Organizational Culture - Implication of Changes on the Organization*

Dr.T.S Devaraja

Associate Professor

Department of Commerce

Post Graduate Centre

University of Mysore

Hassan, India

Tel: Mobile: +91-98807-61877

: +91 – 8172-65100

Fax: +91-8172-240674

Web: http://devaraja.me

Email: mail@devaraja.me

---

*The work described in this working paper is the research conducted by the author and research scholar for the purpose of submitting the research paper to the University of Mysore, Mysore, India.

Organizational Culture - Implication of Changes on the Organization

This Version – May 2012

Abstract

In the day's globalization, it is highly necessary to understand and also interpret organization culture. Culture influences people in good and bad ways. Culture creates the identity for the organization. The key characteristics of culture are Individual initiative, Risk Tolerance, Direction, Integration, Management Support, Control, Identity, Reward System Conflict tolerance and Communication Patterns. Organizations develop cultures made up of values and beliefs about how people should behave. Employees associate these values and beliefs with the organization's success and don't need to be told what to do or what not to do to comply with the culture. Culture can be viewed as a descriptive feature of an independently defined stable social unit. That is, if one can demonstrate that a given set of people have shared a significant number of important experiences in the process of solving external and internal problems, one can assume that such common experiences values, beliefs etc. have led them, overtime, to a shared view of the World around them and their place in it-and in the present context it is the industrial undertakings, under study. Though it is the members who form and sustain the culture of an organization, the ownership of organization by way of public, private and MNCs have a significant role. By way of its principles and assumptions, each sector influences the culture of the organization of which it is the owner. Organization culture has many layers with distinct externalities and many internalities. Since the study and understanding of culture of organizations enable itself to foresee the changes, it is imperative that they manage the changes as well. Research on organizations culture has moved beyond a purely descriptive stage and has begun to develop and test predictions. It is not only observed but also have been indicated in certain research findings that the new employees whose core values match with the organizational values has a greater commitment for the job and also an enduring loyalty to the organization. Thus a study of the organizational culture helps the organizations to formulate policies directed towards enhanced effectiveness of human resources.

Key words: Organisation Culture, Risk Tolerance, Communication patters, Environments, Occupational units, Hierarchical layers, Internalities, descriptive

1. Introduction

In the day's globalization, it is highly necessary to understand and also interpret organization culture. Culture influences people in good and bad ways. Culture creates the identity for the organization. Vendors, customers, employees and other external agencies factor in the organization culture when they make their business decisions. Organization culture helps the company to relate to such   external entities. It helps the company to gear up for competition. Potential business partners study the organization culture before making any strategic moves. Even valuation of business is influenced by the organization culture, as can be seen in mergers, acquisitions and takeovers. Organization culture is the confluence of various ideologies (brought by all its participants), beliefs, languages, customs and these collectively form guidelines for conformed behavior. All implicit and explicit behaviors form the foundation for organization culture. Apart from the visible signs and symbols such as artifacts, organization culture can also be seen in the value system instilled by the founder members as well as its leaders of the organization. Senior management is responsible for creating a viable organization culture that suits the needs of the business and sends a meaningful message to all who matter to the organization. Hence, certain values are enforced by seniors by setting examples and by propagating with the help of symbolic behaviors. This has a percolating effect in the organization and gets carried out to the lowest rung of the organization. Corporate culture can be looked at as a system with input, out put and through put, with a feedback arrangement. The process is based on one's assumptions, values and norms, e.g. values on money, time, facilities etc. Outputs or effects of organizational culture are many ,for e.g., organizational behaviors, technologies, strategies, products, services etc. The concept of culture is particularly important when attempting to manage organization-wide change. Practitioners are coming to realize that, despite the best-possible plans, organizational change must include, not only changing structures and processes, but also changing the corporate culture as well.

There are numerous ways of defining organization culture. One commonly accepted definition is as follows;
It is a pattern of shared employee beliefs, values, behaviors and ways of doing and thinking about the organization. Such beliefs,values etc. are learned, shared and transmitted by and through organization employees.Organizational culture refers to a system of shared meaning. In every organization there are patterns of beliefs, symbols, rituals, myths and practices that have evolved over time. These in turn create common understanding among members as to what the organization is and how its members should behave. Following are the key characteristics along which cultures differ. Individual initiative, Risk Tolerance. Direction, Integration, Management Support, Control, Identity, Reward System Conflict tolerance. Communication Patterns.

1.1 Organizational Culture - Its changes and Implication of changes on Organization

Organizational culture comprising of the attitudes, experiences, beliefs and values of an organization ,has been defined as "the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization. From organizational values, develop organizational norms, guidelines or expectations that prescribe appropriate kinds of behavior of the employees, in   a particular situation and control the behavior of organizational members towards one another". This implies the fact of necessity of cultural changes in an organization. In excellent organizations, people constantly and unconsciously comply with the values and beliefs of a common culture and it is this compliance that maintains the organization. Organizations develop cultures made up of values and beliefs about how people should behave. Employees associate these values and beliefs with the organization's success and don't need to be told what to do or what not to do to comply with the culture. As long as the culture   remains relevant to the organization benefits – managers are relieved of much of the work associated with controlling or directing staff. However, if the environment in which the organization is operating changes the culture, can become dysfunctional and at times, harmful also.

1.2 Organizational Culture and Industries

Organizations are open systems in constant interaction with their many environments, and they consist of many sub-groups, occupational units, hierarchical layers, and geographically dispersed segments, also geographically spread departments. If we are to locate a given organization's culture, where one should look for and how to generalize the concept one looking for?

In the present study, two factors that are common to the whole study are:

1. The Nature of the organization which is **'Industrial'** and
2. They are geographically located in the **State of Karnataka**, in India

Culture can be viewed as a descriptive feature of an independently defined stable social unit. That is, if one can demonstrate that a given set of people have shared a significant number of important experiences in the process of solving external and internal problems, one can assume that such common experiences values, beliefs etc. have led them, overtime, to a shared view of the World around them and their place in it-and in the present context it is the industrial undertakings, under study. Though it is the members who form and sustain the culture of an organization, the ownership of organization by way of public, private and MNCs have a significant role. By way of its principles and assumptions, each sector influences the culture of the organization of which it is the owner. Organization culture has many layers with distinct externalities and many internalities. At the outermost layers, it is the artifacts, symbols which furnish the outer world, with a meaning to understand. However, it is inner layers in the form of values, attitudes and beliefs which ultimately affect, the performance- both economical and organizational production, profit etc. The study covered 9

industrial undertakings chosen from different sectors as well as different districts of the state of Karnataka. The study has covered as widely as possible the external and internal manifestations of organization culture.

1.3 Industries in the Era of Globalization

By general observation the industries that have stood for last 10-12 years are by and large mature and all are now being displaced as the engines of growth by a whole new set, based on the emerging technologies -, for example Nano technology, Biotech, Material science, Information technology and Telecommunications. Second, we are moving into a 'genuinely' global economy coupled with a confluence of attention by all the major economics on this new w set of industries. This is going to mean a fierce competition between global, corporate entities as well as between them and Government.

Added to these economic forces we are also facing major cultural clashes between and within a location of a nation. At the national economic level entry of innumerable MNCs, and that too in sectors, where the country itself was universally competitive once, has lead to new array of organization cultural factors.

1.4 Scenario of Industrial Sector in India and in Karnataka

India being one of the fastest growing economies of the World next only to China, has become an attractive destinations for foreign direct investment. Available data indicates that there are more than 19000 major companies, with about 2300 multinational companies in the country. Karnataka happens to be the hub of Industrial activities. It has attracted many companies across the country and from other countries of the World ,to start its operation in Karnataka. This is particularly team of IT industries. Karnataka is significant as one among the industrially developed states of India. In recent years it has shown a significant growth in industry and exports. Twenty percent of electronic hardware and Thirty five percent of software exports of India are from Karnataka. The state of Karnataka houses 45 of the Fortune 500 companies. Karnataka has posted a GDP of 9.2 percent during 2006-07 and similar growth thereafter.There are about 590 MNCs and more than 2000 major private industries in Karnataka.

After an extensive review of published literature it was found that no such study is conducted on organizational cultures of public, private and MNC organizations in Karnataka. The present era is identified as an era of globalization. This era has seen the borders among the countries of the world, becoming invisible; the movement of people and business among the countries is facilitated with all types of natural and artificial barriers removed. External adaptation has become the key word of all organizations. In order that an organization achieves external adaptation, the individuals in the organization have to understand external reality vis-à-vis organizational reality. Thus an analysis of organizational culture enables its members to understand their own culture in relation to other organizations. Management of organization culture does, not only need the understanding of organizational culture but also

need to monitor it to the levels of superior performance. Like any other management, this needs planning, organizing and controlling of organizational culture variables. The result of such a process evidently enable the manager to reshape organizational culture, leading to superior performance. The current environmental context has undergone a sea change, making it inevitable for the organization to adopt or go out of the business. Since the study and understanding of culture of organizations enable itself to foresee the changes, it is imperative that they manage the changes as well. Research on organizations culture has moved beyond a purely descriptive stage and has begun to develop and test predictions. It is not only observed but also have been indicated in certain research findings that the new employees whose core values match with the organizational values has a greater commitment for the job and also an enduring loyalty to the organization. In the days of higher employee turnover, it is implied that there shall be a good match with new entrant's culture and that of the culture of the organization, which is employing the candidate. Thus a study of the organizational culture helps the organizations to formulate policies directed towards enhanced effectiveness of human resources.

2. Review of Literature

The organizations of all types, viz. Business, Industrial, Non-Governmental, Governmental etc., are being viewed as successful or failures depending upon their performance against a scale set for them; either by themselves or by the sector or area in which they are operating. The reasons for its success or failures are also to be understood, analyzed and evaluated on the criterions which vary not only in terms of numbers but also on the type of criteria itself. One common platform to understand the success or failure in their operational performance is organizational culture. Amongst the vast literature available on the subject and topic, some of the selected literatures are reviewed as under.

2.1 Organization Culture – Dominant Culture, Sub-Culture, Strong Culture and Weak Culture

Organizational culture, though looks like a nomenclature for a not so clearly visible aspect of organization, can be explained under several definable, as well as comprehensible sub-entities viz. Dominant culture,sub-culture, strong and weak culture.

Strauss (1997) in his book titled "Organizational Development: Credits and Debits" examines the outcomes of few researches. He states that research evidence also suggests that a strong culture helps workers march to the same drummer, creates high levels employee loyalty and motivation, and provides the company with structure and controls without the need for an innovation stifling bureaucracy. Though the existence of sub-culture is more a rule than an exception, it does have telling effect on the performance of the organization. However, it is necessary that the sub-culture is in alignment with the dominant culture, though some deviations and deflections are acceptable to a small extent.

Frances Cairncross (2002) is of the following view while discussing dominant culture vis-à-vis sub-culture. Sub-cultures can weaken and undermine an organization if they are in conflict with the dominant culture and / or the overall objectives. Successful firms, however, find that this is not always the case.

2.2 Organization Culture – Vis-À-Vis the Employees / Members of the Organization

Several studies have been made about the role of employees in sustaining organization culture, as well as their role in shaping the core values and assumptions of the organization. The employees will remain with the organization or move out if there is a match or mismatch between themselves and the organization respectively.

Heinrich (2001) states about a study conducted across five international accounting firms, where in the study examined their cultures, employee retention (turnover) rates for new hires, and the opportunity costs associated with employee departures. Two primary cultures were identified.

Adler (2002), Tedeal et al (1983) opine that the research indicates that national culture has a greater impact on employees than does their organization's culture. 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.Until newcomers learn the rules, they are not accepted as full-fledged members of the organization.It is not only on the performance related behavior that the elements of organizational culture has the influence, but also on the ethical behavior of the members (or employees) of the organization.

Melvyn J Stark (2002) has stated that : Obviously, bottom-line financial performance remains important , but a more recent analysis of Fortune's admired companies found the most highly correlated attribute of those that scored in the top three of their industry was the "attraction and retention of top talent," and a major way these top firms do this is to take their culture and values seriously.

Fishman C (2004), Jon Beyer et al (2002), Thomas et al (2002) have explained the significance of socialization process in the context of employee learning and employee adjusting. Organizational socialization refers to the process by which individuals learn the values, expected behaviors, and social knowledge necessary to assume their roles in the organization. If a company's dominant values are clearly communicated, job candidates and new hires are more likely to internalize these values quickly and deeply. Socialization is an important process for absorbing corporate culture as well as helping newcomers to adjust to co-workers, work procedures, and other corporate realities. Organizational socialization is a process of both learning and adjustment. It is a learning process because newcomers try to make sense of the company's physical workplace, social dynamics, and strategic and cultural environment. They learn about the organization's performance expectations, power dynamics, corporate culture, company history, and jargon. Employees derive great benefits through the

knowledge of organizational culture of their organizations. What seems to be senseless otherwise, will become senseful, if organizational culture is understood. It i.e. organizational culture assists the employee in that way.

2.3 Organization Culture in the Back-Drop of Organization Structure

Several studies have been made on organization culture and they are explained in various ways with emphasis on a centric point as organization structure.

Hundy (1985) has thus identified the following types of organizational culture viz. Power culture, Role culture, Task culture and Person culture Strategy of an organization is obviously embedded in the organization culture. A change in some or many components of organizational culture will have a direct bearing on organizational strategy. However, vision as an important component of strategy should be credible as well as interesting. In this context it should also be noted that the credibility or the interest is in turn dependent on the cultural mould on which the employees are made.

David Mach et al (2002) states that-Even though some firms have had a culture in place to anticipate change, moving to a new culture or changing old cultures can be quite difficult: a case can even be made that it really can't be done successfully. Predictable obstacles include entrenched skills, staffs, relationships, roles, and structures that work together to reinforce traditional cultural patterns.

2.4 Role of Artifacts in Interpreting Organization Culture

Artifacts are at the uppermost surface of an organization. This is the visible part of an organization and this is what the outsider 'sees'. However, this is the last layer at which organization culture emanating from a central core gets formed. They usually include the physical artifacts, language, stories and myths, technology and visible traditions and rituals in the form of social practices, leadership practices etc. However the interpretation of an artifact of an organization is dependent on the observer also.

Joanne Martin (1992) states that-as individuals come into contact with organizations, they come into contact with dress norms, stories people tell about what goes on, the organization's formal rules and procedures, its formal codes of behavior, rituals, tasks, pay systems, jargon, and jokes only understood by insiders, and so on. These elements are some of the manifestations of organizational culture.

The ways in which the 'things are done'-though the 'thing' is same and effect or objective of 'doing' a thing is same, it is the organization culture which distinguishes the 'right ways 'from one organization to the other. In fact, this ,in many cases,one of the ways ,in which organization culture is defined.

Alex Framgos (2004) states about buildings and office lay outs, which could be symbolic of the organization culture, it represents Buildings and office layout can also be symbolic.

Buth et al (2005) have indicated about the use of stories and symbols in Microsoft. They

have indicated thus as- Microsoft is a large and powerful company, but it may have reached a midlife crisis and likely will need a cultural adjustment to stay in tune with changes in key environmental sectors.

2.5 Organizational learning, Organizational Behavior In Relation to Organizational Culture

While any change in behavior is construed as learning, so also the changes in the organizations occur because of learning, personality changes of individual members. One such observation, regarding formation of uniformity of behavior leading to stagnation, is made by Kelvin Fcross.

John child (2002) and John G lynchs et al (2002) makes the following observation.

Some times an organization determines that its culture has to be changed. For example, the current environmental context has undergone drastic change and either the organization must adapt to these new conditions or it may not survive.

The performance of employees in shaping the organization culture need not be over emphasized. Behavior based performance evaluation, for example, in case of customer service is studied by many researchers.

Stanley Homes et al (2004), Jeffrey E Garten (2004), Sol Price et al (2003), Amy Tsao (2003), Gray (2003), Jon Gertner (2003) state that norms are generally enforced only for the behaviors viewed as most important by most group members. Norms essential to accomplishing the organization's objectives are called *pivotal norms*. Norms that support and contribute to the pivotal norms but are not essential to the organization's objectives are called *peripheral norms*.Organizational culture does act as a social control, a control towards culture appropriate behavior of employees.

2.6   Organization Culture in the Age Of Mergers, Acquisitions and Take -Overs

It is a matter of great significance as to what happens when one company or organization merges with another organization. The same significance is attached, even when acquisitions and take-overs happen. It is not the matter of physical merger or take-over. It is also not the question if there is a match in products and services offered by the two companies, ready for merger or acquisition. Several studies have been made as to what happens to the resultant organization culture.

Weber et al (1996) state that culture can play a crucial role in determining the success or failure of mergers and acquisitions, especially when it comes to post merger integration and realization of the synergies that the two partner companies expected to gain before the merger or acquisition.

Thomas A Stewart et al (2005) and Eric Krell (2001) have indicated regarding the analyses made in the field of mergers and acquisition vis-à-vis organization culture as folows.Some analysts report that as many as two – thirds of corporate mergers fail to generate a greater market value than the sum of their previous parts. A large part of the cause lies in the difficulty in merging corporate cultures.

Miach R kee (2003) indicates that there is evidence that these dominant cultures can have a positive impact on desirable outcomes such as successfully conducting mergers and acquisitions There are many mergers and acquisitions across the world in post globalization era. However such mergers and acquisitions can take place, in the days to come also with much more vigor. Though the products / services of the 'to be acquired' organization may be the initial attraction for acquisition, it is the organization culture, that matters much, even at a later date.

2.7 Organization Culture – The Ways in Which it Influences the Performance-Financial Performance, Marketing Performance and Production Performance

The study of organization culture would not have attained a significant place, but for understanding the ways in which it influences and affects the performance of the organization – particularly when the performance is classified in terms of finance, marketing and production. The word 'high performance culture' implies superlative performance in any or all the three classes of above classification. However it should be noted that performance is the culmination point of a process and it is indeed ,this process which gets impacted by organization culture.

Scafford (1988) has suggested about the ways in which culture impacts performance related processes. It should also be noted that four stages in which the impact takes place are also identified as Climate formation, Behavioral control, Strategy formulation and Social efficiency. One of the Key ingredients of high performance is its customer responsiveness. Several studies have indicated some of the common elements in customer service oriented organizations. This includes selection of proper employees, who match with such a culture.

Bitner et al (1994), Hartline et al (1996), Legnick et al (1999), Schnieder et al (2000) have indicated about such common variables as follows. A review of the evidence finds that half-a-dozen variables are routinely evident in customer-responsive cultures.In summary, customer-responsive cultures hire service-oriented employees with good listening skills and the willingness to go beyond the constraints of their job description to do what's necessary to please the customer. It then clarifies their roles, frees them up to meet changing customer needs by minimizing rules and regulations, and provides them with a wide range of decision discretion to do their job as they see fit. It is obvious that there should be a fit between internal culture and external environment in order that high performance occurs.

Rossenthal et al (2003) thus defines high performance culture as under:

A high-performance culture is a culture that (1) is based on a solid organizational mission or purpose, (2) embodies shared adaptive values that guide decisions and business practices, and (3) encourages individual employee ownership of both bottom – line results and the organization's cultural backbone.

2.8 The Role of Founders / Top Management in the Formation and Sustenance of Organization Culture

The founders are said to be the human sources of organization culture, of the organization which they have founded. However, the founders may not always be there to carry forward the organization culture. Then it falls on the shoulders of top management.

Schien (1983) thus states as that an organization's current customs, traditions, and general way of doing things are largely due to what it has done before and the degree of success it has had with those endeavors. This leads us to the ultimate source of an organization's culture: its founders. Though there may be several ways in which culture is created, it lies first on the founders table. At the cultivation point, the founders personality may become embedded in the organization culture.

Schien (1996) While discussing the relationship between organization culture and leadership has suggested three ways in culture creation takes place. Thus those three ways are stated as under: First, founders hire and keep only employees who think and feel the same way they do. Second, they indoctrinate and socialize these employees to their way of thinking and feeling. And finally, the founder's own behavior acts as a role model that encourages employees to identify with them and thereby internalize their beliefs, values, and assumptions.

It should be noted that performance is a function of achievement and vice-versa is also true. However, few of the conditions such as specific ambitious goals, with emphasis on winning and achieving are necessary for a better and higher performance.

2.9   Organization Culture in the Context of Indian Organizations

It is suggested that national cultures have a bearing on the culture of organizations. Hence studies are required to be conducted (though many are available) taking specific instances of organizational culture vis-à-vis national culture. Accordingly several studies have been made on the culture of Indian organizations also. Though there are several commonalities and similarities when compared to organizations of other nations, differences and contrasts do also occur.

Moore et al (1985), Barley S (1983) and Smircich et al (1982) state that cultures are highly particular to specific nations, industries and individual organizations.

Studies on Indian organizations have also dealt with such elements as employees, authority, team work etc., as done in studies of organizations across other parts of the World.

Pareek (2001), Khandwalla (1985), Sinha (2008) have identified few characteristics which are typical of Indian organizations.These include a clear preference for personalized relationships over contractual ones viz. Hierarchy, status and authority orientation; Emphasis on applying parent-child model to boss-subordinate relationship; expecting that the boss would be directive of the   subordinate while the subordinate would be obedient, etc.

3. Need for the Study

♦ New product development and information technology is changing so rapidly that any new product would be soon out of date. However, if appropriate organization culture is in place, then such rapid change can be welcomed and accommodated with as little disruption and as few problems as possible. An organization which has to gear itself to face the imminent changes, must know its own culture, so that it can steer itself in the set direction.

♦ In addition, powerful stake holders such as unions, management or even customers may support the existing culture. But changes in environment are always imminent.The problems are compounded by the cultural clash that is the rule rather than the exception as in mergers and acquisitions. It is not uncommon that many MNC's being unsuccessful because the non-match of organizational culture ,though there is a perfect match of balance sheets. Hence there is an imperative need to study organization culture, before any mergers and acquisition take place.

♦ In these days of globalization, it is not uncommon to see MNC's operating all over the World. A knowledge of national cultures is thus necessary for an organization which sees itself operating in other parts of the world. Whether national culture overrides organization culture or vice-versa is still matter of debate and both generalizations and exceptions seem to be equal in number. However, certain research indicates that national culture has a greater impact on employees than, does their organizational culture.

♦ After an extensive review of published literature it was found that no such study is conducted on organizational cultures of industrial undertakings of Karnataka State. The present era being identified as an era of globalization, a threat and opportunity are available simultaneously.If the existing organizationl culture is not studied for future projections, the opportunities may remain unharnessed.

♦ Top Management of the organizations eying for superior performance needs to understand perception of organizational culture at different levels of the organization.It shall not limit itself to the understanding of organizational culture but also monitor it to the levels of superior performance. The management functions of planning, organizing and controlling gets enlarged to include organizational culture variables. The outcomes of such a process will definitely strengthen the management's capabilities-obviously leading to superior performance.

♦ Human capital is highly valued in the knowledge era, which necessitates attraction and retention of human capital. The talent management has become a challenge to organizations. The success and failure of an organization in achieving its objectives, in the backdrop of externalities and also the financial indices such as annual return to shareholders, profit as percentage of asset, stock market price, etc.,is dependent on this human capital,which is in essence the organizational culture management

♦ Organizational effectiveness in the form of financial performence,marketing performance and production performance has cause and effect relationship with organizational culture elements.In the same way corporate governance and organizational culture are closely related. Corporate governance would be considered superior if performance and the code of conduct it has set forth for itself are in alignment with each other.Hence an insight into organizational culture enable the undertakings towards better corporate governance.

4. Gaps in Existing Researches

❖ Structure of the organization being a determinant of organization is also a determinant of Organizational culture and is also a determinant of Corporate Governance. Apart from the legal provisions, it is the self-regulated code of practices which play a crucial role in better corporate governance, which in turn is influenced the organizational culture.Since many studies are not available,particularly in the Indian context,the present study is expected to bridge such gaps

❖ Research on organizations culture being descriptive as well as highly abstract has advanced to the stages of prediction.Hence any measurement of otherwise highly descriptive and abstract elements ,as is the case with studies related to organizational culture,can lead to better predictions.

5. Objectives of the Study

With the above background, and also with the changed needs of the organizations in an era of liberalization, privatization and globalization, it is imperative for organizations irrespective of its origin to, not only understand their own culture but compare themselves with other types of organizations. It is in this backdrop the objectives are set forth.

Following are the objectives of the study

1. To compare the explicit and implicit dimensions of organizational culture in three different sectors of industrial undertakings.
2. To study the influence of of organizational culture on its members' attitudes and behaviors.
3. To study the corporate governance practices vis-a-vis organizational culture dimensions.
4. To identify the hierarchical level in the organizational structure, where the organizational culture manifest itself more predominantly compared to other levels.
5. To suggest measures for the enhancement and improvement of key characteristics of organizational culture.

6. Hypotheses of the Study

Following hypotheses have been set in the present study.

1. Employees perceive that they do not fit with the organization as members.
2. Human Resource Department is not creative to attract new talents to the organization.
3. Organizations do not enable the employees to maximize their contribution.
4. Organization culture and the business of organization are not positively related.
5. Organizations do not respond effectively to the needs of the customers.
6. Organization culture does not have an influence on the cross functional communication, in the organization.
7. Training objectives are not aligned with the goals of the organization.

7. Scope of the Study

1. The Present study includes 9 industrial undertakings chosen from various locations of Karnataka state with 3 industrial organizations each from public sector, private sector and MNCs.

2. The study was conducted for a period of about Three years from 2008 to2011.

3. The study covers of explicit and implicit elements of organizational culture in the above industries along with other associated elements as detailed in the analysis.

8. Research Methodology

The present study is empirical in nature. The organizational culture in selected Industrial undertakings of Karnataka was studied in the background of HR Policies, customer service, performance management, ethics and corporate governance, leadership style, externalities in the form of artifacts, stories, symbols etc. and employee behavior parameters. The study was carried out by relying upon the primary and secondary sources of information. The secondary source of information was utilized to explore the conceptual background of organizational culture and its various dimensions. After identifying the need for the study, objectives of the study and hypotheses for the study, the research plan was carried out. This research plan has been presented under i Developing the Questionnaire; ii Sampling design; iii Use of statistical tools;

8.1 Developing the Questionnaire

The Questionnaire was designed to ensure that the accurate data required would be collected from respondents to achieve the objectives of the present study. The items in this questionnaire were essentially identified after having reviewed the literature on the problem. The items have face validity, as the concepts to be measured are clearly specified in each question. (If the item does not measure or seem to be measuring any recognizable concept other than the one it is supposed to be measuring, the instrument can be said to have face validity.) In this study, the questions have high face validity. The pre-test steps for questionnaire were followed: A rough pilot questionnaire was developed. Concepts were discussed and debated and wordings were changed as necessary. The order of some of the statements was also changed. Some questions were eliminated because they appeared to be

duplicate or redundant. Consequently, some additional statements were added as required in the study context. In reviewing the statements, some statements were felt to contain more than one concept. So in those cases, the statements were split into separate statements to elicit different responses. The second phase of the pre-test was the administration of the revised questionnaire to respondents, who were informed that this was a pre-test and specifically asked report any shortcomings in the questionnaire, Feedback given by then was used to revise the original format. This revised format was again scrutinized carefully and revisions incorporated before the final administration of the final questionnaire.

The major dimensions of organizational culture, considered for framing the questions are as; HR policies and team work, Context of present (Existing) culture of the organization, Customer service, Present (Existing) customers, Employee satisfaction, performance and related conditions, Ethics and corporate governance, Leadership styles, Externalities (i.e in the form of artifacts, stories etc.), and Hierarchy and behavior of organizational members. The responses from the respondents were elicited on Likert's five-point scale. The Likert's scale included the levels as follows.The ticking of '5' indicated 'strongly agree' / always / very high; '4' indicated 'agree'/very often/high; '3' indicted neither agree nor disagree /sometimes/ average'; '2' indicted 'disagree / almost never/ below average and '1' indicated 'strongly disagree'/never / very much below average .

The Likert's scale weightage for the statements under each of the above dimensions are elucidated in the questionnaire appended at the end of report.

8.2   Sampling Design

a. Population of the Study: Public Sector undertakings, Private sector firms and MNCs of Karnataka and its employees.

b. Sampling Frame: Nine (09) of industrial undertakings with 03 industrial undertakings from each of the above sectors as mentioned in Item.'g' below.

c. Sampling Unit: Employees working in the selected divisions of public sector undertakings, private sector undertakings and MNCs from all the levels.

d. Sample size: 3 industries from each sector and 50 respondents from each of the industry i.e. 50 members X 9 = 450. The size of such non probability sample is subjective in nature as the researcher feels that the size is appropriate for the scope of the study.

e. Sampling method: Judgment sampling method is adopted using the personal knowledge of the researcher to identify the items of the population i.e. purposively selected. Along with this, convenience sampling method is adopted keeping in view the convenience and accessibility factors. Purposive sampling method is used, to choose the industrial undertakings. The respondents from the industrial undertakings were specifically sought out.

f. Sample response and error: The sample response was 430 from the total 450 responses received, indicating a total sample rate of 96%.

g. Industrial undertakings of Karnataka ,selected for the study

I **Public Sector:** M/s BHEL – Bangalore, M/s HAL – Bangalore and M/s Mysore Paints and varnishes Ltd.-Mysore

II **Private Sector:** M/s Solaris Chem Tech Ltd. – Karwar, M/s Jindal Steel Works Ltd.– Bellary and M/s Harihar Polyfibres Ltd. - Harihar

III **MNCs:** M/s HCL – Bangalore, M/s CISCO – Bangalore, and M/s Toyota Kirlosakar Motors Ltd. – Bidadi

8.3 Sources of Data

The data collection for the research was undertaken from both primary and secondary sources.

Primary Data: The data was collected by questionnaire method using structured questionnaire as explained above, with Likert's five-point scale and few questions with options.

Secondary Data: The data was collected from various journals, magazines, news papers and websites specifically related to organizational culture, organizational effectiveness and generally related to HR Management.

8.4 Statistical tools

Statistical tools are essential for analyzing the data which are the converted form of the responses provided against the questions of the questionnaire. As evident from the questionnaire, majority of the questions have Likert scale with few other questions with options. The important statistical tools used for the study are; Anova, Chi-Square, Kolmogorov Smirnov(K-S)Test, and Cross Tabulation Statistics.

9. Major Findings of the Study

The findings of the study are presented on the following headings

9.1 Universal findings

9.2 Perceptional findings

9.1 Universal findings:

Universal findings are according to this study, the ones which have been categorically answered in affirmative or otherwise; positive or negative.

1. A total of 40.9% of employees in private sector are clearly aware and are in knowledge of what is expected of them from the organization; in contrast to 26.8% of public sector undertakings

2. A total of 41.7% of employees of private sector think that they 'fit in 'as organizational members; in contrast to 22.3% of public sector employees.

3. Openness to suggestions at all levels has been answered in affirmative by 43.2% of MNC employees; in contrast to 22.6% of public sector employees.

4. 40.3% of MNCs employees have stated that the availability and use of furniture in the organization, are status dependent(than being situation and necessity dependent);as against 21.3% of public sector score, on this statement

5. 42.1% of private sector employees have indicated about presence of stories about the present and past heads of the organization; where as it is 22.8% with public sector industries.

6. In line with the previous finding, it is also seen that 40.3%of private sector employees have indicated presence of jargons in the organization; where as it is 20% with public sector employees.

7. 40.8% of private sector employees hold a positive attitude towards the past of the organization and this is least with public sectors with a score of 23%.

8. 42.1% of MNCs employees hold a positive attitude towards future of the organization and this is again the least with public sectors at a score of 19.6%

9. 47.6% of MNCs employees have indicated that their organization is more horizontal; in contrast to 17.8% of public sector employees.

10. As far as description of the organization is considered 53.8% of private sector respondents have described their organization as innovative; where as 50% of public sector respondents have described it as status quoits.

9.2 Perceptional findings:

Perceptional findings are those which indicate different viewpoints. Since the perceptions can vary from person to person, so also it can vary from groups to groups. Perceptional differences indicate the differences amongst respondents, as far as a statement is considered. Following are some of the perceptional findings of the study.

9.2.1 Organization Culture and Perception of Person- Job Fit

In the background of the above aspect of organizational culture following hypothesis is formulated and the corresponding table is as under.

As an organizational element, fitness between the employee and the organization is of utmost importance. The contributions of the employees towards achievement of the objectives depend upon the perception of the above fit.

In line with the above, the organization also expects a similar fit. This is judged usually through the performance appraisal. The details of performance management in relation to organizational culture is discussed in the report.

Null Hypothesis	Employees perceive that they do not fit with the organization as members.
Alternative Hypothesis	Employees perceive that they fit with the organization as members.

Table.1 Chi-Square analysis -Organization Culture V/S Person Job Fit

Observed Frequency (O)	Expected Frequency (E)	(O-E)	(O-E)²	(O-E)²/ (E)
74	63.0	11.0	119.93	1.90
113	106.8	6.2	38.47	0.36
89	106.2	-17.2	294.25	2.77
25	35.0	-11.0	119.93	3.43
53	59.2	-6.2	38.47	0.65
76	58.8	17.2	294.25	5.00
		df= (n-1) x (c-1) (3-1) x (2-1) = 2 Table value = **5.991**		Chi Square Value = **14.12**

The chi-square analysis shows the table value of x^2 at 0.05 level of significance and two (2) degrees of freedom as 5.991. Since the table value of 5.991 is lower than the calculated value of x^2 (14.12), the null hypothesis is rejected and alternative hypothesis is accepted i.e. employees of the industries under study, know what is expected of them in the organization. This finding is further corroborated with the finding under 4.3.2, where a fit was found between the employees and the organization in which they are working, though the strength of relationship cannot be established. Thus it can be inferred that when a best fit between the employee and the organization is perceived, organizational expectations can also be stated to have been understood.

9.2.2 Role of Human Resource Department in Attracting New Talents to the Organization

It is the responsibility of the HR department to attract new talents. New talents are necessary for furtherance of organizational culture. In the background of the above aspect of organizational culture following hypothesis is formulated and tested in accordance with the responses provided by the members of the industrial organizations. The corresponding table is also appended.

Null Hypothesis	Human Resource Department is not creative to attract new talents to the organization.
Alternative Hypothesis	Human Resource Department is creative to attract new talents to the organization.

Table 2:   One Way ANOVA analysis -   Role of Human Resource Department in Attracting New Talents to the organization

Summary			
Groups	**Count**	**Average**	**Variance**
Public Sector undertakings	99	2.859857	1.07317
Private Sector undertakings	166	3.016627	1.525913
Multi National companies (MNCs)	165	2.95962	1.281699

ANOVA						
Source of Variation	**SS**	**df**	**MS**	**F**	**P-value**	**F- table**
Between Groups	5.301663	2	2.650831	2.049198	0.129267	3.002866
Within Groups	1629.929	1260	1.293594			
Total	**1635.23**	**1262**				

The data analysis shows the calculated F value of 2.049198, which is lower than the table value of F of 3.002. Hence, null hypothesis is accepted. That is to suggest that human resource department is not creative to attract new talents into the organization. This perception seem to be more in the private sector with the average score of 3.01 when compared to MNCs which has an average score of 2.95 and public sectors which has the lowest average score of 2.85. It can be inferred that with the severe competition from MNCs, private sectors may be finding it difficult to attract creative talents. This comparison between MNCs and private sector seems to be appropriate as there is a good match between the cultures of these two types of organization, in contrast to public sector organizations.

9.2.3 Role of the Organization in Maximizing the Employees 'Contribution to the Organization

The Organizational culture plays a role in maximizing the contribution by the employee. Following hypothesis is formulated and tested in accordance with the responses provided by the respondents i.e. members of different industrial undertakings of Karnataka. The corresponding table is as under.

Null Hypothesis	Organizations do not enable the employees to maximize their contribution.
Alternative Hypothesis	Organizations enable the employees to maximize their contribution.

Table 3: One Way ANOVA analysis - Role of the organization in maximizing the employees' contribution to the organization

Summary			
Groups	**Count**	**Average**	**Variance**
Public Sector undertakings	99	3.589074	1.295023
Private Sector undertakings	166	3.698337	0.677831
Multi National companies (MNCs)	165	3.686461	0.601459

ANOVA						
Source of Variation	**SS**	**df**	**MS**	**F**	**P-value**	**F-table**
Between Groups	3.026128	2	1.513064	1.763264	0.171907	3.002866
Within Groups	1081.211	1260	0.858104			
Total	**1084.238**	**1262**				

The data analysis shows the calculated value of F of 1.763264 is lower than the table value of F of 3.002. Hence, null hypothesis is accepted and alternative hypothesis is rejected. This suggests that the organizations do not enable the employees to maximize their contribution. The private sector is having the highest score with 3.69 followed by MNCs with the score of 3.68. Public sectors have a score of 3.58. Here also we find that, in organizations where there is scope for proper problem resolution there is scope for maximization of the employee's contribution also. The data analysis shows that the calculated value of F of 1.763264 and is lower than the critical value of F of 3.002. Hence, null hypothesis is accepted and alternative hypothesis is rejected. This suggests that Organizations do not enable the employees to maximize their contribution. The private sector is having the highest score with 3.69 followed by MNCs with the score of 3.68. Public sectors have a score of 3.58.

9.2.4 Match between Organization Culture and Business of the Organization

The match between organizational culture and its business should be to the maximum extent, else there will be a danger of organization being non-responsive as well as mis-responsive. In the background of the above aspect of organizational culture following hypothesis is formulated and tested in accordance with the responses provided by the members of the industrial organizations. The acceptance / rejection is based on one way

ANOVA test, as detailed below and the corresponding table is appended.

Null Hypothesis	Organization culture and the business of organization are not positively related
Alternative Hypothesis	Organization culture and the business of organization are positively related.

Table 4: One Way ANOVA analysis -   Organization culture and business of the organization match.

Summary			
Groups	**Count**	**Average**	**Variance**
Public Sector undertakings	99	3.650831	0.323029
Private Sector undertakings	166	3.211401	0.462346
Multi National companies (MNCs)	165	3.857482	0.265355

ANOVA						
Source of Variation	**SS**	**df**	**MS**	**F**	**P-value**	**F -table**
Between Groups	91.66904	2	45.83452	130.8648	2.352	3.002866
Within Groups	441.3064	1260	0.350243			
Total	**532.9755**	**1262**				

The data analysis shows the calculated value of F of 130.8648 and is higher than the table value of F of 3.002. Hence, null hypothesis is rejected and alternative hypothesis is accepted. This finding indicates that there is a match between the organization culture and the nature of business ,that the industry is carrying out . The inference that can be drawn from the above finding is that the organizations which are proactive and value entrepreneurship should necessarily have a good match between its own culture   and the business it performs.

9.2.5 Organizations' Effective Responses to the Needs of its Customers

All organizations serve the customers either in the form of products or services. In the background of the above aspect of organizational culture following hypothesis is formulated and tested in accordance with the responses provided by the members of the industrial organizations. The acceptance / rejection is based on one way ANOVA test, as detailed below. The corresponding table is as under.

Null Hypothesis	Organizations do not respond effectively to the needs of the customers.
Alternative Hypothesis	Organizations do respond effectively to the needs of the customers.

Table 5: One Way ANOVA analysis - Organization's effective responses to the needs of its customers

Summary			
Groups	**Count**	**Average**	**Variance**
Public Sector undertakings	99	2.931116	0.740482
Private Sector undertakings	166	2.707022	1.212499
Multi National companies (MNCs)	165	2.968825	0.780276

ANOVA						
Source of Variation	**SS**	**df**	**MS**	**F**	**P-value**	**F-table**
Between Groups	16.61505	2	8.307527	9.133439	0.000115	3.002935
Within Groups	1135.147	1248	0.909573			
Total	**1151.762**	**1250**				

The data analysis shows the calculated value of F of 9.133439 and is higher than the table value of F of 3.002. Hence, null hypothesis is rejected and alternative hypothesis is accepted. This indicates that organizations under study, respond effectively to the needs of the customers. This becomes obvious in the backdrop of finding under item 4.6.1, i.e. when the organizations reflect the different needs of different customers, it needs to have a pro-customer orientation, in whatever way the needs are presented. Hence organizations are required to respond effectively to the needs of the customer. MNCs score higher in this aspect, which can be understood in the backdrop of variety of customers across the world it serves when compared to other two sectors viz. public and private sectors.

9.2.6 Organizational Culture and its Influence on Cross Functional Communication, in the Organization

Cross functional communication is essential in any modern organization as no department can remain as watertight compartments. Following hypothesis is formulated and tested using Kolmogorov – Smirnov's test (K-S.test) based on the responses provided by the employees. The corresponding table is as under.

Null Hypothesis	Organization culture does not have an influence on the cross functional communication, in the organization.
Alternative Hypothesis	Organization culture has an influence on the cross functional communication, in the organization.

Table 6: Kolmogorov Smirnov Test – Organizational culture and its influence on cross functional communication in the organization

	Observed Number	*Observed Proportion*	*Observed Cumulative proportion*	*Null Proportion*	*Null cumulative proportion*	*Absolute Difference observed and Null*
Very High	174	0.40	0.40	0.2	0.2	0.20
High	55	0.13	0.53	0.2	0.4	0.13
Average	42	0.10	0.63	0.2	0.6	0.03
Below Average	97	0.23	0.86	0.2	0.8	0.06
Very much below average	62	0.14	1.00	0.2	1	0.00
	430		**Critical value of D = 1.63 / (430) = 0.0037** **Calculated value = 0.42**			

The analysis shown in table 5.0 indicates the critical value of D as 0.0382. Comparison of calculated D value (i.e. D = 0.42) and critical D value shows that calculated D value is higher than the critical D value. Thus leading to rejection of the null hypothesis and acceptance of alternative hypothesis. This finding substantiates the positive perception towards many organizational culture strengthening elements. For e.g. when organizational culture influences cross cultural communication, employees positive perception towards maximization of their contribution, in the context of organizational culture, is also observed.

9.2.7 Alignment of training objectives with the goals of the organization: Unless the objectives of training are aligned with the goals of the organization much of the development of the organization culture is not achieved, as obviously perceived. Following hypothesis is formulated and tested in accordance with Kolmogorov Smirnov's test.

Null Hypothesis	Training objectives are not aligned with the goals of the organization
Alternative Hypothesis	Training objectives are aligned with the goals of the organization

Table 7: Kolmogorov Smirnov Test - Alignment of Objectives with the Goals of the Organization

	Observed Number	*Observed Proportion*	*Observed Cumulative proportion*	*Null Proportion*	*Null cumulative proportion*	*Absolute Difference observed and Null*
Very High	126	0.29	0.29	0.2	0.2	0.09
High	121	0.28	0.57	0.2	0.4	0.17
Average	68	0.16	0.73	0.2	0.6	0.13
Below Average	46	0.11	0.84	0.2	0.8	0.04
Very much below average	69	0.16	1.00	0.2	1	0.00
	430		**Table value of D = 1.63 / (430) = 0.0037** **Calculated value = 0.43**			

The analysis shown in table   indicates the table value of D as 0.0037. Comparison of calculated D value (i.e. D = 0.43) and table D value shows that calculated D value is higher than the critical D value. This leads to rejection of the null hypothesis and acceptance of alternative hypothesis i.e. objectives of training are aligned with the goals of the organization.

This finding like the other findings in this section matches well with the general observation. Training being the essential part of performance management should always see that its objectives and organizational goals are complimentary to each other; else both of them will be acting at cross purpose. When divergent objectives are acting in the organization, organization culture cannot sustain. This has been the finding in other sections also.

9.2.8 Attention Towards the Employees' Concerns and Grievances

Organizational culture, its growth and strengthening depends much on the attention given by the organizations' top management towards resolving of employees concerns and grievances. In this backdrop, following hypothesis is formulated and tested using K-S test.

Null Hypothesis	Organizations do not pay attention to members' concerns and grievances
Alternative Hypothesis	Organizations not pay attention to members' concerns and grievances

Table.8: Kolmogorov Smirnov Test-Attention towards

the employees' concerns and grievances

	Observed Number	Observed Proportion	Observed Cumulative proportion	Null Proportion	Null cumulative proportion	Absolute Difference observed and Null
Very High	68	0.16	0.16	0.2	0.2	-0.04
High	154	0.36	0.52	0.2	0.4	0.12
Average	56	0.13	0.65	0.2	0.6	0.05
Below Average	88	0.20	0.85	0.2	0.8	0.05
Very much below average	64	0.15	1.00	0.2	1	0.00
	430		**Critical value of D = 1.63 / (430) = 0.0037** **Calculated value = 0.17**			

The analysis shown in the above table indicates the critical value of D as 0.0037. Comparison of calculated D value (i.e. D = 0.17) and critical D value shows that calculated D value is higher than the critical D value. Thus leading to rejection of the null hypothesis and acceptance of alternative hypothesis i.e. in the organizations under study, there is much attention towards resolving the employees concerns and grievances.

It is a matter of general observation that unless the concerns and grievances are attended to, it is likely to result in a reduced performance. As an element of performance management, it has not only   got a significant and direct influence on the performance of the employee but also a significant and direct influence on organization culture. Thus it can be inferred that attention to resolution of concerns and grievances, strengthens organization culture.

9.2.9 Senior Employees' Understanding of their own Decisions and its effect on Ethical Implications

Senior employees are expected to set standards and act as role models in respect of decision making and its ethical implications. Following hypothesis is formulated and tested based on the responses furnished by the employees of the selected industrial undertakings. The hypothesis is accepted or rejected using one-way ANOVA analysis. The corresponding table is as under.

Null Hypothesis	Senior employees do not understand broad implication of their own decisions including its ethical implications
Alternative Hypothesis	Senior employees understand broad implication of their own decisions including its ethical implications

Summary				
Groups	**Count**	**Sum**	**Average**	**Variance**
Public Sector undertakings	99	1497	3.555819	0.633186
Private Sector undertakings	166	1565	3.789346	0.618139
Multi National companies (MNC)	165	1494	3.548694	0.672028

ANOVA						
Source of Variation	**SS**	**df**	**MS**	**F**	**P-value**	**F-table**
Between Groups	15.58626	2	7.793128	12.15275	5.9306	3.002912
Within Groups	802.8631	1252	0.641264			
Total	818.4494	1254				

The data analysis shows the calculated value of F of 12.15275 and is higher than the table value of F of 3.002. Hence, null hypothesis is rejected and alternative hypothesis is accepted. As can be seen from this analysis the senior members understand broad implication of their decisions including its ethical implications. As far as their scores are considered it is highest in private sector with public and MNCs scoring almost same. One interpretation that can be given is that Indian private industries being far and few, till recently, are looked by others with a sense of suspicion, appear to be more conscious about the way in which their own decisions affect other areas as well as its ethical implications. It is also evident from the previous two findings under item no.4.9.1 and 4.9.2.

9.2.10 Democratic Style of Leadership in the Organization

Though leadership styles could be many it is the democratic leadership style that is widely discussed in any organizational setup, particularly when organizational culture issues are deliberated. In this context following hypothesis is formulated and tested in accordance with one way ANNOVA. The corresponding table is appended.

Null Hypothesis	Democratic style of leadership is not practiced in the organization.
Alternative Hypothesis	Democratic style of leadership is practiced in the organization.

Table 9: One Way ANOVA analysis -Democratic style of leadership in the organization

Summary			
Groups	**Count**	**Average**	**Variance**
Public Sector undertakings	99	3.217284	1.111087
Private Sector undertakings	166	3.330166	0.878826
Multi National companies (MNCs)	165	3.346793	0.617543

ANOVA						
Source of	**SS**	**df**	**MS**	**F**	**P-value**	**F- table**
Between Groups	4.074958	2	2.037479	2.352638	0.095541	3.002958
Within Groups	1077.354	1244	0.86604			
Total	1081.429	1246				

The data analysis shows the calculated value of F of 2.352638 and is lower than the table value of F of 3.002. Hence, null hypothesis is accepted and alternative hypothesis is rejected. The inference that can be drawn from this analysis that democratic leadership being perceived as not practiced in the said organizations align with few of the other finding of the study .viz. item no.4.5.5. It can also be argued that many a times leadership styles other than democratic type of leadership may be required, depending upon the situations confronting the managers. But irrespective of the situations, it is generally felt that all associated members of the organizations are democratically consulted.

10. Suggestions and Recommendations

1. It is suggested that all employees of the organization are made clearly aware and understood of what is expected of them in organizational context. This needs to be looked into more, in case of public sectors. This suggestion holds good as far as "Job-Person Fit" is also considered.

2. Openness to suggestion is key to enhanced strength of organizational culture. Hence steps are to be taken by all types of organizations, to create such an atmosphere. This needs to be emphasized more with public sectors.

3. In order that future of the company is looked at with a positive attitude i.e. optimism, steps should be taken to orient the employees to the positive sides of past also. This is suggested to be done through strengthening of internal factors of organizational culture. This is again emphasized more with public sectors.

4. The use of stories, symbols, jargons need to be emphasized as often as possible, so that the sense of belongingness is fostered further.

5. Since the creative talents which can alter existing culture and enhance future nature of culture, HR departments should strive to attract new talents into the organization

6. The value given by the organization towards entrepreneurial spirit of the employees determines the strength of organizational culture. This aspect needs to be emphasized by all types of organization and more so with public sectors.

7. Since the organization has to meet the diversified interests of its customers through its different products, the organizations have to continue, as is done now, in future also.

8. Empowerment is the key to enhanced performance. Though empowerment is perceived to be available at a desired level, steps should be taken to maintain and strengthen it.

9. Since the study finds that there is availability of flexibility to learning in the selected organizations, it needs to be further strengthened, in the company's own interest.

10. The perception that there is unreasonable demand to perform, particularly with MNCs, it needs to be looked into with seriousness, as such unreasonableness will weaken the organizational culture.

11. Guidelines for future Research

1. The study details and findings of this research will offer a way to address organizational culture issues vis-a-vis HR issues of an organization. Thus further studies in training and development, performance management, which are essentially HR aspects in relation to organizational culture can be taken

2. The present study has included industrial organizations as the study elements. However researches with reference to other types of organizations say service organizations will broaden the study in this direction.

3. The present study has discussed about product and customer aspects of organizational culture also. Industrial organizational culture without consideration to marketing aspects will remain incomplete. The parameters and methodology adopted in the present study can be applied to such studies in which marketing aspects of organizations are emphasized in its relation to its own organizational culture.

4. Financial performance as measured by profit, ROI, EPS etc. do get affected by such qualitative factors of an organization, as motivation, morale, team spirit etc. Thus the findings of the present study can be applied to such studies of finance .

5. With the organizations started operating in different sectors in different time periods, for e.g. an organization which was a public sector few decades back, after being privatized will have new cultural norms, the findings of this study will help to verify if there is increase or decrease on any of the parameters studied now, after the organization has changed its sector.

12. Conclusion

Organizational culture being a topic discussed amongst academicians and researchers, needs further studies from all possible angles. The attention towards the subject has increased tremendously, post globalization as many of the domestic organizations have started working in other parts of the world. Corporations and organizations trying to become MNCs is the order of the day. The present study is one such study aimed at the internalities and externalities of selected industrial undertakings of Karnataka.

Risk tolerance, Pro-activeness, Grievance handling, etc., being the corner stones of any industry, needs to be studied further as well as implemented with all seriousness. A large part of organizational culture can be directly traced to internal factors or internalities and externalities in the form of stories, jargons, rituals etc. also. As can be guessed organizational culture is a combination of both. However both of them needs to be integrated properly for the betterment of the organization.

Bibliography

Adair wendi ,L and Bret Jeanne, M.(2005). The negotiation Dance;time,culture and behavioural sequences in negotiation. *Organizational Science*,16(1).

Allan M Wilson,(2001). Understanding organizational culture and the implications for corporate   marketing. *European Journal of Marketing*, 35,350-352.

Amsa, P.(1986). Organizational culture and work group behaviour;An Empirical Study. *Journal of Management Studies*, 23(3), 347-362.

Avan R.Jassawalla & Hermant C. Sashittal, (2002). Cultures That support Product – Innovation Processes. *Academy of Management   Executive*, 16(3),   42-54.

Barley Stephen ,Meyer Gordon ,W & Gash Debra ,C.(1988). Culture of Culture-Academics Practioners and Pragmatics of Normative control, *Administrative Science*,   33, 57.

Barley, S. (1983). Semiotics and the study of organizational cultures. *Administrative science,* 28, 393-413

Barney ,J B.(1986). Organizational culture-can it be a source of sustained competitive advantage. *Academy of Management Review*, 11, 658-660.

Benjamin Schneider, Amy Nicole Salvaggio, & Monste Subirats.(2002). Climate Strength: A New Direction for Climate research. *Journal of Applied Psychology,* 87(2), 220-229.

Chris Piotrowski & Stephen J.Vodanovich.(2001). Theoretical orientations of organizational development Practitioners. *Social behavior and personality*, 29(3), 307-312.

David A. Mach & James Campbell. (2002). EDS: An Inside View of a Corporate Life Cycle Transition. *Organizational Dynamics,* 30(3), 282-293.

Denison, D.R & Mishra, A.K., (1995), Toward a theory of Organizational culture and effectiveness. *Organization science*, 6.(2), 204-223.

DeVries.,Manfred 'Kets & Miller Danny.(1986). Personality, Culture and Organization. *Academy of Management Review*,   11, P274

Emmanuel Obgonna & Lloyd C Harris.(2000). Leadership style,organizational culture and performance:Evidence from UK companies. *International journal of HR management*, 11, 770;778.

Fred Luthans & Alexander D. Stajkovic.(2000). Provide Recognition for Performance

Improvement, In Edwin A. Locke(Ed.), Handbook of Principles of Organizational Behavior, Blackwell, London,   pp.166-180.

Hofstede ,G, & Bond, M.H.(1991). The Confucius Connection: From Cultural Roots to Economic Growth. *Organizational Dynamics* 16, 4-21.

Glenn Martin Tarullo.(1998). Making Outdoor Experiential Training work. *Training*, 29(8), 47-52.

Goffee, R. & Jones, G. (1996). What holds the modern company together?".   *Harvard Business Review,* 74,(6), 133-49.

Goffman, E.(1963).   Notes on the Management of Spoiled Identity. Englewood Cliffs, NJ:, Simon & Schuster

Gordon Lippit, Ronald Lippit,&   Clayton Lafferty.(1984). Cutting Edge Trends in Organization Development.   *Training and Development Journal*,38(7), 59-62.

Jeff Rosenthal & Mary Ann Masarech.(2003). High-Performance Cultures: How Values Can Drive Business Results.   *Journal of Organizational Excellence*, Spring , 3-18.

Jena McGregor.(2006). The Org Chart that Really Counts: How Mapping Unofficial Job links Pays Off. *Business week*,   27,   48-49.

Kannungo S,Sadavarthi S & Srinivas Y.(2001). Relating IT Strategy and Organizational Culture: An Empirical study of Public sector units in India. *Journal of Strategic Information Systems,*10(1), 29-57.

Kanter, R.M.(1972). Commitment and community: Communes and utopia in sociological perspective, Cambridge, MA, Harvard University Press.

Khandwalla, P.N.(1985). Organisational Effectiveness: Post – 1976 Survey of Indian Research, Working Paper No.585, Indian Institute of Management, Ahmedabad.

Laura Riolli., Saltzman & Fred Luthans. (2001). After the Buddle Burst: How Small High-Tech Firms can Keep in front of the wave.   *Academy of Management   Executive*, 15(3), 114-124.

Maryam Alavi,Timothy R. Kayworth & Dorothy E Leidra.(2006). An Empirical Examination of the influence of Organizational Culture on Knowledge Management Practices. *Journal off Management Information Systems*. 22(3), 191-224

Nelson R & Suresh Gopalan.(2003). Do Organizational cultures replicate National Culture?Isomorphism rejection and reciprocal opposition in the corporate values of three countries. *Organizationmal Studies*,24(7).

Ouchi, W. (1980). Markets, Hierarchies, and Clans. *Administrative science quarterly*, 25, 129-151.

Ouchi, W. & Price, R.(1978), Hierarchies, Clans, and theory Z: A new perspective on organizational development, Organizational Dynamics, 7(2), 25-44.

Panda, A. & Gupta, R.K. (2004). Mapping Cultural Diversity within India: A Meta – analysis of some Recent Studies, *Global Business Review*, 5(1),   27-49.

Parikh, I.J and Kollan, B.(2005). Managerial Roles and Interfaces: Some Organizational Issues and Implications Through thematic apperception test, Working paper No.2005-08-06, *Indian Institute of Management,* Ahmedabad.

Richard Pascale.(2000). The Paradox of 'Corporate Culture': Reconciling ourselves to Socialization.   *California Management review*, Winter , 29-38.