A STUDY ON INFLUENCE OF ORGANIZATIONAL CULTURE AS AN INNOVATIVE STEP TO ENGAGE EMPLOYEES IN SELECTED SOFTWARE COMPANIES IN BANGALORE

Prof. Malini K. K. *
Dr. Maruti Ram R. **

Abstract

Every organization has its own distinct personality, just like people do. The unique personality of an organization is referred to as its culture. In an organization where group of people work together, organization culture is something that is invisible but powerful force that has a great impact on employee behavior.

Organizational culture is a structure of shared assumptions, beliefs and values, which governs how employees behave in organizations. The shared values always have a strong influence on employees and dictate how they dress, behave and perform their jobs. Every organization develops and retains a unique culture, which provides guidelines and boundaries for the behavior of the members of the organization.

Employee engagement is an approach which results in the proper conditions for the members of an organization to give their best always, be committed to organization's goals and values, be motivated to contribute to the success of organization, with a sense of their own well-being.

This paper will try to bring out the relationship between organizational culture and employee engagement. It tries to focus on influence of organizational culture on employee engagement in software companies of Bangalore.

A strong organizational culture could affect the growth of business as well as shape the morale and productivity of the employees. It helps in the growth of productivity of the industry which in turn helps in the growth of economy of the country. The study will help in knowing about how strong culture can influence the behavior of employees and influence the employees in keeping themselves engaged in work which in turn helps in the growth of software companies.

Keywords: *Organizational culture, performance, employee engagement, software companies*

*** Prof. Malini K. K.** *MBA, HDISM,* Assistant Professor, Department of Management Studies, REVA University, Bangalore. Email ID: malini@revainstitution.com mlpuranik@yahoo.co.in

**** Dr. Maruti Ram R,** *MBA, PhD,* Professor &Research Guide, R.V. Institute of Management, Email ID: dr.rmram@gmail.com

1 INTRODUCITON

1.1 ORGANIZATIONAL CULTURE – It is the set of values and behaviors of the employees to facilitate distinctive social and psychological atmosphere of an organization.

Organizational culture includes the experiences, expectations, values and philosophy of the organization that hold it together and it is clearly expressed in the way organization is working, image created, networking of organization and future growth. The base of culture is the attitude, customs, beliefs and rules developed over time and shared. The culture of the organization is also shown in

- The way in which the organization treats its employees and customers and conducts its business
- The freedom given to employees in developing new ideas, decision making power and expressing oneself.
- The flow of information and power through hierarchy
- The way employees are committed and work towards collective objective.

It affects the productivity, performance organization's productivity and performance, and provides guidelines on customer care and service, product quality and safety, attendance and punctuality, and concern for the environment.

1.2 EMPLOYEE ENGAGEMENT: The commitment that employee has to the organization and to accomplish its goals is employee engagement.

William Kahn in 1990 explored the conditions under which employees engage themselves physically, emotionally and cognitively with their work and coined the term "employee engagement". Employee engagement has additional concepts like:

Needs Satisfaction: The degree to which employees have freedom to express themselves in their work.

Burnout Antithesis: Involvement, energy and efficacy in work vs. burnout concepts of fatigue, skepticism, and lack of accomplishment.

Multidimensional: Distinction between job engagement and organizational engagement

2. LITERATURE REVIEW:

According to Baumruk 2004, Richman 2006 and Shaw 2005, employee engagement is defined as intellectual and emotional commitment toward organization.

Jenny K. Rodriguez and Carlos F. Gomez (2009), in a paper "HRM in Chile: the impact of organisational culture", Employee Relations", the authors suggest that there is a collective definition of job characterized by following elements; namely, the existence of enormous work pressure exerted

by leaders; a focus of top levels on efficiency of organization as an element that is isolated which does not include HRM; there does not exist autonomy and empowerment of workers; the use of administrative jargon and understandings of reliability, commitment, obedience and professionalism as desired qualities in workers. The paper also says that the cultural disclosure has three distinct categories in most of the organisations: pessimistic, optimistic and bureaucratic.

Mukta Kulkarni (2014) in a paper "Organization structure and culture in an IT organization" has opined that the factor to determine the success of organization is not just its structure but a well defined roles and responsibilities, strong culture and its effective distribution among the employees. She says that presence of strong informal communication network with formal channel will foster significance of interpersonal skills and employee satisfaction in a challenging environment.

Jossy Mathewa and Emmanuel Ogbonna (2013) in an article "Organisational culture and commitment: a study of an Indian software organisation", has explored and analysed the impact of organisaitonal culture on organisational commitment in software sector which is known to be dynamic and employee-centered. The authors mentioned that subcultural conflict arises when a new business operation is introduced in the organization. So, to encourage cultural hegemony and commitment of employees, leaders should find out ways to understand and introduce subcultural characteristics which will be conducive to particular type of commitment needed for success of business unit in software organizations.

According to Maniam Kaliannan, "Employee engagement as an "engine" in ability administration drive draws its strength from the adequacy of different natural elements from inside and outside an association. Vital employee engagement activities bolster hierarchical marking and notoriety among employees.

3. RESEARCH METHODOLOGY

3.1 STATEMENT OF THE PROBLEM

Employee engagement implies the level with which every employee is focused on the firm they work for. The extraordinary enthusiasm for their work and the awesome pride the employees hold themselves for having the workmanship that is an incredible factor which influences them to put more vitality and time in to their work giving out high measure of execution.

3.2 SCOPE OF THE STUDY

The region which has been selected for the study is the software companies in Bangalore. The study involves knowing about the effective ways used by the organization in setting up right culture which gives a platform to engage employees in their work. Understanding what drives employee engagement

lights up the way pioneers can take to upgrade employee maintenance in their organisation.

3.3 NEED FOR THE STUDY

This relative investigation on the organization culture, which acts as a drive to engage employees, inspects relationship between various components of culture and its effect on employee engagement.

3.4 OBJECTIVES OF THE STUDY

- To gain in depth knowledge about the concept of organizational culture and the determinants of organization culture
- To know about the factors that influence employees to be engaged in the organization
- To examine the relationship between organizational culture and employee engagement

3.5 SAMPLING TECHNIQUE

The sample space of the study includes employees of IT companies in Bangalore. Random sampling has been employed to conduct the study. A sample of 50 employees were chosen for the study.

3.6 TOOLS OF DATA COLLECTION

The sources of data used are as follows:

Primary Data: Primary data is the kind of data which is collected. This then undergoes factual examination and is utilized for statistical analysis. Mailed questionnaires in which questionnaires are mailed to the respondents along with a cover letter, direct personal interviews which involves going directly on field to acquire information, indirect oral interviews are used as the different methods of gathering primary data.

Secondary Data: The secondary data is the kind of data which is obtained through references.

The following are the major sources of secondary data:

- Articles
- Websites
- Journals
- Books
- Record etc

3.7 LIMITATIONS OF THE STUDY

- There are chances of biased response
- In some cases, respondents were not co-operative.
- Since it was random sampling, not all opinions and information could be collected.
- The data collected can be inaccurate

3.8 HYPOTHESES

a) As expressed by Handy, Culture is 'the way we do things around here'. It is inclusive of the belief, knowledge, attitudes, customs and norms that exist in an organisation.

Organisations encompass distinctive cultures, and behavior that is acceptable in one organisational culture may not be appropriate in another. Culture develops over time and also can instantly change due to any major event, e.g. death of founder of company, merger and acquisition etc. Individuals who are committed remain in organization as they feel that they need to do so. An individual's mind-set about need for remaining in the organization may be prejudiced by the sacrifices that will likely incur if the individual leaves the organization (Allen & Meyer, 1990).

Norms are defined as precise but tacit standards of something that is socially and individually acceptable; explicit values but general statements of principle, of which the substance is continually changing through changing circumstances, norms and policies.

Given that employee engagement has an influence by the policies and norms set in the organization, it is reasonable to expect the following hypothesis.

H0: There is no significant impact of the norms set in the organization on employee engagement

H1: There is significant impact of the norms set in the organization on employee engagement

b) Symbols can shape how individuals think about their organization. The culture of the organization is expressed in terms of public symbols and it creates a sense of unity between the individuals. Corporate symbols articulate the philosophy of the organization in an easy way so that the thoughts they express can be reinforced easily. The symbols used to articulate corporate culture can be stories, ritual events and some physical artifacts.

Employees who engage themselves will be highly influenced by the rituals followed in the organization. In this light, the following hypothesis is set.

H0: The rituals followed at the organization influences employee engagement

H1: The rituals followed at the organization has no influence on employee engagement

c) Shared values are what stimulate trust and bond an organization together. Shared values are also the uniqueness by which your organization is known all through its business areas. These values must be confirmed as both corporate objectives and individual values. Every organization and every leader will have a diverse set of values

that are appropriate to its business situation.

Shared values helps in employees bonding with each other which give a better understanding of work and employees feel more enthusiastic to work. In this regard, the following hypothesis is set.

H0: The shared values set in the organization has impact on employee engagement

H1: The shared values set in the organization has no impact on employee engagement

4. DATA ANALYSIS:

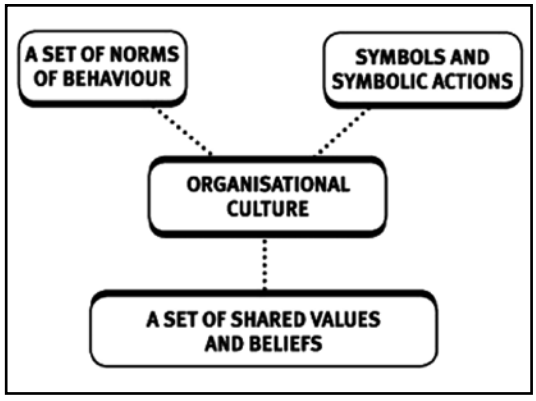
The following are the methods employed in data analysis:

Tabulation of Data: Here the collected data undergoes categorization into sequences of columns and rows on the grounds of its attributes and characteristics. The formatting of data in this way is called tabulation.

Analysis of Data: The tabulated data is analyzed and this process acts as a way of filtering the data which can then be used in its entirety.

Interpretation of Data: The conclusions that are made from analyzing the tabulated data is put into use here. In this process the filtered data is allotted meanings and are interpreted in a way that it can be directly used. The importance, conclusions and ramifications are decided with the results.

Organizations possess some of the components of a subculture. They have shared beliefs and values that at times translate into policies and practices. People can intuitively get a "sense" of an organization that is often complex to define but represents some instinctive "gut response" to the nature of the business. External commentators will often say that a progressive business has a "buzz" about it or a traditional one feels "oppressive and formal". Organizational culture, then, refers to the deep-seated values of an organization as they are apparent in the ways in which people are expected to behave. The culture of an organization can be observed in the way it is structured, in the way authority is distributed.



Organizational culture is the workplace environment put together from the interaction of the employees in the workplace. Organizational culture is defined by including education, upbringing, strengths, weaknesses and life experiences of the employees. While leaders play a great role in defining

organizational culture by their actions and leadership, employees contribute to the organizational culture.

It is very important to select an employee who will fit organizational culture. Human resource plays a major role and only those whose values, beliefs, outlook and behavior are congruent with organizational culture will only be a good cultural fit for the organization.

Organizational commitment. In this study, the questionnaire is developed and 5 point likert scale is used which ranges from strongly agree to strongly disagree. The survey contained 16 questions to measure the relationship between organizational culture and employee engagement.

RESULTS:

Chi square test was used to examine the hypothesized relationship depicted in the research model.

a) H0: There is no significant impact of the norms set in the organization on employee engagement

H1: There is significant impact of the norms set in the organization on employee engagement

The chi square value of 33.96 calculated value which was more than the expected value found from the table which was 21 for degree of freedom 12 and at 5% level of significance. As the calculated value was more than the table value, null hypothesis got rejected and the alternative hypothesis is accepted which clearly shows that there is significant impact of the norms set in the organization on employee engagement.

b) H0: There is no significant difference in the symbolic actions and employee engagement in the organization

H1: There is no significant difference in the symbolic actions and employee engagement in the organization

The chi square value of 13.72 calculated value which is less than the expected value found from the table which was 21 for degree of freedom 12 and at 5% level of significance. As the calculated value was less than the table value, null hypothesis is accepted and the alternative hypothesis is rejected which clearly shows that there is no significant difference in the symbolic actions and employee engagement in the organization

c) H0: The shared values set in the organization has no impact on employee engagement

H1: The shared values set in the organization has impact on employee engagement

The chi square value of 90.85 calculated value which is more than the expected value found from the table which was 41.3 for degree of freedom 12 and at 5% level of significance. As the calculated

value was more than the table value, null hypothesis is rejected and the alternative hypothesis is accepted which clearly shows that there is significant impact of shared values on employee engagement in the organization.

Culture guides flexible behavior and it picks up where the employee guide leaves off. Culture tells us how to retort to an unprecedented service request. It tells whether employees need to take risk telling bosses about creative ideas, and whether to discuss the problem or hide it. Employees every day make so many decisions on their own and culture guides them all. Culture helps employees know what to do when the boss is not around; it tells us whether we are free to take decision in certain situations.

The culture of an organization is not about business perks, employee happiness or even a management style, but also about helping organisation to do whatever it does best. Building Employee engagement elements which include hiring methods, rewards, performance, attitude, behaviour and values.

Organisation culture can be broken down into 3 key dimensions that build Employee Engagement:

Norms – The degree to which employees share and agree about cultural norms

Symbols – Employees buy-in to the culture and how they live the values

Shared Values – Innovation, teamwork, and integrity

To build a positive organizational culture and employee engagement in a workplace needs a lot of effort, commitment and but culture is the core of most of the successful organizations. It acts as a drive which makes employees show effort in their work and engage. Successful organizations have a set of values and traditions which create a foundation and help build a optimistic engaged work environment.

5. CONCLUSION:

The success of organization is the result of hard work of entire team. A strong culture built in software companies, employees from diverse background and sense of community in the workplace helps to make employees engage in their work in a positive way which helps organization work towards a common aligned goal. A positive culture in the organization has a lot of benefits for the organisation, but also improves the lives of the individuals who make up the organisation. Employee Engagement is built on a tough foundation that includes a clearly stated vision, mission, values, communication means, engaged employees and recognition of achievements. A strong organizational culture will assist in establishing organization as an employer of choice and results in positive returns to the bottom line of the business.

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