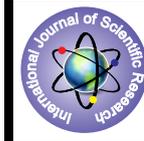


Impact of Organizational Culture on Employee Attitude



Management

KEYWORDS : organizational culture, employee attitude.

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ABSTRACT

ORGANIZATIONAL culture has received much attention in the last two decades due to its effects and potential impact on the organizational success. Organizational culture is a critical factor in enhancing the Employee Job Attitude. This study examined the impact of four organisational cultural variables namely, autocratic, technocratic, entrepreneurial, and Bureaucratic on employee attitude to the organization. Data was collected from 90 employees of private and public service sector organisations. Data was collected through the use of standardized questionnaires measuring corporate culture and organizational commitment. Analysis of data was done using Pearson correlation coefficient and regression analysis. The study found that organizational culture significantly correlated with employee's attitude. The implications of the findings were discussed and recommendations made.

INTRODUCTION

Organisation Culture

Organizational culture is postulated to be one of the greatest theoretical levers required for understanding organizations. Organization culture (OC) as a concept has relatively recent origin. The environment has long been recognized as a source of influence on the individual's behavior. Until recently, researchers had made few systematic attempts to explore the influences of an organization's culture on the behavior of employees. It is often suggested that culture operates as a unitary "main effect" on all people. On the other hand organizational effectiveness literature has been increasingly emphasizing the importance of culture in motivating and maximizing the value of its intellectual assets, particularly its human capital. Whilst there are a variety of opinions as to what constitutes 'culture', this paper adopts a definition which synthesizes the views of a number of widely cited researchers including Schein (1992), DiBella (1993) and Hatch (1993). Thus, culture is defined in this paper as the dynamic set of assumptions, values and artifacts whose meanings are collectively shared in a given social unit at a particular point in time.

Harrison & Stokes (1992), culture shapes both beliefs and attitudes of all organizations' members and accordingly their behavior and most importantly their performance. It influences the whole organizational life, in terms of the way decisions are taken, the recruitment, promotion and awarding systems and the external systems in general. How people are treated internally, how customers are treated externally, and how organization responds to its environment.

Organisational culture influences employees' attitudes within the process of organisational change by providing a reservoir of organisational meanings against which the results, experience and performance data are interpreted and inquiries about changes in procedures and program technologies can proceed (Mahler, 1997).

Several research results indicate a connection between employee attitudes and organisational culture. According to research evidence, managers can increase employee satisfaction by creating cultures with characteristics expressed in terms of collegiality and collaboration (Xin Ma, MacMillan, 1999). Meglino, Ravlin and Adkins (1989) point out that organisational culture influences both the satisfaction and commitment of newcomers.

Hofstede (1991) developed four dimensions of culture based on an extensive survey conducted among IBM managers in over 50 countries for work values and subsequently developed those dimensions of culture compatible in a sense to the business practices. Later, his work was rightly validated by Hoppe (1990) and Smith (1994), who accepted the overall implication of Hofstede's cultural model and its influence on global scale. Work Culture is now seen as increasingly more important by managers, management scholars and consultants. Key attributes of any functional work culture include: establishing a clear and well documented work process, treating employees fairly

and consistently, participating in training and continuing education (Pool, 1997). Bryson (2008) addressed the issues of time and perspectives which underlie the contested nature of culture by explaining the dynamics of organizational change through dominant, residual and emergent culture with a case study in New Zealand setting.

Berthon (1993) views culture as the results of the human actions and shows the link between the ideas of mental programming and the consequence of behavior derived from this. Maznevski (1994) opines that cultural awareness facilitates to perform a set task successfully. Kanungo and Medonca (1994) suggested that HRM policies and practices, which are used to control and direct behavior and performance, are largely the result of managerial beliefs. That reflects the combination of different managerial beliefs via culture to business practices. Mainly managerial values turn perception into mindset bearing effect on culture. The institutional culture first pre-sets different perceptions and then interprets it within the paradigms of managerial values, evolving a rational, pragmatic, and humane mind set across-cultures.

Attitude

Allport (1935) defined an attitude as a mental or neural state of readiness, organized through experience, exerting a directive or dynamic influence on the individual's response to all objects and situations to which it is related. A simpler definition of attitude is a mindset or a tendency to act in a particular way due to both an individual's experience and temperament.

According to Schermerhorn et al, J.E, (1988) "Attitude is a predisposition to respond in a positive or negative way to someone or something in one's environment." The study of individual attitudes has a long history that has produced a voluminous body of literature focusing on the attitude behaviour relation (Ajzen, 2001). The literature demonstrates that work place attitudes manifest in various forms. Employee could exhibit attitudes towards various aspects of their job such as the work itself, benefits received, supervision and impediments to their work or anything that might trigger positive or negative reactions (Liberman & Chaiken, 1996; Tosi & Mero, 2003). Ajzen's (1982) definition of attitude is probably one of the most popular in literature. He defined attitude as the "Predisposition to respond in a generally favorable or unfavorable manner with respect to the object of the attitude.

A person's attitude toward preventive medicine encompasses his or her point of view about the topic (e.g., thought); how he or she feels about this topic (e.g., emotion), as well as the actions (e.g., behaviors) he or she engages in as a result of attitude to preventing health problems. This is the tri-component model of attitudes. According to Breckler, S.J (1984), attitude includes three components: an affect (a feeling), cognition (a thought or belief), and behavior (an action). Attitude formation is a result of learning, modeling others, and our direct experiences with people and situations. Attitudes influence our decisions, guide our behavior, and impact what we selectively remember (not

always the same as what we hear). Attitudes come in different strengths, and like most things that are learned or influenced through experience, they can be measured and they can be changed.

Study Objectives

1. To study the impact of overall Organizational Culture on employee job attitude
2. To examine the impact of Autocratic Culture on employee attitude
3. To examine the impact Bureaucratic Culture on employee attitude
4. To examine the impact Technocratic Culture on employee attitude
5. To examine the impact Entrepreneurial Culture on employee attitude

Research Hypotheses

“H01” – There is no significant impact of Organisational Culture on Employees Job Attitude.

“H02” – There is no significant impact of Autocratic Culture on Employees Job Attitude.

“H03” – There is no significant impact of Bureaucratic Culture on Employees Job Attitude.

“H04” – There is no significant impact of Technocratic Culture on Employees Job Attitude.

“H05” – There is no significant impact of Entrepreneurial Culture on Employees Job Attitude.

Research Methodology

To meet out these objectives the statistical treatment of the data obtained was carried out from a

sample of 90 employees. Descriptive Statistics like mean, standard deviation and regression analysis were used to analyse the data and to test the hypotheses. In order to study the relationship between the various independent and dependent variables ‘Pearson Product-Moment’ correlations were computed for the total sample. Stepwise multiple regression analysis was undertaken to assess the significant predictors of work culture for the total sample of employees at the managerial level.

The data has been analyzed by using Microsoft Excel and Statistical Package for Social Sciences (SPSS). In order to conduct the study, a structured questionnaire has been used. It has been divided in two parts as mentioned below:

The first part of the questionnaire developed by Pareek (1997) deals with measuring Organization Culture profile in terms of Autocratic, Bureaucratic, Technocratic and Entrepreneurial. The instrument has eight sets dealing with values (1), beliefs (3), primacy (6), communication (7), leadership (4), rituals in meetings (5), celebrations (8), rooms and furniture (2). (The figures in the parenthesis refer to the serial numbers of the sets in the instrument). The respondent is required to rank the four statements in each set in terms of their applicability to the organization concerned. The ranks are from 4 (most closely describing the organization) to 1 (least accurate). Guttman split-half equal length and unequal length reliability for a group of 20 people was found to be 0.86.

The second part of the questionnaire developed by Joseph (2000). The scale has 12 items related to Job Environment. The responses are recorded on 5 points from agree to disagree response format which are scored from 1 to 5 and summed. The split half reliability of Job Attitude scale was found to be 0.65.

To fulfill the objectives of the research, the obtained data was analyzed statistically in terms of mean, standard deviation, correlation and regression analysis.

Analysis and Results

In this study the results were obtained as a consequence of sta-

tistical analysis of the data, which have been interpreted in the light of objectives and hypotheses as depicted in various tables.

Research Question 1: To study the impact of organizational culture on employee attitude.

To achieve this objective correlation and regression analysis on SPSS was done, in order to determine whether there are significant relationships between the variables. The scale model suggested by Davies (1971) used to describe the relationship between the variables, are as shown below:

- 0.7 and above – high correlation
- 0.4 to 0.69 – moderate correlation
- to 0.49 – low relationship

The table given below shows the correlation of the impact of culture on the Job Attitude of employees of the selected organization

Correlations			
		Culture	Attitude
Culture	Pearson Correlation	1	.896**
	Sig. (2-tailed)		.000
	N	90	90
Attitude	Pearson Correlation	.896**	1
	Sig. (2-tailed)	.000	
	N	90	90

** . Correlation is significant at the 0.01 level (2-tailed).

Table 1 Correlation Statistics

From the above table, it is depicted that organizational culture and employee attitude are highly associated with r-value (coefficient of correlation) “0.896”. Since the correlation is significant at 0.01 and p value (as indicated in the table 4.1) is 0.00, the result obtained is significant due to the fact that 0.00 < 0.01. Therefore, it is clear that culture do effect on attitude of employees in the organization.

The table given below shows the regression analysis of culture on the job attitude level of employees of the selected organization

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.896a	.803	.801	.21324
a. Predictors: (Constant), Culture				

Table 2 Regression statistics

R = Coefficient of Correlation = .896 Thus both the variables attitude and culture are highly correlated.

R2 = Coefficient of Determination. R2 signifies how much impact the independent variable has on dependent variable.

R2 = .803 Thus the values have very high impact on the Employee attitude.

Adjusted R square (.801) is showed because the study has many questions defined under a single parameter thus this is the combined R2 for all questions in that parameter.

Coefficientsa						
Model B		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	.186	.105		1.784	.078
	Culture	.882	.047	.896	18.946	.000
a. Dependent Variable: Attitude						

Table 3 Coefficients statistics

Beta β = Coefficient of Regression

From the Table it can be seen that Beta value is .882 thus it shows that Culture have a high level of impact on the Employee attitude.

Beta β = Coefficient of Regression

From the Table it can be seen that Beta value is .882 thus it shows that values have a high level of impact on the Employee attitude.

Research Question 2: To examine the impact of Autocratic Culture on employee attitude

Correlations			
		Attitude	Autocratic
Attitude	Pearson Correlation	1	.744**
	Sig. (2-tailed)		.000
	N	90	90
Communication	Pearson Correlation	.744**	1
	Sig. (2-tailed)	.000	
	N	90	90

** . Correlation is significant at the 0.01 level (2-tailed).

Table 4 Correlation statistics

From the above table, it is depicted that Autocratic Culture and employee attitude are highly associated with r-value (coefficient of correlation) "0.744". Since the correlation is significant at 0.01 and p value (as indicated in the table4.1) is 0.00, the result obtained is significant due to the fact that $0.00 < 0.01$. Therefore, it is clear that Autocratic Culture do effect on attitude of employees in the organization.

Regression between Autocratic Culture and Attitude

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.744a	.553	.548	.32114

a. Predictors: (Constant), Autocratic Culture

Table 5 Regression statistics

R = Coefficient of Correlation = .744 Thus both the variables Autocratic Culture and Attitude are highly correlated

R2 = Coefficient of Determination. R2 signifies how much impact the independent variable has on dependent variable

R2 = .553 Thus the Autocratic Culture have moderate impact on the Employee attitude.

Adjusted R square (.548) is showed because I have many questions defined under a single parameter thus this is the combined R2 for all questions in that parameter.

Coefficientsa						
Model B		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	.808	.130		6.212	.000
	Autocratic Culture	.615	.059	.744	10.443	.000

a. Dependent Variable: Attitude

Table 6 Coefficients statistics

Beta β = Coefficient of Regression

From the Table it can be seen that Beta Autocratic Culture is .615 thus it shows that communication have a moderate level of impact on the Employee attitude

Research Question 3: To examine the impact Bureaucratic Culture on employee attitude

Correlations			
		Attitude	Bureaucratic Culture
Attitude	Pearson Correlation	1	.654**
	Sig. (2-tailed)		.000
	N	90	90
Bureaucratic Culture	Pearson Correlation	.654**	1
	Sig. (2-tailed)	.000	
	N	90	90

** . Correlation is significant at the 0.01 level (2-tailed).

Table 7 Correlation statistics

From the above table, it is depicted that Bureaucratic Culture and employee attitude are highly associated with r-value (coefficient of correlation) "0.654". Since the correlation is significant at 0.01 and p value (as indicated in the table4.1) is 0.00, the result obtained is significant due to the fact that $0.00 < 0.01$. Therefore, it is clear that Bureaucratic Culture do effect on attitude of employees in the organization.

Regression between Bureaucratic Culture and attitude

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.654a	.428	.422	.36337

a. Predictors: (Constant), Bureaucratic Culture

Table 8 Regression statistics

R = Coefficient of Correlation = .654 Thus both the variables Bureaucratic Culture and values are moderately correlated

R2 = Coefficient of Determination. R2 signifies how much impact the independent variable has on dependent variable

R2 = .428 Thus the Bureaucratic Culture have moderate impact on the Employee attitude.

Adjusted R square (.422) is showed because I have many questions defined under a single parameter thus this is the combined R2 for all questions in that parameter.

Coefficientsa						
Model B		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	1.036	.139		7.459	.000
	Bureaucratic Culture	.449	.055	.654	8.119	.000

a. Dependent Variable: Attitude

Table 9 Coefficients statistics

Beta β = Coefficient of Regression

From the Table it can be seen that Beta career is .449 thus it shows that Bureaucratic Culture have a moderate level of impact on the Employee attitude

Research Question 4: To examine the impact Recognition on employee attitude

Correlations			
		Attitude	Technocratic Culture
Attitude	Pearson Correlation	1	.755**
	Sig. (2-tailed)		.000
	N	90	90
Technocratic Culture	Pearson Correlation	.755**	1
	Sig. (2-tailed)	.000	
	N	90	90

** . Correlation is significant at the 0.01 level (2-tailed).

Table 10 Correlation statistics

From the above table, it is depicted that Technocratic Culture and employee attitude are highly associated with r-value (coefficient of correlation) "0.755". Since the correlation is significant at 0.01 and p value (as indicated in the table4.1) is 0.00, the result obtained is significant due to the fact that 0.00 < 0.01. Therefore, it is clear that Technocratic Culture do effect on attitude of employees in the organization.

Regression between recognition and attitude

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.755a	.571	.566	.31489

a. Predictors: (Constant), Technocratic Culture

Table 11 Regression statistics

R = Coefficient of Correlation = .755 Thus both the variables recognition and values are moderately correlated

R2 = Coefficient of Determination. R2 signifies how much impact the independent variable has on dependent variable

R2 = .571 Thus the Technocratic Culture have moderate impact on the Employee attitude.

Adjusted R square (.566) is showed because I have many questions defined under a single parameter thus this is the combined R2 for all questions in that parameter.

Coefficientsa						
Model B		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	.610	.144		4.251	.000
	Recognition	.680	.063	.755	10.815	.000

a. Dependent Variable: Attitude

Table 12 Coefficients statistics

Beta β = Coefficient of Regression

From the Table it can be seen that Beta Technocratic Culture is .680 thus it shows that recognition have a moderate level of impact on the Employee attitude.

Research Question 5: To examine the impact Entrepreneurial Culture on employee attitude

Correlations			
		Attitude	Entrepreneurial Culture
Attitude	Pearson Correlation	1	.792**
	Sig. (2-tailed)		.000
	N	90	90
Entrepreneurial Culture	Pearson Correlation	.792**	1
	Sig. (2-tailed)	.000	
	N	90	90

** . Correlation is significant at the 0.01 level (2-tailed).

Table 13 Correlation statistics

From the above table, it is depicted that Entrepreneurial Culture and employee attitude are highly associated with r-value (coefficient of correlation) "0.792". Since the correlation is significant at 0.01 and p value (as indicated in the table4.1) is 0.00, the result obtained is significant due to the fact that 0.00 < 0.01. Therefore, it is clear that Entrepreneurial Culture do effect on attitude of employees in the organization.

Regression between respect and attitude

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.792a	.628	.624	.29310

a. Predictors: (Constant), Entrepreneurial Culture

Table 14 Regression statistics

R = Coefficient of Correlation = .792 Thus both the variables Entrepreneurial Culture and attitude are moderately correlated.

R2 = Coefficient of Determination. R2 signifies how much impact the independent variable has on dependent variable

R2 = .628 Thus the Entrepreneurial Culture have moderate impact on the Employee attitude.

Adjusted R square (.624) is showed because I have many questions defined under a single parameter thus this is the combined R2 for all questions in that parameter.

Coefficientsa						
Model B		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		Std. Error	Beta			
1	(Constant)	.796	.113		7.049	.000
	Respect	.661	.054	.792	12.189	.000

a. Dependent Variable: Attitude

Table 15 Coefficients statistics

Beta β = Coefficient of Regression

From the Table it can be seen that Beta Entrepreneurial Culture is .661 thus it shows that respect have a moderate level of impact on the Employee attitude.

CONCLUSION

The relationship between Organizational Culture is tested against employee attitude. The results indicate that there is a significant relationship between the two variables (r2 =.803, r=.896, n=90, p<.01) and the correlation is high and there is very high impact. The relationship between Autocratic Culture is tested against employee attitude. The results indicate that there is a significant relationship between the two variables (r2 = .553, r=.744, n=90, p<.01) and the correlation is high and there is moderate impact. The relationship between Bureaucratic Culture is tested against employee attitude. The results indicate that there is a significant relationship between the two variables (r2 =.428, r=.654, n=90, p<.01) and the correlation is

high and there is moderate impact. The relationship between Technocratic Culture is tested against employee attitude. The results indicate that there is a significant relationship between the two variables ($r^2 = .571$, $r = .755$, $n = 90$, $p < .01$) and the correlation is high and there is moderate impact. The relationship between Entrepreneurial Culture is tested against employee attitude. The results indicate that there is a significant relationship between the two variables ($r^2 = .628$, $r = .792$, $n = 90$, $p < .01$) and the correlation is high and there is moderate impact.

The study was conducted to understand the importance of Organizational culture in enhancing the Employee Job Attitude. According to Harrison & Stokes (1992), culture shapes both beliefs and attitudes of all organizations' members and accordingly their behavior and most importantly their performance. This study examined the impact of four Organisational Cultural variables namely Autocratic, Technocratic, Entrepreneurial and Bureaucratic on employee attitude to the organization and found a strong correlation between Organisational Culture and Employees Job Attitude.

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