational culture serves to govern the behavior of its members. Members are expected to adhere to the standards defined by the culture, so one of the outcomes of culture is control. Through this control, organizational culture fulfils its potential in promoting more desirable organizational outcomes. An
example would be the Hawthorn Studies. In this study, the existing culture of the work unit exerted pressure on workers to stay within the accepted output limits (Louis 1985, Vecchio et al 1992). Peters and Waterman (1982), in their well-known study of outstanding business organizations, maintained that the excellent growth and earning record of those companies over a twenty year period was due to their people oriented culture. In these business organizations members are treated with dignity and respect as partners in an enterprise. Thus, in these two examples it can be seen that the control function of organizational culture and its outcome, such as organizational performance, is closely linked.

More recently, Pheysey (1993) discussed control as an outcome of organizational culture in the workplace. She suggested that organizational culture prescribes the way in which one thinks in an organization and concluded that organizational culture affects the controlling mechanisms of the organization, the structure of organization, job design within the organization, decision making strategies, group behavior and leadership in the organization. The methods of control which Pheysey (1993) suggested are most likely to operate in each of Hofstede’s (1980) four types of organizational culture. It is apparent that in an organization with a “Role Culture”, Hierarchical control is most likely to be found. An organization with a “Support Culture” would rely more on collaboration. Cultural “fit” between employee’s value and the workplace culture is an important element which contributes to employee turnover. Further evidence of a relationship between organizational culture and its turnover is provided in the studies by Mobley, Stanley and Hollingsworth (1978).

Pfeiffer (1991), and Wagner; Pfeffer and O’Reilly (1984). Since it is generally accepted that organizational commitment and turn over are related (price and Muller 1981a, Williams and Hazer 1986), results of turnover studies such as these, are relevant to the issues of the relationship between culture and organizational commitment.

The dysfunctional consequences of such a culture are, for example, an increase in absenteeism; lack of innovation, high turnover and job dissatisfaction has long been established (Del Bueno 1986 Kramer and Schmalenberg 1988).
In conclusion, despite the complexity of the concept of organizational culture, basing on its definition, Management research has good reasons to focus on how organizational culture affects organizational outcomes such as turnover, performance, job satisfaction and goal achievement. It is only through a good understanding, that organizational culture can be manipulated to optimize the organization’s performance and productivity.

3.4 Organizational Culture Verses Organizational Climate:

Organizational culture must be distinguished from organizational climate, a very similar construct. According to Schneider (1985, 1987), much of the climate research makes two assumptions: a) People try to attain order in environment and to create order through thought, b) People attempt to create order in their environment so they can effectively adapt their behavior to the work environment. Climate reflects perceptions of organizational structures and how it feels to be a member of an organization (Cook & Rousseau, 1986).

On the other hand, normative beliefs regarding how to act and what to do are aspects of culture. Culture is transmitted through myths and stories, particularly when large groups of people share the interpretation of these myths (Schein, 1985; Schneider, 1985). Culture can also generate commitment to corporate values or management philosophies, when employees feel that they are working for something they believe in (Murphy & Cleveland, 1995, p. 82).

The Organizational Culture and Organizational Climate Literature:

During the early evolution of the culture perspective, the distinction between culture and climate was quite clear. Schwartz and Davis (1981: 32) perhaps put it most simply when they said that whatever culture is, it is not climate ("one way to understand culture is to understand what it is not").

Studying culture required qualitative research methods and an appreciation for the unique aspects of individual social settings. Studying organizational climate, in contrast, required quantitative methods and the
assumption that generalization across social settings not only was warranted but also was the primary objective of the research. If researchers carried field notes, quotes, or stories, and presented qualitative data to support their ideas, then they were studying culture. If researchers carried computer printouts and questionnaires and presented quantitative analysis to support their ideas, then they were studying climate.

Other factors in literature also helped to distinguish between these two topics. Culture researchers were more concerned with the evolution of social systems over time (Mirvis & Sales, 1990; Mohr, 1982; Pettigrew, 1979; Rohlen, 1974; Schein, 1985, 1990; Van Maanen, 1979), whereas climate researchers were generally less concerned with evolution but more concerned with the impact that organizational systems have on groups and individuals (Ekvall, 1987; Joyce & Slocum, 1984; Koyes & DeCotiis, 1991). Culture researchers argued on the importance of a deep understanding of the underlying assumptions (Kunda, 1992; Schein, 1985, 1990), individual meaning (Geertz, 1973; Pondy, Frost, Morgan, & Dandridge, 1983), and an insider's point of view of the organization. Climate researchers, in contrast, typically placed greater emphasis on an organizational members' perception of "observable" practices and procedures that are closer to the "surface" of organizational life (Guion, 1973; James & Jones, 1974) and the categorization of these practices and perceptions into analytic dimensions is defined by the researchers.

The culture perspective has many exemplars, but it is perhaps best represented by book-length ethnographies, by authors such as Jaques (1951), Dalton (1959), Rohlen (1974), Schein (1985), or Kunda (1992). It is worth noting that many of these works appeared before the culture perspective itself emerged within organizational studies and, in contrast, that relatively few have appeared since. In addition, these early studies often are not distinct from more general contributions to organizational studies, such as Crozier's (1964) or Selznick's (1957) works that were based on comparative case analysis.

Rohlen's (1974) ethnography of white-collar workers in a Japanese bank is an exemplary piece of organizational culture research, presenting a thorough analysis of social structure, career pathways, organizational cultures, individual
meaning, and organizational adaptation in a holistic manner, which illustrates the insights that can be gained from applying ethnographic methods to a modern organization.

Article-length descriptions of cultural analyses have also made an important contribution to the organizational culture literature. One of the classics is certainly Whyte's (1949) analysis of the social structure of a restaurant, which presents organization as a negotiated set of interaction patterns among people of different status, gender, and occupational groupings as it examines these factors as the context within which work occurs. More recent examples include Barley's (1983) analysis of the semiotics of the organizational and occupational cultures of funeral parlors and his analysis of the structuration processes that occurs when a new technology is introduced in medical imaging departments (Barley, 1986). Both these analyses portray organizational culture as the confluence of occupational cultures (Van Maanen & Barley, 1984) that define the nature of individual meaning and practice at work. Other worthy contributions include Martin, Sitkin, and Boehm's (1985) analysis of how the different meanings attributed to an organizational story can be used to distinguish the "old guard" from the "new guard" during an organizational transition; Van Maanen's studies of new police recruits (1973, 1975); Rosen's (1985, 1991) analyses of the symbolism of power, status, prosperity, and greed within an advertising firm; and Trice and Beyer's (1992) analysis of the importance of rituals. More cognitive approaches to the study of cultures were offered by Geertz (1971) through his analysis of the symbolism and meaning in a Balinese cock fight and by Weick and Roberts (1993) in their focus on the cognitive representations of coordination shared by the crew of an aircraft carrier. Other authors such as Geertz (1973), Smircich (1983), Allaire and Firs揣otu (1984), Frost, Moore, Louis, Lundberg, and Martin (1985, 1991), Smircich and Calas (1987), Czarniawska-Jorges (1992), Martin (1992), and Trice and Beyer (1992) also have made important contributions through their analysis of the culture literature. The evolution of the climate perspective has followed a very different pattern. The concept has its roots in Lewin's studies of experimentally created social climates (Lewin, 1951; Lewin, Lippit, & White,
1939) and qualitative observation of natural organizational settings (Barker, 1965; Likert, 1961).

Within the field of organizational studies, attention was first focused on climate, as a topic of study in two books published in 1968. The first (Tagiuri & Litwin, 1968) was a widely cited collection of essays that presented a variety of approaches ranging from climate as an "objective" set of organizational conditions to climate as the "subjective interpretation" of individual and organizational characteristics. The second book (Litwin & Stringer, 1968) focused on the consequences of organizational climate for individual motivation, thus supporting the general idea that climate encompasses both organizational conditions and individual reactions. Likert (1961, 1967) and Campbell, Dunnette, Lawler, and Weick (1970) also contributed to the early literature by each defining a set of dimensions, which they thought represented, the most salient aspects of organizational climate. Litwin and Stringer (1968), for example, sought to define organizational environment in terms of nine climate dimensions: structure, responsibility, reward, risk, warmth, support, standards, conflict, and identity.

After this initial burst of activity, a major issue of concern was the integration of climate research with the rest of the growing field of organizational studies. Thus, for example, there is an extensive literature that attempts to distinguish climate from seemingly "adjacent" topics such as individual satisfaction (Guion, 1973; Johanneson, 1976; LaFollette & Sims, 1975; Payne, Fineman, & Wall, 1926; Schneider & Snyder, 1975) and organizational structure (Drexler, 1977; James, 1982; Lawler, Hall, & Oldham, 1974; Payne & Pugh, 1976). A series of review articles in the mid-1970s (Hellriegel & Slocum, 1974; James & Jones, 1974; Payne & Pugh, 1976) helped to clarify this issue by building consensus around three distinct approaches to the study of climate:

(a) The perceptual measurement of individual attributes,

(b) The perceptual measurement of organizational attributes, and
The multiple measurement of organizational attributes combining perceptual and more "objective" measurements. These perspectives were distinguished by characterizing the first as "psychological climate" and the second and third perspectives as "organizational climate." The central issue of whether climate is a "shared perception" or a "shared set of conditions" has remained a basic issue of debate in the climate literature. In one of the more memorable statements of this era, Guion (1973), using one meteorological analogy to clarify another, suggested that the concept of organizational climate was actually like the wind chill index, in that it involved the subjective perception of the joint effects of two objective characteristics, temperature and wind speed. This reasoning was used to argue that research on organizational climate would require the measurement of both objective organizational conditions and the individual perceptions of those conditions. More recently, Glick's (1985, 1988) debate with James Joyce and Slocum (1988) provided a spirited inquiry into the logic associated with both the psychological and the organizational perspectives on climate research.

Perhaps in part because of the growing influence of the culture perspective in the 1980s, climate researchers became more concerned with the formation of organizational climates and began to ask a more fundamental question, "Where do organizational climates come from?" Schneider and Reichers (1983), Schneider (1987), and Reichers (1987) explored this issue through what they called the "attraction-selection-retention" process. This process, interestingly, portrays the dynamics of climate formation in terms of membership changes coupled with socialization processes. Several other notable authors (Ashforth, 1985; Poole, 1985; Poole & McPhee, 1983) had taken a social construction approach to the formation of organizational climates and had provided a persuasive rationale for viewing "climates" as an outgrowth of the more basic value systems of organizations. This brief overview of these two literatures helps us to sketch out the dominant perspectives that have existed in these areas over the past decade. The two literatures present contrasting perspectives with little overlap in style or substance. This contrast tends to support perhaps the most widely accepted distinction between the two phenomena: Culture refers to the deep structure of an organization, which is rooted in the values, beliefs, and assumptions held by members of the
organization. Meaning is established through socialization to a variety of identity
groups, which converge in the workplace. Interaction reproduces a symbolic
world that gives culture both a great stability and a certain precarious and
fragile nature, rooted in the dependence of the system on individual cognition
and action. Climate, in contrast, portrays organizational environment as being
rooted in the organization's value system, but tends to present these social
environments in relatively static terms, describing them in terms of a fixed (and
broadly applicable) set of dimensions. Thus, climate is often considered as
relatively temporary, subject to direct control, and largely limited to those
aspects of the social environment that are consciously perceived by
organizational members.

Table 3.1 presents a summary of this widely accepted view of these two
literatures by pointing out contrasts in epistemology, point of view, methodology,
level of analysis, temporal orientation, theoretical foundations, and disciplinary
base of the culture and climate perspectives.

After presenting the basic distinction between these two topics, however, I
now turn to a more controversial thesis: Although it is clear that culture and
climate are, in fact, very different perspectives on organizational environments,
it is far less clear that they actually examine distinct organizational phenomena.
In the next section, I am going to present a more detailed comparison of some of
the central issues in each literature, giving careful attention to areas in which the
two perspectives overlap.

Culture and Organizational Climate a Different Point of View:

The differences noted so far help us to describe the dominant perspectives
taken into consideration in these two literatures. However, at many points, it is
unclear whether culture and climate represent two entirely separate phenomena
or whether they represent closely related phenomena that are examined from
different perspectives. Thus, the second part of this discussion explores the
possibility that organizational culture and organizational climate have got
similarities as well as differences and that the differences may be more closely
linked to be the differences of perspective rather than that of substance. Both
perspectives, for example, could be regarded as examining the internal social and psychological environment of organizations and the relationship of that environment to individual meaning and organizational adaptation. Both perspectives entertain the possibility of a shared, holistic, and a collectively defined social context that emerges over time as organizations struggle with the joint problems of adaptation, individual meaning, and social integration.

Several of these areas of similarity are apparent through even a simple comparison between well-known definitions of culture and climate. For example, Schein (1985: 19, 1992: 12) defined 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." Values and behavior, Schein argued, are more superficial representations of this underlying structure. Tagiuri and Litwin (1968: 25), defined climate as "the relatively enduring quality of the total organizational environment that (a) is experienced by the occupants, (b) influences their behavior, and (c) can be described in terms of the values of a particular set of characteristics (or attributes) of the environment." To this definition, he added that climate is "phenomenologically external" yet "in the actor's head." Tagiuri and Litwin's definition places more emphasis on the way in which the social environment is experienced by the actors, whereas Schein's definition places more emphasis on how the social environment is created by the actors. In both definitions, authors focused on a collective cognitive representation of patterns of social learning over time. These two definitions also show similarities in other areas:

Both attempted to describe the holistic nature of social contexts in organizations, the durability of these organizational contexts over time, and the roots of these contexts in the organization's system of beliefs, values, and assumptions. Comparing these two definitions thus suggests that these two literatures may have a far more complex set of similarities and differences than those suggested by the presentation of the literature in the first part of this article. Further, comparison of other definitions of culture and climate help to
support the idea that, there are both differences as well as similarities in the phenomena under investigation in these two literatures. This potential overlap thus requires a more careful examination of the research that was actually done when the authors had used these concepts. Thus, the following sections present a more careful and deliberate comparison of these two literatures in terms of their central theoretical issues, their content and substance, their methodologies and epistemologies, and their theoretical foundations.

**Learning Organizational culture:**

Perspectives and Definitions, Theoretical Frame work, and theoretical and empirical studies of learning organizational culture are examined in this section. Perspectives and Definitions: The learning organization may be described as an environment in which organizational learning is structured so that team work, collaboration, creativity, and processed knowledge have a collective meaning and value (Confessore & Kops, 1998). Senge (1990) described the learning organization as one that viewed holistically; that is, all individuals within the organization work together across traditional boundaries to solve problems and to create innovative solutions. Senge (1990) also described a learning organization as the organization that is continually expanding in its adaptive and generative learning capacity to create its future. From this perspective, employees in the organization have a major responsibility of knowledge and skill acquisition as a part of their job (Rosow & Zager, 1988). The goal of the learning organization is to have all employees understand and use these disciplines to increase organizational knowledge, there by ensuring the organizations success.

Watkins and Marsick (1993) viewed individual learning as a means to enhance the organizations capacity to adapt to environmental pressures. Watkins and Marsick (1993) emphasized that building a learning organization is a process by which individual intellect is harnessed to create a collective understanding of the environment, as well as the role and process of business. According to Garvin (1993), a learning organization is an organization skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior.
to reflect new knowledge and insights. In addition, Bennett and O’Brien (1994) stated that it is “an organization that has woven a continuous and enhanced capacity to learn, adapt and change into its culture with values, policies, practices, systems and structures that support and accelerate learning for all employees” (p. 42). Wick and Leon (1995) argued that it is an organization that continually improves, by rapidly creating and refining the capabilities needed for future success.

Culture for Learning:

Smircich (1983) stated that culture unites individuals into social structures that share ways of thinking prescribed by the culture; Organizational culture can also be constructed by the organization. Smircich (1983) argued that the culture becomes a system of shared cognition by which organizational members choose behaviors and, thus, guides their behaviors. Schein (1985) stated that the only thing of real importance that leaders do is to create and manage culture. As he declares the significance of organizational culture with this statement, Schein (1985) also suggests that culture is a complex, difficult to understand abstraction that holds promise to explain much that occurs in organizations. Schein (1993) posited that organizational culture is the accumulation of past learning. Schein (1996) more comprehensively defined culture as a set of shared tacit assumptions about how the world is and ought to be. It determines the perceptions, thoughts, feelings, and overt behavior of a group or its individual members. Dixon (1994) suggested that “organizational culture is the set of collective meaning structures that organizational members use to interpret the nature of their world and themselves in relation to it” (p. 115). The learning comes from the greater societal culture or from individual organizational members who contribute to and are influenced by the culture (Dixon, 1994). Organizations can create cultures that are specifically and intentionally focused on learning. These learning cultures are contexts in which members are allowed to explore, experiment in the margins, extend capabilities, and anticipate customers’ latent needs (Barrett, 1995). Barrett (1995) submitted that organizational cultures that converge on analysis and problem solving constrain learning to that of an incremental, adaptive nature. The learning
culture nurtures innovation through generative (Senge, 1990) or double-loop learning (Argyris & Schon, 1978), rather than incremental adaptation to environmental demands that has been described as adaptive (Senge, 1990) or single-loop learning (Argyris & Schon, 1978).

Marquardt (2002) observed that “culture refers to an organizational values, beliefs, practices, rituals, and customs. It helps shape behavior and fashion perceptions”. Marquardt (2002) argued that “in a learning organization, the corporate culture is one in which learning is recognized as absolutely critical for business success; in such an organization, learning has become a habitual and integrated part of all organizational functions” (p.27). He also emphasized that a rich and adaptable culture creates relationships and enhances learning by encouraging values, such as team work, self management, empowerment, and sharing (Marquardt, 2002).

Levels of Learning

According to Marquardt (2002), learning can occur at three levels: individual, team or group, and organizational. So, the role of learning organizations is to develop the capacity to encourage and maximize all the three levels.

Individual learning: Senge (1990) argued that “organizations learn only through individuals who learn. Individual learning, does not guarantee organizational learning, but without it no organizational learning occurs” (p. 236). Argyris and Schon (1978) noted “individual learning is necessary but insufficient condition for organizational learning”. Organizational learning, according to Stata (1988), who distinguishes individual from team learning, organizational learning at first occurs through the shared insights, knowledge, and mental models of members of the company. Organizational learning builds on past knowledge and experience and organizational memory depends on mechanisms such as policies, strategies, and explicit models with which to store knowledge. Organizational learning involves the sharing of knowledge, beliefs, or assumptions among individuals and groups (Argyris, 1999).
Organizational Learning and Learning Organization:

According to Marquardt (2002), learning organizations are focused on the systems, principles, and characteristics of organizations that learn and produce as collective entity. He argued that organizational learning is concerned with how organizational learning occurs—the skills and processes of building and utilizing knowledge.

A key characteristic of the learning organization is the ability of its members to find or make opportunities of learning from whatever resource or situation is available and to add value to the organization. Pedler, Burgoyne, and Boydell (1991) described a learning organization as one that “facilitate the learning of all its members and continually transforms itself”. They identified some characteristics of learning company, including: (1) opportunities for organizational members to experiment in developing corporate strategy; (2) participation in policy making, sharing and the involvement of all members is encouraged; (3) the open exchange of information that promotes internal dialogues and collects external data; (4) a flexible structure that encourages growth and experimentation, creative problem solving, and flexibility; and (5) opportunities and resources for self development.

Watkins and Marsick’s (1997) framework of learning organization; serves as the theoretical base for study. Watkin and Marsick identified seven action imperatives for a learning organization:

1. Creating continuous learning opportunities.
2. Promoting inquiry and dialogue.
3. Encouraging collaboration and team learning.
4. Establishing systems to capture and share learning.
5. Empowering people to have a collective vision.
6. Connecting the organization to the environment, and
7. Using leaders who model and support learning at the individual, team, and organizational levels. Marsick and Watkins (1999) emphasized three levers in their framework: (1) Systems-level, continuous learning; (2) that is in order to create and manage knowledge outcomes; (3) which improves in
the organizational performance, and ultimately its measured through both financial assets and non financial intellect."

Organizational Culture Summary:

From organizational culture research, one point clearly emerges: Ideologies, symbols, and shared beliefs have an impact on organizations. (Cooke & Rousseau, 1988; Denison, 1990; Rousseau, 1990). My study seeks to extend the understanding of organizational culture and exploring the role played by it on job satisfaction in private software companies in Bangalore. Managers might not realize that they are perpetuating a culture by conducting job satisfaction survey in these companies.

Figure: 3.8 HR Role in Organizational Culture Building.
Job satisfaction can be defined as “a pleasurable or positive emotional state resulting from the appraisal of one’s job experiences” (Locke, 1976, p. 1297). It follows reason that the reduction of uncertainty increases the employee satisfaction by clarifying organizational roles and providing clear expectations.

Much research has been done on the relationship between Job satisfaction and variables like performance appraisal, organizational commitment, and turnover intentions etc. Research on the relationship between job satisfaction and organizational commitment has found that job satisfaction leads to commitment. (O’Reilly & Caldwell, 1980), although some research has found that commitment leads to job satisfaction (Bateman & Strasser, 1984). Even though the causal relationship between job satisfaction and commitment is not clear, research indicates that they are highly correlated (Porter et al., 1974). Mowday et al., (1982) and finds that job satisfaction is related more to specific organizational tasks, while commitment is associated with a broader attachment of an organization. O’Reilly et. al. (1991) concluded that organizational culture is positively related to job satisfaction. Similarly, the better the fit between organizational cultures a performance appraisal, the greater the job satisfaction the employee should experience. In this research I have tried to identify whether there is any link or relationship between organizational culture and job satisfaction, by identifying the expectations of software employees in private software companies. I have also attempted to identify which dimension of job satisfaction (intrinsic and extrinsic) is related to organizational culture dimensions or variables or components like values, customs, ceremonies, stories and artifacts etc. as primary objective of my research. Other secondary objective is turn over intentions of employees as research finds that job satisfaction and organizational commitment are related to the desire of employees to stay with the organization (Lawler, 1973, Lock, 1976; Mowday et al., 1979).
3.6 Job satisfaction: Theoretical framework

Work plays an important part in the lives of most people. An average person who puts in a 40 hour work per week, 7 to 14 hours commuting, and at least some time winding down from the workday spends a substantial portion of his or her life invested in work. As a result many studies have been done on job satisfaction. The key components of job satisfaction are often thought of as being income, stability, utilizing one's skills and abilities, benefits, etc. However, the traditional sources of job satisfaction do seem to apply to the software employees, as the industry setting often involves low pay, heavy workload, high demand, dead end jobs, and a little if any job security. This leads to the question, why do people work in software companies and what makes them satisfied?

Some researchers used composite measures of satisfaction by aggregating different job dimensions identified as important. For example, Smith, Kendal and Hulin (1969) developed composite job satisfaction measure that comprised satisfaction with supervisor, co-workers, work, pay and promotion. Another commonly used measure, the Job Diagnostic Survey, was developed by Hackman and Oldham (1975). This index comprised satisfaction with Five Core Job Dimensions: (1) Skill Variety (2) Task Identity (3) Task Significance; (4) Autonomy, and (5) Job Feedback. Weiss, Dawis, England, and Lofquist’s (1967) framework of job satisfaction serves as the theoretical base for the study. They developed the Minnesota Satisfaction Questionnaire (MSQ) as a measure of one of the primary indicators of work adjustment. This study began in 1957 and had two objectives: the development of diagnostic tools for assessing the work adjustment “potential” of applicants for vocational rehabilitation and evaluation of work adjustment outcomes. These primary goals are embodied in a conceptual framework for research, entitled the “Theory of Adjustment”. This theory uses the correspondence between the work personality and the work environment as the principal reason or explanation for observed work adjustment outcomes: “Satisfactoriness, satisfaction, and tenure” (Weiss, Dawis, England, &, Lofquist, 1967, p. 3). According to Weiss, Dawis, England and Lofquist (1967), the theory states that vocational abilities and vocational needs
are the significant aspects of the work personality, while ability requirements and reinforcer system are the significant aspects of the work environment. In addition, they argued that work adjustment is predicted by matching an individual's abilities corresponding to the ability requirements in work, and how well his or her needs correspond to the reinforcers available in the work environment. The MSQ is derived indirectly from construct validation studies of the Minnesota Importance Questionnaire (MIQ), based on the Theory of Work Adjustment.

Obvious strength and weaknesses apply to the various measurement approaches. Empirical results have indicated that global measures of job satisfaction correlated with employee commitment. Several studies address the reciprocal relationship between job satisfaction and organizational commitment, till date no study has been done to correlate directly job satisfaction and organizational culture. "High motivations and a willingness to invest heavily in the fortunes of an organization are attributes of employee who want more from their work lives and employment relationship than they presently believe they are getting" (Lincoln & Kalleberg, 1990, p. 61). Therefore, high commitment should be coupled with low satisfaction.

Personal characteristics most studied in relation to work attitudes have been age, education, gender, race, personality factors, and work values. Increase in age has been found to increase commitment and satisfaction (Angel & Perry, 1981; Lincoln & Kalleberg 1990; Morris & Sherman, 1981; Ross & Reskin, 1992). This finding could be applied to corresponding increases in positive job benefits (e.g., promotions, autonomy, authority, retirement funds) that, in turn, generate commitment and satisfaction. However, other studies refute these findings, suggesting that age is not directly correlated to work.

Educational level was often negatively related to organizational commitment of job satisfaction (Lincoln and Kalleberg, 1990 and Ross and Reskin, 1992). Many analysts argued that the highly educated individuals developed higher expectations that the organizations may not be able to meet. Others argued that, commitment to one's profession or trade increases with
one's educational level and, therefore, competed with organizational loyalty (Steers & Spencer, 1977).

Many studies found that women are committed to their employing organizations and had higher job satisfaction than men (Gruskey, 1996; Hrebiniaik and Alluto, 1972; Angel and Perry, 1981; Lincoln and Kalleberg, 1990). Gruskey (1996) argued that women must overcome more obstacles to gain their positions, thereby making employment with the organization more important to them. Women also may have lower expectation for job rewards due to socialization of gender roles (Lincoln and Kalleberg, 1995). Contradicting these findings are several studies suggesting that gender difference in work attitudes were insignificant (Ross and Reskin, 1992 & Agho, Mueller & Price, 1993).

Various job characteristics such as Job Complicity and Autonomy have been found to influence Work Attitudes. For example, employee's more complex work goals and more autonomy reports higher levels of organizational commitments and job satisfaction than those employees with less complex work roles and autonomy (Steers 1997, Steers and Spencer 1977; Steven et. al. 1978; Lincoln and Kalleberg, 1990; Ross and Ruskin 1992; Agho Mueller and Price, 1993).

This relationship may occur because jobs that are complex allow a lot of discretion by more intrinsically rewarding than jobs that are simple and routine (Maslow, 1954; Hertzberg and Synderman, 1959). Intrinsic job rewards are benefits that employees get from performing specific tasks (Lincoln and Kalleberg, 1990). The relationship between organizational commitment and job satisfaction has been resolutely researched as the above citations indicate. The causal relationship between the two constructs has received substantial research attention (Morrow, 1993; Vandenberg & Lance, 1992). The order, that causal relationship has remained in question for further study.
3.7 Job Satisfaction: Literature Review

The literature and research available for job satisfaction is voluminous. However, throughout the literature researched for the study, there were no comparisons of job satisfaction in software employees and job satisfaction in secular work found. As a result, the following literature review consists mainly of job satisfaction research completed on office workers. This area provided extensive research and as a result only the more current studies are focused upon.

To begin with, the role of job dissatisfaction is discussed in order to understand how important an employee’s perception of his or her job is (perception is also dealt with as a separate issue). For example, two employees can work in the same organization, doing approximately the same type of work and can have completely different degrees of job satisfaction or dissatisfaction, depending on their perception of the job.

The orders of the studies, which follow job dissatisfaction, begin by addressing the intrinsic aspects of job satisfaction and then the extrinsic aspects of job satisfaction. This ordering is parallel to the Minnesota Satisfaction Questionnaire's Intrinsic and Extrinsic subscales.

Meaning and existentialism are the final roles of job satisfaction to be examined. The reason for this is because although meaning can be found in values, commitment, perception, etc., it is also a separate factor while examining job satisfaction. For the Christian employee all the factors that make up values, commitment, perception, etc., do not necessarily need to be present in order for the employee to find personal meaning in his or her work. This is due to the software company’s employees finding meaning in serving their organization, no matter what organization that happens to take place in. Existentialism then supports the role of meaning in an article by Henne and Locke (1985), which reviews the concept of job dissatisfaction. This article argues that no particular consequence of job dissatisfaction is either inevitable or necessary. "Rather, job satisfaction and dissatisfaction are psychological states which allow for numerous
and varied action alternatives (including both mental and physical actions) (Henne & Locke, 1985, p.221). The alternatives chosen by dissatisfied employees may result in detrimental effects on the company. Various psychological and behavioral consequences of job dissatisfaction are also explored (Henne & Locke, 1985, p.221). This article also examines the role of life satisfaction, stating that, "The evidence has been primarily Correlational, with a positive correlation often being found between the job satisfaction and life satisfaction variables" (Henne & Locke, 1985, p.231). This logic follows the argument that because work is one of the components of one's life, it will in turn affect one's attitude towards life as a whole. Along this line of thought, each component of one's life is affected by the satisfaction or dissatisfaction of all the other components. Relating to a following discussion on values, this article also states that the conditions that one faces in a job affect one's values and value fulfillment (Henne & Locke, 1985, p.232). Henne and Locke present a model of the consequences of job dissatisfaction in the form of a flow chart, as follows: Throughout the interviews it was discovered that each of the 100 best companies had something distinctive to offer to their employees. Also, beyond paying well and offering strong benefits, each company offered many of the following:

1. Make people feel that they are part of a team or, in some cases, a family.
2. Encourage open communication, informing its people of new developments and encouraging them to offer suggestions and complaints.
3. Promote from within; let its own people bid for jobs before hiring outsiders.
4. Stress quality, enabling people to feel pride in the products or services they are providing.
5. Allow its employees to share in the profits, through profit sharing or stock ownership or both.
6. Reduce the distinctions of rank between the top management sector and those in entry-level jobs; put everyone on a first-name basis; bar executive dining rooms and exclusive perks for high-level people.
7. Devote attention and resources to create as pleasant a workplace environment as possible; hire good architects.
8. Encourage its employees to be active in community service by giving money to organizations in, which employees participate.
9. Help employees save by matching the funds they save.
10. Try not to lay off people without first making an effort to place them in other jobs either within the company or elsewhere.
11. Care enough about the health of its employees to provide physical fitness centers and regular exercise and medical programs.
12. Expand the skills of its people through training programs and reimbursement tuition for outside courses. (Levering et al., 1984).

When relating the above points to employees of software companies, the software employees would generally see them as important as other employees, as they find as much meaning in them. This is due to employees basing their satisfaction on perks from their employer as they are working for economic benefit. This is most important for majority of employees in any industry.

The concept of job satisfaction is great interest to social scientists and managers because they recognize the importance of job in the total life experience of an individual. Mitchell and Larson (1987) examined over 3000 studies on job satisfaction over the past 60 years and concluded that there is no universal definition of job satisfaction. A commonly accepted job satisfaction definition is offered by Locke (1976): “The pleasurable emotional state resulting from the perception of one’s job as fulfilling or allowing the fulfillment of one’s important job values”

Hammer and organ (1978) proposed five reasons for the sustained interest in job satisfaction over the last fifty years. First, Western society holds certain value judgments about satisfaction at work. Second, there is relationship between job satisfaction and mental heath. Third there is an association between job satisfaction and physical health, Fourth, there is the relationship between higher level of job satisfaction and lower level of turn over, and so to lesser extent, between higher levels of job satisfaction and absenteeism. Finally, job satisfaction is an important variable because satisfied employees represent a public relations asset for the organization.

The concept of motivation is linked with job satisfaction and theories of motivation have often formed the basis of models and measures of job
satisfaction (Mullins 1996). Although job satisfaction is not synonymous with motivation, it could, for example, be associated with a personal feeling of achievement. Motivation is process, which may lead to job satisfaction as employees’ expectations are formed on motives. It has suggested that that the usual approach to the study of motivation is through an understanding of internal cognitive processes (Mullins 1996), that is, what people feel and how they think. These different cognitive processes or theories of motivation are usually divided into two contrasting approaches: i) Content Theories and ii) Process Theories (Dunford 1992), Ivancevich and Matteson 1993, Vecchio et al. 1992).

Content Theories focus on motivation, and are concerned with identifying people’s needs and their relative strengths, and the goals they perceive in order to satisfy these needs. Major Content Theories includes: Maslow’s Hierarchy of Needs, McGregor’s theory X and Theory Y, Alderfer’s (ERG) Modified Needs Hierarchy Model, Hertzberg’s two Factor Theory, and McClelland’s Achievement Theory (Robbins et al. 1994). Content Theory approach to motivation; focus mainly on fundamental motives influencing behavior. This focus has been criticized because it ignores the process aspect of motivation. That is, the content models fail to investigate the process and assume the connection between needs and behavior to be unproblematic (Dunford 1992, p 82).

Maslow’s Content Theory states that a person attempts to satisfy the more basic needs (Physiological) before diverting behavior toward satisfying higher level needs. Higher level needs is those that are satisfied internally. They include social, esteem and self-actualization needs. Studies have reported that managers, higher in the organization’s chain of command, place greater emphasis on self-actualization autonomy than managers lower in the organization (Mullins 1996). Maslow’s hierarchy of needs theory has received wide recognition and the theory has provided framework for viewing the different needs and expectations that the people have and the different motivators that might be applied to people at different levels.
Another content theory which has received a lot of attention is the Two Factors Theory of Hertzberg et al (1959). It suggested that job content related factors or motivators such as achievement, responsibility, advancement, recognition, growth and the work itself are related to job satisfaction. On the other hand, job context related factors or Hygiene Factors, such as pay, Working Conditions, Supervision, Relationships at work, Security and Status are related to job dissatisfaction. For instance, an acceptable level of pay may not lead to satisfaction but a less than acceptable amount may possibly lead to dissatisfaction.

Process Theories plays emphasis on the actual process of motivation. These theories are concerned with the relationships among the dynamic variables which make up motivation and with the way in which behavior is initiated, directed and sustained. Major theories under this heading include, Expectancy Based Models, Equity Theories, Goal Theory and Attribution Theory.

Vroom’s (1964) expectancy theory, which is a process theory of motivation, suggests that both situational and personality variables are important for job satisfaction. Expectancy Theory argues that the strength of a tendency to act in a certain way depends on the strength of expectancy that the act will be followed by a given outcome and the attractiveness of that outcome to the employee (Robbins et al. 1994, p. 257). Although Vroom’s (1964) acknowledgement of the complexity of work motivation is relatively difficult to understand and apply because people really sit down and list their expected incomes for a contemplated behavior. Thus, from a theoretical stand-point, the Vroom Model seems to explain the complexity of motivation, but it does not give the managers much practical assistance in solving their motivational problems (Luthans 1981).

Lawler (1973) identified four theoretical perspectives to examine job satisfaction: Fulfillment Theory, Discrepancy Theory, Equity Theory and the Two Factor Theory. Researchers using the Fulfillment approach measure people’s satisfaction by simply asking how much of a given facet or outcome
they are receiving. Lawler (1973) concluded that fulfillment theory fails to take
into account individual differences in desires and aspirations.

Discrepancy Theory maintains that satisfaction is determined by
what people expect and what they actually receive. Three different Discrepancy
approaches are reported in the literature on job satisfaction: The first looks at
what people want; the second on what people feel they should receive and the
third on what people expect to receive. This theory does not address the
question of how people decide what their outcomes shall be.

Equity Theory determines satisfaction by the perceived ratio of what a person
receives from his job relative to what a person puts into his job. Equity Theory
also argues that people evaluate their input-outcome equity by comparing it
with their perception of what others receive at a similar level. This theory fails
to recognize differences between the perception and desires of individuals.

After reviewing the above arguments regarding the links between
Content Theories of motivation and Job satisfaction and Process Theories of
Motivation and Job satisfaction, it can be seen that Content theories have been
more commonly used in relation on job satisfaction than Process Theory. In
particular Hertzberg's Two-Factor theory is essentially the theory of job
satisfaction and Hertzberg has applied the Content theory of Motivation in his
approach. Hertzberg's belief is that job enrichment should give people the
opportunity to use the talents and abilities, and to exercise more self-control
over their job. Inherent in the job should be learning and growth experience.
This provides a direct link between motivation and job satisfaction. The content
theories of motivation also assume a direct relationship between job satisfaction
and improved performance (Mullins 1996). In contrast, the Process Theory of
motivation emphasizes the relationships among the variables. For instance,
Expectancy Theory of Motivation recognizes the complexity of work motivation
and considers in more detail the relationship between motivation, satisfaction
and performance. Thus, Process Theory provides a more indirect and weaker
link to job satisfaction.
Another approach is the "person-environment fit" theory of job satisfaction (Bretz and Judge 1994, Kalleberg 1977, Katzell 1979, Lock 1969, Smith et al. 1969). This theory suggests that job satisfaction is a result of congruence between the worker's perception of the work satisfaction (that is, perceived work characteristics which represent work rewards), and the worker's work culture (that is the importance that individual attaches to these perceived work characteristics). This model emphasizes the interaction between the values of the worker and the working environment of the work force, and represents a person-environment-fit. The importance of this person-environment-fit model is further highlighted in a study by Bretz and Judge (1994), which concluded that the fit would lead to higher levels of satisfaction. The consequences of not fitting may result in job satisfaction, poor performance and turnover. As well as reporting a positive correlation between person-organization fit and career success. Bretz and Judge (1994) concluded that the person-environment-fit also results in a number of positive work-related outcomes. This includes Higher Job Involvement (Blau and Boal 1987), greater organizational commitment (Meglino et al. 1989), Lower Turnover (O'Reilly et al. 1991) and improved health and adoption (Moos 1987). A major criticism of the above theory is that the organization or environment often has too many activities and the fit between these activities and the needs of participants could be difficult for managers to identify, particularly in the selection process (Caldwell and O'Reilly 1990).

A review of empirical studies by Savery (1989) showed that there are seven working conditions or variables which lead to job satisfaction for majority of people. These conditions are:

1) Interesting and Challenging Work, 2) Relationship with Immediate Supervisor, 3) A Feeling of Achievement, 4) Opportunities for Friendship, 5) Advancement, 6) Security of Employment, and 7) Recognition. Most of these conditions/variables have been identified as Intrinsic Motivators, and meeting these expectations is important for achieving high level occupations. This research further argues that there is a strong relationship between job satisfaction and Intrinsic Reward (such as achievements, recognition, advancement etc.) regardless of occupational levels. The value of intrinsic motivators to job satisfaction is well acknowledged among organizational researchers. Job satisfaction and commitment are related but distinguishable variables. The distinction between job satisfaction and organizational
commitment was highlighted by Mowday et al. (1982). Mowday proposed that commitment is a more global construct, reflecting an overall affective attitude towards the organization as a whole. In contrast to organizational commitment, job satisfaction is seen as one's attitudinal expression either towards one's job or towards a specific aspect of one's job. Another distinction between job satisfaction and organizational commitment is that overtime; organizational commitment is more stable than job satisfaction (Porter et al. 1974).

In conclusion, although there is no agreement as to which theory best explains a person's level of job satisfaction, it is generally agreed that job satisfaction can be seen as the feeling an employee has about the job in general. Despite the different approaches suggested by the content and process theories of motivation and their relationship to job satisfaction, a general agreement has emerged that intrinsic factors such as recognition, achievement and autonomy tend to have a greater effect on job satisfaction than extrinsic factors such as pay and conditions of work (Blau and Boal 1987, Savery 1989). This is particularly true for people at higher levels in the organization than for people lower in hierarchy.

The issue of job satisfaction is closely related to employees' motivational factors to join the software industry. Most of the employees join software industry due to high salaries in the Indian Software Industry, which is an entry level motivator to enter into the software industry. But, when they actually enter the industry, after a certain period their real expectations will change. As salary is not the only major factor, but in reality the work environment and the culture of the organization matters more. In many cases for job satisfaction, culture matters more as the hierarchy goes higher and higher.
Figure: 3.10 Relationships between Organizational Culture Dimensions and Job Satisfaction.

Values
Policy & Rules, Respect Risk Taking Pay, Moral Appreciation

Legends & Leadership
Supervision, Stress Decision Making

Rites & Rituals
Celebrations Awards

Stories
History Mutual Trust Reputation

Job Satisfaction
Intrinsic Factors Extrinsic Factors

Assumptions
Organizational structure, Decision making, Participative management, Innovation...

Symbols
Brand name Company song Company Flag Company leaders Status.

Physical Environment
Physical Facility Office Infrastructure, Coworkers Layout & Building

Language
Encouragement Fun & Interest Motivation Communication
Causes of Job Satisfaction:

- **Need Fulfillment**: Satisfaction is based on the extent to which a job satisfies a person's needs.
- **Discrepancies**: Satisfaction is determined by the extent to which an individual receives what he or she expects from a job.
- **Value Attainment**: Satisfaction results from the extent to which a job allows fulfillment of one's work values.
- **Equity**: Satisfaction is a function of how "fairly" an individual is treated at work.
- **Trait/Genetic Components**: Satisfaction is partly a function of personal traits and genetic factors.