

STUDY OF ORGANIZATIONAL CULTURE OF A TELECOM COMPANY

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Abstract:

One of the most important building blocks for a highly successful organization and an extraordinary workplace is "organizational culture." Every organization has its own culture. Since many employees spend 8-10 hours daily at their workplace, their organization's culture obviously affects both their work lives as well as their personal lives. Organizational culture refers to the beliefs, ideologies, principles and values that the individuals of an organization share. The main objective of the present research was to understand the culture of present telecom company at Bhopal branch. The primary data has been collected from 30 employees through the instrument of organizational culture developed by Reddy. The collected data has been analyzed by using mean as a tool for analysis. The mean for dependency norm and norm for power-orientedness have come out to be high while for other norms it was moderate. It shows that the employees of organization under study have very high dependency on their superior and power is not equally distributed in the organization. On the basis of the findings It can be concluded that, culture followed in this organization is more formalized and structured, based on rules and policies and gives moderate level of flexibility, for innovation and development. So it has been recommended to company to create such a culture where employees can grow and develop more and can be risk taker. Also it has been recommended to company to reduce the dependency norms so that employees can take their own decision for day to day tasks.

Key Words: Organizational Culture, Culture Types, Culture Models, Dependency norms, Power-orientedness norms, Bureaucratic norms, Close-supervision norms, Centralized risk taking norms.

Introduction

People are affected by the culture in which they live. Similarly, an individual working for any organization with a firmly established culture will be taught the values, beliefs, and expected behaviors of that organization. Research shows that there is significant impact of Organizational Culture on employee turnover and performance. As in this era of

globalization it is the major challenge to manage employee turnover and absenteeism and Culture plays important role in improving productivity and effectiveness of any organization.

1. Conceptual Framework

Organizational Culture refers to a system of shared meaning held by members that distinguishes the organization from other organizations. This system of shared meaning is actually a set of key characteristics that the organization values (Robbins and Sanghi, 2007).

Organizational culture is a descriptive term which is concerned with how employees perceive the characteristics of an organization's culture, not with whether or not they like them. This appraisal of the organization on its characteristics gives a composite picture of the organization's culture. This picture in turn becomes the basis for feelings of shared understanding that members have about the organization, how things are done in it, and the way members are supposed to behave (Robbins and Sanghi, 2007).

When culture is defined as a system of shared meaning, it can be expected that individuals with different backgrounds or at different levels in the organization will tend to describe the organization's culture in similar terms (Robbins and Sanghi, 2007).

1.1 Levels of Organizational Culture

Many definitions of culture give primacy to the cognitive components, such as assumptions, beliefs, and values. Others expand the concept to include behaviors and artifacts, leading to a common distinction between the visible and the hidden levels of organizational culture a distinction basically corresponding to the climate/culture distinction noted above (Kotter and Heskett 1992). In contrast to the distinction between the visible and hidden levels, some theorists distinguished multiple levels. Schein (1985), one of the foremost experts in the area, identifies the following levels, as shown in Figure 1.

Figure 1: Levels of Organizational Culture (Adapted from Schein 1980; Schein 1985)

In Schein's view, fundamental assumptions constitute the core and most important aspect of organizational

culture. Accordingly, he offers the following formal definition of organizational culture. A pattern of shared basic assumptions that the group learned as it solved its problems of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems (Schein 1992).

1.2 Strong versus Weak Culture

Although all organizations have cultures, some appear to have stronger, more deeply rooted cultures than others. Initially, a strong culture was conceptualized as a coherent set of beliefs, values, assumptions, and practices embraced by most members of the organization. The emphasis was on (1) the degree of consistency of beliefs, values, assumptions, and practice across organizational members; and (2) the pervasiveness (number) of consistent beliefs, values, assumptions, and practices. Many early proponents of organizational culture tended to assume that a strong, pervasive culture was beneficial to all organizations because it fostered motivation, commitment, identity, solidarity, and sameness, which, in turn, facilitated internal integration and coordination. Some, however, noted that a strong culture might be more important for some types of organizations than others. For example, volunteer organizations may need to stress culture more than business organizations. Still others noted potential dysfunctions of a strong culture, to the point of suggesting that a strong culture may not always be desirable. For example, a strong culture and the internalized controls associated with it could result in individuals placing unconstrained demands on themselves, as well as acting as a barrier to adaptation and change. A strong culture could also be a means of manipulation and co-optation (Perrow 1979). It could further contribute to a displacement of goals or sub goal formation, meaning that behavioral norms and ways of doing things become so important that they begin to overshadow the original purpose of the organization (Merton 1957; March and Simon 1958).

Culture was initially seen as a means of enhancing internal integration and coordination, but the open system view of organizations recognized that culture is also important in mediating adaptation to the environment. The traditional view of a strong culture could be contrary to the ability of organizations to adapt and change. Seeing culture as important for facilitating organizational innovation, the acceptance of new ideas and perspectives, and needed organizational change may require a different, or more

nuanced, view of organizational culture. Schein (1992) notes that, indeed, a strong organizational culture has generally been viewed as a Conservative force. However, in contrast to the view that a strong organizational culture may be Dysfunctional for contemporary business organizations that need to be change-oriented, he argues that just because a strong organizational culture is fairly stable does not mean that the organization will be resistant to change. It is possible for the content of a strong culture to be change-oriented, even if strong organizational cultures in the past typically were not. He suggests that the culture of modern organizations should be strong but limited, differentiating fundamental assumptions that are pivotal (vital to organizational survival and success) from everything else that is merely relevant (desirable but not mandatory). Today's organizations, characterized by rapidly changing environments and internal workforce diversity, need a strong organizational culture but one that is less pervasive in terms of prescribing particular norms and behavioral patterns than may have existed in the past. This view was supported by Collins and Porras (1994) in their famous study (Built to Last) of companies that had strong and lasting performance.

2. Literature Review

2.1 Theories of Organizational Culture

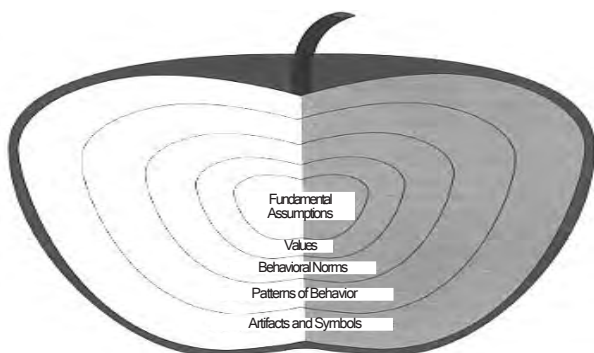
Just as there are differing perspectives on what organizational culture is, there are differing perspectives regarding how it functions. Denison (1990) identifies four basic views of organizational culture that can be translated into four distinct hypotheses:

- 1. The consistency hypothesis** - The idea that a common perspective, shared belief and communal values among the organizational participants will enhance internal coordination and promote meaning and a sense of identification on the part of its members.
- 2. The mission hypothesis** - The idea that a shared sense of purpose, direction, and strategy can coordinate and galvanize organizational members toward collective goals.
- 3. The involvement/participation hypothesis** - The idea that involvement and participation will contribute to a sense of responsibility and ownership and, hence, organizational commitment and loyalty.
- 4. The adaptability hypothesis** - The idea that norms and beliefs that enhance an organization's ability to receive, interpret, and translate signals from the environment into internal organizational

and behavioral changes will promote its survival, growth, and development.

These hypotheses focus on different aspects of culture but more importantly, they stress different functions of culture. The first two hypotheses tend to encourage/promote stability; the second two allow for change and adaptability. The first and third hypotheses see culture as focusing on internal organizational dynamics; the second and fourth see culture as addressing the relation of the organization to its external environment.

Figure 1



Handy (1995), well-known for his characterization of four dominant types of leaders as corresponding to gods of Greek mythology; also distinguishes key types of organizational cultures that correspond to different organizational forms. He asserts that clearly distinguishable organizational cultures give rise to four types of leaders, which he characterizes as: Zeus, Apollo, Athena, and Dionysus. These distinct cultures (just as clan-based, hierarchy-oriented, market Ch\ based, and adhocracy-based cultures) are associated with organizations that have congruent attributes across multiple technical/functional dimensions.

In contrast to identifying distinct types of organizational cultures, there has been a growing tendency to recognize and emphasize cultural complexity (Denison et al. 1995). One approach to incorporating greater cultural complexity is to recognize that most organizations today will have some aspects of all of these cultures. This view of culture focuses on the need to balance and manage the mix. The problem with this view is that culture tends to lose any sense of coherency. It is difficult to see culture, in this sense, as providing meaning or motivating/inspiring organizational members to behave in particular ways.

There is an alternative approach to cultural complexity that avoids the problem that culture will fail to provide meaning and a sense of corporate identify. This

approach moves beyond differentiating cultures in terms of technical/functional orientations (i.e., external versus internal orientation, stable versus change orientation, control versus individual discretion, directive versus participative, autocratic versus democratic, task-oriented versus relationship-oriented, integrative versus adaptive, sameness versus differentiation, transactional versus transformational). Rather than seeing the role of organizational culture as balancing competing technical needs and, thus, becoming a complicated mix of cultural types, organizations are viewed as consisting of multiple, differentiated cultural orientations directed at critical ways of thinking and behaving as a member of the organization. These cultural orientations can include ways of thinking and behaving with respect to change, diversity, conflict, innovation, organizational learning, knowledge management, partnership or alliance building, relationship formation, and corporate responsibility. This cultural differentiation perspective sees cultures being developed around various critical organizational aspects rather than based on competing orientations. The key is to identify and effectively manage key cultural orientations, develop synergies between them where possible, and prevent them from conflicting with one another. Although, in many cases, these various orientations can be highly interrelated and mutually reinforcing, there is not necessarily a need for a single overarching culture that incorporates everything. Perhaps, at most, there may be a coherent set of shared basic assumptions and values.

This notion of cultural differentiation is similar to but not the same as the notion of subcultures. Cultural differentiation refers to somewhat distinct, though not necessarily conflicting, cultures associated with different organizational aspects, while organizational subcultures refer to different cultures developing among distinct organizational occupational groupings or professions (such as blue collar/white collar/management subcultures; subcultures of engineers/production workers/ marketing and sales/managers; and/or cultures associated with various scientific or professional disciplines). Subcultures often refer to informal emergent cultures whereas differentiated cultures are more likely to refer to more formal and managed cultures, but this is a hazy distinction.

2.2 Model of Organizational Culture:

There is available one model of culture based on a Competing Values Framework (CVF) of organizational culture. The CVF explores the competing demands within organizations between their internal and external environments on the one

hand and between control and flexibility on the other. These conflicting demands constitute the two axes of the competing values model. Organizations with an internal focus emphasize integration, information management and communication whereas organizations with an external focus emphasize growth, resource acquisition and interaction with the external environment. On the second dimension of conflicting demands, organizations with a focus on control emphasize stability and cohesion while organizations with a focus on flexibility emphasize adaptability and spontaneity. Four models are provided by these two dimensions: Human Relations (internal and flexible); Internal Process (internal and control); Open Systems (external and flexible) and Rational Goal (control and external). Combined, these two dimensions of competing values map out four major types of organizational culture revealed in theoretical analyses of organizations (Zammuto, Gifford, & Goodman, 1999).

The internal process model involves a control/internal focus in which information management and communication are utilized in order to achieve stability and control. This model has also been referred to as a hierarchical culture because it involves the enforcement of rules, conformity, and attention to 5 technical matters (Denison & Spreitzer, 1991). The internal process model most clearly reflects the traditional theoretical model of bureaucracy and public administration that relies on formal rules and procedures as control mechanisms (Weber, 1948; Zammuto, Gifford, & Goodman, 1999).

The open systems model involves a flexibility/external focus in which readiness and adaptability are utilized in order to achieve growth, resource acquisition and external support. This model has also been referred to as a developmental culture because it is associated with innovative leaders with vision who also maintain a focus on the external environment (Denison & Spreitzer, 1991). These organizations are dynamic and entrepreneurial, their leaders are risk takers, and organizational rewards are linked to individual initiative.

The human relations model involves a flexibility/internal focus in which training and the broader development of human resources are utilized to achieve cohesion and employee morale. This model of organizational culture has also been referred to as group culture because it is associated with trust and participation through teamwork. Managers in organizations of this type seek to encourage and mentor employees.

The rational goal model involves a control/external focus in which planning and goal setting are utilized to achieve productivity and efficiency. This model of organizational culture is referred to as a rational culture because of its emphasis on outcomes and goal fulfillment (Denison & Spreitzer, 1991). Organizations of this type are production oriented, and managers organize employees in the pursuit of designated goals and objectives, and rewards are linked to outcomes. The organizational culture framework is depicted in Figure 1. This framework was used as a basis for asking survey respondents to identify both their current and ideal model of organizational culture. It is therefore possible to compare the existing culture within the organizational units with the preferred or ideal culture type.

Figure 2: The Competing Values Framework of Organizational Culture (Adapted from Zammuto & Krakower;1991)

2.3 Increasing Importance of Organizational Culture

Schein (1992) suggests that organizational culture is even more important today than it was in the past. Increased competition, globalization, mergers, acquisitions, alliances, and various workforce developments have created a greater need for:

1. Coordination and integration across organizational units in order to improve efficiency, quality, and speed of designing, manufacturing, and delivering products and services
2. Product innovation
3. Strategy innovation
4. Process innovation and the ability to successfully introduce new technologies, such as information technology
5. Effective management of dispersed work units and increasing workforce diversity
6. Cross-cultural management of global enterprises and/or multi-national partnerships
7. Construction of meta- or hybrid- cultures that merge aspects of cultures from what were distinct organizations prior to an acquisition or merger
8. Management of workforce diversity
9. Facilitation and support of teamwork.

In addition to a greater need to adapt to these external and internal changes, organizational culture has become more important because, for an increasing number of corporations, intellectual as opposed to material assets now constitute the main source of value. Maximizing the value of employees as

intellectual assets requires a culture that promotes their intellectual participation and facilitates both individual and organizational learning, new knowledge creation and application, and the willingness to share knowledge with others. Culture today must play a key role in promoting

- ❖ Knowledge management
- ❖ Creativity
- ❖ Participative management
- ❖ Leadership

2.4 Types of organizational culture

Organizational cultures can be classified according to the following criteria: scope, nature of work, system performance, type of feedback, attitude towards risk, etc. Charles Handy proposes four types of organizational cultures: power culture, role culture, task type culture and the culture of the person.

- ❖ Power-oriented culture appears in a small company, found at the beginning, where there are few rules and procedures, and decisions are taken by a small number of people. This model of structured organization has the advantage conferred by rapid adaptation to market requirements. This system is attractive to individuals focused on power, control risk taking or resources.
- ❖ Culture role is the feature of bureaucratic organizations. Power is influencing the expression of rules and procedures. Organizations focused on role works well only in stable and non-competitive environments.
- ❖ Culture of task oriented organizations' matrix (combination of functional structure and the project) is the one in which authority comes from the ability of expertise. This culture encourages teamwork and dynamism, unassigned roles fixed; meaning that collaboration with specialists from different areas is relevant.
- ❖ Culture of the person is present in professional associations or consulting offices. Hierarchy, formality and standardization are excluded in this case. Jeffrey Sonnenfeld (as cited in website of Stairway Consultancy) describes four types of cultures: the academy, baseball team, the club and the fortress.
- ❖ Academic Culture: Employees are well trained in the field and tend to remain in the organization, with the possibility of advancement. The organization provides employees a stable work environment in which they can develop and use skills to their full capacity. Examples: universities, hospitals, corporations.

- ❖ Baseball team Culture: Employees are "free agents" who have skills much in demand on the labor market. They are very busy and they can easily find another job. Examples: in banks or in advertising.
- ❖ Club Culture: The most important requirement for employees from organizations with this type of organizational culture is to join the group. Generally, they start at the first level and remain in the organization structure, which it promotes from within. Examples: militarized structures or law firms.
- ❖ Fortress Culture: Employees don't have job security and can be fired at any time. This organizations use massive restructures to relatively small intervals. There are many employment opportunities only for employees with specialized skills. Examples: insurance companies, savings or major loans and auto companies.

3. Research Method

The main objective of the research was to study the organizational culture at present telecom company. The research was descriptive in nature. The study was conducted at Bhopal branch. The total number of employees worked was 110. The sample size was 30. The primary data has been collected through instrument based on culture. I used the instrument developed by K. Pratap Reddy for organizational culture. The instrument consists of 11 questions. The reliability and validity of instrument is high. The data has been collected during May-June, 2012. Mean has been used as a tool for data analysis.

3. Results and Discussion

4. Findings

1. It has been find out that in present organization Dependency norms are high. It means employees seek detailed guidance from their superiors, also employees prefer to take suggestions before initiating a task. Hence we can say that for completing various task employees are highly dependent on their superior's approval.
2. It has been found out that norms of power orientedness are high in this organization. Which means distribution of power is not equal. Few people are quite influential during decision making. Distribution of power is highly centralized in this organization.
3. Bureaucratic norms are followed on moderate level in this organization. It means most of the employees while performing any task, concern

about rules and procedure.

4. It has been found out that Superiors are not supervising so closely and meticulously to their subordinates work. It means they are not purposefully trying to point out the employee mistakes. They supervise for improvement and development of the employees,
5. Average levels of centralized risk taking norms are to be followed in this organization. This means that for initiating each and every task employees need not to go to their superiors for approval and guidance.

6. Conclusion

It can be concluded that, culture followed in this organization is more formalized and structured, based on rules and policies and gives moderate level of flexibility, for innovation and development. On the basis of competing values framework (CVF) of organizational culture, it may be concluded that combination of internal process model and human relations model is followed in this organization.

7. Recommendations

1. As it was found out that organization culture of present telecom company is formalized and structured, based on rules and policies, which comes under the internal process model and little bit towards flexibility for innovation. So it is recommended to company to create such a culture where employees can grow and develop more and can be risk taker.
2. It is also recommended to company to reduce the dependency norms so that employees can take their own decision for day to day tasks. Although there conducted lot many activities for development of employees in company. But it needs to be more focused and should be increased.

8. Limitations of the Study

1. The sample size was very less. Although ideally sample size is 10 % of the total population. The total numbers of employees were 110 at that particular branch so in that manner the size was acceptable but large sample produced more accurate results.
2. It has been found that the paucity of time was major constraints before the respondents who were interviewed in this study.
3. The sample design could have been more proper and systematic. The study was conducted in only one branch situated at Bhopal.
4. The Purposive sampling technique was used for data collection which has its own limitation.

9. Scope of the Study

1. On the basis of the present research some future studies may be conducted in other branches of the company also and can be studied the difference between the cultures at various branches if exist.
2. The study has to be conducted on a larger sample covering more branches. The study can be extended other organizations also in order to do comparative research.

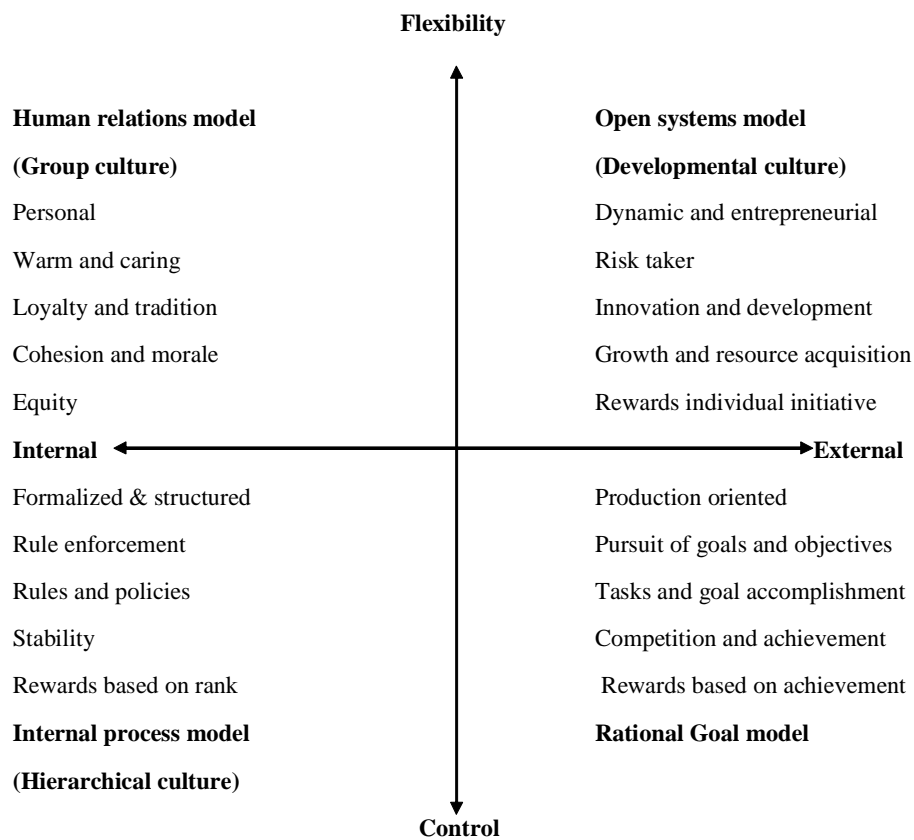
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Figure 1

	Stability/Control	Change/Flexibility
Internal	Consistency	Involvement/Participation
External	Mission	Adaptability

Figure 2: The Competing Values Framework of Organizational Culture (Adapted from Zammuto & Krakower;1991)



5. Results and Discussion

Dependency Norm:-

	Q.1	Q.2	Q.3	Q.4	Q.5	TOTAL
SUM	105	105	100	105	105	520
MEAN	3.5	3.5	3.333	3.5	3.5	17.3333

Interpretation: - For dependency norms mean score is 17, which is on higher side it means dependency norms are high in this organization.

Norms of Power - Orientedness

	Q.6	Q.7	Q.8	TOTAL
SUM	105	69	104	278
MEAN	3.5	2.3	3.46666	9.26666

Interpretation: - The above table shows that mean value of power orientedness is 9.26. Score shows that norms of power orientedness are high in this organization.

Bureaucratic Norms:-

	Q.9	TOTAL
SUM	99	99
MEAN	3.3	3.3

Interpretation: - Mean value is 3.3 for bureaucratic norms that means bureaucratic norms are on moderate level in this organization.

Close Supervision Norms:-

	Q.10	TOTAL
SUM	100	100
MEAN	3.333	3.333

Interpretation: - For close supervision norms, mean is 3.33 that means, Norms for Close supervision is on average level in this organization.

Norms of Centralized Risk Taking:-

	Q.11	TOTAL
SUM	119	119
MEAN	3.9666	3.9666

Interpretation: - Mean is 3.96 for norm of centralized risk taking which is on moderate level in this organization.