

The impact of Organizational Culture on Employee's involvement in organization

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Abstract:

The culture of an organization is not just about employee's happiness, business perks or even an inclusive management style, it is also about helping the organization do whatever it does best. A company's cultural attributes should all be in service of their larger strategy. An organizational culture has many benefits for the organization, but also enhances the lives of the employees who make up the organization. The purpose of this research paper is to explore the literature to understand how organizational culture can be used effectively to increase employees' involvement in organization. The main objective of this study is to understand the impact of organizational culture on employee's involvement, to understand the dimensions of organizational culture and to understand the relationship between organizational culture and employee's involvement. Literature review is adopted as methodology to assess the organizational culture impacts on employee involvement. This study is based on the secondary data. The source of the information has been taken from the previous journals, text books and articles.

Keywords: Organizational Culture, Dimensions, Employee's involvement.

1. Introduction -

Organizational Culture

Organizational culture is the set of shared values, beliefs, and norms that influence the way employees think, feel, and behave in the workplace (Schein, 2011). Organizational culture has four functions: gives members a sense of identity, increases their commitment, reinforces organizational values, and serves as a control mechanism for shaping behavior (Nelson & Quick, 2011).

Organizational culture facilitates the acceptable solution to know the problems, which members learn, feel and set the principles, expectations, behavior, patterns, and norms that promote high level of achievements (Marcoulides & Heck, 1993; Schein, 1992).

According to Azhar (2003) organizational culture is the combination of important

assumptions that are shared in common by each members of an organization and are often unstated. Organizational culture is basically made up by two major common assumptions: values and beliefs. Values are the assumptions that have been forwarded by the leaders of the organization and considered to be ideals that are desired by all the members of an organization. Beliefs on the other hand are the assumptions about the reality and created by experience.

1.1 Definition of Organizational Culture

Robbins (1986) defines organizational culture as a uniform perception of an organization which has common characteristics. Organizational culture, according to the author is something descriptive and effectively it can distinguish one particular organization from another. It can also integrate individuals and groups of organization systems.

Organizational culture is also defined by Rousseau (2000) as a set of commonly experienced stable characteristics of an organization which shows the distinctive features of an organization which differentiates it from others.

1.2 Dimensions of the Organizational Culture

Although there were many dimensions of organizational culture, two major ones that have been widely recognized are Hofstede (1980) and Schein's (1985). These dimensions of organizational culture are a useful way of comparing the basic properties of organizational culture in general.

1.2.1 Geert Hofstede's Cultural Dimensions

The renowned Emeritus Professor from the University of Maastricht, Geert Hofstede, conducted perhaps the most comprehensive study of how values differ in the workplace influenced by culture. The study was developed between 1967 and 1973 while working at a large-sized Multinational Corporation and it covers more than 100,000 employee's opinion from 70 countries.

This study has adopted Hofstede's and its dimensions of culture due to the following reasons:

(i) Hofstede's dimensions have been one of the pioneers in culture studies.

(ii) Hofstede's dimensions have used time and time has been internationally used by many researchers in many countries (Loene, 1996; Gore, 1999; Sin & Tze, 2000; Joiner, 2000; Thomas & Au, 2002; Damanpuor et.al., 2002)

Due to its relevance to the managerial world, there has been scholarly development of this construct. For example, the Global Leadership and Organizational Behavior Effectiveness (GLOBE) (a research programme of 825 organizations in 62 countries from (1992-2000) has utilized and expanded Hofstede's cultural dimensions. In view of this, this study has also

adopted these new dimensions proposed by the GLOBE study.

Using Hofstede's classification approach enables comparisons between studies which can be done neater and the level of objectivity involved is generally higher (Sackman, 1991). Its dimensions have appropriate construct validity (Damanpour, Pothukuchi & Choi, 2002). Hofstede (1980) created a model that identifies four primary dimensions to assist in differentiating organizational cultures: Power Distance (PDI), Individualism (IDV), Masculinity (MAS), and Uncertainty Avoidance (UAI). Later on, based on Confucian theory, Hofstede introduced the Fifth dimension called, Long-Term Orientation (LTO).

(i) Power distance (PDI) – According to Hofstede's description, the power distance is associated with the societal recognition of imbalanced allotment of power. This disparity can be linked with status, prosperity and power. (Bialas, 2009; Hofstede 2001) The echelon of the power distance explains "how the culture endure and cultivate pecking regulates, and how enthusiastically affiliates strives to lessen them" (Bialas, 2009; Mead 2003).

Based on Hofstede (1980); communities in nation high in power distance support obedience to superiors, favor superiors who implement autocratic or paternalistic headship, and do not anticipate contributing in decision building. Even though Hofstede's breadths are draw from at the communal echelon, social and organizational psychologists have initiate to use them as entity dissimilarity variables (Bochner and Hesketh, 1994; Ackerman and Brockner, 1996). Expectant superiors to act autocratically, those high in power distance perceive small worth endeavor to persuade decision making. Fairly, they deem its superiors have the privilege to make decisions devoid of consulting inferiors. Small power distance subordinates, conversely, anticipate superiors to discuss with them (Lam,

et.al. 2002) and draw near superiors to communicate their visions on matters that is significance. Thus, they have the prospect to enlarge nearer relationships with superiors than high power distance subordinates, who deduce a safe remoteness from superiors to be suitable. Hofstede (1991) characterized power distance as the degree to which the less influential members of organizations anticipate and admit that power is distributed asymmetrically (Hofstede, 1991). Disparity of power in high-power distance cultures is considered more adequate, and every so often predictable, than in low-power distance civilizations (Christie, Kwon, Stoerberl, & Baumhart, 2003; Page & Wiseman, 1993; Oatey, 1997).

Hofstede articulates that power distance as a cultural attribute classifies the degree to which unfairness in power is acknowledged and measured as ordinary by fewer powerful group in a society (Polak, 2001; Hofstede, 1986). To better explain and contrast dissimilarity between societies performance within this one breadth, he partition it into two categories of small and large. Small power distance describes the degree to which less powerful group recognize the social disparity is little, that is members of a society are delighted as equivalent as likely in an unequal society (Magdalena Polak, 2001; Hofstede, 1986) large power distance means that a big disparity in power is measured by the less powerful members of a society as usual. Upright relations (boss-subordinate) are the major aims of power distance hypothesis in organizations. Occupation exchanges between workers that vary in status are mostly prejudiced by how persons recognize power irregularities (Varela, Salgado, & Lasio, 2010; Katz and Kahn, 1978). Human disparity is at the center of power distance. Therefore, in high power distance locales persons grasp a motionless idea of upright mobility, creating psychosomatic spaces

leading the interactions between upright functions (Salgado, 2010; Triandis, 1994).

(ii) Individualism/collectivism (IDV) - This dimension represents the society where the ties between individual are loose (Hofstede, 1980). The word "individualism" state that is a term used to describe a moral, political, or social outlook that stresses human independence and the importance of individual self-reliance and liberty. Individualists promote the unrestricted exercise of individual goals and desires.

On the other hand, the opposite meaning of individualism is collectivism. Where society concern is into him/her and his/her family matter. The word "collectivism" concerns about people who are strong, and cohesive in-groups. It has no political meaning; it refers to the group, not to a state. Therefore, this dimension means of extremely importance in the society.

In an individualistic society, the relations between people are free. Support and care of an individual is reflected only on himself and on his family and relatives. Its opposite is collectivism, in which groups of people are strongly united, and individuals are integrated even before birth and the group continues to provide them protection and support throughout their life, with the price of loyalty. According to Hofstede's Individualism breadth, individualism is described as the precedence given to the person or the group (frequently the absolute family unit). Individualist cultures endorse introspection and center concentration on internal understanding. Alternatively, collectivist cultures do not persuade center concentration on the internal personality – external and interactional are the most stupendous features of emotional experience (i.e., how one's acts influence others). Studies to demonstrate that cultural individualism is interrelated with prejudiced comfort when soaring income, human rights and fairness are controlled (Basabe & Ros, 2005; Diener, Diener & Diener, 1995).

A meta-analysis by Oyserman, Coon and Kimmelmeier (2002) demonstrates that nucleus phases of individualist principles are personal sovereignty and exclusivity. Competition, personal accomplishment and prominence on domestic qualities are imperative characteristics, as contrasting to other people's views and suggestions, which are not related or pessimistically associated to individualism. According to the meta-analysis by Oyserman a center feature of collectivist beliefs is a intelligence of responsibility and compulsion towards the group. To a lesser degree, in-group harmony and working in groups are as well distinctive features.

Hofstede (1980) portrays members in individualistic societies as self-centered, competitive somewhat than co-operative, having low faithfulness for the organizations they work for, pursuing their own goals, having a low need for reliance ahead others, and being calculative. Members of the collectivistic societies, alternatively, has a "we," relatively than "I" direction, have high faithfulness for the organization and exertion toward its goals, cooperate with each other in an mutually dependent means, and seize accomplishment together as a group in a co-operative style quite than on an individual competitive root, hence subscribing to the moralizing values of joint efforts and group rewards.

(iii) Masculinity/Femininity (MAS) - It is mainly called the "assertive pole" as they are competitive and maximally from one country to another. The femininity working as the opposite pole of masculinity, concerns about "caring and quality of life" so its called the "caring pole" (Hofstede 1980).

When both dimensions arrive to similar dimension organization this what happens: women in feminine organization have the same modest, caring values as men; in a masculine organization they are still assertive and

competitive, but not as much as men. So, these countries show a difference between men's value and women's.

Masculinity is a characteristic of a society where social roles are clearly separated: it is assumed that men are strong, sturdy and alert on accumulating wealth while working ladies are humble, sensitive as well as interested in the quality of life. Femininity is the opposite of masculinity. It is characterized by a civilization that leads to social roles overlapping: mutually males and females are humble, sensitive and alert on the eminence of life.

First of all according to Hofstede (1980), masculinity and femininity is described as allotment of tasks amid the sexual characteristics which is an added primary concern for any society to which an array of answers are originated. The IBM investigation disclosed that female's principles fluctuate less amongst societies than male's principles; male's principles from one nation to another include a length from very self-confident and spirited and highly dissimilar from the female's principles on the different face, to humble and kind and comparable to female's principles on the other. The self-confident limit has been identified as 'masculine' and the humble, kind limit as 'feminine'. The females in feminine nations comprise the similar humble, thoughtful principles as the males; in the masculine nations, they are to some extent self-confident and spirited, but not as much as the males, so that these nations show a space involving male's morals and female's values.

In business view point, masculinity implies the magnitude fond to gaining control, gratitude and endorsement, while femininity points out the significance close to fine relations with supervisors, collaboration, quality of life and employment sanctuary (Swaidan & Hayes, 2005; Dawar, Parker, & Price, 1996; Hofstede, 1980). According to Hofstede, masculine societies are

individuals in which the "ethos" of effort likely to be "to live to work", as it stress more on outcome, competitiveness and the job in itself than on life exterior job. Consequently, firms in masculine civilization will put extra weight on the fulfillment of the obligations at the expenditure of entities' needs.

(iv) Uncertainty avoidance (UAI) - This dimension indicates the extent to which individuals will do or not do to avoid or reduce risk or ambiguous future. Employee in their nature might feel comfortable or uncomfortable with anxiety. In uncertainty accepting organizations, employees are relaxed about the up-coming future. They are tolerant of opinions that differ from what they are used to. On the opposite pole, the uncertainty organizations concern is the unstructured situations. This situation could result into unknown, surprising and different scenario.

Uncertainty avoidance is described as the degree to which employees in a company of a society sense intimidated by doubtful, indefinite, vague or amorphous circumstances. It was monitored via the discussion of focus groups so as to the principal customs (i.e. viewpoint constructed as a ladder of assessments) of the bureau had a central sway in procurement assortment course. Five scope of national and organizational culture is recommended the monitored culture of the organization materialized to reveal that of uncertainty avoidance (Hofstede, 1991). Uncertainty is the degree to which the personnel of a culture feel in jeopardy by uncertain or unknown states (Peter et. al 2008; Hofstede, 1991).

In conquering the sense of uncertainty individuals habitually form reserved imperatives

and deem in their accuracy. In spirit, cultures that comprise lofty stages of uncertainty evasion favor imperatives and structured events, and sentiments are flaunted in the means that anything else dissimilar is a menace to the person. Likewise, workers apt to linger longer with their current company (Mortledge, 2006).

(v) Long-Term Orientation (LTO) -

This dimension measures the commitment to a future. It conveys thrift and perseverance message in to the society. Also, it is thought to support a strong work ethic where rewards are a pure result of today's sacrifice. The value associated to the low long-term orientation hence is the opposite.

According to Hofstede, low long-term are respect of tradition, satisfying social obligations, and protecting ones face. It also establishes that change can occur more quickly as long-term cultures tradition and commitment do not become barriers to change.

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Organizational culture practice was the most crucial factor that will determine organization success than national or occupational culture. The study of organizational culture should hence look into the differences in organizational culture which distinguished one organizational culture from another. Table 1 below shows the four dimensions of national culture values and the consequences of each dimension to organizations.

Table 1 Summary of Geert Hofstede Five-Dimension of Culture model

Four Dimensions Degree of Scale	Individualism Vs. Collectivism	Masculinity Vs Feminist	Uncertainty Avoidance	Power Distance	Long Vs. Short Term Orientation
High	Self-Determination (personal growth)	Controlling relationships (competitive behavior)	Formal Relationship (structure rituals)	Social differential (unequally status)	Long: commitment to the future and the use of tradition.(keywords: persistence, thrifty, adaptability)
Low	Collectivity (group oriented)	Care of relationship (caring pole)	Informal Relationship (less control)	Social Integration (equal status helps interaction)	Personal steadiness and stability. Life Quality is important

Source: Chang, 2003 and Hofstede, 2001

2. Employee Engagement:-

Employee engagement is a valuable concept for understanding and improving individual and organizational performance. In today's organizations, employee engagement is vital because more is being required of workers than ever before. Employee engagement has become a hot topic in recent years. Employee engagement is a relatively recent developed concept in human resource management and a mantra for today's workplace and leading organizations to recognize the vested interest for measuring, monitoring and maximizing the level of engagement amongst the employees. It is defined as the level to which employees are fully involved in their work, committed to their work, careful about their organization and colleagues and are willing to extend themselves and go the extra mile for their company to ensure its success. The argument is that an engaged employee works with passion and is more committed to the organization.

Most often employee engagement has been defined as emotional and intellectual commitment to the organization (Baumruk

2004, Richman 2006 and Shaw 2005) or the amount of discretionary effort exhibited by employees in their job (Frank et al 2004). Although it is acknowledged and accepted that employee engagement is a multi-faceted construct, as previously suggested by Kahn (1990), Truss et al (2006) define employee engagement simply as 'passion for work', a psychological state which is seen to encompass the three dimensions of engagement discussed by Kahn (1990), and captures the common theme running through all these definitions.

In the changing global market, competition and managing change over a period of time the strategy of an organization has changed from just promoting the knowledge worker to increase employee engagement. Employee engagement and organizational culture are highly interlinked (Concelman, 2005).

2.1 Levels and Categories of Employee Engagement

Gallup has comprehensively identified 12 questions that most effectively measure the same. They have undertaken employee engagement surveys for several client

organizations. They categorize employees into 3 different types -

Engaged--"Engaged" employees are builders. They want to know the desired expectations for their role so they can meet and exceed them. They're naturally curious about their company and their place in it. They perform at consistently high levels. They want to use their talents and strengths at work every day. They work with passion and they drive innovation and move their organization forward.

Not Engaged---"Not-engaged" employees tend to concentrate on tasks rather than the goals and outcomes they are expected to accomplish. They want to be told what to do just so they can do it and say they have finished. They focus on accomplishing tasks vs. achieving an outcome. Employees who are not-engaged tend to feel their contributions are being overlooked, and their potential is not being tapped. They often feel this way because they don't have productive relationships with their managers or with their coworkers.

Actively Disengaged--The "actively disengaged" employees are the "cave dwellers." They're "Consistently against Virtually Everything." They're not just unhappy at work; they're busy acting out their unhappiness. They sow seeds of negativity at every opportunity. Every day, actively disengaged workers undermine what their engaged coworkers accomplish. As workers increasingly rely on each other to generate products and services, the problems and tensions that are fostered by actively disengaged workers can cause great damage to an organization's functioning.

2.2 Importance of Employee Engagement

An organization's capacity to manage employee engagement is closely related to its ability to achieve high performance levels and superior business results. A highly engaged employee will consistently deliver beyond expectations

(Wright and Cropanzano, 2000). Some of the advantages of engaged employees are:

Engaged employees will stay with the company, be an advocate of the company and its products and services, and contribute to bottom line business success.

- They will normally perform better and are more motivated.
- There is a significant link between employee engagement and profitability.
- They form an emotional connection with the company.
- It builds passion, commitment and alignment with the organization's strategies and goals.
- Increases employees' trust in the organization.
- Creates a sense of loyalty in a competitive environment.
- Provides a high-energy working environment and boosts business growth.
- Makes the employees effective brand ambassadors for the company.

3. Linkage of Organization Culture with Employee Engagement

Denison (1984) studied 34 Americans culture on basis of characteristics that helps in improving engagement over time. The culture has been interrelated to each other based upon perfect association between business processes (Reichers and Schneider, 1990). The culture construct based upon operational complexity have its basis towards different business processes. In more than 200 organizations economic and long term engagement has been investigated (Kotter and Heskett, 1992). Several researches have been made to evaluate engagement of organization based upon efforts as culture has been given significant association. The contributions on culture defined were as followed:

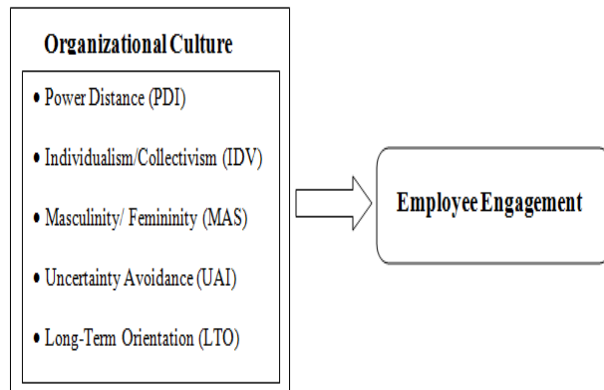


Fig 1 Research Framework

Firstly culture and employee engagement were considered interrelated to each other by forceful management. While strong association between management practices, employee engagement and culture management have been presented so that culture establishment takes place effectively. The competitive advantage of an organization is attained through strong association and establishment of culture and employee engagement. The organization culture helps in measuring limitation to overcome engagement and performance measurement.

The researches shows that culture and employee engagement were considered interrelated. (Lim, 1995) The sustainable competitive advantage of organizational competencies has been related to superior and imitable relationship with

competitors (Saa-Pe're and Garcia-Falcon, 2002). The value of culture based upon degree of performance has been managed with practitioners and academics. (Denison, 1990).

4. Conclusion

Employees are a key component of any company's ability to execute its strategy and achieve its goals. Companies who are able to better engage their employees also deliver better business performance and maximize the shareholders value.

One of the important factors that drive employee engagement is organizational culture. Employees who get more compensation and benefits will feel more engaged to the organization. A supporting organizational culture in friendly work environment will really help to create employee engagement. Employees who get more compensation and benefits will feel more engaged to the organization.

The organizational culture has a strong impact on employee engagement as it leads to enhance productivity. The norms and values of organization based upon different cultures influence on work force management. In an organization strong culture enables to effective and efficient management of work force employees.

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