

## Original Paper

# Studying the Dimensions of Corporate Culture in Indian IT Companies

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### Abstract

*The objective of the study is to find out how employees perceive the organizational culture in three leading IT companies. It is an exploratory research. A primary research was conducted through an administration of a structured questionnaire. The sample size is 165 consisting of employees from three leading IT organizations in India. Most project work in the IT sector is done in teams. Hence proper team building is a pre-requisite to high performance and ensures that everyone is aligned and working equally hard to the team and the organisation's goals. Team orientation can be fostered by having quarterly project parties and having occasions to meet formally and informally and capture feedback from one another. Creating an easily accessible centralised knowledge management system is the key to information sharing. Also with the advent of newer technologies coming up, the organisation needs to have heavy investment in training infrastructure in order to keep pace with the market needs. For this dedicated learning and training function needs to be setup in most organisations whose mandate would be to up-skill people based in customer needs and changes in the technology environment. Involvement and Adaptability are indicators of flexibility, openness and responsiveness; which are strong indicators of growth. Mission and Consistency are indicators of driving direction, integration and vision, and are strong indicators of profitability and efficiency. These four traits of organisational culture if monitored and harmoniously used are the key to ensure high performance within the organisations. Aligning*

*culture and leadership goals are keys to organisational success. All the four dimensions of organisational culture are heavily influenced by leadership based interventions in an organisation.*

**Keywords**

*adaptability, consistency, involvement, leadership, mission, performance*

**1. Introduction**

The Indian IT industry utilizes almost 1.5 million workers. As the business mushroomed in size, the difficulties in Human Resources have expanded in huge particularly given that this industry is an administration industry whose achievement is dictated by the fulfillment and hard working attitudes reared into every representative. Obviously reproducing inventiveness, creativity, information and up-skilling workers is an essential switch to drive the organization's execution. It isn't capital or account or advertising the executives that gives the serious edge yet rather how well you can deal with your HR whose scholarly applications drive your business.

It is accepted that for an organization to accomplish its destinations and address the HR difficulties, organizational culture and worker inclusion are totally essential to guarantee employees' concerns. Examination has been directed in such manner which has reasoned that organizations who out-perform have explicit social contrasts from their failing to meet expectations of the peers. Various investigations have been led in this field which have discovered that authoritative culture, worker contribution and hierarchical execution are emphatically related.

The subject of the paper is to examine the organizational culture inside significant Indian IT firms and comprehend what credits contribute superior in these organizations. The examination additionally tries to comprehend the distinctions in the way of life of a portion of the top businesses in this area to acknowledge contrasts in HR way and to deal with empowering representative of the organization. In this exploration, we look to comprehend the employees' view of the organization culture and comprehend what is functioning admirably and what isn't functioning admirably in these IT organizations. We explicitly will utilize the Denison model (presented later) to investigate organization culture of every one of these organizations along 4 significant qualities which characterize Organisation culture, namely Mission, Adaptability, Involvement and Consistency.

The paper proceeds with a review of the literature, setting the study and research questions in context, followed by a description of the research methodology. Subsequently the research findings are analysed and implications of Organisation culture and employee involvement are outlined. The concluding section summarises the findings and suggests further research.

**2. Literature Review**

Ocasio (2017) Examination in hierarchical force and reliance follows, nonetheless, not a solitary line of improvement but rather different and on occasion opposing methodologies. These incorporate perspectives on force as arising out of administrative structures, moving political alliances, primary

possibilities and asset conditions, authoritative demography, institutional rationales and hierarchical organizations. These various methodologies have not met up into a brought together comprehension of intensity and reliance, yet reflect rather a coordinated rebellion of assorted exploration issues and hypothetical arrangements all distinguishing the pervasiveness and criticality of authoritative force, yet depending on various components to clarify its determinants and results. O'Neill (2016) The investigation suggests that hierarchical culture and structure direct the conduct of representatives through the decrease of vulnerability and ambiguity. Besides, varying degrees of both social and primary impacts are executed in various authoritative sorts dependent fair and square of expertise, creativity, and preparing expected of the assignments being performed by individuals from the organization, and dependent on the geological scattering of the workers themselves. Shimasaki (2020) Every representative carries with them a specific arrangement of fundamental beliefs, and it is basic that each recently recruited employee upholds guiding principle consistent with those that the organization wants. The capacity to perceive alluring attributes and fundamental beliefs in recently recruited employees helps fabricate and keep a corporate culture that is enduring and adds to the general accomplishment of the organization. Islam et al. (2019) The outcome uncovers that by and large corporate manageability execution is low, and a less fortunate presentation is found with respect to social duty. The examination contributes in the writing by introducing a various leveled appraisal system for understanding corporate supportability execution. Valmohammadi and Roshanzamir (2015) The discoveries of the investigation propose that Tehran's drug organizations underscore on security more than adaptability. The examination shows the positive direct impacts of culture and TQM on execution and furthermore the positive circuitous impact of culture through its constructive outcome on TQM. By examining the way of life profile, improvement levels of TQM classes and execution pointers, some proper hypotheses of adequacy and quality procedures are recommended. Rashid et al. (2004) The acknowledgment levels of mentality towards hierarchical change shifts as indicated by various sorts of authoritative culture. This implies that specific sort of hierarchical culture can encourage the agreeableness of progress, while different kinds of culture can't acknowledge it. Calciolari et al. (2018) Hierarchical culture may impact results, particularly in open medical services where the organizations are described by solid expert control. The examination found that predominant judicious and progressive culture types are related, separately, with higher intensity and better monetary outcomes. Improving a particular exhibition measurement may require social changes planned to adjust qualities to focused outcomes. Sachin and Patil (2012) Parts of authoritative culture, for example, instruction and preparing, organization structure, open correspondence, prize and impetuses, labor force adaptability and specialist contribution, can assist the organizations with defeating the boundaries of information the executives in order to accomplish the upper hand. Kumari (2018) the representatives are very little clear about their objectives and the motivation behind the organization. The representatives are not happy with the current structure and the division of the work in the organization, and furthermore with the current prize component of the organization. Anyway the representatives are

happy with their chiefs and their administration styles.

Kumari (2014) the investigation reasons that apparent reasonableness of execution evaluation conduct assumes an indispensable job in adding to authoritative working and execution along these lines giving a superior clearness to the connection between worker execution and saw decency of execution examination. Julia et al. (2011) Authoritative culture has come as a determinant of development methodology. It tends to be seen that various leveled societies advance impersonation societies and adhocracy societies encourage development techniques. Serrat (2017) Culture directs the manner in which people bunches in an organization to collaborate with each other with parties outside it. Unfortunately, for other people, authoritative culture is the most troublesome trait to transform: it outlasts organizers, pioneers, supervisors, items, administrations, well-near the rest. It is best improved by authoritative learning for change. Verdu-Jover et al. (2018) The investigation recommends that underlying adaptability and reflexive adapting decidedly influence item/administration development results by making a versatile culture. The consequences of the investigation uphold the hypothetical model, and lead to certain ramifications for the administration of culture. Carl et al. (2002) It is conceivable to precisely speak to an organization's connection with its outside and interior climate concerning its filtering approach and conventional technique. Kumari & Singh (2018) the connection between work culture and Performance Management System (PMS) was considered. It was concluded that the organization should direct courses and various exercises to create cooperation among workers. HR should take guarantee that the expected set of responsibilities would plainly characterize KRA's. Workers ought to be associated with the cycle of objective setting.

### **3. Research Methodology**

#### *3.1 Objectives of the Study*

- To find out how employees perceive the organizational culture in three leading IT companies.
- To determine the various ways and means in order to improve the organizational culture of the IT sector companies.

#### *3.2 Research Design*

It is an exploratory research. A primary research was done with the help of a structured questionnaire. This was followed with the informal interviews of the employees to have a better insight into the problem. The sample size is 165 consisting of 54 employees from Infosys, 55 employees from 55 and 56 employees from Steria India.

For the quantitative research, a structured questionnaire was created and circulated to a sample of people working in leading companies like Infosys, TCS and Steria. For each of the parameters, statements were made and respondents were asked to rate their response on a 5 point Likert scale with the following options—Strongly Agree, Agree, Neither Agree or Disagree, Disagree and Strongly Disagree.

#### 4. Data Analysis & Interpretations

To understand the organizational culture, we have used the Denison Model, which provides the link between organizational culture and bottom-line performance measures such as return on investment, sales growth, quality, and innovation and employee satisfaction. According to the Denison model, there are four critical traits which define an organization's culture, namely – Mission, Adaptability, Involvement and Consistency. The key aspect of this approach was to look into the leading companies in the Indian IT industry and look at all the four parameters of Organisational culture and their twelve sub traits. To do this a quantitative research strategy was adopted which have focused at all the four main parameters of organisational culture and the twelve sub parameters of the same.

##### 4.1 Parameter 1: Adaptability

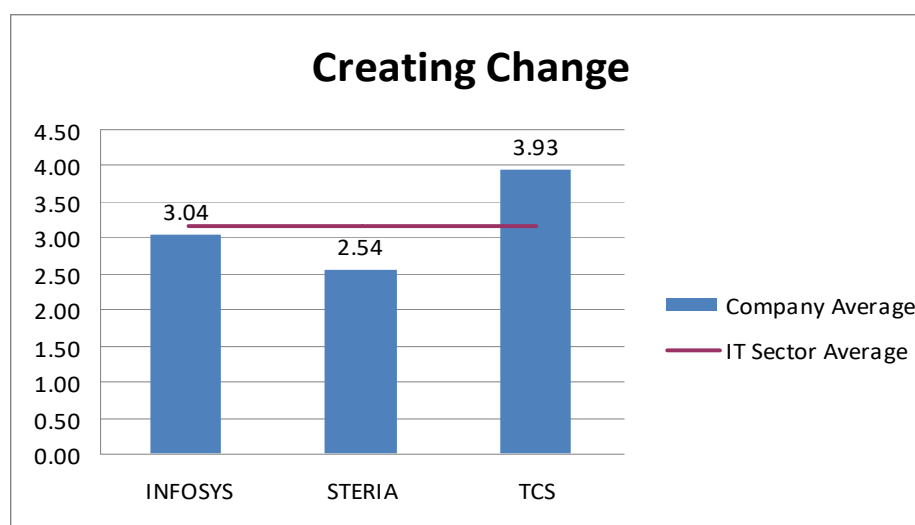
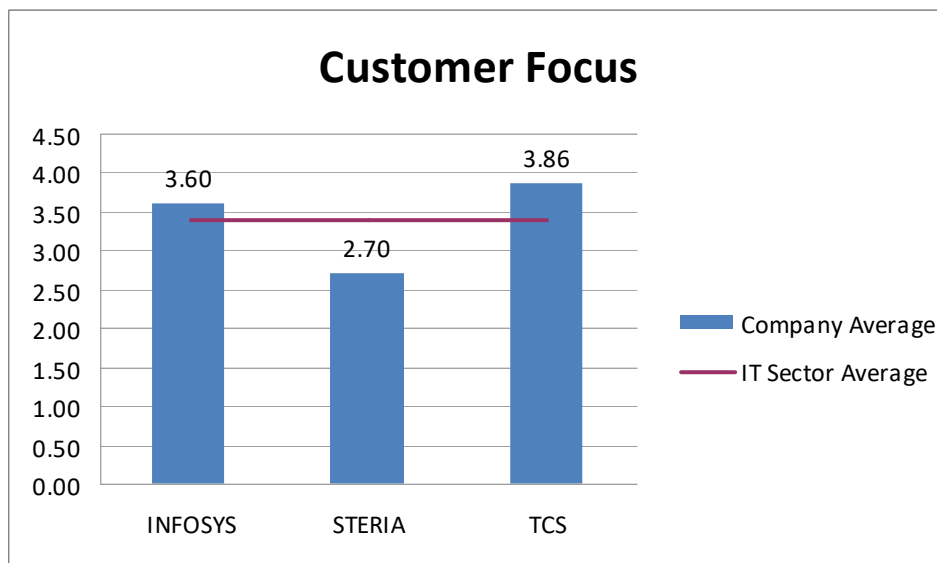


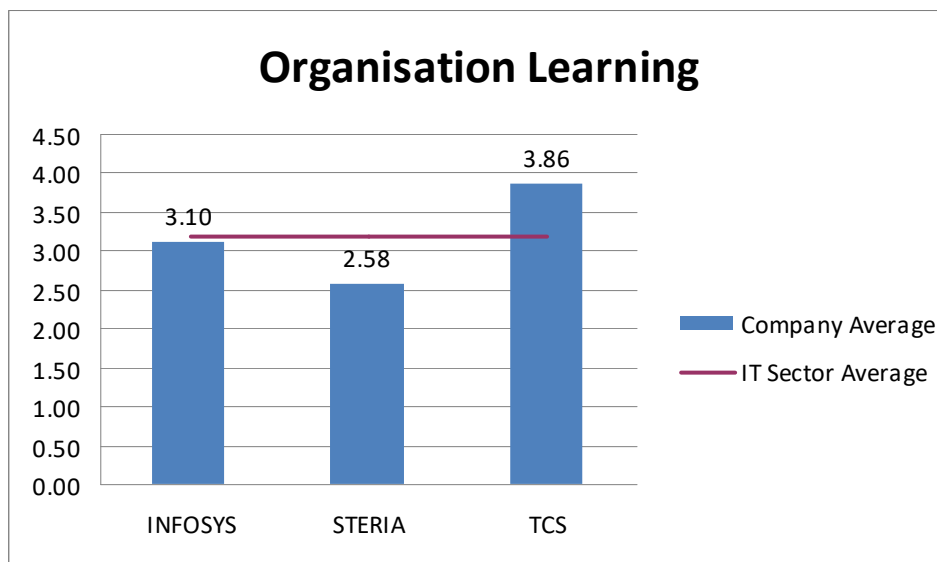
Figure 1. Responses for Q-1

Interpretations: TCS is scoring 3.93 on a scale of 5 which is a high score as compared to 3.04 for Infosys and 2.54 for Steria. This means that TCS welcomes change and is willing to try new ideas. Also, TCS clearly sees creating change as important part of the way they do business. Steria scores lowest and is even below the IT industry average which is 3.17 which clearly means that Steria isn't as enthusiastic as TCS in experimenting with new ideas.



**Figure 2. Responses for Q-2**

Interpretations: IT sector average score is 3.39 and TCS is scoring the highest with 3.86 and Infosys is on second highest scoring 3.60 which means that in these two organisations the employees recognise the need to serve their customers both internal and external. Whereas Steria scores only 2.70 which is lowest amongst the three, which says that continually exceeding the customer expectations by looking at new and improved ways is not a norm at Steria.



**Figure 3. Responses for Q-3**

Interpretations: TCS scores the highest with 3.86 and next highest is Infosys with 3.10. Infosys is just below the IT sector average which is 3.18. This shows that TCS and Infosys learns from the successes and failure and thoughtful risk taking is encouraged. Whereas Steria scores the lowest amongst the three with just 2.58 which means they are not very open to risk approach.

#### 4.2 Parameter 2: Mission

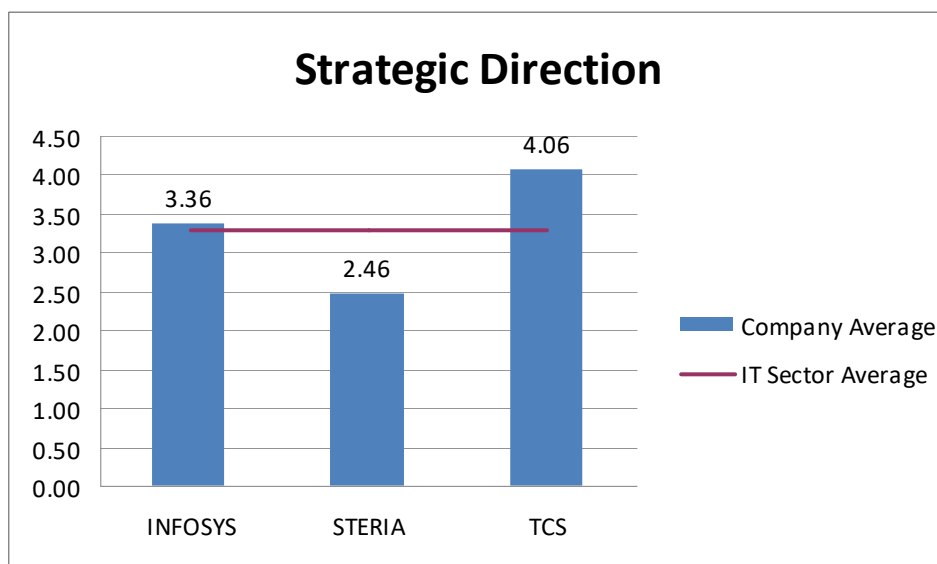


Figure 4. Responses for Q-4

Interpretations: TCS scores 4.06 and Infosys scores 3.36 which are well above the IT sector average of 3.29. This shows that the strategies and priorities that these two companies have been creating over the years in order to meet their vision have been implemented well. On the other hand, Steria's score is 2.46 which is even below the IT sector average score.

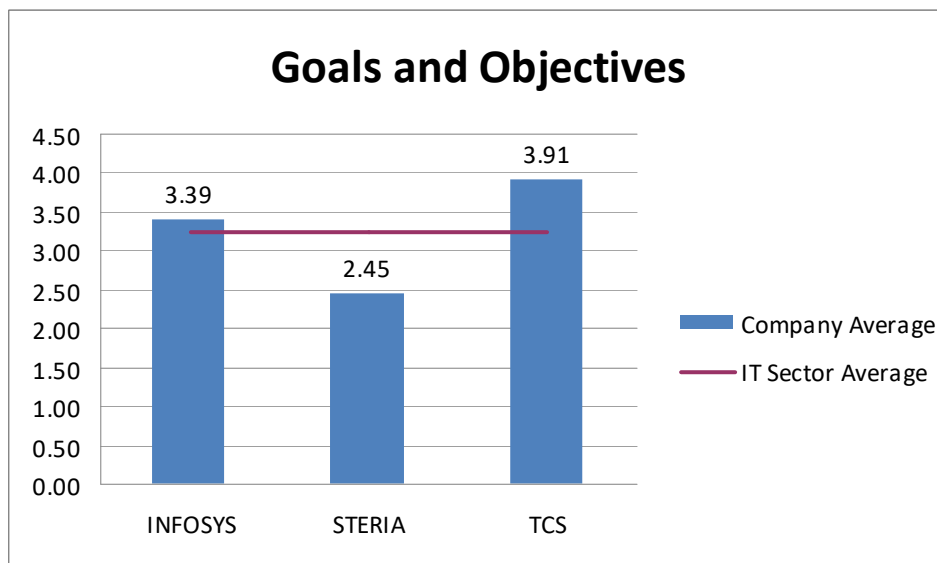


Figure 5. Responses for Q-5

Interpretations: The average IT sector score here is 3.25 and TCS as well as Infosys are well above the line with their scores as 3.91 and 3.39 respectively. This means that these two companies pay attention to align each and every employee's daily activities with their vision. Steria scores low on this parameter with 2.45.

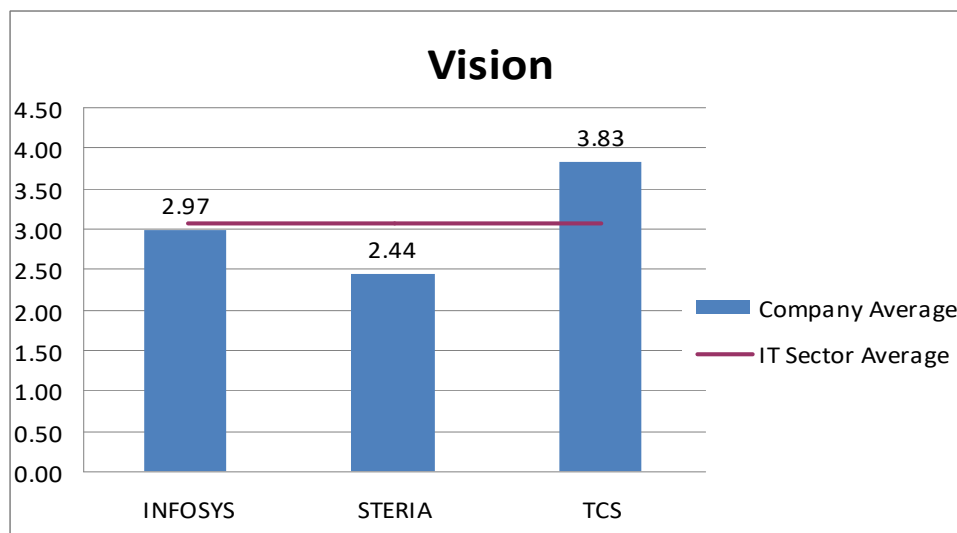


Figure 6. Responses for Q-6

Interpretations: TCS is scoring the highest with 3.83, while Infosys with 2.97 and Steria with 2.44 are well below the IT sector average score of 3.08. This means TCS and Infosys have established the reasons for their existence within the market.



#### 4.3 Parameter 3: Consistency

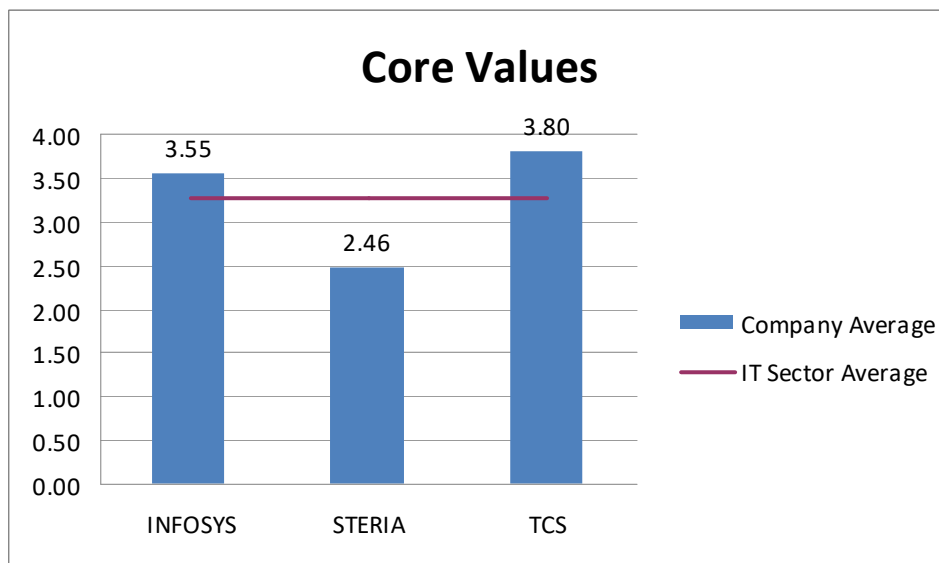


Figure 7. Responses for Q-7

Interpretations: TCS and Infosys score highest on this parameter with a score of 3.80 and 3.55 respectively which means that employees and the leaders within these two companies make consistent decisions and behave in a consistent manner. IT sector averages on 3.27 and Steria is well below with a score of 2.46.

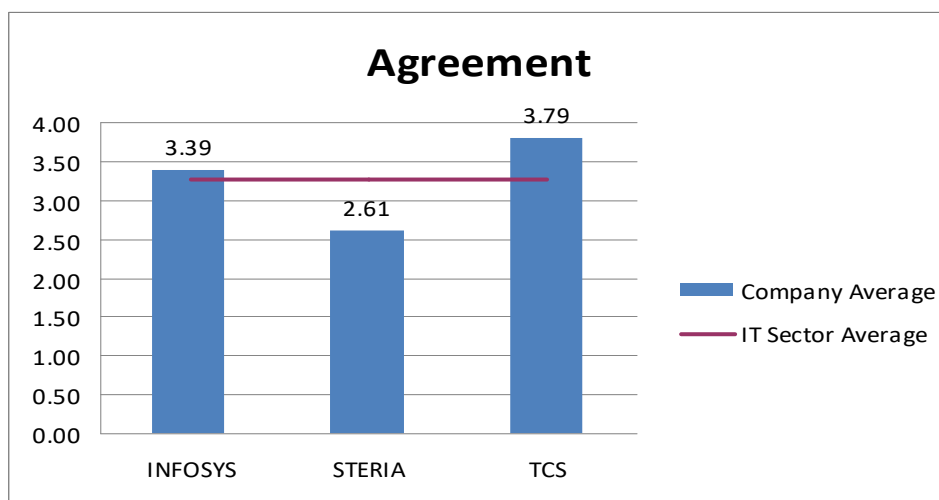


Figure 8. Responses for Q-8

Interpretations: Companies scoring high on agreement means that they are able to reach to an agreement when any difficult issue & problem arise by engaging in dialogue and getting multiple

perspectives. TCS is scoring high on this as well with a score of 3.79. And even Infosys is at 3.39 i.e., well above the IT industry average score of 3.26. But Steria is lagging behind on this one as well with 2.61 as the final score.

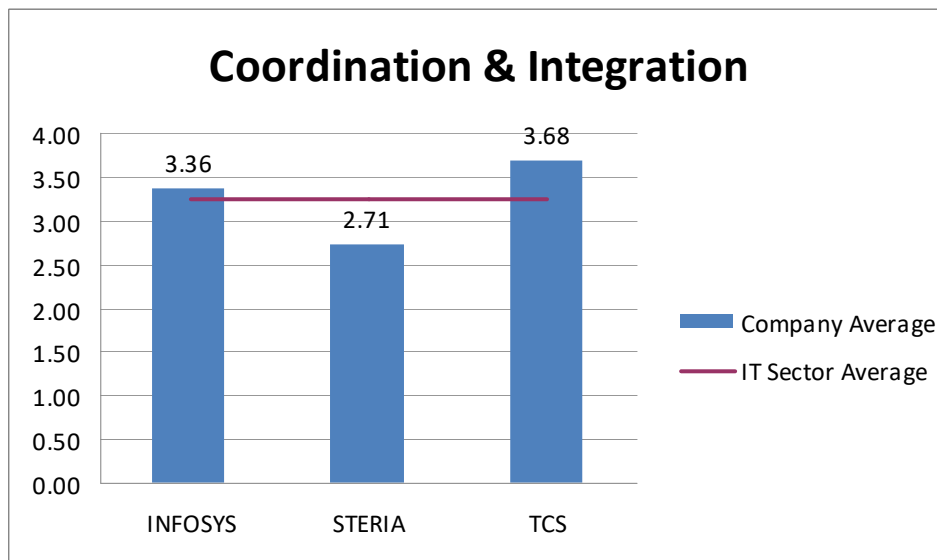


Figure 9. Responses for Q-9

Interpretations: TCS has a highest score of 3.68 and Infosys is next highest with 3.36 which is well above the IT industry average of 3.25. This says that employees at both the organisations are very well aware of impact of their work on others and vice-versa. Steria scores 2.71 which is lowest on the scale.

#### 4.4 Parameter 4: Involvement

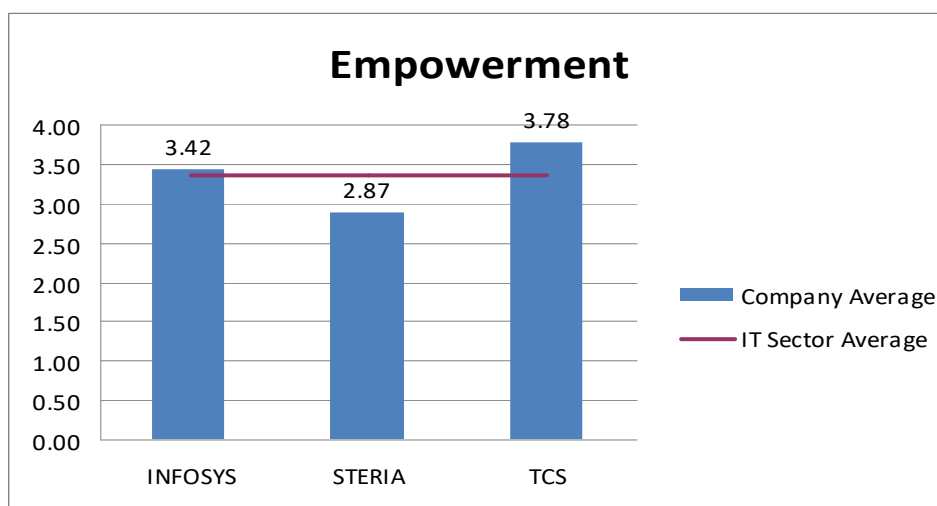


Figure 10. Responses for Q-10

Interpretations: TCS has highest score of 3.78 and Infosys has next highest score of 3.42 which is well above the score of total IT industry score of 3.36. Hence it shows that in TCS employees to large extent can make decisions and have inputs. Comparatively empowerment level in Steria is low.

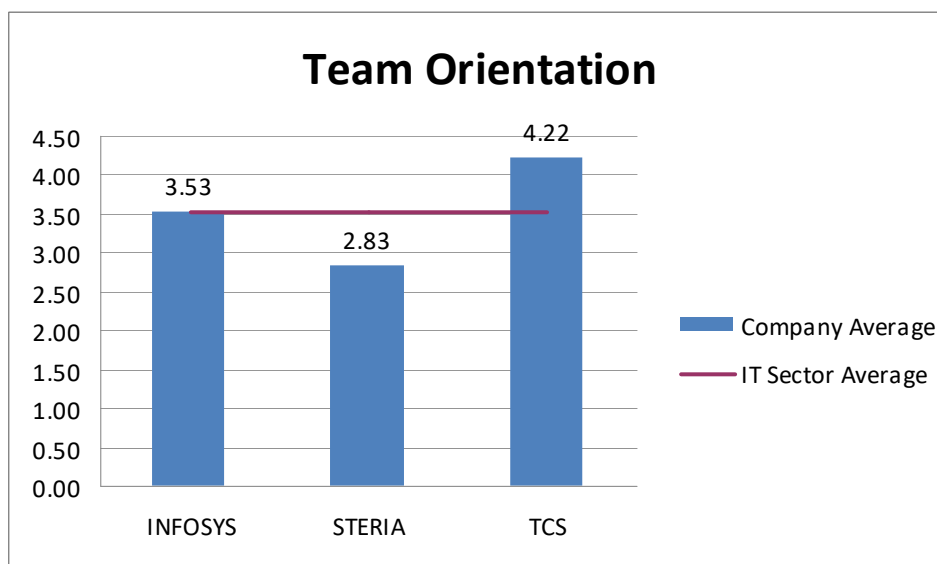


Figure 11. Responses for Q-11

Interpretations: TCS's rating is 4.22, Infosys has 3.53 and Steria has 2.83. As compared to the overall IT score, i.e., 3.50, TCS ranks on a higher side whereas Infosys ranks next highest and Steria ranks lowest.

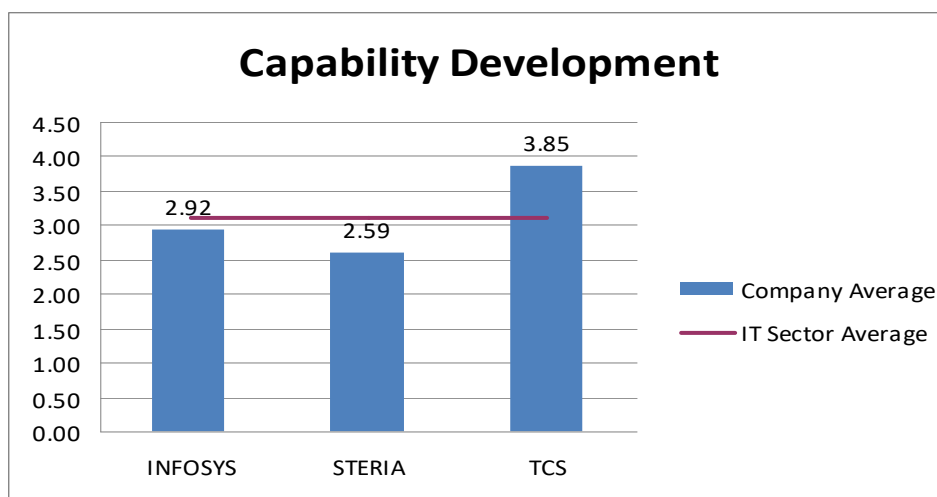


Figure 12. Responses for Q-12

Interpretations: Overall capability development score of IT sector is around 3.12. If we compare this score with companies we can say TCS ranks more than the IT score i.e. 3.85 which shows employees practice their work in a variety of ways, including training, coaching, and TCS gives employees exposure to new roles and responsibilities. Infosys is at 2.92 i.e. it ranks lower than the IT sector average score and Steria is at the lowest score of 2.59.

## 5. Discussion

Based on the findings of the survey, the following recommendations are provided for each of the four organisation cultural traits in the IT sector -

### 5.1 Improving Involvement

Employee involvement should emphasise on cascading power, information, rewards and training to the lowest level possible in the organizational hierarchy to increase employee discretion. In case of IT industry, it is important to improve these scores and this is a very people intensive industry. This can be done by focusing on the following:

- **Communication**—This includes company journals, employee reports, team briefings, video presentations, attitude surveys and e-mails. The communication topics should include subjects, such as organization structure, organization performance, health and safety, training and development and equal opportunities. A two way communication should be operated, whereby employees have the opportunity to ask questions about issues that concern them.
- **Participation**—This includes team meetings, customer care initiatives, and quality initiatives like quality circles, suggestion schemes and recognition programmes. It is important that proper consultation of the employees should be done on organisation performance and structure.
- **Job Enrichment**—This involves redesigning of a job to include greater participation and involvement. Typical ways to enrich jobs are redesigning them to have a greater autonomy, wider variety of tasks and providing regular feedback on the performance.
- **Financial Participation**—This involves formal compensation systems like gain-sharing plans where profits due to increased productivity are split between the employees and management and Employee Stock Options (ESOPs). These used to be popular in the IT industry but have been discontinued over the last few years in a bid to reduce costs and avoid taxation. To ensure better financial participation, it is recommended stock options could be used to reward high performers and ensure their retention. It has been observed in past that financial participation not only has positive effects on productivity, but also improves employee attitudes towards the jobs and consequently increases their participation.
- **Focus on personnel development and career progression** - IT Sector needs to put special emphasis on employee training and skill development. This is an important aspect of showing personal growth, retaining and effectively engaging most employees. This also is important to keep their turnover low. Only once employees feel that the company is committed to developing their skills, they will engage effectively. Also clearly defined roles, job description and career progression map is required. This will

help address the concerns of most people on how they can progress in the organisation and psychologically commit themselves to the organisation's cause.

- Focus on Team Orientation - Most project work in the IT sector is done in teams. Hence proper team building is a pre-requisite to high performance and ensures that everyone is aligned and working equally hard to the team and the organisation's goals. Team orientation can be fostered by having quarterly project parties and having occasions to meet formally and informally and capture feedback from one another.

### *5.2 Improving Adaptability*

The score for Indian IT sector is above average on this parameter. But given the challenges to the industry and rise of other outsourcing hubs like China, Brazil and Argentina, it is important that the sector increases its adaptability to the environment changes and the competitive challenges. This can be done by the following:

- Establish mechanisms to listen to the “voice of the customer” – The organisation must have a channel to find out how the customers perceive their work. This can be done by having annual customer satisfaction surveys conducted to find out the customer disposition. Also annual customer meets provides an opportunity for senior management to hear concerns and suggestions directly from the customer. Also participating in the Analyst meetings helps the organisation in finding out the latest trends, customer issues and new ideas for services they can launch to gather better market share.
- Enable Organization Learning—Creating an easily accessible centralised knowledge management system is the key to information sharing. Also with the advent of newer technologies coming up, the organisation needs to have heavy investment in training infrastructure in order to keep pace with the market needs. For this dedicated learning and training function needs to be setup in most organisations whose mandate would be to up-skill people based in customer needs and changes in the technology environment.
- Enabling change in the Organisation—In this the leader's role is extremely important to build consensus and enable organisation to change and not really get bound by a structure in operation. With advent of newer technologies, IT industry needs to create dedicated centres of excellence to harness talent and learning in-order to develop specialisation in these technologies. This often means changes in structure, creating newer job roles, which also benefits the employees to take on newer challenges within the organisation. Also creating newer service lines and business models for the growth is a challenge currently faced in the industry. Most companies are looking to non-linear growth models, wherein they can look at newer revenue streams by not adding more employees to the organisation. Software as a service concept is one such concept of non-linear growth model. To drive such changes needs board level sponsorship and mentoring of all employees to embrace change and use it as an opportunity to further their ambitions rather than getting distracted.

### 5.3 Improving Consistency

Creating consistency in an organisation helps to take it to the next level by enabling everyone to work in a harmonious fashion towards common goals. This is especially important in the IT sector as today's organisations employ thousands of people and they typically suffer from lack of internal coordination and contradictions from within. The IT sector has above average score, but to improve consistency, the following can be done:

- **Goal Setting to Improve Collaboration**—Integration and coordination can be improved by setting goals and performance metrics which improve collaboration. This is especially true given that many customers are provided services by different lines of businesses of IT organisations. If these services are effectively harmonised, the customer would have a positive experience, where sum of the whole will be greater than the benefits accrued by sum of the parts. A classic example is in case of transformation programmes which IT services companies execute for customers who involved many service lines to collaborate and deliver a single project for the customer. If the units are incentivised to work with each other to ensure they will be rewarded for collective success, then execution improves considerably.
- **Driving Agreement**—Large teams have frequent disagreements and in such cases it is important for leaders to ensure that things are amicably and quickly settled. But to do so, it is important that team members have a sense of shared respect and common values around which the agreement can be driven.
- **Communicating Core Values**—This is especially important as communication reinforces the core values across all levels of the organisation. This drives better integration of the teams and drives predictability in the behaviour of the team members. Hence frequent communication via various forums like team meetings, executive updates and newsletter is important to enable this.

### 5.4 Improving Mission

The mission of the organisation defines what it stands for and what it strives to become. This is a common force which drives employees to the goal and also communicates a lot more about the organisation to the customers. Given contradictory views in IT outsourcing and the thought that Indian IT companies are taking jobs away from western countries, it is important that the focus of the customers in the markets these companies operate in is more on how the industry is contributing to their society and how it benefits them. In this regard having a mission statement is extremely important, but has above average score. Also to have a mission statement and vision by itself is not enough. This has to be reinforced in various forums to ensure both employees and customers can identify with the common cause. Some of the ways this can be done include:

- **Defining Common Goals and Objectives**—Ensuring common goals and objectives ensures all parts of the organisation work in the same direction. Given that most IT organisations have evolved into having a multi-cultural, multi-national workforce which is geographically spread and is unable to meet face to face very infrequently, having common goals serves as a unifying force.

- Strategic Direction & Intent—Given the increasing competition in the IT sector it is important that the organisation focuses on what are its key differentiators and accordingly plays to its strengths (and opportunities) in the market. In this regard having a strategic direction is very valuable, especially given different parts of the organisation have differing mandates.
- Vision: This is the single most important aspect. Companies like Infosys and TCS differentiate themselves in the market by the quality of their vision and the unwavering commitment of the senior management to achieve it. This leads to higher degree of respect from customers and serves as an adhesive force for the employees (and prospective employees as well) to work towards the common organisation vision and be well respected by others.

## 6. Conclusion

Two traits of Organisational Culture—Involvement and Adaptability are indicators of flexibility, openness and responsiveness; which are strong indicators of growth. The other two traits of Mission and Consistency are indicators of driving direction, integration and vision, and are strong indicators of profitability and efficiency. Aligning culture and leadership is the key to drive an organisation culture which would promote greater employee satisfaction, hence better customer service which in turn would improve performance.

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