# Impact of Organizational Culture on the Indian I.T Workforce's Job Satisfaction and Stress: Qualitative Report from SMEs operating in Trivandruam

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**Abstract**
The qualitative paper investigates the impact of organisational culture on the job satisfaction of employees working in the small and medium size I.T firms operating in the south of India. The paper undertakes the application of Denison's model for exploring the organisational culture and Spector JSS survey to examine employees' job satisfaction through 5 points Likert Scale. This exploratory study targeted 400 employees in the 30 different organisations however 280 participated in this study. For data analysis mainly MS Excel Integrated package was used for the purpose of labelling, coding, and percentages. The results indicates that organisational culture has a significant positive impact on the employees' job satisfaction. It drives them in determining organisational goals as well strengthen strategic direction to the organisation. Additionally, learning culture enhance employees' commitment and career growth chances. However, it is evident that females have higher job satisfaction in contrast to males. Despite, there is high level of satisfaction evident but it is also found that reward and promotion increase job satisfaction among lower level staff while organisational culture has direct relationship with stress.
**Keywords:** Organisational culture; Job Satisfaction; Career Growth; Monetary Rewards; Occupational Stress

## Introduction

The perception towards organisational culture has become more significant from early 1980s. Culture mainly covers the values, opinions and attitudes of a company. Culture refers to how the things are done within the organisation (Nayak & Barik, 2013). It is also famous that the culture of the organisation is mainly deals with the direction of learning. Thus, it is significant to recognise the aspects of the culture of the company before any change is going to implement. It can be seen that the hidden rules and expectations of behaviour in an organisation where the rules are not officially considered, employees know what is anticipated from them. The management is usually responsible to make decisions on policy about the organisation culture (Armstrong, 2006).

Job satisfaction is the evaluation of employees of his job responsibilities and the working environment and as the result of the satisfaction, the employees develops positive or negative attitude towards the rules, beliefs and values of the organisation which have an impact on the working conditions. These positive or negative effect of job evaluation is important to discuss because it is significant for the well-being and success of the organisation. Organisations has to give importance to the culture, because higher the level of culture, higher will be the level of job satisfaction which improves the productivity of the employees. Therefore, that it is important to understand the relation between the culture and job satisfaction of employees (Tsai, 2011).

For this study, IT industry is chosen because it enables researcher in exploring the phenomenon in depth rather than width. Additionally, this sector has significantly contributed to the growth and GDP of India in last three to four decades thus it is significant sector of a country that is currently experiencing boom in Economy. In addition to that, previous studies are largely focused on the developed economy. There is no conclusive evidence from the literature at hand that the relationship between variables of interest being examined in a qualitative manner in the context of India. Hence, this study is significant in contributing to the managerial literature in the developing countries context, specifically India.

## Aim

*"To examine the impact of organisational culture on the overall job satisfaction of employees in Indian IT industry".*

## Literature Review
### Organisational Culture

Lund (2003) argued that the levels of job satisfaction varies as per the typology of the organisational culture. Other study was conducted by Chow *et al.*, (2001) to investigate the connection between the culture of the organisation and job satisfaction in a Chinese background of culture. The results were supportive for the significance of the culture of the organisation with certain negative outcomes. However, there is still no conclusive evidence from the Indian Context as there is a clear difference in the life style and social attributes of working class in India and China. Interestingly, Faizan & Haque (2016) argued that social attributes affects the performance of gender to large extent in the developing country. However, the above study is carried out in Pakistan thus, it is closely linked with the India as two countries have similar culture to certain extent, if not entirely.

Furthermore, the research by Pool (2000) and Allen (2003), that the culture with positive impacts will mainly decrease the role stressors, so that it reduces the tension towards job and enhances job satisfaction, performance towards job and commitment. However, the study of

Haque & Yamoah (2014) argued that the job satisfaction and organisational commitment varies among the employees in terms of gender. Thus, there is no conclusive evidence that organisational culture impacts the job satisfaction of male and female differently. Interestingly, the study of Haque & Yamoah (2014) strongly argued that females have higher organisational commitment in contrast to males, thus demonstrate higher level of job satisfaction. Additionally, Haque & Aston (2016) and Haque, Aston, & Kozlovski (2016) found consistently that the job stressors work differently on the employees working at different layers of the management.

The research by Gifford, Zammuto, & Goodman (2002) suggest that the culture in the organisation affect the quality of work of the nurses and the cultural values towards human relation were positively connected to the commitment towards the organisation, involvement towards job, empowerment and satisfaction towards job. Other research study conducted by Gray, Densten and Sarros (2003) shows the significance of rewards and supportiveness are considered as the main characteristics towards culture, also there is a strong connection with job satisfaction. Chang & Lee (2007) argued that leadership has effective role in the development of the organisational culture. The various researches of Haque & Yamaoh (2014) and Faizan & Zehra (2016) found out that employees with strong organisational culture becomes to show higher commitment towards the organisation and also increased job satisfaction within the health care sector.

Research by Crawford et al., (1999) discovered a casual modelling approach to study the factors of commitment in organisation and turnover of the employees. The main factors described in the study was different factors like age, expectations of pre-employment, characteristics of job and the dimension of the style of leadership (Haque et al., 2015; Faizan & Zehra, 2016). These all factors influence the commitment indirectly through the effects of satisfaction of job

Schein (1989) defined different cultural elements like the layout of the office of the organisation, interactions that taught to newcomers of that organisation, basic values like ideology and philosophy and the categories which allows people to communicate and understand everyday incidents. Scholars like Odom, Boxx and Dunn (1990) discovered that the culture which is bureaucratic never improves nor distracts the commitment of the employees and satisfaction. From their research, it can be understand that the attitudes of the employees and their behaviours can be improved by the culture of the organisation which shows some innovative characteristics. Interestingly, there can see an important model of culture and effectiveness in an organisation known as Denison's Model of Culture (Denison, 1990). This model mainly concentrates on the relations of the culture of organisation, the practices of management, performance and its efficiency. The model suggests that there can see mainly four behaviours of culture which includes involvement, consistency, adaptability and mission. Involvement trait which comes the first, is the extent to which people at all other levels of the firm has to work upon the mission and work in a co-operative manner to accomplish the objectives of the organisation. Mainly companies are connected and considered as difficult to change (Kanter et al, 1992).

### Job Satisfaction

Each and every individual dream about a better job in which they are properly motivated, gets respect and also well paid in terms of salary (Malik et al., 2010). Research by Locke (1976) discusses job satisfaction as a positive emotional level which leads to the appraisal of one's job or the experience of the job.

For researching about job satisfaction, in this research the researcher used Job Satisfaction Survey (JSS) developed by Paul E. Spector (1985) is a nine- facet scale to measure the attitude of the employees about the aspects of job (Liu *et al.*, 2004). These includes:

1. Pay: The amount of the remuneration in terms of finance that is received by the employees.
2. Promotion opportunities: The opportunities for progression in the hierarchy.
3. Supervision: The capabilities of the supervisor to deliver technical assistance and the support towards behaviour.
4. Fringe benefits: This includes both monetary and non-monetary benefits.
5. Operating procedures: The policies and procedures related to the organisation.
6. Contingent rewards: This one covers the recognition, appreciation and rewards for the better work.
7. Co-workers: The extent to which the fellow colleagues are efficient and supportive.
8. Nature of work: The limit to which job gives the employees with interesting tasks, learning opportunities and chance to accept responsibility.
9. Communication: Process of communication within the organisation.

### Organisational Culture and Job Satisfaction

Jimfraser *et al.*, (2002) suggests that the culture of the workplace is the basis from which the employees are developing an understanding about the suitable behaviour in the organisation. The study by Harris and Mossholder (1996) suggests that the culture within the organisation is the focus from which all elements of human resource management evolve. Wallach (1983) discussed that the job performance and the outcomes of job includes job satisfaction and involvement mainly depend on the match between the characteristics of the employees and culture of the organisation. The research done by Odom Boxx and Dnun (2003) shows that the bureaucratic culture neither enhances nor reduces the commitment of the employees and satisfaction.

The research study by Tsai (2011) suggests that the organisational culture is positively related with leadership behaviour and job satisfaction and also leadership behaviour positively related with job satisfaction. Sabri, Ilyas, & Amjad (2001) find out that organisational culture can be classified into two categories: organisational culture associated with managers and leaders and organisational culture related with employees. These both culture have a positive impact on job satisfaction.

Despite there is large number of researches available on the topic but these studies are mainly linked in the developed economies or developing economies other than India. Therefore, there is a need to explore the variables of interest in India's context, especially taking the I.T sector that is experiencing rise. Hence, from the above literature, the theoretical framework is developed to develop research instruments.

### Methodology

According to Mackenzie & Knipe (2006), the research following interpretivism philosophy falls in Socio-anthropological Paradigm. Hence, this study also follow interpretivism therefore it falls in socio-anthropological paradigm. Moreover, interpretivism research philosophy is undertaken to interpret and analyse data in qualitative manner. The process of inducing data is known as inductive approach (Sekaran & Bougie, 2010). In this study, similar inductive approach is undertaken to examine the variables of interest. The HR department was contacted through email to seek their consent. With their formal approval, data was gathered

through circulation of the survey questionnaire based on 5-points Likert scale (1=Strongly Disagree to 5=Strongly Agree). It contained 23 questions including demographic information, organisational culture, stress, and job satisfaction. The companies were selected using both; random sampling, and convenience sampling. For the targeting of respondents. Convenience sampling was used because it was essential to ensure that respondents participate on their own convenience. For avoiding ambiguity, the questions were formulated in a precise manner. The questionnaires were in English.

Pilot study enabled to redefine the questions in a correct manner and easy to understand by the respondents. HR was asked to circulate the GOOGLEDOC questionnaire link on the behalf of the researcher. Additionally, in order to ensure that reliability, credibility, and validity is maintained, researcher used "triangulation approach". Moreover, the participants were informed that their participation is voluntary and they can chose to leave anytime if they wish. In addition to that, it was ensured that their personal information is not disclosed to anyone at any stage of the research.

The total response rate is 70% as out of 400 employees, only 280 filled and returned the complete questionnaire. In Denison model culture a company has to get minimum 250 respondents from the representative population (Denison, 1990). The response rate was 70%. The researcher mainly used two models for measuring organisational culture and job satisfaction. For organisational culture, he used Denison cultural model (1990) and for job satisfaction he used Spector (1994) of Job Satisfaction survey (JSS). Data were analysed using excel and used percentages and tabulation, from that interpreted the data manually.

### Findings And Discussions
### Demographic characteristics of employees in IT sector

In this study, the demographic variables reflect that majority of the respondents are females (54%) in between (31-35) age brackets (32%), having Masters Degree (46%) with 36% having 6-8 years working experience.

### Attitudinal and Behavioural Questions

The detailed analysis showed that, majority of the respondents (53%) clearly understood the existing management style however females-to-male ratio, females have higher than male in understanding management practices (61% against 39%). Thus, this study is aligned with the Denison model (1990) as it supports the notion of core values supported by workforce reflect strong organisational culture. In addition to that, majority of the participants (48%) confirmed that they have comprehensive awareness about the morally right and wrong things being done insider the organisation while 21% remain neutral and only 31% disagreed to it. This reflects that there is strong self-consensus prevailing inside the organisations. Furthermore, 68% agreed that they prefer working with other colleagues due to the existing organisational culture and the internal environment of their respective organisations. It can be seen that the organisation is following co-ordination and integration which comes under consistency of Denison model (1990).

The participants were asked about the innovation and new ways improving their working efficiency, commitment, and job satisfaction. Interestingly, the findings showed that approximately 71% agreed that innovation and quality work life improves their commitment and job satisfaction. Thus, this study support the previous work of Faizan & Zehra (2016). Additionally, there is no conclusive evidence that transformational leadership style inside the organisations increase job satisfaction. Hence, this study differs from the work of Avolio & Bass (2006). However, this study support the notion of Haque *et al*., (2015) that under female

leadership, the job satisfaction increases. This indicates that organisational culture promoting innovation and flexible leadership style have impact on the commitment and job satisfaction of employees. Moreover, in terms of learning in the day-to-day work, it can see that 66% of the respondents strongly agree and confirmed that it leads to enhance their organisational commitment, specifically affective and continuance commitment. Therefore, this study supports the previous work of Hemdi (2009); Hassan, Hassan & Shoaib (2014), Haque & Yamoah (2014).

Interestingly, this study showed that 65% (majority) agreed that clear vision, strategic directions, and attainment of the organisational goals become easy due to organisational culture. Moreover, the organisational culture has been significant in creating the employees' positive attitude towards the functioning of the organisations as in this study 64% agreed to it. Thus, this study is consistent with the Denison Model (1990) in this regard. Furthermore, this study also found that those organisation that lacks the delegation of authority has low employee performance, job satisfaction, and career directions. In addition to that, majority of the participants 51 (%) agreed stress is higher when there are limited opportunity to work on their own accord. Interestingly, the in-depth analysis showed that those having higher stress has lower organisational commitment and job satisfaction. Hence, this study support the previous studies of Haque & Aston (2016) and Haque *et al*., (2016). However, there is no evidence found that social support can be effective in reducing stress or increasing job satisfaction therefore this study differs from Sacky & Sanda (2011).

In addition to that, it is also evident that females have higher job satisfaction in contrast to their counterparts (63% against 37%). Therefore, this study support the work of Haque & Yamoah (2014). Moreover, males have higher stress in contrast to females (58% against 42%). Hence, the study support the work of Haque, Aston & Kozlovski (2016) and Haque & Aston (2016) In relation with the organisational culture, it is also evident that the degree of the stress is higher in the organisations where there is a culture of autocratic leadership style and low growth opportunity. Interestingly, the pay and increment is evident to increase job satisfaction (59%). Thus, this study support the work of Colakglu & Culha (2010); Zhang & Li (2013); and Swathi (2014). Hence, this is confirmed from this study that career opportunities and promotions enhance the job satisfaction of employees. In addition to that, majority of the respondents (68%) agreed that supervisors play essential role in the job satisfaction of employees. Thus, a culture and environment inside the organisation promoting a supportive role of the supervisor is essential in the growth and developing of the employees as well as increases commitment and job satisfaction. Thus, this study is aligned with the work of Zehra (2016) and Haque *et al*., (2015).

Lastly, the results confirmed that those organisations that promote the culture of communication has more satisfied workforce as in this study in all targeted organisations, the fact is evident and supported by 71% of the entire sample size. However, this study also showed that the higher the level of the employees do not means that there is higher stress. Stress is more commonly evident in the lower level staff in contrast to middle level (79% against 21%). Thus, this study is consistent with the work of Haque *et al*., (2016) and Haque & Aston (2016).

### Conclusion And Recommendation

From the above findings and discussions, it is concluded that there is direct positive and significant relationship between organisational culture and job satisfaction. It is evident from the findings that organisational culture has a significant role in increasing organisational

commitment. Furthermore, strategic direction and organisational goals are determined by organisational culture. In addition to that, organisations having rich culture increases the chances for career growth and advancement and organisational commitment; specifically affective and normative commitment. Interestingly, the study found that males have lower while females have higher job satisfaction resulting from the friendly environment and enrich culture. The study also found that rewards and promotion only increase the job satisfaction of lower level employees in comparison to middle and top level positioned employees. Nevertheless, stress has direct linkage with the organisational culture. Those organisations having rich culture has low stress among workforce and vice versa. This study also concluded that female workers exhibit low stress in contrast to male employees.

Based on findings, researcher has made following recommendations:

The organisations shall introduce the occupational therapist role to deal with the occupational therapists. Moreover, it is also suggested that the organisations should have more adaptability in attaining the organisational mission and goals. There should be adequate grooming sessions for employees to have clear career dimensions as this will increase their organisational commitment and job satisfaction.

This study is cross-sectional therefore the events are studied only once thus there is no evidence of variation in different time intervals. Thus, it is suggested that future researchers should consider longitudinal research design to investigate the relationship. In addition to that, this study only include the organisations from one part of India, hence it would be more effective if the different regions in India are included to have more generalized results. In addition to that, this is a qualitative study thus the phenomenon is explore but future researchers shall opt for mixed methodology to include statistical test in order to support the findings with numerical significance.

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