Organizational Cultural Values and Employee Retention: A Study Across Select Corporates in Delhi-NCR

Chhaya Gupta	Khushboo Singh
PhD Scholar.	Senior Vice President, INLEAD, Gurgaon

Deepak Sharma	Kaustav Paul
Dean, INLEAD, Gurgaon	Senior Research Associate, INLEAD, Gurgaon

ABSTRACT *The study investigated 412 employees across three select corporates in Delhi-NCR to analyze the impact of organizational cultural values on the willingness of the employees to continue with their present organizations. Innovation, Outcome Orientation and Respect for People were selected as the measures for Organizational Cultural Values while Organizational Sustenance was chosen as a measure for willingness of the employees to sustain with their present organizations. The results revealed significant findings which indicated the impact of the Organizational Cultural Values on the Organizational Sustenance for the employees working with the select corporates in Delhi-NCR.*

INTRODUCTION

Employees are the backbone of an organization. Hence, the retention of the employees is important in keeping the organization on track. In order to retain the best talents, strategies aimed at satisfying employee's needs are implemented, regardless of global companies or small-sized firms. Generally, organizations want to retain their personnel to utilize their skills and competencies to complete certain projects or execute tasks. In another word, we can understand it as employee retention where the scope of task, is however, often larger than a simple task and more preferably a job in real world. Retaining the desirable employees is beneficial to an organization in gaining competitive advantage that cannot be substituted by other competitors in terms of producing high morale and satisfied coworkers who will provide better customer service and enhanced productivity, which subsequently resulting in sales generating, customer satisfaction, smooth management succession and improved organizational learning (Heathfield, 2005).

Singh et al. (2011) provided with the findings that most of the employees readily agreed with the view that they can leave their current organizations if offered with a better package. But at the same point of time they also admitted that they would like to stay in the same organizations for long if there is open mindedness, transparent work culture, quality of work life, fairness of rewards, growth opportunity and job security. There are various work related factors, organization related factors as well as individual's level of satisfaction with the job that influences them to either stay in an organization or exit. An organization has to ensure that its employees are provided the environment that makes them experience belongingness in an organization. The efforts of an organization can make their people feel more important and committed and consequently can contribute in achieving organizational goals.

NEED FOR THE STUDY:

Kehinde et al. (2012) says that in order to achieve job satisfaction among organizations' employees investment in employees training and development and improving working conditions pay dividend in terms of securing employ-

ees' job satisfaction. Mahal (2012) established that employees remain in the organization when they feel that they are being valued and their participation in decision making is recognized by the organization. Sohail et al. (2011) in their research study observed that the leading reasons for employees leaving any organization are culture, recognition, environment, policies of the organization and the relationship with company and co-workers. According to Eisenberger and associates (1990), a worker's view of the organization is strongly influenced by their relationship with their supervisor. By having support, workers are less likely to leave an organization and be more engaged by having good relationship and open communication with the supervisor (Greenhaus, 1987).

Though there have been quite a few studies discussing various retention strategies; however there is a lack of empirical studies exploring the impact of the organizational cultural values on organizational sustenance of an employee. This study endeavored to bridge that gap through exploring the impact of organizational cultural values on organizational sustenance of employees for select corporates in Delhi-NCR.

OBJECTIVES OF THE STUDY:

- To analyze the employees' responses on organizational cultural values for select corporates in Delhi-NCR
- To analyze the employees responses on their organizational sustenance for select corporates in Delhi-NCR
- To analyze the impact of organizational cultural values on organizational sustenance for the employees in select corporates in Delhi-NCR

RESEARCH HYPOTHESIS:

H_0: There was no impact of organizational cultural values on organizational sustenance for the employees working with select corporates in Delhi-NCR

H_1: The organizational cultural values had an impact on the organizational sustenance for the employees working with select corporates in Delhi-NCR

METHODOLOGY

The study was exploratory and empirical as well since the study endeavored to explore the employees' perception towards Organizational Cultural Values along with the Organizational Sustenance for the employees for select corporates in Delhi-NCR and at the same, the study also attempted to empirically test the impact of the Organizational Cultural Values on the Organizational Sustenance among the employees working for those select corporates in Delhi-NCR. Frequency distribution table along with the descriptive statistics were implemented to explore the employees' perception towards the Organizational Cultural Values, while multiple regression analysis was used to empirically test the impact of Innovation, Outcome Orientation and Respect for People (Dimensions of Organizational Cultural Values) on Organizational Sustenance among the employees.

SAMPLING AND DATA COLLECTION

The sampling method used in this study was a purposive random sampling. The distributed questionnaires were 200 for each organization, i.e. 600 in total for three organizations. The return rate of completely answered questionnaires was 68.67% with 412 responses. The other questionnaires were either not returned or were incomplete. Thus, the final sample included 412 responses from three leading corporates in Delhi-NCR.

INSTRUMENT

The questionnaire consisted of two parts. The first part was about Organizational Sustenance (4 items) which, was chosen as a measure for the willingness among the employees to continue with their present organizations. The second part was about Organizational Cultural Values. The instrument used for this purpose was adopted from Organizational Cultural Profile by O'Reilly et al. (1991). After factor analysis for 54 items the finally retained seven factors were Innovation, Stability, Respect for People, Outcome Orientation, Attention to Detail, Team Orientation and Aggressiveness. However, Innovation, Respect for People and Outcome Orientation were considered for this study. The questionnaire adopted 5 point Likert Scale where "1" was equivalent to "Strongly Disagree" while "5" was equivalent to "Strongly Agree".

RESULTS AND DISCUSSION:

For analysing Organizational Sustenance, the data collected from the respondents were used. Table 1 enlisted the codes that have been used to represent the statements of Organizational Sustenance during the analysis. The percentage distribution and the descriptive statistics of Organizational Sustenance responses were depicted in Table 2 and Table 3. The mean scores were rated as follows:

- Low: 1.00 -2.49;
- Medium: 2.50 -3.49; and
- High: 3.50 - 5.00.

Table1:
Code Used for Organizational Sustenance Statements

CODE	Statements
OS1	I want to spend the rest of my career in this organization
OS2	I have immediate plan to leave this organization
OS3	The thought of leaving this organization disturbs me
OS4	Given a chance, I would not choose to leave this organization

From the responses of Organizational Sustenance statements (Table 2), one could notice that they were mostly towards the agreement side except for the statement, **"I want to spend the rest of my career in this organization",** (OS1). In this case, 43.20% of the respondents were undecided about it, which is an evidence of the dilemma among the employees regarding their life cycle in the organization.

Table 2:
Percentage Distribution of Organizational Sustenance Responses

Statements	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Total
	%	%	%	%	%	%
OS1	9.00	22.60	43.20	20.60	4.70	100
OS2	1.70	10.40	26.90	45.10	15.90	100
OS3	7.00	18.40	28.40	31.60	14.50	100
OS4	1.70	4.90	25.70	51.60	16.10	100

It is evident from the Table 3, that the respondents in the present study perceived high level of Organizational Sustenance and a low standard deviation of .66 suggested lack of variances among the responses which indicated the consistency of the responses shared by the employees.

Table 3:
Descriptive Statistics for Organizational Sustenance

	N	Range	Mean	Std. Deviation	Level
OS	412	1.50-5.00	3.75	0.66	High

In this study, the dimensions of Organizational Cultural Values were Innovation, Outcome Orientation and Respect for People. Table 4 enlisted the codes that were used to represent the statements pertaining to each Organizational Cultural Values while Table 5 depicts the percentage distribution and the descriptive statistics of the responses for each Organizational Cultural Value. The mean scores were rated as follows:

- Low – 1.00 -2.49;
- Medium – 2.50 -3.49; and
- High – 3.50 -5.00.

Table 4:
Code Used for Organizational Cultural Values Statements

Organizational Cultural Value	CODE	Statements
INNOVATION	INNOV1	Our organization supports innovative ideas
	INNOV2	Our organization provides ample opportunities to its employees
	INNOV3	Our organization supports experimenting
	INNOV4	Our organization believes in risk taking
	INNOV5	Our organization appreciates employees who do their work carefully
	INNOV6	Our organization has clearly laid down rules for carrying out tasks
OUTCOME ORIENTATION	OOR1	Our organization is achievement orient
	OOR2	Our organization is action oriented
	OOR3	Our organization sets high expectations from its employees
	OOR4	Our organization is result oriented

RE-SPECT FOR PEOPLE	RFP1	Our organization is respectful towards its work force
	RFP2	Our organizational policies are fair for all the employees
	RFP3	Our organization is tolerant towards mistakes committed by the employees

Table 5:
Percentage Distribution of Responses on Organizational Culture Attributes

Statements	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Total
	%	%	%	%	%	%
INOV1	1.20	12.40	16.70	54.60	15.00	100
INOV2	7.00	18.40	28.40	37.60	8.50	100
INOV3	1.70	4.90	25.70	55.60	12.10	100
INOV4	4.40	18.90	26.50	42.50	7.80	100
INOV5	5.60	17.20	38.10	35.90	3.20	100
INOV6	6.60	16.70	36.40	33.50	6.80	100
OOR1	2.40	6.30	15.50	59.20	16.50	100
OOR2	2.20	6.80	18.70	52.90	19.40	100
OOR3	2.70	7.00	26.70	53.20	10.40	100
OOR4	2.20	15.00	22.10	34.50	26.20	100
RFP1	6.60	16.70	30.40	39.50	6.80	100
RFP2	5.60	19.20	29.10	35.90	10.20	100
RFP3	2.20	15.00	22.10	34.50	26.20	100

From the responses of statements related to Innovation (Table 5), it was noticed that they were towards the agreement side except for the statement "Our organization appreciates employees who do their work carefully" (INNOV5), the employees responses were splitting between agreement and undecided (38.2% each). Similarly, in case of the statement "Our organization has clearly laid down rules for carrying out tasks" (INNOV6), 40.3% of the respondents agreed to this whereas 36.4% were undecided. From Table 5, it also seemed that most of the respondents highly agreed to all the statements of Outcome Orientation. The agreement percentages of the respondents for the four statements were 75.7%, 72.3%, 63.6% and 60.7% respectively. This showed that the employees acknowledged the presence of an environment in the organizations that is a blend of action oriented, achievement oriented, result oriented and it could be due to the reason that the organization used to set high expectation from its employees. Finally, Table 5 depicts that most of the respondents agreed to all the statements of Respect for People. The agreement percentages of the respondents for the four statements were 60.7%, 46.3% and 46.1%. This showed that the employees acknowledged that the organizations used to value its workforce.

Multiple regression analysis was used to analyse the impact of Innovation, Outcome Orientation and Respect for People on Organizational Sustenance. The predictor variables were Innovation, Outcome Orientation and Respect for People, while, Organizational Sustenance was the outcome variable. The correlations of the variables were shown in Table 6. All correlations were statistically significant. The adjusted R^2 value of 0.685 indicated that 68.5% of variance in the scores of Organizational Suste-

nance could be explained by Innovation, Outcome Orientation and Respect for People with $F(3,408) = 298.417$ $(p<0.000)$.

Table 6:
Results of Multiple Regression Analysis (H_1)

Model	r	B	SE	β	T	P
(Constant)		0.518	0.140		3.708	0.000
Innovation	0.819***	0.931	0.038	0.891	24.607	0.000
Outcome Orientation	0.345***	0.096	0.036	0.083	2.662	0.008
Respect for People	0.442***	0.200	0.046	0.163	4.326	0.000
R^2= 0.687						
ΔR^2=0.685						
F=298.417***						

Note: r= Correlation; B= unstandardized coefficient; β=-standardized coefficient; SE = Standard Error, T= T Statistic, P= p Value

Note:* p < .05; ** p < .01; *** p < .001

The results indicated the influence of all three variables on Organizational Sustenance. Innovation (β= 0.931, p<0.000), Outcome Orientation (β= 0.083, p<0.008) and Respect for People (β= 0.163, p<0.000) i.e. all the three predictor variables were found to have a positive impact on Organizational Sustenance. It suggested that increased level of Innovation, Outcome Orientation and Respect for People in the organization were associated with the increased level of Organizational Sustenance.

The results were in line with the previous study by Sheridan (1992), who investigated the rates of retention of 904 college graduates recruited in six public accounting firms over a six-year period and it was found that Organizational culture values varied significantly among the firms. The variation in cultural values was found to impact the rates at which the newly recruited employees voluntarily terminated employment. The study also found that relationship between the employees' job performance and their retention also varied significantly with organizational culture values.

CONCLUSIONS AND RECOMMENDATIONS:
The objective of this study was to analyse the impact of Innovation, Outcome Orientation and Respect for People (Dimensions of Organizational Cultural Values) on Organizational Sustenance for three large corporates in Delhi-NCR. An attempt was made to explore the existing Organizational Cultural Values for three large corporates in Delhi-NCR. Those Organizational Cultural Values were Innovation, Outcome Orientation and Respect for People. Out of these three dimensions, results revealed that Outcome Orientation level for the organizations were high. However, the level of the remaining dimensions was found to be moderate.

Consequently, the impact of Organizational Cultural Values on Organizational Sustenance was explored. It was found that all the three dimensions of Organizational Cultural Values used in the study had a positive impact on Organizational Sustenance. The research findings of the impact of Organizational Cultural Values on Organizational Sustenance yielded some significant breakthroughs. The analysis provided enough evidences that the Organizational Cultural Values had substantial impact on Organizational

Sustenance among the employees of an organization and thus dimensions of Organizational Cultural Values could be considered as important predictors to predict the willingness among the employees to continue with their present organizations. Based on the findings, it is recommended that the organizations should focus on imbibing healthy Organizational Cultural Values which would improve the workplace environment in order to increase the level of Organizational Sustenance among the employees which in turn, would facilitate the organizations to retain their key employees successfully.

REFERENCE
1. Azmi, T. & Sharma, M. (2012). Job related dimensions and faculty members' satisfaction at Indian business schools: An empirical study. International Journal of Management and Business Research, 2(1), 23-40. | 2. Edwards, D. B. et al. (2008). Relationships between facets of job satisfaction and task and contextual performance. Applied Psychology: An International Review, 57(3), 441-465. | 3. Fatima, H. (2011), Does Employee retention affect Organizational Competence?, Industrial Engineering Letters, 1(1). | 4. Freyermuth. (2007). Retaining Employees in a Tightening Labor Market, RSM McGladrey. Website: www.cfo.com/whitepapers/index.cfm/displaywhitepaper/10308654?topic id=10240327 – 22k – | 5. Khatri, P. & Khushboo (2013). A study of empowerment and engagement of ITES/BPO Professionals in Delhi-NCR. BVICAM's International Journal of Information Technology, 5(2), 610-616. | 6. Kumar, A. & Kaushik, M. Dr. (2013), Retention of BPO employees in India. European Journal of Business and Management, 5(30), 109-114. | 7. Kwenin, Muathe & Nzulwa (2013), The influence of employee rewards, human resource policies and job satisfaction on the retention of employees in Vodafone Ghana Limited. European Journal of Business and Management, 5(12), 13-20. | 8. Mittar et al. (2014). Human Resource Management practices for employee retention in Apparel export houses in Delhi/NCR. Scottish Journal of Arts, Social Sciences and Scientific Studies, 17(2), 3-22. | 9. Pathak, D. (2012), Role of perceived organizational support on stress satisfaction relationship: An empirical study. Asian Journal of Management Research, 3(1), 153-177. | 10. Ramlall, S. (2003), Managing employee retention as a strategy for increasing organizational competitiveness. Applied H.R.M Research, 8 (2), 63-72. | 11. Saari, M. L. & Judge A.Timothy (2004), Employee attitudes and Job Satisfaction. Human Resource Management, 43(4), 395-407. | 12. Shoaib, M. et al. (2009). Determinants of employee retention in telecom sector of Pakistan. Proceedings 2nd CBRC, 1-18. | 13. Singh, S. & Dixit, P. P. (2011). Employee retention: The art of keeping the people who keep you in business. Human Resource Management Review, 1(7), 441-448. |