India Studies in Business and Economics


Vijay Pereira
Ashish Malik *Editors*

# Investigating Cultural Aspects in Indian Organizations

## Empirical Evidence

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Editors

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*Editors*
Vijay Pereira
Department of Organisation Studies
and HRM
University of Portsmouth
Portsmouth, UK

Ashish Malik
Newcastle Business School
The University of Newcastle
Ourimbah, NSW, Australia

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# Foreword

In the 1990s, there was a considerable debate over Asian values, which was sparked by the tiger economies of East Asia, and in particular, by political leaders including Singapore's Lee Kuan Yew and Malaysia's Mahathir Mohamed. Asian values, they argued, were the product of a particular cultural configuration that distinguished them from the individualism of European ideals. In contrast to European values, Asian values and culture were represented as being rooted deeply within principles of collectivism. Underpinning these values were notions of filial piety and loyalty to family, the organisation or indeed the nation, where personal freedom was secondary to the greater good of collective identity. Interestingly, these debates were linked inextricably to certain forms of democracy and were highly charged politically.

In other parts of Asia, such as Japan, there were also related notions of culture that suggested certain uniqueness about how business and management operated. Indeed, it was suggested that such differences were at the core of the nation's ideology and that cultural norms, mores and values defined how an organisation operated and conducted business. These cultural values were essentially built upon trust. The notions of trust have been expanded by Francis Fukuyama who, in his book *Trust: The Social Values and the Creations of Prosperity,* pointed out how this was central for organisations to develop from family businesses to large-scale enterprises through close networks that often spanned several countries in the region.

In this book, Vijay Pereira and Ashish Malik set out to examine culture in Indian organisations. They are eminently qualified to undertake such a task given their expertise in the area and their intimate knowledge of Indian business and management practices. What makes India unique in business is undoubtedly the fact that it is the world's largest and most diverse democracy. The size and diversity of the nation not only presents it with challenges but also with advantages. As a democracy, with a very robust media, Indian organisations operate within a particular cultural milieu. It is that milieu that Pereira and Malik seek to map through research and practice. This book has a variety of key international contributors who not only tackle questions of culture broadly but also provide innovative theoretical approaches to understanding culture within Indian organisations.

As globalisation impacts virtually every part of our world, it is vital to understand how business and management operates in what is certain to be the second largest economy in the world. The question of culture in Indian organisations is reminiscent of the debate about Asian values and trust networks within the Asian region. This book provides a novel and innovative approach to what will inevitably become a much broader debate as the giant Indian economy continues to flex its muscles.

PVC: Research and Innovation Pal Ahluwalia
University of Portsmouth
Portsmouth, UK

# Preface

*A nation's culture resides in the heart and in the soul of its people*

—Mahatma Gandhi

*You have to grow from the inside out. None can teach you, none can make you spiritual. There is no other teacher but your own soul.*

—Swami Vivekananda

One of the most widely shared definitions of culture is: the way we do things around here. The power of this definition lies in its simplicity and the ease with which this idea can be transferred from one person to another. If it was as simple as it sounds, one would imagine there would be fewer explanations and not 18 million results on Google for the words "culture in Indian organisations". The above two quotes by Mahatma Gandhi—an inspiring political leader and Swami Vivekananda—an inspiring spiritual leader of Modern India highlight the importance of an internal and intangible understanding of the self before we can make sense of the world around us. This book is an attempt to unbundle such complexities one has to deal with in understanding aspects of *Indianness* in the context of organisations.

This book is thus concerned with understanding aspects of Indian culture in domestic and global organisations. Incorporating timely contributions from experts around the world, examining aspects of Indian culture, we hope that this collection of empirical studies will not only provide new and deeper insights into what we already know about this topic but also carve out new and relatively less explored aspects of Indian culture. We believe it will advance scholarship in this exciting new area.

Culture studies has an established tradition of research in a disparate set of disciplines of social sciences, liberal arts, anthropology, business studies, including international business and human resource management and many more. However, at the risk of excluding alternate perspectives and staying focused on business and management studies, we have kept the focus of this collection on aspects of Indian culture in an organisational setting.

This collection contributes by presenting new research on aspects of culture (e.g. religious, demographic, international mobility, cross-cultural and multiculturalism and knowledge management) in an organisational context. We are hopeful this will inspire more research into the emic dimensions of cultural research on a range of personal, group and business outcomes. In the concluding chapter, we also highlight future research directions.

Portsmouth, UK — Vijay Pereira
Ourimbah, NSW, Australia — Ashish Malik

# Contents

# Contributors

**Pallvi Arora** International Centre for Cross Cultural Research and Human Resource Management, University of Jammu, Jammu, India

**Neha Chatwani** The Workplace Atelier, Vienna, Austria

**Jeevan Jyoti** Department of Commerce, University of Jammu, Jammu (J&K), India

**Sindhu Kotwal** Department of Commerce, University of Jammu, Jammu (J&K), India

**Yi Liu** Curtin University, Bentley, WA, Australia

**Ashish Malik** Newcastle Business School, The University of Newcastle, Ourimbah, NSW, Australia

**Sreelekha Mishra** Indian Institute of Technology Indore, Indore, India

**Sushanta Kumar Mishra** Indian Institute of Management Indore, Indore, India

**Cecil A.L. Pearson** Curtin University, Bentley, WA, Australia

**Vijay Pereira** Department of Organisation Studies and HRM, University of Portsmouth, Portsmouth, UK

**D.M. Pestonjee** School of Petroleum Management, Pandit Deendayal Petroleum University, Ahmedabad, Gujarat, India

Faculty of Applied Management, CEPT University, Ahmedabad, Gujarat, India

**Roomi Rani** Department of Commerce, University of Jammu, Jammu (J&K), India

**Pramila Rao** School of Business, Marymount University, Arlington, VA, USA

**Neelu Rohmetra** International Centre for Cross Cultural Research and Human Resource Management, University of Jammu, Jammu, India

**Grishma Shah** Manhattan College, Riverdale, NY, USA

**Kajal Sharma** Portsmouth Business School, University of Portsmouth, Portsmouth, UK

**Poonam Sharma** Amity Global Business School, Ahmedabad, Gujarat, India

# Chapter 1
# Culture in Indian Organisations: Evidence-Based Research and Practice

**Vijay Pereira and Ashish Malik**

A Google search on the 29 November 2014 at 2200 h GMT inputting the words 'culture in Indian organisations' generated 'about 18,000,000 results (0.38 s)'. Similarly the same words in Google Scholar yielded 'about 89,300 results (0.06 s)'. These results are not surprising given the World Bank predicting that globally in the near future, India will be the second largest economy after China. The recent high growth rates reported by businesses in the Indian economy, whilst laudable from some perspectives (Cappelli et al. 2010), also need to be sustainable, especially amidst its high cultural diversity. As the world's largest and most diverse democracy, the Indian society can be best described as a 'cultural melting pot' with a combination of multiple cultures, value systems and sociopolitical and institutional orientations. Further, India as one of the oldest civilisations is now regarded the second largest growing economy in the world. As such, there is growing international interest in understanding and unbundling the intricacies of Indian culture (Milner 1994; Nicholson and Sahay 2001), especially through empirical evidence.

This chapter outlines the importance of analysing aspects of Indian culture in organisations from a temporal as well as multidisciplinary theoretical lens. Though earlier studies have examined numerous topics on India such as specific management practices including human resource management (HRM) practices and Indian

V. Pereira (✉)
Department of Organisation Studies and HRM, University of Portsmouth, Portsmouth, UK
e-mail: Vijay.pereira@port.ac.uk

A. Malik
Newcastle Business School, The University of Newcastle, Ourimbah, NSW, Australia
e-mail: ashish.malik@newcastle.edu.au



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firms' internationalisation strategies (e.g. see Human Resource 2010; Journal of World Business 2012), empirical studies on cultural aspects have been largely ignored. There is also evidence of a lack of wide-reaching research on 'culture in Indian organisations' globally or internationally. For example, the UK Association of Business Schools (ABS) Academic Journal Quality Guide (version 4, 2010) listed only one India-based research journal—the *International Journal of Indian Culture and Business Management*. This is a popular journal which publishes eight issues per year and predominantly includes research on 'culture in Indian organisations'. Further, it is only in the last decade or so that we have seen some renewed interest in empirical studies focusing on disparate aspects of culture in modern Indian services and manufacturing organisations (Deshpandé and Farley 2004; McMillin 2006; Pati and Kumar 2011; Singh and Khamba 2009; Upadhya 2008). More recently there has been a call for a special issue in the journal *Culture and Organization* on research on culture in Indian organisations (Pereira and Malik 2013). However more is needed.

We envisage that this book will fill the gap identified as it is timely and topical. Moreover, quality contributions from domestic and international experts will increase the appeal of this edited collection. This book is thus an attempt to rekindle interest in understanding aspects of Indian culture in organisations. This edited collection offers a sound theoretical and empirical basis for understanding the evolving and changing nature of culture in Indian organisations. This timely collection incorporates contributions from Indian national and international academics with active interests of researching in organisational culture and management in domestic firms and Indian multinationals. In addition to covering topical issues on culture, this collection offers novel theoretical lenses to analyse and understand culture in Indian organisations.

Whilst there are numerous theoretical frameworks and explanations for understanding aspects of culture in nation states, including India (e.g. see widely used work by Hofstede (1983), House et al. (2004), Mendenhall and Oddou (1985), Trompenars and Hampden-Turner (1993), etc.), building a robust evidence base of research and practice (Gulati 2007; Ritchie et al. 2013; Tayeb 1994) for a culturally complex and dynamic nation such as India is extremely critical. This is particularly important as there are diverse influences, some of which are conflicting interpretations of the various cultural aspects in India. As the world's largest and most diverse democracy, there are numerous paradoxical challenges such as those arising from historical and post-colonial influences, integrating traditional values with the modern world and the attendant issues of intergenerational conflicts, thus presenting an interesting area for empirical investigations.

The purpose of this edited collection is to extend this interest by identifying key areas for empirical enquiry and thus presenting a coherent empirical base of research and evidence of *three* related and important topics of cultural understanding about India. *First*, historical roots and long upheld values in any context are always a good starting point for testing the strength of long-held values and belief systems in a nation state. *Second*, how such values and beliefs interact with the changing needs

and ideologies of the new and modern India is another promising avenue for empirical research. *Third*, with an increasingly pace of globalisation and demographic mobility, the interactions across cultures, as cultures collide and interact with cultural aspects of 'Indianness', are the third most promising area of enquiry. To this end, this collection offers novel theoretical lenses to analyse and understand culture in Indian organisations. Rich and reflective case study insights from practitioners and academic reviews balance and integrate the theoretical underpinnings and cultural practices in the transforming tapestry of Indian culture. The use of rich case studies including the high growth sectors such as the IT and health industries highlights some of the macro- and micro-level challenges faced by organisations in managing culture in the Indian context.

The main objective of this research monograph is to unbundle several cultural complexities in the context of Indian organisations. When we sent out a global call for papers for this exciting book initiative, we knew we would receive a good response. We were however overwhelmed with enquiries and interests to contribute. As editors who envisaged this book, we were looking for contributions that had 'world views' of/on the topic. We wanted a holistic and rounded perspective from scholars from not only across the globe but also local Indian indigenous scholars. We shortlisted and invited nine empirical papers that are based on the following conceptual model (see Fig. 1.1 below). This book proposal and the chosen book chapters received very good external reviews. We reproduce quotes from two independent blind reviewers below.

> With the focus on empirical evidence in order to advance theory, the book will provide rich insights into the cultural aspects within Indian organizations. The scope and coverage of the book is very well-defined, and covers all the important aspects within the topic area. In particular, the inclusion of topics such as role of religion, young Indians and globalization has been done in a remarkable manner. (Reviewer 1)

> This is an interesting area to research into and the authors are timely in making a contribution in this field. Culture in Indian organisations for many years has been a topic that is both mysterious and elusive. I think this book series may provide some useful insights, useful to students, academics as well as general practitioners. (Reviewer 2)

Our conceptual model is based on three key intersecting areas that impact upon culture—the country/nation (i.e. India), the Indian organisations and the Indian people (employees). Also, there are multiple influencers on the three key areas. These are historical (colonial, post-colonial, modernity, mythology), global (internationalisation, liberalisation, foreign direct investment) and institutional (democracy, bureaucracy, rule of law). The other nine chapters in the book are structured accordingly, as is evident from the following Fig. 1.1.

As is depicted in the model above, the next three contributions, i.e. Chaps. 2, 3 and 4, are positioned within the intersecting areas of the nation/country and the Indian employees. The edited collection will begin with a contribution by Pramila Rao, University of Marymount, USA, that focuses on a pivotal aspect affecting culture in Indian organisations, i.e. the role of religion as a cultural aspect on HRM practices in Indian organisations. The main goal of this chapter is to understand how

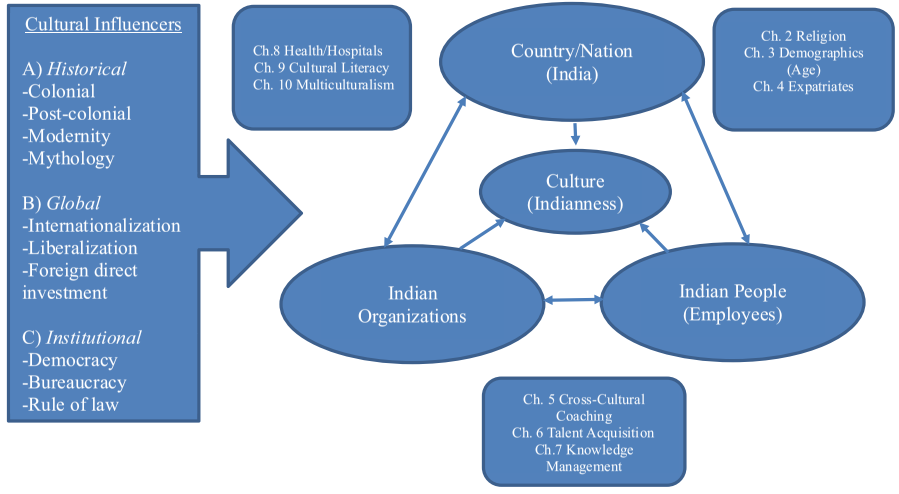


**Fig. 1.1** Conceptual model: 'culture in Indian organisations' depicting the positioning of relevant chapters

religion impacts culture and HRM practices in India. India is a culturally diverse country with individuals from different religious (Hindus, Muslims, Christians, Sikhs, Jains, among others) backgrounds (Nigam and Su 2011; Venkataratnam and Chandra 1996). In organisations, there are several areas of potential conflicts as the religious values and work norms clash (Grossman 2008; Trottman 2013). The predominant areas of contention begin in the recruitment phase as historical or conventional prejudices may discourage or encourage employers against certain applicant groups. These differences may occur in other areas of the work environment also such as training, work schedules, dress codes, job responsibilities and religious holidays among others. Employers are concerned how to balance different religious practices and those of HRM at the workplace (Bauza 2006; Ramsey 2007).

Building on the first research agenda of this monograph, the next contribution (Chap. 3) by Grishma Shah, Manhattan College, USA, focuses on the changes happening in India as a result of the latest generational cohort 'Generation Z'. This interesting piece portrays the competitive demographic advantage of the current generational cohort in terms of the future in India. The title of Shah's contribution is 'Zippies and the Shift in Cultural Values in India'. The purpose of this chapter is to examine the impact of economic globalisation on work and family collectivism for young middle-class Indians. The study surveys more than 1,000 individuals living in globalised and lesser globalised cities in India. The data are analysed using factor analysis, independent sample *t*-tests and multiple regressions. Results suggest that in an increasingly globalising India, young Indians will strive to preserve traditional values of collectivity when it comes to family, but will loosen their reins on workplace collectivism. This chapter is limited to examining the educated middle class in India as they are at the forefront of globalisation. The intention of the study is not to assess national culture as a whole, but to predict cultural shifts in India. The results provide critical insight as to how values are changing in a nation that promises to be a prominent feature on the global economic map in this century. Such insight is not only useful to scholars who wish to predict behaviour within firms and organisations but also to policymakers, entrepreneurs and businesses, as it informs them of impending infrastructure needs which must be met via public, private and/or public–private ventures. Recently, there has been a vital recognition that large-scale intuitional changes, such as globalisation, call for a re-examination of not only values worldwide but also their changing dynamics. This chapter heeds the call for understanding the onset of value changes in India as a result of its rapid economic and social transformation.

In line with the second research stream identified by us, and moving from religion and demographics in the Indian context, the next contribution (Chap. 4) by Pallvi Arora and Neelu Rohmetra, both from the University of Jammu, India, focuses on Indian expatriates in China. This contribution covers an interesting and contextually under-researched domain of international HRM, the cultural similarity paradox of understanding the psychology and challenges of Indian expatriates across international boundaries. Rohmetra and Arora highlight the importance of how even similar cultural contexts can pose severe challenges for expatriate adjustment and adaptation. In response to the changing global business environment and its requirements,

international assignments form a significant component of the business operations as a consequence of which managers are sent abroad for taking up these international assignments. Such assignments rigorously pose pressure and create stumbling blocks for the expatriates abroad. Indian expatriates are sent abroad to come across this exigent situation wherein personal adaptation, spouse adaptation, job adjustment and other factors consistently come across them. Also, sometimes the Indian expatriates perceive that if sent to culturally similar countries, the stress and pressure would be comparatively less. However, research in the domain presents that it is not always so. Keeping in view, the successful completion of international assignments on one side and expatriate adjustment the other side, the present research attempts to highlight the cultural similarity paradox in context of Indian expatriates, whilst simultaneously presenting the challenges being faced by them and suggesting a way forward.

The next three contributions, i.e. Chaps. 5, 6 and 7, are positioned within the Indian organisations and the Indian employees. The first of these (Chap. 5) by Neha Chatwani, who is a practitioner executive coach in Germany and Austria, focuses on cross-cultural aspects of coaching in Indian organisations. As Indian firms join the race to globalise, leaders and managers need to develop sensitivities towards clients and employees from other cultures. The subject of this chapter is on the role of coaching in developing cross-cultural skills among senior managers in Indian organisations. Coaching is a popular HRM leadership tool in organisations working internationally. Consequently, the need for global coaches has evolved. Many authors have approached the topic of coaching across cultures from the point of view of a Western cultural ethos and have placed emphasis on differences and pitfalls. By contrast, this chapter focuses on how cultural and diversity aspects in the coaching process can be leveraged that goes beyond a Socratic dialogue of questioning and probing for learning. The opportunity lies in the ambiguous definition of coaching which allows for a multitude of roles for the coach and client. Specifically, aspects of Indian culture are blended into the coaching process giving it a cross-cultural character. Effective global coaches are highly aware and self-reflective of their own cultural make-up and experience. They equally need to keenly master the art of coaching by guiding the client whilst allowing the client to lead the process.

The next contribution (Chap. 6) by Yi Lui and Cecil Pearson, both from Curtin University, Australia, builds on the empirical base of studies on cultural aspects in Indian organisations and focuses on the influence of culture on talent acquisition in Indian organisations. Worldwide organisations have come to realise the importance of highly skilled and competent employees in the pursuit of corporate competitive advantage. Consequently, recruitment and selection practices have become a priority in the acquisition of talented personnel, but the effectiveness of these arrangements in the cultural marketplace is not well understood. The issue of talent acquisition as well as the evolving and changing nature of culture was investigated in a pluralist study design with indigenous managerial executives employed in Indian multinational corporations. The quantitative results, which demonstrated that the strength of culture influenced the relationships between talent acquisition and the organisations' global ambition, were substantiated with qualitative evidence

revealing the perceived influence of cultural forces on these connections. The findings show the relevance of cultural effects when the labour market is liberalised to strategically integrate organisational systems in the pursuit of global ambition.

Studying the Indian IT firms' knowledge management practices, in the next Chap. 7, Jeevan Jyoti, Sindhu Kotwal and Roomi Rani, all from the University of Jammu, India, provide an empirical account of the impact of knowledge management practices on competitive advantage and highlight the importance of having a culture of managing knowledge. They argue that in an information age, the economic value of knowledge is more than physical value of products. This knowledge becomes a key economic resource for competitive advantage. Hence, knowledge management has become a necessity for all organisations. Efficient management of knowledge requires a culture of investing in skill and capabilities of employees. The authors employ an ex post facto survey methodology for collecting data from employees working in Indian private telecommunication organisations. Two sets of questionnaires were administered to the respondents. Applying structural equation modelling to investigate the relationship between knowledge management processes and competitive advantage found a significant relationship between knowledge management processes and competitive advantage. Further, knowledge approach, knowledge protection and knowledge acquisition were found to be significant predictors of competitive advantage. The authors acknowledge the limitations of the study as data were collected only from employees in private sector telecommunication organisations.

Our last three contributions, Chaps. 8, 9 and 10, are positioned within the areas of the nation/country and Indian organisations. The first of these (Chap. 8), by Kajal Sharma, University of Portsmouth, UK; Poonam Sharma, Amity Global Business School, India; and D. M. Pastonjee, Albert Schweitzer International University, Geneva, Switzerland, focus on organisational culture in Indian private hospitals. The Indian private healthcare market is growing and several reports have indicated it to be the next big thing. Moreover, in the last few years, many new private corporate hospitals have also emerged in the healthcare market further augmenting the scale of investment and expansion within the private sector. Crafting productive organisational culture for such hospitals is challenging for the leadership as these healthcare delivery systems are complex and comprise of many subcultures. The empirical quantitative study presented in the chapter is conducted to examine the significant aspects of organisational culture in Indian private healthcare sector hospitals. The methodological approach for this paper was inductive, and survey method was utilised to gather data, comprising questionnaires aimed at employees working in the private, corporate hospitals. This chapter tries to explore the organisational culture patterns related to desired values in chosen hospitals and also explores whether clinicians and non-clinicians differ in their perceptions of hospital culture. The analysis of results leads to discussion on developing insight to enhance the present organisational culture.

Chapter 9, by Neelu Rohmetra and Pallvi Arora, both from the University of Jammu, India, makes a case for incorporating cultural literacy to make a difference to the changing face of culture in Indian organisations. Businesses in the global context have implicitly increased the need for global organisations to consider

incorporating cultural literacy into their training programmes that revolve around training managers to comprehend the need for acknowledging diversity and cultural differences. Such dynamism of inclusion of managers from diverse cultural backgrounds poses a challenge for Indian organisations too, thereby creating a sound need to regiment novel work settings wherein the development and efficient performance of managers shall be grounded upon 'how' and 'what' of 'culture', framing their cultural literacy programme as well as making them culturally intelligent. The authors thereby aim to present the changing face of Indian organisations in the era of globalisation, consequently highlighting the need and role of cultural literacy programmes for developing the requisite competencies for the success of these organisations, thus eliminating stress.

Chapter 10, by Sreelekha Mishra from the Indian Institute of Technology, Indore, India, and Sushanta Mishra, from the Indian Institute of Management, Indore, India, focuses on achieving sustainable competitive advantage through cultural transition by employing a multicultural perspective. With the advent of globalisation, organisations are crossing different geographical boundaries, and they are witnessing conflict among the cultures of different societies. The successful management of 'diversity' has become a key challenge for organisations (Chermers et al. 1995). In fact, the need to develop management theories that are effective and functional in multiple cultural settings is strongly argued by the researchers (Doktor et al. 1991). In this regard, Banerjee and Linstead (2001) suggested employing multiculturalism to manage the problematic consequences of cultural diversity. In spite of growing importance of multiculturalism in today's organisations, there is little research exploring this topic. Of late, there are some discussions in leading journals of management including the call for papers on this important issue (Banerjee and Linstead 2001; Doktor et al. 1991; Spicer and Sewell 2010; Weeks et al. 2013). In the present chapter, the authors propose to explain the concept of 'multiculturalism' and highlight the barriers to the formation of multicultural organisations.

## 1.1 Conclusion

This chapter set the scene by highlighting the importance of studying aspects of Indian culture in an organisational context. We identify three encouraging areas of research that present an integrated and in-depth understanding of culture in Indian organisations operating in India and overseas. We further also identify three intersecting areas in terms of positioning of cultural research. The contributions in this collection point to promising avenues for future research as well as highlighting implications for policy and practice. We hope that the new learnings and knowledge about aspects of Indian culture generated through this collection will remain a useful reference for scholars and practitioners keen on understanding cultural aspects of Indians and Indian organisations.

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# Chapter 2
# The Role of Religion on Human Resource Management (HRM) Practices in India

**Pramila Rao**

## 2.1 Introduction

The main goal of this chapter is to understand how religious values impact human resource management (HRM) practices in India. HRM practices are embedded in a country's social and cultural contexts. The understanding of these emic factors will definitely help business practitioners formulate better practices that are congruent with the local culture (Gannon and Pillai 2010, 2013).

India is a diverse country with individuals from different religious backgrounds working together (Rao 2012; Nigam and Su 2011; Budhwar 2009; Ratnam and Chandra 1996). The Indian population has 80.5 % (Hindus), 13.4 % (Muslims), 2.3 % (Christians), 1.9 % (Sikhs), and 1.8 % (unspecified). India is the place of origin for three major religions (Hinduism, Sikhism, and Buddhism) (Budhwar 2009). India's population is approximately one billion and is the second largest in the world (CIA 2014).

This chapter will be organized into the following sections: (1) introduction that provides India's history and its religious perspectives, (2) theoretical framework, (3) methodology, (4) the role of religion on HRM practices, (5) implications for practice, and (6) conclusion.

### *2.1.1 India's History*

The country has historically faced several religious conflicts before and after its gaining independence. India was dominated by various Muslim rulers for almost six centuries before the British occupied India. These early Muslim monarchs exploited

P. Rao (✉)
Associate Professor, School of Business, Marymount University, Arlington, VA, USA
e-mail: prao@marymount.edu



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the locals by imposing high taxes, destroying local places of worship, and promoting their emperors (Gannon and Pillai 2013). Subsequently, the British ruled India for almost 100 years introducing a different form of colonialism. In 1945, India achieved its historical freedom from the British with the Hindus and Muslims claiming two separate countries (India and Pakistan) (Ratnam and Chandra 1996; Nigam and Su 2011; Gannon and Pillai 2013; Wong-MingJi et al. 2014). This was just the beginning of innumerable communal and political conflicts between the Hindu and Muslim communities (Croucher 2013; The Economist 2003). The state of Jammu and Kashmir is a chronic point of political contention as Muslims want an independent state as they represent the majority (Ratnam and Chandra 1996; Bhalotra et al. 2012). India has the third largest Muslim population in the world (Bhalotra et al. 2012; Rao 2004, 2012).

Early conflicts between the Hindus and Christians began with the British imperialism. Locals perceived that Christian values were being thrust into the society with places of worship and educational schools showcasing its religion (Oxford Centre for Hindu Studies 2011). This allegation became further augmented as Christian missionaries became associated with evangelism. Individuals from lower economic levels frequently converted to Christianity which angered conventional members of the Hindu society (Economist 2002; Isaacs 2008). These negative associations aggravated into several communal disputes that have trickled to other economic levels also (Croucher 2013). In the early 2000s, the state of Tamil Nadu banned religious conversions that were involuntarily forced upon individuals in an effort to minimize such practices (The Economist 2002).

The Christians and Muslims feel they should have same privileges as members of the Hindu communities in affirmative action programs (Bhalotra et al. 2012; Isaacs 2008). The Indian government provides affirmative action programs in both education and federal employment for members of the Hindu community from lower-level castes and the economically disadvantaged. The caste system is unique to the Indian culture and represents four varying socio-levels of *Brahmans*, *Kshatriyas*, *Vaishnavas*, and *Sudras*. This structure of early classification delineated clearly the roles and responsibilities for members in each of these four castes. The *Brahmans*, the highest in the social order, participated as priests or scholars, the *Kshatriyas* were engaged as combatants, the *Vaishnavas* contributed as business traders, and the *Sudras*, the lowest, provided services to members of the upper-level castes (Saha 2012).

The caste system has created distinctions among these groups in several ways. A concept of hierarchy was clearly established with this social stratification. Members of the Hindu communities observe these differences even today (Ratnam and Chandra 1996; Nigam and Su 2011). It is very common for members of upper-level castes (*Brahmans*, *Kshatriyas)* not to mix freely with those of the lower caste. In a qualitative study of a multinational hospitality chain, members of the higher caste refused to have food in the same cafeteria that served members of the lower caste (Ratnam and Chandra 1996).

There have been misunderstandings between the Sikh and the Hindu communities as well. The Sikhs consider the invasion of their holy temple by army personnel

in 1984 as a blatant and unforgettable religious transgression. This incident led to one of the most violent battles between these two communities in the nation's capital which has been often compared to the European holocaust (Croucher 2013; Singh 2010; Gannon and Pillai 2013).

It is important to understand the main principles of these religions (Hinduism, Islam, Christianity, and Sikhism) and identify how their beliefs might spill consciously or unconsciously into the workplace. This chapter outlines only the role of religions that have been specified as the majority groups and does not include the role of other minority religions in India such as Buddhism, Jainism, and Zoroastrianism, among others.

### *2.1.2 Religious Beliefs of Various Groups*

The Hindu religion is considered different from other religions as it was not founded by a single prophet or a messenger of God (Sezgin and Kunkler 2014; The Economist 2003). It is considered one of the oldest religions dating back to 7000 years BC (Budhwar 2009). Its philosophy is grounded in ancient philosophy of *Upanishads* which is a collection of ancient writings aimed to enlighten and educate the readers (Chattopadhyay 2012; Ashok and Thimmappa 2006). These early literatures were approximately developed and created over a period of time from 800 to 400 BC. The word *Upanishads* literally means "sitting close to" as it was the tradition in ancient cultures for students to sit next to a *guru* or teacher to learn any concepts (Das 2014). These early scriptures suggest that individuals will go through distinct developmental stages or *ashramas* (i.e., student, adult, austere, and solitary) in their lives.

These "cycles of life" (Gannon and Pillai 2013, p. 482) delineate predominant roles individuals will demonstrate in these various *ashramas*. In the student stage, the individual will focus on learning, in the adult phase on marriage and community, in the austere cycle on quiet reflection, and in the solitary stage, individuals seek salvation (Gannon and Pillai 2013). The concept of *dharma* or duty is expected from individuals in each of these stages. For example, it is a student's duty to learn his or her subject and an adult individual is expected to look after his or her family (Wong-MingJi et al. 2014).

The religion adopts polytheism or worshipping of many gods. There is also a system of hierarchy among the various gods with *Brahma* being the creator, *Vishnu* the preserver, and *Shiva* the destroyer. Apart from these trilogies of gods, there are many other gods that individuals worship for promoting well-being in different areas such as wealth, education, bravery, etc. (Gannon and Pillai 2013).

The Islam religion upholds the teachings of Prophet Muhammad who is considered a messenger of God. His scriptures provide valuable insights on benevolence and compassion. The *Qur'an*, the holy book of Islam, encourages followers to practice brotherhood and equality (Haque 2013). It emphasizes sharing of financial resources as can be seen in the implementation of the *zakat* tax in Islamic countries.

The religion expects individuals to share a percentage of their income with the economically disadvantaged. It also prohibits earning money (*riba*) that is not earned through proper means of livelihood (such as interests of banks) (Murphy 2013; Rao 2012). The religion tolerates a fatalistic attitude as followers frequently learn to say "If God wills" (*Inshallah*) suggesting that the final outcomes to any situations, personal or professional, are ordained by God (Wong-MingJi et al. 2014; Rao 2012). All Muslims follow the five pillars of their faith which mandates (1) trust and faith, (2) prayers five times a day, (3) fasting during the holy month of *Ramadan*, (4) offering *zakat* tax, and (5) visiting the holy shrine of Mecca (Islam Guide 2013).

The Christians believe that Lord Jesus is the son of God. The teachings of the religion are provided in the Bible which clearly states right from wrong. There are several denominations of Christianity (such as Catholicism, Protestants, Lutheran, etc.) with the fundamental belief that there is only one god. They believe that doing regular prayers and visiting the church are also fundamental aspects to their religion (BBC 2009). The Christians have been identified for their Protestant work ethic which advocates hard work and a sense of moral obligation. The faith believes that success in any job is a result of an individual's diligent and conscientious attitude. The success of many Western capitalistic nations is attributed to this single founding philosophy of individual productiveness (Weber 1992; Rao 2012).

Sikhism is native to India and is considered a new religion compared to other religions. It was founded by Guru Nanak about 500 years ago. Their main ideologies are that there is only one creator in this universe and being open-minded to all other religions (Gannon and Pillai 2013). Women and men have equal status in their religion, and Sikhs are encouraged to devote specific time to community service. Their religion requires that they practice the five *Kakaars* or artifacts of their religion (having uncut hair, a bracelet, a knife, a comb, and religious shorts RealSikhism 2014).

The next section provides an understanding of the theoretical underpinning to get a better idea on the role of culture on religious practices.

## 2.2 Theoretical Framework

Gannon and Pillai (2013) in their cross-cultural study of 31 countries and 2 subcontinents pioneered the concept of *cultural metaphors* in understanding national cultures. The *cultural metaphors* identify any prominent cultural or societal phenomena that help showcase and weave the country's culture together. Their study also incorporates a country's historical background, religious norms, family values, educational standards, and cultural celebrations in identifying these metaphors. They also integrate the role of national cultural dimensions of Hofstede and GLOBE cultural studies in enriching the understanding of these metaphors. A comprehensive knowledge of all these various components will provide a better understanding of why different societies behave the way they do (Gannon and Pillai 2013).

These scholars have identified different metaphors for various countries to demonstrate their distinctive cultural histories. For instance, Mexico is described via its cultural metaphor of *fiesta* or festivals (Gannon and Pillai 2010, 2013). Mexicans are considered very collectivist, and the celebrations of any fiestas (religious or communal) allow them to be with their in-group members. Collectivist cultures clearly distinguish between in-group (family and close friends) and out-group (casual and business acquaintances) members. This concept of celebrating local traditions with their close members is a very idiosyncratic trait of the Mexican culture (Gannon and Pillai 2013). Organizations in Mexico offer work–life balance practices to ensure employees get adequate time for their nonwork roles also. This "fiesta" characteristic makes Mexicans congregate frequently for any religious celebration. They are very expressive about their religious faith as an ethnic group. Organizations in Mexico commonly have religious altars for employees to worship (Davila and Elvira 2005). Thus, this metaphor helps delineate both implicit and explicit cultural values of the Mexican society (Gannon and Pillai 2013).

India is described with the cultural metaphor of *kaleidoscope* to portray its diversity in religions and the richness of regional celebrations. The traditional festivals spread throughout the year create a colorful medley of festivities that locals truly enjoy and cherish. In March, the vibrant spring festival of *Holi* is celebrated in the northern states of India as people celebrate this tradition with a splash of colorful powders (Oretega 2007). In October/November, the lively Hindu festival of Diwali decorates the early morning and night skies in a sparkling display of fireworks. In December, the lighting of candles and choir festivities culminate yearly Christian celebrations (Gannon and Pillai 2013). Apart from this variety in religions, each state in India carries its own ethnic heritage in its preferences for food, dress, customs, and celebrations. The kaleidoscope thus becomes truly an apt cultural metaphor for India as it reflects a nation immersed in a variety of traditions. This colorful metaphor also demonstrates how tolerant the country is toward different religious groups as various traditional and ethnic festivities are collectively celebrated (Gannon and Pillai 2013; Ratnam and Chandra 1996). Table 2.1 provides the statistics on the religious demographics in India.

## 2.3 Methodology

This paper uses a variety of *primary and secondary* sources as its primary method of gathering information for this research. Primary sources usually include empirical studies, qualitative interviews, personal narratives, and legal documents among several others on the subject of interest. Secondary sources generally comprise of articles found in either non-scholarly or scholarly journals that include an interpretation and analysis of primary research (Rabianski 2003; Ithaca College Library 2014).

These two kinds of sources were identified from a comprehensive search of scholarly, non-scholarly, and institutional databases. The university's database was thoroughly explored using a variety of search terms such as India and religion, India

**Table 2.1** Religious demographics in India

| # | Religious composition | % |
|---|---|---|
| 1. | Hindus | 80.5 |
| 2. | Muslims | 13.4 |
| 3. | Christians | 2.3 |
| 4. | Sikhs | 1.9 |
| 5. | Buddhists | 0.8 |
| 6. | Jains | 0.4 |
| 7. | Other religions and persuasions | 0.6 |
| 8. | Religion not stated | 0.1 |
| | Total* | 100.0 |

*Note*: *excludes figures of Paomata, Mao Maram, and Purul subdistricts of Senapati district of Manipur state
*Source*: The Registrar General & Census Commissioner, India, New Delhi, Ministry of Home Affairs, Government of India. (2010–2011). Religious Composition. Retrieved from http://censusindia.gov.in/Census_Data_2001/India_at_glance/religion.aspx

and diversity, India and Religion and organizations, India and Hindus and organizations, and several other related search terms. In this extensive database, specific sources such as ABI Global Inform, Business Source Complete, Academic Search Complete, ProQuest Research Library, and Google Scholar were methodically examined. Non-scholarly sources such as *The Economist*, *The Wall Street Journal*, *Washington Post*, and BBC (British Broadcasting Corporation) were also included in this research inquiry. Institutional databases such SHRM (Society for Human Resource Management), CIA (Central Intelligence Agency), Oxford Center, and Pew Research Center, among others, were also surveyed to get a holistic understanding of the topic. A variety of religious websites were also explored to garner a better perspective of the subjective narratives on the topic. Finally, different books (such as Gannon and Pillai, among several others) that explored various authors' personal accounts were also included (Rabianski 2003).

Thus, the main themes that are showcased in this chapter are a result of a priori or deductive inferences based on an understanding of both primary and secondary sources on the topic.

## 2.4 Role of Religion on Management Practices

The historical and cultural backdrop in India remains in the background as various religious groups are juxtaposed in India's labor force. Religion can impact employees' behavior at work in several ways either as direct symbols of faith (such as religious festivals, food preferences, dress code, and work schedules) or indirect symbols (nepotism, attitudes toward learning, hierarchy, and leadership). Direct symbols are behaviors that can be easily observed or visible to others, while indirect values are demonstrated tacitly (Rao 2012; Gannon and Pillai 2013).

### *2.4.1 Direct Symbols of Faith*

#### 2.4.1.1 Religious and Traditional Holidays

Organizations in India usually provide their employees several days off to accommodate various religious celebrations. In a qualitative study of multinationals in India, foreign employers expressed concern at the number of festivals that employees participated annually. Further, employees usually invite their bosses and peers for any religious or traditional events as the collectivist orientation endorses any camaraderie. This kind of socializing might be a surprise for Western cultures where employees compartmentalize personal and professional relationships. Women tend to ask more time off as they had primary roles for any religious celebrations at their homes (Rao 2012). In the Indian culture, there is sheer enjoyment of one another's religious and regional celebrations. The collectivist spirit endorses and cherishes any congregations for traditional occasions. Domestic organizations understand and encourage such national festivities. They usually offer several holidays to stress the importance of all religions and cultures (Gannon and Pillai 2013).

The complexity for international managers in understanding these holidays is that there are celebrations at different levels (national, federal, and regional). It is important to keep this distinction in mind especially if an organization has branches or offices in different states. Each of the 28 states celebrates its own regional festivals with *Tamil Nadu* (southern Indian state) having almost 24 federal holidays (Schomer 2012). Table 2.2 provides some federal (government) holidays which are provided either on a national or regional basis. As can be observed, there are only few national holidays, with the rest being regional celebrations (OfficeHolidays 2014).

#### 2.4.1.2 Food Preferences

Food preferences are also affected by religious beliefs. Hindus usually will not eat beef as the cow is considered very sacred in the Hindu religion. Also, traditional Hindus will not eat any form of meat. The worship of animals or zoolatry is very common, and many animals (such as the elephant, rat, cow, monkey, and peacock, among others) are worshipped as they are associated with the Hindu gods. Most Hindus believe harming these animals is sinful. Muslims will not eat pork as it is considered unhygienic in their religion. They also prefer to eat meat that has been slaughtered in a special manner, commonly referred to as *halal* meat (Kala and Sharma 2010; The Economist 2003). In the USA, it is very common for organizations to provide a variety of choices that demonstrate sensitivity to different religious preferences, such as *halal* meat and vegetarian choices (SHRM 2008).

#### 2.4.1.3 Dress Code

Religious values also dictate dress codes and grooming preferences for employees. This is considered one of the most noticeable symbols of faith as employees wear these artifacts commonly to work. The religious diversity in India gives rise to

**Table 2.2** *Federal (government) holidays in India* (this list is not *comprehensive* and includes only a sample of the holidays from the 2014 calendar)

| # | Date | Holiday | Comments (states that provide time off during these festivals) |
|---|---|---|---|
| 1. | January 01 | New Year's Day | Arunachal Pradesh, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tamil Nadu only—*regional* |
| 2. | January 07 | Guru Govind Singh Jayanti | Chandigarh, Himachal Pradesh, Haryana, Punjab only. Birthday of the tenth and final Sikh prophet-teacher—*Regional* |
| 3. | January 12 | Birthday of Swami Vivekananda | West Bengal only—*regional* |
| 4. | January 13 | Bhogi | Andhra Pradesh only—*regional* |
| 5. | January 14 | Milad-un-Nabi | Birthday of Prophet Muhammad |
| 6. | January 14 | Pongal | Also known as Makar Sankranti, Lohri, Bihu, Hadaga, Poki—*regional* |
| 7. | January 15 | Pongal | Tamil Nadu—*regional* |
| 8. | January 26 | Republic Day | Commemorates the establishment of the Constitution of India—(*national holiday*) |
| 9. | March 17 | Holi | Northern States |
| 10. | March 31 | Ugadi | Telugu and Kannada New Year. Karnataka (Bangalore), Maharashtra, Andhra Pradesh, Uttar Pradesh only—*regional* |
| 11. | April 14 | Tamil New Year | Puthandu. Tamil Nadu only—*regional* |
| 12 | April 18 | Good Friday | Friday before Easter Sunday |
| 13. | August 15 | Independence Day | (*National holiday*) |
| 14. | August 18 | Janmashtami | Delhi, Haryana, Himachal Pradesh, Punjab, Tripura, Uttar Pradesh—*regional* |
| 15. | September 06 | First Onam | Kerala only—*regional* |
| 16. | October 02 | Mahatma Gandhi Birthday | Gandhi Jayanti (*national holiday*) |
| 17. | October 04 | Vijaya Dashami | Only Karnataka—*regional* |
| 18. | October 05 | Bakrid | Kerala, Tamil Nadu. Date varies on lunar cycle |
| 19. | October 22 | Diwali | Deepawali. Kerala, Tamil Nadu only—*regional* |
| 20. | November 01 | Kannada Rajyotsava | Bangalore only. Karnataka Formation Day—*regional* |
| 21. | December 25 | Christmas Day | *National holiday* |

*Source*: OfficeHolidays. (2014). National public holidays of India in 2014. Retrieved from http://www.officeholidays.com/countries/india/

different kinds of dress codes and traditions. For instance, members of the Sikh community will not shave their facial hair as it is against their religious beliefs. They also wear turbans which may clash with Western beliefs that have strict grooming policies at work. Muslim women may wear a headdress as modesty is very valued in their culture. Hindu women wear a dot on their foreheads as a part of their cultural tradition. Hindu women may wear either a *sari* or *salwar kameez* (loose garments) to work. They may not traditionally wear skirts or trousers as is the norm in most Western cultures. Many individuals may wear the holy ash on their foreheads on specific days to demonstrate their religious traditions. Multinational practitioners observed Indian women wearing jewelry in manufacturing plants which had strict dress codes for safety reasons. The women did not comply as these symbols (such as necklaces) were symbolic of their marriage statuses (Rao 2012).

#### 2.4.1.4 Work Schedules

The work week schedules could also be impacted by religious beliefs. The Western cultures are used to the concept of the Sabbath day being on Sunday. The Muslim culture celebrates their Sabbaths on Fridays, while traditional Christians (such as Seventh-Day Adventists) have theirs on Saturdays. Both the Muslim and Hindu religious festivals are dictated by the lunar calendar. The religious celebrations of important festivals for Hindus and Muslims may vary from year to year requiring organizations to do some prior planning (OfficeHolidays 2014; Rao 2012).

### *2.4.2 Indirect Symbols of Faith*

Several work-related values are influenced by religious beliefs as individuals are guided by the founding principles of their religions. Employees carry their faith to work consciously or subconsciously which is manifested in several work-related ways. This chapter will focus on a few outcomes such as preferential treatment, attitude toward learning, hierarchy, and leadership styles (Rao 2012; Bhalotra et al. 2012; Ashok and Thimmappa 2006; Cappelli et al. 2011; Wong-MingJi et al. 2014).

#### 2.4.2.1 Nepotism at Work

Nepotism at work is a recurrent outcome when diverse religious groups work together. Employees strongly show preferences for working with their own in-group members. Historical prejudices may frequently discourage or encourage employers against certain employee groups. For instance, members of the Muslim community often feel discriminated and underrepresented in political and business environments (Ratnam and Chandra 1996; Bhalotra et al. 2012).

Personal relationships become very critical in the recruitment culture as each religious or ethnic group predominantly promote their own kith and kin. This leads to a lot of favoritism in hiring and sometimes promoting of unqualified talent (Nigam and Su 2011). In a study on Indian and multinational organizations, expatriate managers were surprised how easily employers identified an employee's social background in the hiring process based on his or her last names. This often leads to a lot of preferential treatment in organizational practices, such as recruitment, training, and promotions (Rao 2012). In an empirical study of 80 organizations, minority groups (such as Muslims, Christians, etc.) frequently perceived discrimination in training and career opportunities in comparison with the majority groups. They felt the need for more representation from their groups in the organization for them to advance professionally (Kundu 2003).

#### 2.4.2.2 Attitude Toward Professional Development

The attitude toward training may also be shaped by religious beliefs. Scholars suggest the emphasis on learning in Indian organizations could be an outcome of the early cultural concepts of the *guru–shishya* (teacher–student) relationship established in the Hindu culture. Over centuries, the concept of learning and education has become a very central part of Indian culture. Learning is viewed as a continuous and lifelong process. Organizations now behave like surrogate universities in the time and effort they invest in employee professional development (Ashok and Thimmappa 2006; Cappelli et al. 2011). Training and development has become a very strategic agenda in most Indian organizations with about 62 % of the Indian organizations suggesting their investment in employee training (Cappelli et al. 2011). Subordinates always look up to their superiors to guide or teach them in their careers, like a student would do with his or her teacher (Nigam and Su 2011).

The concept of providing elaborate learning environments is adopted by several Indian organizations. For example, India's leader in IT (information technology), Infosys, has become the employer of choice for millions of local applicants. The company invests enormous time in identifying the right talent by cognitively testing applicants before they are recruited. This is followed by a comprehensive training program that lasts usually for about 3 months. These sessions include frequent subject tests and performance updates. Managerial employees are also held accountable for their new hires regarding training performances. Scholars suggest this emphasis on professional development might be a cultural characteristic of the Indian HRM model that makes it distinct from other cultures (Cappelli et al. 2011).

#### 2.4.2.3 Hierarchy System in Organizations

The system of ranking that was established early in the Indian society by the Hindu caste system is apparent in the workplace through its hierarchical system. Professional titles and organizational levels are clearly established which

employees implicitly follow. Employees respect their bosses and are extremely loyal to their groups (Nigam and Su 2011). While scholars (Hofstede 2006) attribute this pyramid arrangement in organizations to its power-distance cultural orientation, others suggest (Budhwar 2009; Gannon and Pillai 2013) this grading structure has emerged from the early social stratification of its caste system. Further, the Hindu philosophy also associates and worships its Gods in a hierarchical manner. Employees easily accept such hierarchy in work as they have observed such stratification throughout their lives (Nigam and Su 2011; Gannon and Pillai 2013). Expatriate employees in a qualitative study demonstrated their surprise on the deferential attitudes of subordinates toward their superiors. They attributed such obsequious behavior of Indian employees to their social grounding (Rao 2012).

#### 2.4.2.4 Attitude Toward Leadership

Indian organizational leaders have a very strong sense of altruism and benevolence in their roles as business executives (Cappelli et al. 2011; Wong-MingJi et al. 2014; Mahadevan 2013; Worden 2003). Scholars (Wong-MingJi et al. 2014) suggest these characteristics of goodwill and compassion that Indian leaders demonstrate are culturally ingrained by their *religious perspectives*. For instance, in the case of the Hindu religion, the mythological stories of *Ramayana and Mahabharata* are retold countless times to children and adults via movies, books, and cultural shows. The main themes in these narratives are being a good human being and doing well for others. The *Bhagavad Gita*, the religious bible for Hindu, stresses the importance of paying close attention to the process in any role and having a less emphasis on the final outcomes. For example, business leaders should aspire to be inspirational leaders, rather than only focus on the profits of the business (Mahadevan 2013).

Several Indian leaders from various religious faiths have demonstrated qualities of spiritual leadership in their attitudes toward their business goals and the larger society (Pawar 2014). J. N. Tata, a distinguished pioneer of noteworthy industries, such as textile and coal, has been showcased for his altruism as he shared important "trade secrets" of his cotton industry for the betterment of the entire society. His main goal was always the advancement of the entire industry and his country. His leadership style strongly reflected that he was not concerned primarily with only his business goals and financial returns. These characteristics have been attributed to his religious faith of Zoroastrianism that emphasized being a good human being and serving others. He had this principle in mind as he relentlessly put India's position on the top rung in many industries (Worden 2003). There are examples of several other Indian leaders who have demonstrated qualities of spirituality in their leadership styles (Wong-MingJi et al. 2014).

In a qualitative study of 98 Indian organizations from a diverse range of industries, Indian leaders portrayed strong spiritual characteristics in their leadership styles. Unlike Western business leaders, Indian leaders had a strong focus of enhancing their immediate society. They were not overly focused on quarterly profits or financial outcomes as is the case for most businesses. They wanted their firms to

make an impact on the "bottom of the pyramid" or lower economic levels also. The classic example is the manufacture of the Tata Nano car which was priced almost 75 % below the lowest priced car making it very affordable to the common man (Cappelli et al. 2011).

The next section provides valuable guidance to managers as to how organizations can implement strategies to accommodate both direct and indirect symbols of different faiths at the workplace.

## 2.5 Implications for Managers and Practice

There are very few research studies that actually investigate the role of religious backgrounds on organizational practices. Most of the studies identify how religious beliefs influence external symbols of faith such as dress codes, food preferences, or holidays observed. It is important that organizations look beyond these external factors. Organizations should also implement diversity policies to make employees of all religious groups feel inclusive in their workplaces (Rao 2012; Rai 2013).

India's diverse population group requires business leaders to invest in diversity management training. This might help mitigate the stereotypical prejudices religious groups have against one another (Cooke and Saini 2012). Western organizations invest a lot in diversity management practices with the core belief that differences among employees are valuable. In a study of 532 organizations in the USA, HR leaders responded that they mainly provided accommodations for religious festivals, wearing symbols of faith (such as dress), and flexible vacation scheduling (SHRM 2008). While Indian organizations invest a lot of financial and labor resources in technical training, they do not spend sufficient time in providing soft skills, such as diversity management (Saha 2012; Cooke and Saini 2012).

In a qualitative study of Indian firms on diversity management, managers had ambivalent feelings toward implementing diversity policies. Some managers were concerned that such training initiatives might stir up past prejudices among various religious groups. Others felt there was no need for such specific training programs as local employees are culturally attuned to diversity issues as they observe them throughout their lives. There were, however, some managers who perceived formal policies will definitely alleviate any negative concerns resulting from diversity issues (Cooke and Saini 2012).

Organizations with diverse work groups should have checks and balances to reduce nepotism in the workplace (such as recruitment, training, and promotion). It is but natural for religious or ethnic groups to promote one another. This has been identified as one of the strong negative outcomes of having diversity at the workplace (Budhwar 2012; Kundu 2003). Organizations might want to implement multiple layers of evaluation in recruitment, training, or promotion to help lessen such biased practices. Budhwar (2012) demonstrated in a qualitative study of 74 multinationals in India how multinationals circumvented the cultural practice of preferential treatment in recruitment. These multinationals included personal referrals as a

part of their informal recruitment practices as employees liked to refer their family and friends as prospective applicants. However, these referrals were subject to objective evaluations by several other employers (not connected to the applicants) to ensure the right talent is being hired.

Employers should continue to promote the *guru–shishya* training concept that is easily accepted in the Indian work culture. This can be done via planned mentorships or training programs. Employees like to be nurtured by a mentor or superior as it creates a personal learning environment that the Indian culture naturally assimilates. Any form of learning is viewed as an asset as the culture traditionally views education as the best investment an individual can make (Ashok and Thimmappa 2006; Cappelli et al. 2011).

Organizations should have clear vacation policies on how many days/time off employees can take annually for religious celebrations. This structure will bring a sense of equity into the system with minimal chances of any employers showing favoritism to their employees (SHRM 2008). Several productive days are lost as organizations try to accommodate regional and religious celebrations (Schomer 2012). Organization leaders should be mindful of both regional and national celebrations when developing any corporate vacation policy (SHRM 2008). For instance, in India, the states of the North celebrate *Holi*, while the southern states celebrate *Pongal* (Oretega 2007). Organizations should also identify celebrations of all religious groups and not fall into the trap of celebrating only festivals of one or two groups. Vacation exchange policies might also be effective in organizations with diverse employee groups. In this kind of system, members of one religious group exchange days with another so that all employees do not take vacation at the same time (SHRM 2008).

Organizations that have in-house cafeterias should provide a variety of choices as food preferences are dictated by religious beliefs (SHRM 2008). Multinational firms in India have become cognizant and provide different catering requirements for vegetarians and nonvegetarians to satisfy the food preferences of both groups. In many instances, vegetarians do not like to eat food that has been prepared by nonvegetarian vendors. Multinational firms in India have offered only vegetarian cuisine after realizing the employee population strictly followed such dietary preferences (Rao 2012).

It is important to adopt flexible dress code policies as the diverse religious groups in India like to wear their symbols of faith to work. Many Western firms have got into legal problems as they have tried to enforce a dress code that has gone against the norms of certain religious groups. In the USA, members of different religious communities have sued as companies (Disney, Abercrombie, and Fitch) have not allowed employees to wear their symbols of faith (headdress or turban) (SHRM 2008). Local managers in India usually do not have any problems with specific dress preferences among various religious groups as they are accustomed to such traditional preferences. It is very common for Indians to wear artifacts (bracelets, chains, dress) that display their religious preferences openly (Rao 2012).

The last section of this chapter showcases its contributions and provides theoretical and practitioner models for scholars and managers.

## 2.6 Conclusion

According to the Pew Research (2014), India's religious diversity index is considered moderate with a score of 4.0 (a score of 10 reveals high religious diversity). Singapore has the highest religious diversity with a score of 9.0 as several religions are followed on this small island. Religion does play a strong role in Indian organizations as Hindus, Muslims, Christians, Sikhs, Jains, and Buddhists, among others all work together. The influence of religion on HRM practices is not only important for domestic firms but also for multinationals operating in India (Ashok and Thimmappa 2006; Rao 2012).

This study provides *four* main contributions. It provides a rich discussion on the role of religion on HRM practices in India. Many scholars have commented that there is a paucity in the literature on the role of religion in emerging economies. Further, studies have indicated that most of the extant research focuses only on the external symbols of religion and its impact on organizations. This paper has identified the influence of *both* external and internal symbols of faith enriching this body of literature. Very few studies have examined these factors comprehensively (Worden 2003; Chattopadhyay 2012; Rao 2012; Rai 2013).

Second, this research provides a conceptual model (please refer to Fig. 2.1) that can be tested. The model distinguished variables for both direct and indirect symbols of religion. The variables identified in this study can be tested either empirically or qualitatively. Thus, this chapter provides direction and avenues for scholars to do future research (Kundu 2003; Rao 2012). This study has examined only a *few*

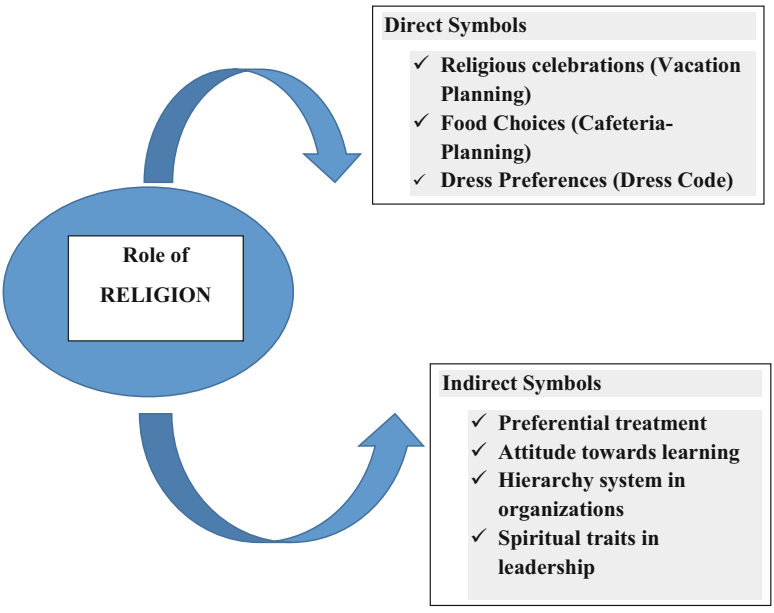


**Fig. 2.1** Conceptual model of the role of religion on HRM practices in India

internal symbols (such as leadership, nepotism). Future research can include many more factors such as job satisfaction, work ethic, and stress, among others. This model will also help readers understand that religion impacts not only the surface artifacts but also has a profound meaning in work-related practices (Wong-MingJi et al. 2014; Budhwar 2012). This study has included only the major religions, but forthcoming studies may want to examine the role of all other religions in India, such as Jainism, Buddhism, Zoroastrianism, etc. (Budhwar 2009).

Third, this study provides guidance for both domestic and multinational practitioners in implementing practices in understanding religious diversity. This paper identifies both organizational outcomes and managerial implications (please refer to Table 2.3). These preliminary guidelines can be helpful to practitioners in the formulation of organizational policies. For example, multinationals have to keep in mind both regional and national celebrations in establishing corporate vacation policies (Schomer 2012). Food preferences among religious groups are very different requiring organizations to offer a variety of choices in organizational cafeterias (Rao 2012). Diversity policies have to be established as local companies tend to discriminate against minority groups. Most organizations pursue ad hoc policies giving room for preferential treatment between employers and employees (Kundu 2003; Cooke and Saini 2012). Business leaders have a strong altruistic focus in managing their corporations which scholars attribute to spiritual leadership styles. Multinationals can tap into this energy by establishing corporate social responsibility initiatives (Cappelli et al. 2011).

Finally, this paper showcases important management issues in an emerging economy. Its workforce is sought by multinationals for its STEM (science, technology, engineering, and math) talent (Nigam and Su 2011). India's greatest strength is its talented and diligent workforce that has produced extremely proficient work comparable to that of global standards (Kalam and Rajan 2002; Nilekani 2009). The "software miracle" or prominence of the Indian software companies in the international market has been a big leap in this direction (Kalam and Rajan 2002, p. 50). India has become a strong business market with its GDP (gross domestic product) increasing significantly since its expansive trade policy of the early 1990s. In the last decade, India experienced a 7.6 % in its GDP suggesting a vibrant economy that produces various products and services. Table 2.4 provides details of India's GDP from the 1980s suggesting a steady and consistent rise from 5.2 to 7.6 % (Drèze and Sen 2013).

In conclusion, this chapter can be considered very topical as it addresses a relevant topic especially with the political orientation of the current government. The ruling party in India, BJP (Bharatiya Janata Party), has displaced the Congress party that has historically been in power. BJP has its roots in and is linked to the traditional organization of the RSS (Rashtriya Swayamsevak Sangh), which is very proactive in promoting the Hindu religion and its philosophy. This religious group was established in 1925 to create a separate identity for the Hindus. It subsequently became unpopular when one of its supporters assassinated the father of the nation, Mahatma Gandhi. Proponents of the party are now hoping to see the prime minister, an advocate of the RSS, propose policy changes that will provide a stronger voice for the Hindu community. Thus, the role of religion in the workplace may become more significant with such a right-wing direction (Mandhana 2014).

**Table 2.3** Guidelines and implications for practitioners

| # | Role of religion | Organizational outcomes | Managerial implications | Relevant citations |
|---|---|---|---|---|
| 1. | Labor workforces have diverse religious groups | Misunderstandings among various groups | Diversity management training | Saha (2012), Cooke and Saini (2012) |
| 2. | Labor workforces have diverse religious groups | Nepotism in organizational practices | Multiple layers of evaluations to ensure there are no biases in recruitment, training, and promotions | Budhwar (2012) |
| 3. | Various religious holidays | A lot of productive days lost annually | Provide a clear policy of how many days/time off employees can take in a year | SHRM (2008) |
| 4. | Caste system and Hindu trilogy | Hierarchical organizational system | Employees easily adopt a rank-order system at work | Saha (2012), Budhwar (2009) |
| 5. | Food preferences dictated by religious beliefs | Provide cafeterias with diverse food choices | Sensitive to religious beliefs and dietary preferences | SHRM (2008), Rao (2012) |
| 6. | Benevolent leadership style | Leaders focus on both altruistic and financial goals for the company | Include corporate social responsibility initiatives | Cappelli et al. (2011), Mahadevan (2013) |
| 7. | Workforce has a keen interest to learn | Invest in enhancing knowledge capital | Training or mentor programs | Ashok and Thimmappa (2006), Cappelli et al. (2011) |

**Table 2.4** Growth rates of GDP (gross domestic product) in India

| Years | GDP (%) |
|---|---|
| 1980–1981 to 1990–1991 | 5.2 |
| 1990–1991 to 2000–2001 | 5.9 |
| 2000–2001 to 2010–2011 | 7.6 |

*Source*: Drèze, J., & Sen, A. (2013). *An Uncertain glory: India and its contradictions.* Princeton University Press, p. 23

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# Chapter 3
# *Zippies* and the Shift in Cultural Values in India

**Grishma Shah**

## 3.1 Introduction

Economic changes brought forth by liberalization policies, complemented by the benefits of the demographic dividend, have set the stage for unprecedented transformation in India. An explosion in foreign direct investment (FDI) in the past decade, concentrated in globalized cities such as Bangalore, Delhi, and Hyderabad, has generated economic opportunities that have attracted countless young students and professionals to these urban centers. The country's 2011 census confirms that close to 50 % (more than 500,000 million people) of India's total population (of more than 1 billion) is under the age of 24 and 65 % under the age of 35. Of that, the youth cohort, ages 15–34, comprise 430 million people, and the median age is 24 (Census of India 2011, 2011; Rukmimi 2013; Shivakumar 2013). While such a large and burgeoning population undoubtedly poses tremendous challenges, for perhaps the first time in Indian history, these numbers are considered a blessing known as the "demographic dividend." A dividend because, with more than half the population under the age of 25 and close to 40 % of that under the age of 18, India's workforce will swell by 150 million over the next decade (while the working populations of other major economies, including the United States and China, will decrease as a result of an aging population). By the year 2020, the average Indian will be only 29 years old, and India will boast a workforce of 854 million, supplying an endless number of workers to meet the demands of its burgeoning economy (Llewellyn et al. 2007).

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G. Shah (✉)
Manhattan College, Riverdale, NY, USA
e-mail: grishma.shah@manhattan.edu



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"If India's GDP per capita continues to grow at a double-digit rate, its urbanization rate could rise to over 40 % over the next decade," resulting in an ever-increasing urban middle-class cohort in their 20s and/or early 30s living (Llewellyn et al. 2007).

Convincing anecdotal evidence suggests that this young cohort, living in highly globalized cities and employed in Information Technology Enabled Services (ITES), is not only the catalyst behind rapid economic growth but is also responsible for a revolutionary new youth culture in India (Das 2001; Friedman 2004a, b; Malik 2004). This growing group of young middle-class Indians, at the forefront of the new youth culture personified in consumerism, is referred to as "liberalization's children," the first generation to come of age after the enactment of 1991 liberalization policies and the first generation to thoroughly reap the benefits of an economically dynamic India. While the quintessential nature of liberalization's children is difficult to capture, they are collectively known as the *Zippies*. A Zippie is defined as "a young city or suburban resident, between 15 and 25 years of age, with a zip in the stride. Belongs to Generation Z. Can be male or female, studying or working. Oozes attitude, ambition and aspiration. Cool, confident and creative. Seeks challenges, loves risks and shuns fear. Succeeds Generation X and Generation Y, but carries the social, political, economic, cultural or ideological baggage of neither. Personal and professional life marked by vim, vigor and vitality (origin: Indian)" (Sinha 2004). Many have cited the growing wealth and consumption patterns of Zippies, but few have presumed it to represent the precursory phase of deep-rooted cultural change to follow (Friedman 2004a, b). After all, aside from illustrating your socioeconomic status, what does owning the latest iPhone mean? In a nation steeped in traditional culture, do owning an iPhone, working for multinational corporations (MNCs) (often catering to a Western clientele), watching American sitcoms, and frequenting the nightclub scene cause or signal a profound cultural change? Or do these youthful, urban activities simply shed light on an obsessive consumption trend resulting from new and unprecedented disposable income? Is uninhibited consumerism among young middle-class Indians simply a consumption craze ensuing from greater disposable income, or is it a precursor for deep-seated cultural change? Concisely, is the lifestyle transformation experienced by young Indians who are employed by MNCs (particularly in the ITES industry) and living in globalized cities away from family simply superficial, or is it the first layer of an imminent, deep-rooted cultural change to follow? In an effort to address these questions, the following work examines the impact of economic globalization on core cultural values for young middle-class Indians living in globalized cities, working for MNCs, and living away from family. Specifically, it investigates how globalization is affecting the values of collectivism in a country simultaneously steeped in ancient traditions and rapid capitalistic transformation.

## 3.2 The Crossvergence of Work and Family Values

Most experts on culture concur that economic development and cultural change are inevitably linked and that economic development stimulates major social and cultural change. In recent decades, three major schools of thought have dominated

the discussion on culture and change: convergence, divergence, and crossvergence. The convergence school of thought argues that globalization leads the values of the world to become more similar and that value shifts can occur within a short period. In accordance, until recently, almost all of the major studies on culture, including the GLOBE studies, the World Values Survey, and Hofstede's original research on value dimensions, along with a host of smaller studies, suggested that as societies develop economically, they will converge toward the ideals of Western capitalism. Specifically, they argued that if economic development comes in the form of capitalism, the intrinsic values of capitalism will require more individualistic ideals in society, and accordingly, societies will shift toward more individualistic values. Secondly, the divergence school of thought argues that values are relatively stable over time and globalization does not lead to significant value changes in the short term. Nonetheless, the divergence school of thought also argues that value differences may be exacerbated because of globalization. In other words, the threat of globalization eroding traditional values may impel society to hold on to what it perceives to be authentically Indian even tighter. In India, an extreme version of this theory is manifested by anti-globalization activists, Hindu fundamentalist, and terrorist groups. Lastly, crossvergence theory suggests that some aspects of a value system may change over a period of years, while other aspects of a value system may take generations or centuries to change (Ralston et al. 2006). "Crossvergence advocates that the combination of sociocultural influences and business ideology influences is the driving force that precipitates the development of new and unique values systems among individuals in a society owing to the dynamic interaction of these influences" (Ralston et al. 2006). Similarly, sociology and globalization scholars refer to these theories of cultural change in different terms (respectively): (1) homogenization, in which the world's cultures are becoming similar; (2) heterogenization, in which the differences in the world's cultures are becoming more prominent; and (3) hybridization, in which world cultures are fusing together. Accordingly, the question in regard to globalization in India is not whether change is occurring as a result of globalization, but, more importantly, what is the nature of the change. Undeniably, as India plunges into the depths of global capitalism, certain values will converge toward the individualistic ideals of capitalism, while other values may remain stable. From a hybridization or crossvergence perspective, the essential question to be examined is: To what degree and at what speed do various aspects of a society's value system change and why (Ralston et al. 2006)?

## 3.3 Hypotheses

In order to operationalize the theory of crossvergence (potential for stability and/or volatility), one must comprehend the prevalence of certain values in certain contexts. I propose that to demonstrate effectively the cross-convergence of values in India, one must provide a reference point from which values can be measured. In accordance, I not only treat the value of collectivism as separate and independent

from individualism, but I also separate the values of collectivism into two domains: the professional/career domain and the social/family domain. Cigdem Kagitcibasi noted "that urbanization and affluence cause independence in the material realm and retain interdependence in the emotional realm in the collectivist culture" (Kagitcibasi 1994). Here, "material realm" refers to the component of life concerned with the procurement of day-to-day provisions and/or economic means, while the emotional realm refers to one social relationship, such as family and friends. Concisely, the material domain normally refers to the sphere of work, while the emotional domain tends to deal primarily with the realm of social/family relations. As a matter of course, the two domains will overlap in some respects. In general, while economic development instigates change in the work domain by altering one's relationship with their economic means, the social/family domain may witness fewer changes, as it is not directly linked to economy in contemporary societies. The basis of this division is not only logical but also intuitive. I use this distinction because people tend to separate their work and family lives. Particularly in India, I have observed that individuals assess their workplace values and their family/social values from different vantage points. The professional/career domain refers to one's work life or the method by which one procures the economic means for day-to-day living. The social/family domain refers to one's social relationships, particularly family or ascribed relationships. Logically, I use this distinction because the inception of globalization in India has altered one's relationship with the professional/career domain, but has not necessarily altered one's relationship with the social/family domain. Liberalization policies, in the form of economic globalization, have undoubtedly shifted the means by which urban residents of India procure a living. In India's new economic order (the professional/career domain), financial success most often hinges on one's ability to compete in a capitalist free market economy rather than on dependence on tradition or collectivity of the family. Young middle-class Indians are forced to immerse themselves in capitalism in order to obtain economic viability and the attendant social well-being. A distinction between professional/career and social/family domains is not widely discussed or acknowledged in research studies on collectivism. However, this study not only adheres to this distinction but also demonstrates empirically the validity of and need for such a separation, which formally separates all of the hypotheses into the two domains and assesses the impact of globalization on the core values within each domain. Note that this distinction is illustrated in Fig. 3.1.

As India insinuates itself into a free market capitalist economy with consistent economic growth, traditional values of collectivism will give way to a more independent society. However, this effect may be limited to or more prevalent in certain domains. While less collectivistic values may rise in the domain related to work, education, and career or the areas of one's life that necessitate immersion in a capitalist society for survival, the social/family domain may remain less affected. I propose that while economic development will lead to less collectivistic societies, the degree and intensity of change will vary in the professional/career domain as opposed to the social/family domain. In other words, I agree with previous research

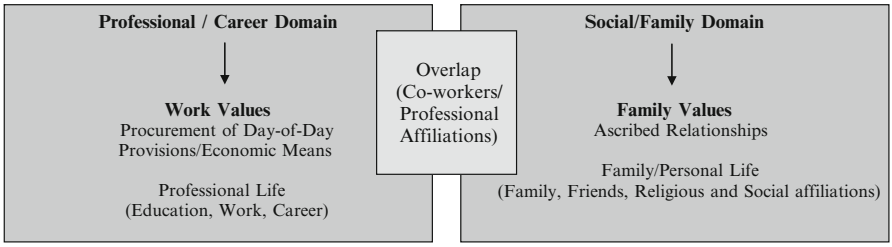
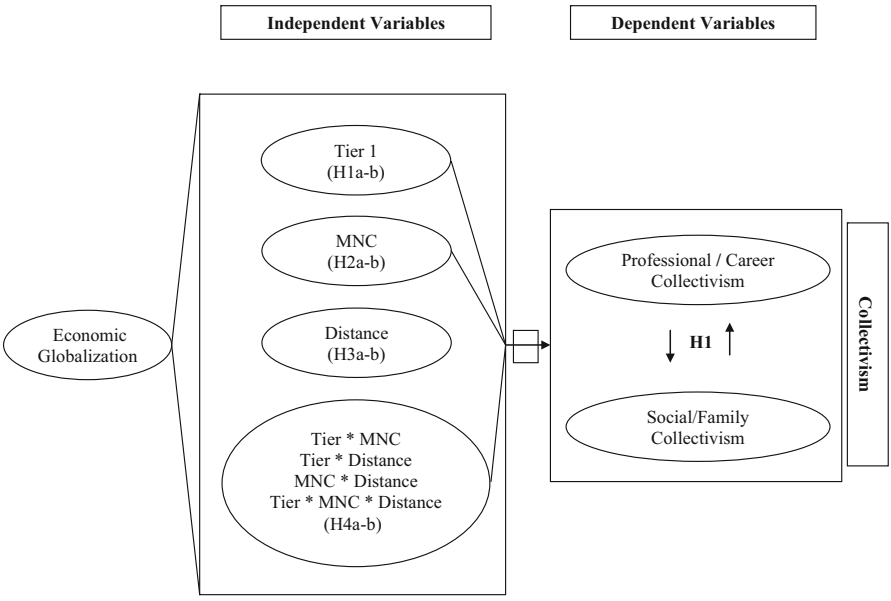



**Fig. 3.1** Professional/career and social/family domain distractions

that greater economic development will lead less collectivist societies; however, I contend that such changes do not occur uniformly in society. In concurrence with crossvergence theory, I propose that changes in the professional/career domain will be more prevalent and inclined toward less collectivism, while changes in the social/family domain will illustrate a crossvergence of values. While shifts toward less collectivism will occur, these shifts may be limited to and more prevalent in aspects related to economic means, such as values related to one's professional/career domain (work values), while one's social/family domain values may remain relatively intact or may witness a lesser degree of change. Essentially, the question to be examined in this study is "which values tend to be fundamental and unchanging tenets of one's philosophical upbringing, and which values tend to be more susceptible to the pressures of one's work environment?" (Ralston et al. 2006: 9). Formally, I hypothesize:

*H1: Overall, the professional/career domain will have lower levels of collectivism than the social/family domain for all of the hypotheses listed above.*

Secondly, anecdotal evidence in recent years suggests that most young middle-class Indians experience three critical facets of globalization in India. Firstly, most are coerced to shift to a globalized city for education and/or job opportunities. This initial facet represents the geographic limitations of globalization and/or economic growth to certain cities in India. Secondly, they work for global organizations, such as large MNCs or 24-h customer call centers that cater to foreign clientele. This second facet represents an entrenchment in the most recognized embodiment of globalization, the MNC. Subsequently, the unparalleled income earned by this demographic in their new positions results in economic liberalization, while living alone or with their cohorts in a globalized urban center results in unfathomed social liberalization. The singular or combined effects of these events, what I wholly refer to as globalization, can have remarkably enduring effects on individuals. The rapid and incessant unfolding of these events on a mass scale in less than a decade has swiftly transformed India economically and culturally. The following hypotheses explore each of these events or processes as a facet of globalization and investigate the impact of each independently and in concert on the collective values of young middle-class Indians. A summary of the hypotheses is highlighted in Fig. 3.2.




Tier: Tier 1 vs. Tier 2 Cities
MNC: Multinational Corporations vs. Non-Multinational Corporations
Distance: Distance from Family vs. No Distance from Family

**Fig. 3.2** Conceptual model

## 3.4 Globalized Cities (Tier 1 vs. Tier 2)

Contemporary globalization disproportionately affects large cities, as opposed to small cities, towns, or villages. As a result, when one thinks of globalization and India or globalization and China, Bangalore and Shanghai come to mind rather than Kanpur or Wuhan. Similarly, when one thinks of globalization in the Western world, one is often reminded of New York and London, not Amherst or Hull (Sassen 1991, 2006). Irrefutably, globalization is more evident in cities than in countries in their entirety. There is no doubt that globalization is discriminatory in its effects on the populations of nations. There are winners and losers. The winners of globalization benefit greatly, while the losers are left out or experience the adverse effects. In particular, educated, middle- and upper-class individuals living in globalized cities are exposed to the constructive facets of globalization and benefit a great deal from its economic vitality, while uneducated or less educated lower classes in less globalized cities do not benefit at all.

In India, an explosion in FDI concentrated in globalized cities such as Bangalore, Delhi, and Hyderabad has generated economic opportunities that attract countless young students and professionals to these urban centers. Undoubtedly, globalized cities expose residents to multifaceted aspects of globalization, which plays a

significant role in determining their value systems. Such exposure envelops them in a new capitalist economic order, which could have a significant impact on the values of individualism and collectivism. Specifically, it could result in a rise in individualism and a decline in collectivism. In this study, I use globalized cities as proxy for globalization. Note that I refer to globalized cities as Tier 1 cities and lesser globalized cities as Tier 2 cities and formally propose that:

*H1a: Respondents living in Tier 1 cities will have lower levels of professional/career collectivism than will respondents living in Tier 2 cities.*

*H1b: Respondents living in Tier 1 cities will have lower levels of social/family collectivism than respondents living in Tier 2 cities.*

## 3.5 Multinational Corporations

Criticized or commended, MNCs are indisputably linked with globalization. Not only are MNCs rooted in the fundamentals of capitalism, but in India, those employed by MNCs personify the inherent virtues of capitalism. In globalization and international business discourse, there is much debate on the effects of MNCs on societies and vice versa. Pam Nilan, in her study of globalizing trends on Vietnamese youth culture, notes, "one of the curious effects of globalization…is that while it 'universalizes' the cultures, desires and needs of the world's population in order to promote commodities and to encourage the work ethic for transnational companies, it also individualizes" (Nilan 1999: 354). While Indians working for MNCs have a shared and cohesive professional and personal culture, a strong undercurrent of individualism is uncovered when examining the tremendous competition and challenges encountered by MNC employees. The competitive nature of the Indian education system and the historical scarcity in the economy nurture a competitive spirit and drive in individuals, which prepares them for the cutthroat competition required to secure employment at MNCs in India. At many levels, their competitive drives reflect an independent, capitalistic, entrepreneurial spirit. Not only are these individuals well aware of their professional and personal goals, but they have also already proven that they possess the determination needed to achieve those goals. For example, just imagine the tremendous challenges these young workers encounter while achieving their current positions. In a nation such as India, where about 550 million individuals are under the age of 25 and of that number, a quarter to a half possess the hi-tech skills and tertiary education needed to perform at least the basic hi-tech functions, competition for jobs is fierce. One of India's top IT companies, Infosys, founded in Bangalore, receives about 1 million applications for 9,000 open positions in a given year (Friedman 2004a, b). Success in attaining one of these positions is clear evidence of a good education, qualifications, determination, ambition, and a competitive drive.

MNCs are a critical component of contemporary globalization. MNCs are not only a manifestation of globalization, but they are an embodiment of the fundamental values of capitalism. In this study, I use MNCs as another proxy for globalization

and suggest that there will be a link between those that work for MNCs and the core values of individualism and collectivism. I formally propose:

*H2a: Respondents working for MNCs will have lower levels of professional/career collectivism than will respondents working for non-MNCs.*

*H2b: Respondents working for MNCs will have lower levels of social/family collectivism than will respondents working for non-MNCs.*

## 3.6 Living Arrangement/Physical Distance

The introduction of economic globalization in India is rapidly reorganizing traditional economic means, which in turn significantly impacts social life. Globalization in India is limited to globalized cities (as discussed earlier), and consequently those looking to take advantage of economic gains relocate to globalized cities for education and/or employment. Social change is brought about as young workers move to globalized cities for better economic opportunities. Living away from one's parents (in a joint family) indicates a clear generational modification in living patterns resulting from one's economic need or changes in the professional/career domain. In other words, it is a social modification brought forth by economic requirements. Upon moving to globalized cities and living on their own or with peers, many achieve autonomy and liberties that are frowned upon in traditional Indian households. For example, in a traditional Indian household, young people (particularly women) would be unable to consume alcohol and socialize at will (especially with members of the opposite sex). Newly "liberated" young adults are able to partake in new social opportunities, which often include late nights at pubs and dance clubs and hanging out with colleagues or new friends in cafés. Once bound by conservative values, young middle-class Indians now embrace the concept of after-hours drinks with friends, colleagues, and/or a significant other. New living patterns, coupled with physical distance from the family, result in a spatial breakdown of collective family decision-making so that the (decision-making) process is dispersed among the individual members of the family. In other words, being away from one's family often results in individuals making decisions without consulting family members. While decisions on trivial matters, such as which laptop to purchase, are fairly insignificant, decisions regarding one's personal and social life carry considerable cultural freight. The critical question here is: How does this spatial separation from the family attribute to a deeper social shift? Given that physical distance from one's family is a direct result of a more globalized economy, I use distance as a proxy of how vested one is in globalization and formally propose:

*H3a: Respondents physically distanced from their immediate/extended families will have lower levels of professional/career collectivism than will respondents who are not distanced from their families.*

*H3b: Respondents physically distanced from their immediate/extended families will have lower levels of social/family collectivism than will respondents who are not distanced from their families.*

## 3.7 Interactions: Tier, MNC, Distance

Tier of the city, working for a MNC, and physical distance all represent a manifestation or proxy of globalization. Exposure to any one of these three variables represents the degree of one's immersion in globalization. Exposure to more than one or all three of the variables demonstrates greater degree or complete immersion in globalization. Essentially, the presence of one or more of the variables represents the compounded effect of globalization. Conceptually, the interaction of these variables also signifies degrees or variations of globalization; these variations may be linked to shifts in the core values of individualism and collectivism. Hence, I formally propose:

*H4a: Respondents who are exposed to more than one variable of globalization (i.e., Tier 1 + MNC, Tier 1 + Distance, MNC + Distance, or Tier 1 + MNC + Distance) will have lower levels of professional/career collectivism than will respondents who are not exposed to each of those variables.*

*H4b: Respondents who are exposed to more than one variable of globalization (i.e., Tier 1 + MNC, Tier 1 + Distance, MNC + Distance, or Tier 1 + MNC + Distance) will have lower levels of social/family collectivism than will respondents who are not exposed to each of those variables.*

## 3.8 Methodology

The research methodology for this study consists of a survey instrument. Surveys were administered in 12 different cities in India between December 2006 and March 2007. Part one of the survey consisted of Likert scale (1 = disagree strongly and 7 = agree strongly) items measuring value dimensions, while the second half of the survey consisted of demographic of questions. Scale items measuring collectivism are noted in Table 3.1.

## 3.9 Factor Analysis/Reliability

While the scales used in this study were validated for consistency and reliability in earlier studies, there was no evidence of the validity of the scales with an Indian population, as the items had not been tested with a large-scale Indian population before. In order to verify not only the theoretical basis of the scales with the sample population employed in this study but also to test the internal reliability and consistency of the scale, a factor analysis was performed. Notably, the factor analysis absolutely validated the theoretical argument that values of collectivism will differ in relation to social/family and professional/career orientations. This conceptual framework was empirically validated when all six items within the collectivism

**Table 3.1** Factor loadings of scale items

| Collectivism: Cronbach $\alpha$ 0.755 | | |
|---|---|---|
| Items | Social/family collectivism Cronbach $\alpha$, 0.761 | Professional/career collectivism Cronbach $\alpha$, 0.705 |
| Although I do not always fully agree with them, I follow the customs and social expectations set forth by my group (i.e., caste, community, religion) for the sake of my family and its reputation/status | 0.784 | |
| I believe that it is my duty and obligation to observe the expectations/customs set by the group to which I belong (i.e., caste, community, language group, religion), even if personal costs outweigh personal benefits | 0.762 | |
| My personal happiness depends to a large extent on good social relationships | 0.745 | |
| Following my family's expectations is important to me | 0.646 | |
| I want my aging parents to live with me in my home | 0.501 | |
| If a co-worker/team member gets a prize, I feel proud | | 0.656 |
| One needs to return a favor if a colleague lends a helping hand | | 0.632 |
| Whether it is my co-workers or classmates, I respect the majority's wishes when I am with that group | | 0.539 |
| The well-being of my co-workers is important to me | | 0.530 |
| Every person has a responsibility for all others in his or her work group or unit | | 0.517 |
| When it comes to my professional life (work/career, education), I feel good when I cooperate with others on tasks | | 0.478 |

*Items that have a strike through them were excluded from the scale employed in the final analysis as they yielded a low Cronbach $\alpha$

scale loaded together, but remained separated by social/family and professional/career domains. Factor loadings empirically validated the theoretical argument for distinguishing between the social/family and professional/career domains when measuring collectivism dimensions. For a detailed summary of factor loading, please refer to Table 3.1.

## 3.10 Sample Population

### *3.10.1 Regional Distribution of Survey Sites*

The sample population surveyed was located in multiple cities. These cities have been grouped into distinctly tiered categories that reflect their degree of economic development and globalization. In total, there were 1,028 valid respondents located in 12 different cities. Of those 12 cities, for the purpose of this study, 6 are classified as Tier 1 cities, and 6 are classified as Tier 2 cities. This classification is based on a number of variables used by the 2001 Indian census, which includes population, number of enterprises, income, etc. Table 3.2 profiles the respondents within each city and denotes the number of respondents in each tier and region.[1]

**Table 3.2** Number of respondents in each city

| Tier | City | Region | *N* | % |
|---|---|---|---|---|
| 1 | Delhi | North | 113 | 11.0 |
| 1 | Bangalore | South | 104 | 10.1 |
| 1 | Chennai | South | 100 | 9.7 |
| 1 | Kolkata | East | 100 | 9.7 |
| 1 | Mumbai | West | 100 | 9.7 |
| 1 | Hyderabad | South | 2 | 0.2 |
| *Tier 1 total* | | | *519* | *50.5* |
| 2 | Kanpur | North | 103 | 10.0 |
| 2 | Ahmedabad | West | 100 | 9.7 |
| 2 | Nasik | West | 101 | 9.8 |
| 2 | Patna | East | 100 | 9.7 |
| 2 | Nagpur | North | 99 | 9.6 |
| 2 | Baroda | West | 6 | 0.6 |
| *Tier 2 total* | | | *509* | *49.5* |
| *Total sample* | | | *1,028* | *100.0* |

[1] Baroda ($N=6$) and Hyderabad ($N=2$) had low respondent rates. Baroda surveys were conducted by me in person, while Hyderabad surveys were collected online.

India is a country celebrated for its profound regional diversity of language, beliefs, food, and religion. In fact, it can be argued that regional diversity in India is so great that one cannot really measure national culture in India without critically considering intense regional variations. In order to account for these variations, the survey was carried out in different regions of the country so that all regions were represented and any significant regional differences could be accounted for and used as controls.

### *3.10.2 Sample Population in Independent Variables*

The survey was administered to young individuals, mostly between the ages of 17 and 35. The surveys were conducted in highly globalized urban centers (for the purposes of this study, referred to as Tier 1 cities), as well as in smaller, less globalized cities (which I will refer to as Tier 2 cities). Survey respondents in both Tier 1 and Tier 2 cities included young adults employed by multinational or domestic firms that cater to a foreign clientele, as well as those who do not work for MNCs. Additionally, students and the unemployed were also included in the sample population. All respondents were given the same survey. Survey respondents also represented a variety of living arrangements (i.e., living with their immediate/extended families, living in nuclear families, living alone, or with friends). My goal was to sample the young population in globalized cities that are highly developed economically, as well as in less developed, less globalized cities. I aimed to capture the sentiments of those employed by MNCs as well as those who are employed elsewhere. Lastly, I felt that it was important to survey respondents who are physically distanced from family, as well as those who are living in more traditional Indian arrangements.

There is a proportionate distribution in each of the main independent and interaction variables noted in the hypotheses. The proportion of sample in each of the categories is detailed in Table 3.3.

### *3.10.3 Data Analysis*

The data in this study was analyzed using a number of different techniques. As previously noted, a factor analysis was performed on all of the items to obtain the most accurate and reliable scales, which serve as the dependent variables for this study. Firstly, independent sample *t*-tests were run on the three categorical variables noted above and the dependent scales to observe any significant differences in means. Secondly, simple correlations were run between all of the independent and dependent variables, followed by multiple regression analysis.

**Table 3.3** Sample population hypothesized matrix

| | Working for MNCs | Working for non-MNCs | Physical distancing from the family | No physical distancing from the family | Working for MNCs and physical distancing from the family | Not working for MNCs and not physically distanced from the family |
|---|---|---|---|---|---|---|
| Tier 1 cities | 204 | 114 | 289 | 230 | 115 | 48 |
| Tier 2 cities | 185 | 125 | 276 | 233 | 108 | 57 |
| Totals | *389* | *239* | *565* | *463* | *223* | *105* |

## 3.11 Results

### *3.11.1 Mean Variances*

In Table 3.4a, collectivism means are noted for the overall sample. Subsequently, Table 3.4a, c, and d depicts the means and standard deviations along with the *t-statistic* highlighting significant differences between Tier 1 and Tier 2 cities, between those who work for MNCs vs. those that do not, and for those who are distanced from family vs. those who are not distanced. *t*-Values indicate that professional/career collectivism is significantly lower in Tier 1 cities (Tier 1, 5.84) than in Tier 2 cities (Tier 2, 6.02), in support of H1a. Additionally, in support of H2b, social/family collectivism is significantly lower for those employed by MNCs vs. those who work for non-MNCs. Conversely, professional/career collectivism is higher for those who work for MNCs vs. those who do not; hence, H2a is not supported. Additionally, in support of hypothesis H3b, social/family collectivism is significantly lower for those who are distanced from their families vs. those who are not. Lastly, professional/career collectivism is always higher or at least equal to social/family collectivism in all circumstances; hence, H1 is not supported.

### *3.11.2 Correlations for Independent Variables: Tier, MNC, and Distance*

Table 3.5 refers to the correlation matrix between the independent variables of interest (tier, MNC, distance) and collectivism.[2] Results indicate a positive relationship between social/family collectivism (0.063, $P<0.05$) and Tier 1 cities, but a negative relationship between professional/career collectivism (–0.082, $P<0.01$) and Tier 1 cities. Accordingly, H1a is supported, while H1b is not. Secondly, while professional/career collectivism remains consistent, working for a MNC is negatively associated with social/family collectivism (–0.074, $P<0.05$). Similarly, in support of H3b, respondents physically distanced from their families have a negative relationship with social/family collectivism (–0.061, $P<0.05$). Nevertheless, professional/career collectivism remains consistent; thus, H3a is not supported.

### *3.11.3 Regression Models*

Table 3.6 illustrates regression models for the dependent variable of collectivism.

Models 1–7 depict results for hierarchal regression with two main categories of controls. First, firm dummies are added as controls. Any firm that has more than ten

[2] Please note that due to the effects of demographic factors on the dimensions of collectivism, demographic variables of age, gender, marital status, number of children, religion, education, and income are used as controls in these correlations. Moreover, for the independent variable MNC, only the sample of working respondents is taken into account.

**Table 3.4** Independent variables and *t*-tests

| | Mean | Std. deviation | *N* | | | | |
|---|---|---|---|---|---|---|---|
| *(a) Overall sample* | | | | | | | |
| Overall collectivism | 5.878 | 0.772 | 1,028 | | | | |
| Collectivism: social/family | 5.802 | 1.073 | 1,028 | | | | |
| Collectivism: professional/career | 5.935 | 0.864 | 1,028 | | | | |
| | Tier 1 | | | Tier 2 | | | *t* |
| | Mean | Std. deviation | *N* | Mean | Std. deviation | *N* | |
| *(b) Tier* | | | | | | | |
| Overall collectivism | 5.848 | 0.712 | 519 | 5.908 | 0.827 | 509 | −1.254 |
| Collectivism: social/family | 5.839 | 0.788 | 519 | 5.764 | 1.300 | 509 | 1.121 |
| Collectivism: professional/career | 5.843 | 0.863 | 519 | 6.029 | 0.856 | 509 | −3.470** |
| | Distance | | | No distance | | | *t* |
| | Mean | Std. deviation | *N* | Mean | Std. deviation | *N* | |
| *(c) Distance* | | | | | | | |
| Overall collectivism | 5.855 | 0.774 | 565 | 5.906 | 0.769 | 463 | −1.064 |
| Collectivism: social/family | 5.741 | 1.120 | 565 | 5.877 | 1.009 | 463 | −2.051* |
| Collectivism: professional/career | 5.944 | 0.859 | 565 | 5.924 | 0.871 | 463 | 0.373 |
| | MNC | | | Non-MNC | | | *t* |
| | Mean | Std. deviation | *N* | Mean | Std. deviation | *N* | |
| *(d) MNCa* | | | | | | | |
| Overall collectivism | 5.862 | 0.811 | 389 | 5.887 | 0.747 | 639 | -0.496 |
| Collectivism: social/family | 5.671 | 1.260 | 389 | 5.882 | 0.932 | 639 | −2.860** |
| Collectivism: professional/career | 6.022 | 0.840 | 389 | 5.882 | 0.875 | 639 | 2.539** |

*Significant at the 0.05 level
**Significant at the 0.01 level
***Significant at the 0.001 level
[a]This analysis is conducted on the full sample, not just the working population. When *t*-tests are conducted for the working population only, the same variables illustrated significance, except the significance for social/family COL and horizontal profess

**Table 3.5** Correlation matrix between independent variables and collectivism

| | Tier | Distance | MNC |
|---|---|---|---|
| Overall collectivism | −0.005 | −0.034 | 0.000 |
| Collectivism: social/family | 0.063(*) | −0.061(*) | −0.040 |
| Collectivism: professional/career | −0.082(**) | 0.009 | 0.045 |

*Correlation is significant at the 0.05 level (one tailed)
**Correlation is significant at the 0.01 level (one tailed)
***Correlation is significant at the 0.001 level (one tailed)
[a]0 = Tier 2, 1 = Tier 1, 0 = non-MNC, 1 = MNC, 0 = no distance, 1 = distance
[b]This is a partial correlation controlling for age, gender, marital status, number of children, religion, education, and income
[c]For the independent variable MNC, only the sample of working respondents is taken into account ($N = 628$)

respondents is added as a dummy variable. Second, the demographic variables of age, gender, marital status, number of children, religion, education, and income are added as controls. In Model 1, results suggest that certain firms have a negative or positive impact on the domains of collectivism. For example, respondents working for Firm 3 witness a decrease in social/family collectivism. Similarly, respondents working for Firm 9 witness a negative impact on professional/career collectivism, while respondents working for Firms 1 and 6 witness a positive effect on professional/career collectivism. The relationships between working for certain firms suggest that firm-specific characteristics (i.e., size), work culture, and environment play a role in the core values of collectivism.

Demographic controls suggest that social/family collectivism increases for those who are Hindu, as well as with the number of children one has. The latter holds true for professional/career collectivism as well. Professional/career collectivism decreases for men. Social/family individualism decreases with an increase in education and income, while professional/career collectivism increases with education and income. As socioeconomic status (income and education) increases, social/family collectivism levels decrease; however, professional/career levels do not decrease.

In Model 2, the independent variable of the tier is added as a categorical variable (Tier 1 = 1 and Tier 2 = 0). Results indicate that respondents residing in Tier 1 cities experience higher levels of social/family collectivism and lower levels of professional/career collectivism. The latter supports hypothesis H1a. In Model 3, the independent variable MNC is added as a categorical variable (0 = non-MNCs and 1 = MNCs), and results suggest no significant relationship between MNC and collectivism. Consequently, there is no support for H2a and H2b. Professional/career and social/family collectivism do not decrease for those employed by MNCs. In Model 4, the independent variable of distance is added as a categorical variable (distance = 1 and no distance = 0). Results indicate that social/family collectivism decreases for those distanced from their families, while professional/career collectivism is not affected. The former statement supports hypothesis H3b. Models 6 and 7 illustrate the two- and three-way interactions of the three independent variables. In Models 6 and 7, those living in Tier 1 cities who work for MNCs and are distanced from their families are represented by 1, while those residing in Tier 2 cities who work for non-MNCs or are not distanced from their families are represented by 0.

**Table 3.6** Regression models

| | Model 1 | | Model 2 | | Model 3 | | Model 4 | | Model 5 | | Model 6 | | Model 7 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* |
| *(a) Overall collectivism* | | | | | | | | | | | | | | |
| *(Constant)* | *5.814* | *31.024* | *5.811* | *30.944* | *5.767* | *22.818* | *5.828* | *30.987* | *5.778* | *22.718* | *5.930* | *21.442* | *5.911* | *20.596* |
| *Controls* | | | | | | | | | | | | | | |
| Firm 1 | 0.023 | 0.737 | 0.023 | 0.737 | *0.021* | *0.523* | 0.023 | 0.725 | *0.021* | *0.513* | *0.019* | *0.470* | *0.019* | *0.465* |
| Firm 2 | –0.033 | –1.015 | –0.034 | –1.040 | –0.033 | –0.793 | –0.034 | –1.042 | –0.035 | –0.835 | –0.049 | –1.143 | –0.049 | –1.143 |
| Firm 3 | –0.062 | –2.007* | –0.062 | –2.005* | –0.065 | –1.616 | –0.062 | –2.009* | –0.065 | –1.615 | –0.060 | –1.500 | –0.059 | –1.459 |
| Firm 4 | 0.032 | 1.050 | 0.032 | 1.023 | 0.038 | 0.940 | 0.033 | 1.056 | 0.038 | 0.923 | 0.040 | 0.979 | 0.041 | 0.996 |
| Firm 5 | 0.000 | 0.012 | 0.000 | 0.015 | –0.003 | –0.071 | –0.001 | –0.024 | –0.004 | –0.097 | –0.007 | –0.176 | –0.007 | –0.174 |
| Firm 6 | 0.043 | 1.385 | 0.044 | 1.410 | 0.050 | 1.205 | 0.042 | 1.352 | 0.050 | 1.200 | 0.040 | 0.941 | 0.041 | 0.958 |
| Firm 7 | 0.034 | 1.102 | 0.034 | 1.088 | 0.031 | 0.760 | 0.033 | 1.073 | 0.029 | 0.726 | 0.022 | 0.542 | 0.022 | 0.550 |
| Firm 8 | 0.052 | 1.659 | 0.051 | 1.643 | 0.050 | 1.233 | 0.051 | 1.635 | 0.049 | 1.200 | 0.041 | 1.018 | 0.042 | 1.028 |
| Firm 9 | –0.083 | –2.638** | –0.084 | –2.651** | –0.085 | –2.105* | –0.082 | –2.614** | –0.086 | –2.097* | –0.102 | –2.448** | –0.102 | –2.450** |
| Age | –0.022 | –0.477 | –0.024 | –0.498 | –0.016 | –0.259 | –0.022 | –0.463 | –0.016 | –0.265 | –0.036 | –0.566 | –0.033 | –0.511 |
| Gender | –0.072 | –2.280* | –0.073 | –2.293* | –0.072 | –1.766 | –0.069 | –2.179* | –0.070 | –1.698 | –0.074 | –1.787 | –0.074 | –1.787 |
| Marital status | –0.038 | –0.735 | –0.037 | –0.721 | –0.035 | –0.517 | –0.038 | –0.741 | –0.034 | –0.509 | –0.024 | –0.358 | –0.023 | –0.348 |
| No. of children | 0.160 | 3.325*** | 0.162 | 3.334*** | 0.159 | 2.566** | 0.162 | 3.360*** | 0.163 | 2.600** | 0.170 | 2.707* | 0.169 | 2.678** |
| Hindu vs. non-Hindu | 0.071 | 2.283* | 0.071 | 2.294* | 0.072 | 1.812 | 0.070 | 2.259* | 0.072 | 1.801 | 0.063 | 1.567 | 0.063 | 1.553 |
| Education | 0.013 | 0.362 | 0.012 | 0.338 | 0.010 | 0.225 | 0.015 | 0.427 | 0.012 | 0.255 | 0.022 | 0.477 | 0.021 | 0.453 |
| Income | 0.008 | 0.184 | 0.008 | 0.202 | –0.004 | –0.070 | 0.008 | 0.196 | –0.003 | –0.047 | –0.017 | –0.281 | –0.014 | –0.228 |

(continued)

**Table 3.6** (continued)

| | Model 1 | | Model 2 | | Model 3 | | Model 4 | | Model 5 | | Model 6 | | Model 7 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* |
| *Predictors* | | | | | | | | | | | | | | |
| Tier 1 vs. Tier 2 | | | 0.009 | 0.281 | | | | | | | | | | |
| MNC vs. non-MNC | | | | | 0.030 | 0.627 | | | | | | | | |
| Distance vs. no distance | | | | | | | –0.028 | –0.914 | | | | | | |
| Tier 1 vs. Tier 2 | | | | | | | | | 0.010 | 0.236 | | | | |
| MNC vs. non-MNC | | | | | | | | | 0.030 | 0.629 | | | | |
| Distance vs. no distance | | | | | | | | | –0.028 | –0.709 | | | | |
| Tier 1 vs. Tier 2 | | | | | | | | | | | –0.098 | –1.466 | | |
| MNC vs. non-MNC | | | | | | | | | | | 0.001 | 0.010 | | |
| Distance vs. no distance | | | | | | | | | | | –0.042 | –0.670 | | |
| Tier 1 × MNC | | | | | | | | | | | 0.137 | 2.068* | | |
| MNC × distance | | | | | | | | | | | –0.060 | –0.916 | | |
| Tier 1 × distance | | | | | | | | | | | 0.076 | 1.055 | | |
| Tier 1 vs. Tier 2 | | | | | | | | | | | | | –0.091 | –1.228 |
| MNC vs. non-MNC | | | | | | | | | | | | | 0.010 | 0.128 |
| Distance vs. no distance | | | | | | | | | | | | | –0.035 | –0.511 |
| Tier 1 × MNC | | | | | | | | | | | | | 0.120 | 1.220 |
| MNC × distance | | | | | | | | | | | | | –0.077 | –0.807 |
| Tier 1 × distance | | | | | | | | | | | | | 0.063 | 0.698 |
| Tier 1 × MNC × distance | | | | | | | | | | | | | 0.026 | 0.243 |
| *F* | 3.105 | *** | 2.924 | *** | 1.788 | * | 2.971 | *** | 1.625 | * | 1.686 | * | 1.613 | * |
| $R^2$ | 0.047 | | 0.047 | | 0.047 | | 0.048 | | 0.048 | | 0.058 | | 0.058 | |
| $\Delta R^2$ | | | 0.000 | | 0.001 | | 0.001 | | 0.001 | | 0.011 | | 0.011 | |

*(b) Collectivism: social/family*

| *(Constant)* | *5.533* | *21.216* | *5.501* | *21.099* | *5.587* | *15.885* | *5.575* | *21.331* | *5.595* | *15.866* | *5.921* | *15.494* | *5.905* | *14.888* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| *Controls* | | | | | | | | | | | | | | |
| Firm 1 | −0.034 | −1.067 | −0.034 | −1.069 | *−0.032* | *−0.787* | −0.035 | −1.095 | *−0.033* | *−0.812* | *−0.035* | *−0.861* | *−0.035* | *−0.863* |
| Firm 2 | −0.035 | −1.081 | −0.043 | −1.316 | −0.035 | −0.836 | −0.037 | −1.140 | −0.045 | −1.064 | −0.064 | −1.511 | −0.064 | −1.510 |
| Firm 3 | −0.066 | −2.118* | −0.066 | −2.116* | −0.064 | −1.584 | −0.066 | −2.126* | −0.064 | −1.590 | −0.060 | −1.509 | −0.060 | −1.478 |
| Firm 4 | 0.057 | 1.857 | 0.052 | 1.679 | 0.052 | 1.281 | 0.058 | 1.873* | 0.048 | 1.166 | 0.050 | 1.216 | 0.050 | 1.224 |
| Firm 5 | 0.021 | 0.674 | 0.022 | 0.699 | 0.024 | 0.586 | 0.019 | 0.597 | 0.022 | 0.541 | 0.018 | 0.446 | 0.018 | 0.447 |
| Firm 6 | 0.012 | 0.371 | 0.021 | 0.679 | 0.006 | 0.139 | 0.009 | 0.304 | 0.014 | 0.328 | −0.003 | −0.064 | −0.002 | −0.051 |
| Firm 7 | 0.000 | 0.006 | −0.003 | −0.084 | 0.003 | 0.077 | −0.002 | −0.053 | −0.002 | −0.043 | −0.013 | −0.321 | −0.013 | −0.315 |
| Firm 8 | 0.042 | 1.339 | 0.039 | 1.236 | 0.044 | 1.080 | 0.040 | 1.291 | 0.039 | 0.958 | 0.027 | 0.678 | 0.028 | 0.684 |
| Firm 9 | −0.030 | −0.955 | −0.039 | −1.228 | −0.028 | −0.682 | −0.028 | −0.907 | −0.035 | −0.859 | −0.059 | −1.429 | −0.059 | −1.431 |
| Age | 0.014 | 0.305 | 0.006 | 0.133 | 0.009 | 0.146 | 0.016 | 0.335 | 0.003 | 0.043 | −0.031 | −0.497 | −0.029 | −0.459 |
| Gender | −0.005 | −0.170 | −0.010 | −0.311 | −0.006 | −0.137 | 0.001 | 0.020 | −0.004 | −0.097 | −0.011 | −0.274 | −0.011 | −0.274 |
| Marital status | −0.047 | −0.911 | −0.042 | −0.812 | −0.050 | −0.749 | −0.048 | −0.925 | −0.046 | −0.679 | −0.035 | −0.519 | −0.034 | −0.512 |
| No. of children | 0.136 | 2.828** | 0.148 | 3.062** | 0.137 | 2.210* | 0.140 | 2.909** | 0.153 | 2.453** | 0.168 | 2.684** | 0.167 | 2.662** |
| Hindu vs. non-Hindu | 0.083 | 2.680** | 0.087 | 2.802** | 0.082 | 2.043** | 0.082 | 2.632** | 0.084 | 2.101** | 0.072 | 1.802 | 0.072 | 1.792 |
| Education | −0.002 | −0.063* | −0.008 | −0.237 | 0.000 | −0.004 | 0.003 | 0.077 | −0.001 | −0.032 | 0.015 | 0.317 | 0.014 | 0.302 |
| Income | −0.108 | −2.592** | −0.102 | −2.454** | −0.098 | −1.734 | −0.107 | −2.570** | −0.092 | −1.626 | −0.119 | −2.017* | −0.117 | −1.947* |
| *Predictors* | | | | | | | | | | | | | | |
| Tier 1 vs. Tier 2 | | | 0.070 | 2.153* | | | | | | | | | | |
| MNC vs. non-MNC | | | | | −0.025 | −0.517 | | | | | | | | |
| Distance vs. no distance | | | | | | | −0.060 | −1.931* | | | | | | |
| Tier 1 vs. Tier 2 | | | | | | | | | 0.070 | 1.672 | | | | |
| MNC vs. non-MNC | | | | | | | | | −0.023 | −0.487 | | | | |
| Distance vs. no distance | | | | | | | | | −0.061 | −1.514 | | | | |

(continued)

**Table 3.6** (continued)

| | Model 1 | | Model 2 | | Model 3 | | Model 4 | | Model 5 | | Model 6 | | Model 7 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* |
| Tier 1 vs. Tier 2 | | | | | | | | | | | −0.050 | −0.748 | | |
| MNC vs. non-MNC | | | | | | | | | | | −0.085 | −1.312 | | |
| Distance vs. no distance | | | | | | | | | | | −0.061 | −0.968 | | |
| Tier 1 × MNC | | | | | | | | | | | 0.202 | 3.064** | | |
| MNC × distance | | | | | | | | | | | −0.055 | −0.839 | | |
| Tier 1 × distance | | | | | | | | | | | 0.049 | 0.682 | | |
| Tier 1 vs. Tier 2 | | | | | | | | | | | | | −0.045 | −0.614 |
| MNC vs. non-MNC | | | | | | | | | | | | | −0.079 | −1.064 |
| Distance vs. no distance | | | | | | | | | | | | | −0.057 | −0.820 |
| Tier 1 × MNC | | | | | | | | | | | | | 0.191 | 1.961* |
| MNC × distance | | | | | | | | | | | | | −0.065 | −0.688 |
| Tier 1 × distance | | | | | | | | | | | | | 0.041 | 0.455 |
| Tier 1 × MNC × distance | | | | | | | | | | | | | 0.016 | 0.152 |
| *F* | 2.979 | *** | 3.087 | *** | 1.708 | * | 2.979 | *** | 1.802 | * | 2.046 | ** | 1.955 | ** |
| $R^2$ | 0.045 | | 0.049 | | 0.045 | | 0.049 | | 0.053 | | 0.069 | | 0.069 | |
| $\Delta R^2$ | | | 0.004 | * | 0.000 | | 0.004 | * | 0.008 | | 0.024 | ** | 0.024 | * |
| *(c) Collectivism: professional/career* | | | | | | | | | | | | | | |
| *(Constant)* | *6.024* | *29.059* | *6.047* | *29.170* | *5.885* | *21.094* | *6.015* | *28.900* | *5.901* | *21.052* | *5.915* | *19.337* | *5.891* | *18.555* |
| *Controls* | | | | | | | | | | | | | | |
| Firm 1 | 0.073 | 2.344** | 0.073 | 2.347 | *0.068* | *1.693* | 0.073 | 2.350** | *0.068* | *1.701* | *0.067* | *1.671* | *0.067* | *1.663* |
| Firm 2 | −0.018 | −0.571 | −0.011 | −0.344 | −0.019 | −0.457 | −0.018 | −0.555 | −0.011 | −0.270 | −0.014 | −0.336 | −0.014 | −0.337 |
| Firm 3 | −0.034 | −1.113 | −0.034 | −1.121 | −0.041 | −1.033 | −0.034 | −1.112 | −0.041 | −1.033 | −0.037 | −0.925 | −0.035 | −0.882 |
| Firm 4 | −0.006 | −0.182 | −0.001 | −0.018 | 0.010 | 0.252 | −0.006 | −0.185 | 0.015 | 0.362 | 0.017 | 0.410 | 0.018 | 0.435 |
| Firm 5 | −0.020 | −0.657 | −0.021 | −0.681 | −0.029 | −0.721 | −0.019 | −0.635 | −0.028 | −0.716 | −0.030 | −0.748 | −0.030 | −0.746 |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Firm 6 | 0.060 | 1.949* | 0.051 | 1.640 | 0.078 | 1.907* | 0.060 | 1.965* | 0.070 | 1.679 | 0.069 | 1.643 | 0.070 | 1.661 |
| Firm 7 | 0.056 | 1.825 | 0.059 | 1.911* | 0.047 | 1.176 | 0.057 | 1.840* | 0.050 | 1.256 | 0.049 | 1.226 | 0.050 | 1.234 |
| Firm 8 | 0.042 | 1.361 | 0.045 | 1.459 | 0.037 | 0.919 | 0.042 | 1.373 | 0.040 | 1.006 | 0.040 | 0.987 | 0.040 | 0.998 |
| Firm 9 | −0.104 | −3.355*** | −0.096 | −3.070** | −0.111 | −2.775** | −0.104 | −3.366*** | −0.103 | −2.561** | −0.106 | −2.561** | −0.106 | −2.564** |
| Age | −0.044 | −0.956 | −0.037 | −0.794 | −0.027 | −0.452 | −0.045 | −0.964 | −0.021 | −0.342 | −0.018 | −0.295 | −0.015 | −0.236 |
| Gender | −0.118 | −3.756*** | −0.113 | −3.621*** | −0.117 | −2.909** | −0.119 | −3.789*** | −0.115 | −2.832** | −0.113 | −2.791** | −0.113 | −2.790** |
| Marital status | −0.015 | −0.291 | −0.020 | −0.386 | −0.006 | −0.088 | −0.015 | −0.288 | −0.011 | −0.159 | −0.005 | −0.070 | −0.004 | −0.058 |
| No. of children | 0.119 | 2.509** | 0.108 | 2.263** | 0.117 | 1.906* | 0.118 | 2.484** | 0.105 | 1.699 | 0.102 | 1.645 | 0.101 | 1.616 |
| Hindu vs. non-Hindu | 0.030 | 0.996 | 0.027 | 0.882 | 0.035 | 0.884 | 0.031 | 1.009 | 0.032 | 0.805 | 0.029 | 0.723 | 0.028 | 0.708 |
| Education | 0.018 | 0.507* | 0.023 | 0.669 | 0.011 | 0.249 | 0.016 | 0.467 | 0.016 | 0.343 | 0.016 | 0.355 | 0.015 | 0.327 |
| Income | 0.131 | 3.181** | 0.125 | 3.050** | 0.100 | 1.797 | 0.130 | 3.172** | 0.095 | 1.707 | 0.100 | 1.706 | 0.103 | 1.728 |
| *Predictors* | | | | | | | | | | | | | | |
| Tier 1 vs. Tier 2 | | | −0.065 | −2.017* | | | | | | | | | | |
| MNC vs. non-MNC | | | | | 0.078 | 1.660 | | | | | | | | |
| Distance vs. no distance | | | | | | | 0.016 | 0.531 | | | | | | |
| Tier 1 vs. Tier 2 | | | | | | | | | −0.064 | −1.536 | | | | |
| MNC vs. non-MNC | | | | | | | | | 0.076 | 1.629 | | | | |
| Distance vs. no distance | | | | | | | | | 0.017 | 0.429 | | | | |
| Tier 1 vs. Tier 2 | | | | | | | | | | | −0.121 | −1.831 | | |
| MNC vs. non-MNC | | | | | | | | | | | 0.092 | 1.423 | | |
| Distance vs. no distance | | | | | | | | | | | −0.005 | −0.081 | | |
| Tier 1 × MNC | | | | | | | | | | | 0.022 | 0.341 | | |
| MNC × distance | | | | | | | | | | | −0.046 | −0.712 | | |
| Tier 1 × distance | | | | | | | | | | | 0.077 | 1.075 | | |
| Tier 1 vs. Tier 2 | | | | | | | | | | | | | −0.112 | −1.539 |

(continued)

**Table 3.6** (continued)

| | Model 1 | | Model 2 | | Model 3 | | Model 4 | | Model 5 | | Model 6 | | Model 7 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* | *B* | *t* |
| MNC vs. non-MNC | | | | | | | | | | | | | 0.102 | 1.380 |
| Distance vs. no distance | | | | | | | | | | | | | 0.003 | 0.046 |
| Tier 1 × MNC | | | | | | | | | | | | | 0.002 | 0.016 |
| MNC × distance | | | | | | | | | | | | | –0.066 | –0.702 |
| Tier 1 × distance | | | | | | | | | | | | | 0.061 | 0.685 |
| Tier 1 × MNC × distance | | | | | | | | | | | | | 0.030 | 0.291 |
| *F* | 4.795 | *** | 4.766 | *** | 2.898 | *** | 4.527 | *** | 2.728 | *** | 2.429 | *** | 2.323 | *** |
| $R^2$ | 0.071 | | 0.074 | | 0.075 | | 0.071 | | 0.079 | | 0.081 | | 0.081 | |
| $\Delta R^2$ | | | 0.004 | * | 0.004 | | 0.000 | | 0.008 | | 0.011 | | 0.011 | |

*Significant at the 0.05 level
**Significant at the 0.01 level
***Significant at the 0.001 level
[a]0 = Tier 2, 1 = Tier 1, 0 = non-MNC, 1 = MNC, 0 = no distance, 1 = distance

In Model 6, note that those living in Tier 1 cities and working for MNCs witness an increase in social/family collectivism. This is the opposite of what is predicted in H4a; hence, H4b is not supported. Note that all models discussed above are significant at the $P<0.001$, $P<0.01$, or $P<0.05$ level.

## 3.12 Discussion

### *3.12.1 Globalized Cities vs. Less Globalized Cities (Tier 1 vs. Tier 2)*

Results support H1a, which states that respondents living in Tier 1 cities have lower professional/career collectivism means than respondents living in Tier 2 cities. However, respondents living in Tier 1 cities do not have lower social/family collectivism than respondents residing in Tier 2 cities. On the contrary, social/family collectivism increases for respondents living in Tier 1 cities as opposed to Tier 2 cities. The overall professional/career collectivism mean of 5.93 is higher than the overall social/family collectivism mean of 5.80; thus, there is no support for H1. While the professional/career collectivism mean is already relatively high, results suggest that in an increasingly globalized India, liberalization's children will be less cooperative and less compromising at work but will continue to work toward preserving traditional values of collectivity when it comes to family. Results predict that social/family collectivism will stay intact in India in spite of globalization (for at least some time to come) and may indeed intensify as globalization becomes more prevalent. As globalization threatens to dismantle the traditional family, Indians are becoming keenly aware of the danger. While young people do want to take advantage of the new opportunities presented by globalization, they are not quite ready to relinquish old values, particularly those relating to family that are so important to the fabric of Indian homelife. In accordance with previous theories on globalization and culture such as the "clash of civilizations" (Huntington 1993) or divergence theory, the encroachment of Western-style capitalism has driven many to more fervently embrace their native culture and shun Western trappings (Bhagwati 2004). Such an inward retreat is particularly true in the case of India. As a new era of globalization takes root, there has been a resurgence of Indian nationalism and a renewed enthusiasm for traditional values as is evident in popular culture and politics through the large number of recent films on Indian nationalism and the insurgence of the RSS (Rashtriya Swayamsevak Sangh), a Hindu nationalist group tenacious about preserving traditional and religious values.

### *3.12.2 Distance vs. No Distance*

Thirdly, hypothesis H3b is supported, while H3a is not supported. Respondents physically distanced from their immediate and/or extended families have lower social/family collectivism means than those not distanced from their families.

However, respondents physically distanced from their immediate/extended families do not have lower professional/career collectivism means than those who are not distanced from their families. The fact that the variable of physical distance plays a more critical role in one's social or personal life as opposed to one's work life sheds light on the significance of distance on the social/family domain, but not the professional/career domain. It is imperative that while the lack of familial influence may affect one's social life or lead to greater social liberation, it may not encourage the same type of liberation in the workplace, which is dictated by different norms.

### *3.12.3 Professional/Career vs. Social/Family Domain*

Hypothesis H1 is not supported. Professional/career collectivism is not consistently lower than social/family collectivism. However, note that in all cases, there is an inverse relationship between social/family collectivism and professional/career collectivism, raising some complicated questions and interesting results. Firstly, consistent inverse relationships between the two domains of collectivism not only support the need to distinguish between domains and provide reference points for value assessments but also provide support to the theoretical distinctions made in this study through empirical evidence. Moreover, inverse relationships between the social/family domain and professional/career domain support the crossvergence theory, which suggests that while changes as a result of globalization will be rapid in some domains, they may not be as prevalent or may lag behind or retreat in other domains.

## 3.13 Conclusions

In the last decade or so, there has been a vital recognition that large-scale intuitional changes, such as globalization, call for a reexamination of not only values worldwide but also their changing dynamics. This is despite Hofstede's claim that values remain relatively stable over time. Precisely,

> if we see that culture is learned and not inherited, and that it is derived from one's social environment, not from one's genes, we can see that today's increasingly shared and learned experience of borderless education, information, markets, capital, products, and services created and nurtured by globalization and new technology legitimatize the necessity and urgency to research the new identity of national culture. (Fang 2002: 85)

What makes this study critical is that it attempts to assess how large-scale institutional changes resulting from globalization are affecting culture and, in particular, core values in India. It reveals keen insight as to how values are changing in a nation that promises to be a prominent feature on the global economic map this century. Such insight is not only useful to scholars who wish to use this insight to predict behavior within firms and organizations but also to policy makers, entrepreneurs, and businesses, as it informs them of impending infrastructure needs which must be met via public, private, and/or public–private ventures, investments, and partnerships (Table 3.7).

**Table 3.7** Key points of chapter

| | Five key points regarding Investigating Cultural Aspects In Indian Organizations (from your chapter) | Five key points regarding strategies to overcome these challenges | Five key points regarding future opportunities in Investigating Cultural Aspects in Indian Organizations |
|---|---|---|---|
| 1. | We must distinguish between work and family domains in order to understand value shifts for young Indians in a globalized economy | I measure changes empirically in two different domains (work and family). In this study, I have also used two different metrics | While the two domains are distinct, the two have overlap, and we need to investigate that overlap in future studies |
| 2. | Capitalism/free markets will have a greater impact on work values than family values, as capitalism demands more individualistic values | I measure the impact of global capitalism, aka economic globalization, to better understand cultural value shifts in the work and family domains | Global capitalism is broadly defined; hence, both macroeconomic indicators (such as GDP growth) and micro-indicators (such as number of years working in a multinational corporation or education) can aid in understanding value shifts. Future studies can explore macroeconomic indicators |
| 3. | Exposure to globalization will impact both work and family values | I use proxies of globalization, such as tier of city to better understand cultural value shifts in both work and family domains | In this study, I use tier of city as proxy of globalization; however, identifying other proxies of globalization would assist in advancing the impact of globalization on values shifts |
| 4. | Exposure to the type of organization (i.e., MNC vs. non-MNC) will impact both work and family values | I use proxies of globalization and capitalism, such as MNC exposures to better understand cultural value shifts in both work and family domains | MNCs may not be the best measure. A better measure maybe level of competitiveness as that creates greater pressures against collectivist values |
| 5. | Shifts in family living arrangements will impact work and family values | I use living arrangements as a proxy for globalization to better understand cultural value shifts in both work and family domains | Social and psychological connection may matter more in a real-time communication world. We need to understand how families stay connected even if they do not live with each other as they may be a greater predictor of value retention than physical living arrangements |

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# Chapter 4
# RETRACTED CHAPTER: The Cultural Similarity Paradox: Understanding the Psychology and Challenges of Indian Expatriates Across International Boundaries

**Pallvi Arora and Neelu Rohmetra**



## 4.1 Backdrop

Increasing globalization has marked the presence for organizations set up in one nation to cut across national and international boundaries for accommodating international expatriate managers to travel abroad and work upon international assignments and projects. Internationalization has thus called for many organizations and companies to employ expatriates (Andreason 2003) understanding the fact that a vast amount of investment is truly made in such international assignments (Wederspahn 1992); it becomes significantly important to ensure that these assignments are successful. The adjustment of expatriates in the international settings or the host country thus becomes crucial for expatriate adjustment and performance (Bhaskar-Shrinivas et al. 2005). Adjustment in the cross-national context is defined as the "degree of a person's psychological comfort with various aspects of a new setting" (Black and Gregersen 1991, p. 498).

The profusion of available expatriate management literature primarily discusses the context of cultural distance, which is the extent to which one culture may be different in comparison to another culture (Shenkar 2001), and consequently, holds a negative relationship of expatriate to the host country (Selmer 2002). Howsoever,

This chapter, "The Cultural Similarity Paradox: Understanding the Psychology and Challenges of Indian Expatriates Across International Boundaries" by Arora, P. and Rohmetra, N., has been retracted because it contains significant duplication of structure and content, without sufficient acknowledgment, of the following article: Vromans, P., van Engen, M. and Mol, S. (2013), "Presumed cultural similarity paradox", Journal of Global Mobility, Vol. 1, No. 2, pp. 219–238, DOI 10.1108/JGM-02-2013-0011, © Emerald Group Publishing Limited."

P. Arora (✉) • N. Rohmetra
International Centre for Cross Cultural Research and Human Resource Management, University of Jammu, Jammu, India
e-mail: pallvi.arora12@gmail.com; nrohmetra@yahoo.co.uk



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more recently arguments have been posed aligned to the fact that adjusting to a culturally similar country/culture may be as challenging as adjustment to an absolutely dissimilar culture (e.g., Adler 2002; Caligiuri et al. 2001; Selmer and Shiu 1999; Suutari and Brewster 1999; Tanure et al. 2009). The Kurt Lewin's model of change as well as dissonance theories including few other theories attributes to explaining how culturally similar countries that seemingly look attractive to expatriates in terms of reduced culture shock may turn out to be equally difficult in terms of adjustment patterns (Selmer 2002, 2007). Before departure, the expatriates do not realize or expect cultural differences but understand, perceive, and experience cultural differences while they are working on an assignment in a culturally similar country, as explained through these theoretical frameworks. This discrepancy, so created, between perceptions/expectations and practical experiences consequently bears a negative impact upon the adjustment of expatriates to the host country culture.

Consequently, this piece of research attempts to bring out the conceptual framework to deliberate upon this cultural similarity paradox held by expatriate managers pertinent to the Indian context for Indian managers abroad in order to put forward the unexpected problems and challenges being encountered by the Indian managers while abroad in culturally similar nations. The projected cultural similarity talks about the pre-departure perceptions, notions, and expectations of the expatriate manager that presume the cultural distance to be comparatively less while moving to a more culturally similar country. Cultural similarity may be presumed on grounds of near about similarities between nations based upon characteristics like language, political and economic systems, and geographical locations. Once these expatriate managers are moved to a culturally similar nation, they understand that there is practically less cultural similarity and, in turn, more adjustment barriers than they had assumed. If the theory of unmet expectations is applied from the socialization literature (Wanous et al. 1992) to this point, and propose that there could be an underestimated level of cultural differences in terms of the expatriate manager's point of view, it would reflect that these undermet expectations may hold a negative impact upon adjustment as well as performance. On the other hand, where an expatriate manager moves to a more dissimilar culture, he would likely be prepared for more cultural differences and adjustment problems. Consequentially, it would lead to meeting expectations while the cultural distance is large. Therefore, there tends to lie no unmet expectations and that it is actually the larger cultural distance that affects adjustment, creating the deviating impact. Significantly, therefore the paradox is functional.

The presumed cultural similarity paradox assumes similarities tied to psychic distance paradox reflected through the foreign market entry literature (Franko 1971; O'Grady and Lane 1996; Fenwick et al. 2003; Pedersen and Pedersen 2004). While the psychic distance paradox portrays outcome variables at an organizational level like effectiveness, sales and profit, and market share, the presumed cultural similarity paradox highlights individual processes and outcomes. Contrary to the psychic distance paradox that is built upon the objective distance dealing with economic development, education, language, trade channels, etc. (O'Grady and Lane 1996; Tanure et al. 2009), the cultural similarity paradox is indicative of expected cultural differences vis-á-vis experienced cultural differences and essentially focuses on individuals' perceptions.

While this paper attempts to build on the adjustment and expatriate management literature as well as discusses the applicability of the theory of unmet expectations, it is proposed that such theories do not portray completely the framework much needed to elucidate on the paradox of adjustment to culturally similar countries. By incorporating suitable and relevant examples in the context of Indian expatriates working on varying projects across culturally similar nations, the paper conceptualizes and provides a theoretical framework dealing with the presumed cultural similarity paradox. This paper shall act as a supplement document for individuals preparing to empirically test the various assumptions, beliefs, and attitudes of Indian expatriates who believe that moving to a culturally similar nation is going to be fast and easy. Consequently, it shall render the reasons for the contrasting effects of cultural distance and, subsequently, the (un)met expectations of cultural similarity and adjustment difficulty (Pauline et al. 2013).

## 4.2 Cultural Distance

Despite the fact that the research and literature available in the domain of cultural adjustment has dealt with issues of cultural distance, also referred to as cultural similarity or cultural novelty (Black et al. 1991), it is not quite indicative whether this could be assessed as expected, experienced, or a more objective assessed distance. Studies have also provided that there could be a differentiation between perceptions of cultural differences and more "objectively" measured cultural distance (Jenkins and Mockaitis 2010). As this piece of research indulges upon understanding the discrepancy between expectations held for culturally similar nations on one hand and the cultural similarity experienced once functional in the host country and its impact on adjustment on the other hand, we are in a position to present a delineation between an expected and an experienced cultural distance. Several researchers, such as Hofstede (2001), Laurent (1983), and Trompenaars and Hampden-Turner (1997), have presented an objective measure of cultural differences between nations on dimensions such as power distance, uncertainty avoidance, individualism, and collectivism. Our focus is not just to deliberate upon what has already been carried out in the understanding of cultural distance, but to present the comprehension of cultural distance in the light of the experiences held by expatriates in culturally similar countries.

## 4.3 Understanding the Psychic Distance Paradox

The contrary perception in lieu of the fact that adjusting to a culture that is expected to be similar to one's own culture be as intricate and hard or even more complicated than adjusting to a culturally distant/dissimilar country is fairly new in the expatriate literature. However, similar phenomenon in the international business literature has already been observed and researched. Franko (1971), in his study, observed for his US sample, in terms of cultural similarity consideration, that Canada had the

highest historical joint-venture instability rate in comparison to countries that were culturally distant to the USA. O'Grady and Lane (1996), through their study, observed that Canadian retailers had a failure rate of nearly 80 % when they were expanding to the US market. Thus, they defined psychic distance to be "a firm's degree of uncertainty about a foreign market resulting from cultural differences and other business difficulties that present barriers to learning about the market and operating there" (p. 330). Evans and Mavondo's (2002) research held that greater strategic ineffectiveness is experienced while entering countries with a small psychic distance. This phenomenon is referred to as the psychic distance paradox (O'Grady and Lane 1996). Often decision makers in organizations tend to enter or expand to foreign markets, to begin with, in a country with little psychic distance to their own country. Often these are considered to be the neighboring countries (Pedersen and Pedersen 2004). It is presupposed by the decision makers that this similarity between the nations shall smoothen the process of market entry as well as enhance the possibility of success (O'Grady and Lane 1996). Even when similarities are observed between nations in terms of a shared language or a similar history and legal traditions, however, there may be differences observed that attribute to the manager's ability to do business (Pedersen and Pedersen 2004). Therefore, despite the commonalities, the differences are still functional and active in shaping the behavioral components of managers even in culturally similar nations. The supporters of the psychic distance paradox argue in the context of pre-departure preparations of the managers wherein they put forward the fact that these managers aren't really prepared and quite insensitive to the differences because of expected similarity (O'Grady and Lane 1996). O'Grady and Lane's (1996) research through their interviews with the Canadian retailers established that as a consequence of their inability to assess the cultural and business differences beforehand and the expectation of similarities influenced their ability to adapt to the USA and be successful. Precisely, most successful firms were actually those that acknowledged differences prior to entry. Fenwick et al. (2003) studied Australian firms entering the British market and found that the Australians assumed similarities between them and the British market. Underestimation of cultural differences caused barriers and management difficulties. Pedersen and Pedersen's (2004) research on Denmark, Sweden, and New Zealand firms indicated that managers entering markets with a small psychic distance practically experienced a shock and distress after they discovered being unfamiliar with the market that they actually believed they were closely familiar with. Conversely, managers entering markets with large psychic distance did not experience as much shock and distress. However, an explanation aligned to succeeding even in a culturally similar scenario is that the organizations must anticipate differences and attempt to minimize the uncertainty by putting more effort into preparation (Evans and Mavondo 2002).



## 4.4 Expatriate Adjustment to Culturally Similar Countries

Several studies and researches (Caligiuri et al. 2001; Selmer 2002, 2006, 2007; Selmer and Lauring 2009; Selmer and Shiu 1999; Suutari and Brewster 1999; Tanure et al. 2009) have demonstrated that a culturally similar host country can be

equally hard and challenging, if not harder, to adjust with than a culturally dissimilar host country. Adler (2002) argues that moving to countries that are comparatively economically and linguistically similar can cause the similar kind of culture shock as they experience while moving to a dissimilar country. Suutari and Brewster (1999) researched the Finnish expatriates in Germany, France, the UK, and Sweden and deliberated on the fact that the Finnish expatriates did not anticipate the presence of differences in terms of their assignments to these culturally similar nations and thought that their adjustment to Western European countries would not be problematic. However, this was not true for them. Tanure et al. (2009) reported a study of Brazilian expatriates wherein it was found that their adjustment to psychically close countries was not easy, like in psychically distant countries. Selmer and Shiu (1999) interviewed Hong Kong Chinese expatriate business managers in the People's Republic of China (PRC) and found that despite the presence of a common cultural heritage, it was challenging for the Hong Kong expatriates to manage effective working and living in the PRC. This expectation that they are culturally similar nations made them to expect that their adjustment is going to be quick and distressful. On the contrary, when they faced such a situation, the Hong Kong expatriates became resentful and frustrated that in turn produced a negative impact upon their performance. It even created a sense of loneliness, detachment, and dislike in most of these expatriates. Selmer (2006, 2007) and Selmer and Lauring (2009) have also determined through their studies that adjustment to culturally similar countries is just as difficult as adjustment to culturally dissimilar countries.



## 4.5 Underlying Rationale Explaining Adjustment Difficulties Between Culturally Similar Countries

Various cognitive psychological processes are involved in adjusting to a culturally similar country as explained by several studies. While moving to culturally similar countries, expatriates may sometimes be unaware or comparatively less aware of the significant differences, they might owe their unsuccessful communication or performance to either their own individual performance or someone else's performance or incompetence which in the true sense may be attributable to the presence of cultural differences (Brewster 1995). However, while moving to culturally dissimilar nations, they are consciously aware of such differences and also to some extent prepared to face them (Brewster 1995). The selective perception and dissonance theory have been accommodated in order to explain this rationale (Selmer 2002). In our daily lives, we are confronted with an excess of information. Practically, it becomes impossible to retain this vast information. As a consequence, people tend to create mental representations to give meaning to their environment and, subsequently, manage this overflow of information (Festinger 1957). While selecting information, it is normally observed that an individual tries to avoid information that is inconsistent with his own personal identity following his own attitudes and behavior as such inconsistencies generate tension. On the other hand, individuals search for information that tends to reinforce their own thoughts and beliefs

(Festinger 1957). Consequently, on being transferred to a culturally similar location, expatriates do not try and assume or expect the kind of cultural differences, precisely because they are inconsistent with their beliefs of similarity. Also, in such situations being unaware of the cultural differences in culturally similar nations, they attribute problems to incompetence in themselves or others near them (Selmer 2002).

Selmer (2002) also tries to put forth his ideation on the concepts of cultural similarity by accommodating the Kurt Lewin's (1951) model of the change process, which was further developed by Schein (1980). The Kurt Lewin's (1951) model of change process involves three stages: (1) unfreezing, (2) changing, and (3) refreezing. In order to indulge into the change process, an individual first needs to unfreeze the present behavior to flow into the newly learned behavior that shall follow (Schein 1980). The change process initiates once the individuals are motivated to change. This present behavior must be disconfirmed over time in order to ensure that there is sufficient anxiety generated to encourage the person to change. Additionally, an individual must also feel psychologically safe to bring about this change (Schein 1980). However, people naturally resist change, even when these goals might turn out to be beneficial to them (Schein 1980). Selmer (2002), in this context, brings to notice the fact that when expatriates travel to a culturally similar country, they might let the cultural differences remain unnoticed believing that they are alike, which tends to slow down the unfreezing and therefore change and adjustment (Selmer 2002). On being transferred to a culturally distant nation, the presence of larger cultural differences encountered actually triggers unfreezing (Selmer 2002).



## 4.6 Analyzing the Relationship Between Presumed Cultural Similarity and (Un)Met Expectations

Studies conducted in the field of psychic distance paradox in foreign market entry provide that the underestimation of cultural differences owing to being transferred into a culturally similar nation can have serious implications for managers and expatriates. Prevalent studies on expatriate adjustment to culturally similar countries talk about "expectations" as the keyword. Seemingly, the movement of expatriates to culturally similar countries generates a kind of amplified state of similarity expectations, but what holds true relevance in this context is the way in which these expectations impact the adjustment of expatriates. As provided by the dissonance theory and Lewin's model of change, the expatriates fail to perceive cultural differences while they are working on assignments abroad. Expatriates do take notice of these cultural differences while on the assignments, however, they do not expect them which practically generates the unmet expectations that impose a negative impact upon their adjustment. This is argued by the presumed cultural similarity paradox. Therefore, building on the present research, we have acknowledged a phenomenon that may be gelled together with the presumed cultural similarity paradox in order to support the subject. Normally the expatriates moving to culturally

similar host countries expect fewer cultural differences between home and host countries and believe that they need to make very few adjustments. However, considerable and pertinent differences may be needed to be paid heed to while considering culturally similar countries. Expatriates traveling to culturally distant and dissimilar countries, on the other hand, expect the presence of vast cultural differences and, consequently, understand and expect that they need to make serious adjustments in order to succeed (Pauline et al. 2013). The theory of met expectations can be coined in to develop the theoretical framework for the presumed cultural similarity paradox.

The theory of met expectations (Porter and Steers 1973) originating from the socialization literature speculates that for an individual to successfully socialize into an organization, he/she must have realistic expectations. The greater the discrepancy between the expectations and the experienced reality, the greater is the possibility for the individual to be dissatisfied that shall consequently enhance the possibility of the individual to leave the organization (Wanous et al. 1992). The applicability of this theory can be seen to expatriate adjustment as the expatriates do tend to create predeparture expectations about the host country culture (Caligiuri et al. 2001).

This presumed cultural similarity paradox holds that when the expatriates are working on an assignment and experiencing the culture of the host country, they either find that their expectations were accurate or met or that they were inaccurate, in other words unmet. Further, these unmet expectations may be categorized into undermet and overmet expectations. The undermet expectations refer to less cultural similarity than expected, and overmet expectations refer to more cultural similarity than expected (Pauline et al. 2013). Caligiuri et al. (2001), in his study, examined that the expatriates who were transferred to nations wherein their first language was spoken had comparatively more undermet expectations than those who traveled to countries where the situation was contrary. The fundamental theory that elucidates this concept is that the presence of similarity in language can possibly create the opinion that the culture of the host nation will also be similar and consequently lead to easier adjustment. Howsoever, it is essential to point out that knowledge of language does not necessarily mean knowledge of the culture.

Relevant here in this context is generating certain other characteristics of a country that can influence an individual's mindset in presuming more cultural similarity than there actually is. Language similarity suggests that culture of the host country may also be similar (Caligiuri et al. 2001). Furthermore, neighboring countries are often expected to be culturally similar (Pedersen and Pedersen 2004). The religion, development, economy, and political system of a country are other factors (Suutari and Brewster 1999) that create the presumption of cultural similarity. Even a common history (Hippler 2000) or climate tends individuals to expect cultural similarity.

Despite the fact that all of these characteristics are (underlying) aspects of culture, there are several other aspects of a culture that may be either less visible or completely invisible. The knowledge about fewer aspects of culture that produce similarity between the home and host country can influence the individuals in such a way that these few aspects of culture predominantly comprise of greatest similarity presumptions for the host nation. This can be elaborated as stereotyping the

culture "within the familiar boundaries of what they know is true about their own culture" (Caligiuri et al. 2001). This assumption of similarity has be christened as the "projected similarity error" (Adler 2002). It is therefore argued that expatriates traveling to a country that is culturally similar to their own will overestimate cultural similarity, while those traveling to a culturally dissimilar country will typically be pre-prepared for the presence of cultural differences. Therefore, expatriates moving to a similar culture have more undermet expectations, while the expatriates moving to a dissimilar culture will have more met or overmet expectations (Pauline et al. 2013).

## 4.7 The Case of Indian Expatriates in China

Indian expatriates who are essentially engaged in projects and assignments in China notably travel to China with a presupposition that apart from language they are truly entering into a country which is less distant as well as culturally similar to them. However, expatriates have experienced difficulties working in China (Forster 1997). Despite the presence of difficulties, however, a large number MNEs are still sending a significant number of expatriates to China for several reasons like managerial control, position filling, management development, and organizational development (Clegg and Gray 2002; Edstrom and Galbraith 1977; Harzing 2001).

Interestingly, a number of studies have been undertaken to reflect upon differing levels of adjustment of different expatriate groups in China (e.g., Selmer 2001a, b; Selmer and Shiu 1999), including Europeans, Americans, and Asians too. Both India and China are large countries and give rise to a massive diversity of cultures. Understanding the fact that both the nations have been neighbors for the past 5000 years, there is truly an amalgamation of culture as well as transference between the two countries. Subsequently, it is essential to determine the fact that these two cultures are similar in a number of ways. A number of Indian expatriate bloggers have presented their opinion across websites to discuss that they expect similarities than differences while they enter into the Chinese culture making them to believe that they might be comfortably able to adjust into the new environment. The Indian expatriates present their understanding of cultural similarities by portraying the significance of family unit as well as collectivism approach than an individualistic one while in organizational setups. In fact, empirical studies have shown that Asian cultures are found consistently clustered together (Hofstede 1980; Ronen and Shenkar 1985). Certain differences, however, have been portrayed to bring out differences in organizational setups though. People in both the Indian and Chinese cultures are superstitious in taking up several initiatives and ensure that the right things must happen at the right time and believe in luck. Even in organizational setups, managers tend to reflect that it is of course the hard work that pays though the intermediating impact of luck is what necessarily counts. Immense significance is associated with colors like the use of red color is indicative of auspicious occasions and ceremonies, while white indicates mourning and death in both Indian and Chinese traditions. The Indian expatriates believed that it is even the styles of receiving guests that traditionally tend to hold similarity.

The Indian expatriates have also indicated the liking for similar music forms that they observed at the business gatherings like the ones based on pentatonic scales. For example, the popular Indian raga *mohanam* is quite identical to the Chinese pentatonic scale. Reflections upon similarities in philosophical and religious ideas like reincarnation, karma, etc. especially with Buddhist Chinese have been made by the Indian expatriates. In the truest of its sense and meaning, the Chinese worshipping a person of Indian origin naturally indicates the extent to which ideas have been shared, imposed, and propagated among the nations. Both the cultures believe in idol worship and the use of traditional medicine. These were some of the basic similarities as experienced by the Indian expatriates in China.

For the purpose of the study, the seven Indian expatriate bloggers in China were requested to share their personal experiences concerning their stay in China, and six of them were telephonically interviewed to gather responses. The interviewees reflected that they believed that they had more similarities with the Chinese culture and it was precisely the language structure and grammar that they were pre-prepared to learn or understand and the food to some extent that they needed themselves to accommodate in order to turn out to be successful; there were other aspects of the Chinese culture that they were completely unaware or less aware due to which they were left with un(met) expectations. Despite being less collectivist than Indians, it sometimes becomes difficult for the Indian expatriates to comprehend the attitudes of Chinese in groups precisely generating the kind and amount of individualism in approach and their expression in the social context. To the surprise of the Indian expatriates, they even found discrepancies while the nonverbal usage of gestures (in the case of approvals, denials, happiness, and sadness) was seen, which they could not relate to easily. The way in which the Chinese managers used directness and indirectness in personal expressions absolutely confused them. Even at social gatherings and often in the market when they would want to eat something, they found differences to adjust to the kind of Chinese palate being offered to them as the Chinese food is not spicy at all, while Indian palate is spicy. The Indian Chinese (so called) is often likeable to the Indians (the one that is offered in India and prepared according to the Indian taste buds); however, the Indian expatriates said that they were absolutely bewildered with what to eat in China. Especially for people who are vegetarians, it becomes difficult to find good vegetarian food that can match their expectations. For that matter, even the cuisine differs apparently as it has a lot to do with the cooking methods than the use of raw materials. Chinese use chopsticks for eating, while Indians prefer eating with hands. sometimes, it does turn out to be a problem, they said, especially at business meetings causing inhibitions at the gatherings for them as they aren't quite sure if they are doing the right thing or not. As there is nothing right or wrong that may describe culture of a nation, it is practically the kind of adjustments that need to be made in order to ensure that these barriers or culture shock situations do not bear an impact upon the performance or effectiveness of individuals at the host country. The interviewees pointed out that they always held this belief that one needs to prepare for dissimilar countries and that traveling to similar nations means being at ease, at least being less distant to cultural shock. Actually, studies have reflected that expatriates from Western cultures like Europe and North America have established larger and stronger networks in China in

comparison to their Asian counterparts. The Asian expatriates demonstrated to even score lower on psychological well-being, in contrast to overseas Chinese expatriates. Even Selmer's (1999, 2001b) studies have expounded on the fact that the North American and European expatriates adjusted better in China than expatriates from Asia. Despite the presumed cultural similarity, the poor adjustment of Asian expatriates in China attributes to the use of different coping strategies (Lazarus and Folkman 1984). For example, the Americans and Europeans adopt a more problem-focused coping strategy in order to initiate social interactions and establish an active social network, while Asian expatriates adopt a symptomatic-focused approach in order to form a passive network cliques allied to smaller size and less frequency of contact.

The Indian expatriates in China, after the initial phase of entry into the new culture, said that the kind of cultural similarity that they had assumed is actually not present and that there are other components of the Chinese culture that they not did not consider, which strongly affects their functioning in China. The impact of these factors is so strong as discussed by the interviewees that they feel too much of psychological pressure, anxiety, stress, and impatience that causes them to not completely indulge into their work situations. Realizing this fact, many Indian organizations are now taking initiatives to prepare the Indian expatriates not only for the dissimilarities but also the similarities that may occur between even the most culturally similar countries. The previous research in this domain has predominantly determined that the presence of dissimilarities between the culturally similar nations is an essential component that must not be neglected by the organizations while training their employees prior to departure so that they may go equally prepared to such a nation like they travel to a culturally dissimilar nation so that their expectations are met and have a positive impact on their adjustment as well as performance. The Indian expatriates in China must join the expatriate forums for Indian expatriates in China to talk to other expatriates and understand their situations and how they coped up with the culture shock. The individual level training for expatriates traveling to any country, be it a culturally similar or a culturally dissimilar country, is eminently important. The motivation that an individual derives out of finding about new cultures brings forth their ability to indulge into determining how the new culture is similar and different from their own culture. The Indian expatriates must adopt a proactive approach in order to develop strong interpersonal relationships in this "new" environment. Consequently, they can even build upon becoming culturally intelligent so that they may be able to function effectively across cultures. The need for acknowledging differences as well similarities is important to successfully manage as expatriates in the global business world.



## 4.8 Conclusion

The cultural similarity paradox is prevalent for managers and expatriates across the globe who believe that traveling to less culturally distant destinations and, more so, presumed culturally similar countries shall facilitate in enhancing their performance

levels and make their adjustment easy and smooth. However, this presumed similarity even in case of Indian organizations has rendered to have a negative impact on their adjustment levels as their expectation levels aren't met. Be it the case of Indian expatriates in China, UAE, or any other similar cultures to India, it becomes crucial to recognize these ingredient components that constitute the culture of another nation. Practically it is like training oneself as if you are moving to a culturally dissimilar nation. The possibility of success can only be enhanced once individuals realize the significance of acknowledging cultural differences and becoming culturally intelligent.

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# Chapter 5
# A Cross-Cultural Approach in Coaching as Viewed Through the Guru–Śiṣya Paramparā

**Neha Chatwani**

## 5.1 Introduction

Executive coaching is an established personalized learning intervention tool for human resource management (HRM) in nearly half of companies with operations worldwide (Chartered Institute of Personnel and Development Annual Survey Report 2009). Increasingly, coaches need to engage with individuals from very diverse backgrounds (Thomas 2008). In literature, the impact of culture on coaching is largely debated through sociocultural anthropological frameworks; however, the theme of coaching across cultures goes beyond simply understanding the cultural ingredients of the individuals involved; rather, it entails the notion of a creative and complete form of coaching, which proactively addresses the cultural assumptions (Rosinski 2013) inherent in the coaching process itself.

Coaching, as it is currently practiced today, originates from the sporting world in the United States (Rosinski 2010). It is based on theories of psychology such as Maslow's (1943) hierarchy of needs, a pyramid-formed motivational path starting with the motivation for primary needs at the bottom to self-actualization at the top; the cyclic experiential learning model do–observe–think–plan (Kolb 1984: 38) where "learning is the process whereby knowledge is created through the transformation of experience"; and Goleman's (1998) notion of emotional intelligence model which postulated five areas that drive performance—self-awareness, self-regulation, empathy, social skill, and motivation as learned capabilities that influence leadership performance and are not innate talents. These theories have fuelled insights in management science about leadership and influenced coaching models, emphasizing a particular picture of individuals, their life paths, and their potential for goal-oriented performance.

N. Chatwani (✉)
Founder, The Workplace Atelier, Vienna, Austria
e-mail: neha@theworkplaceatelier.com



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The International Coach Federation (2013) broadly defines coaching as "partnering with clients in a thought provoking and creative process that inspires them to maximise their personal and professional potential." More precisely coaching is "a collaborative systematic solution-focused, results-orientated and systematic process in which the coach facilitates the enhancement of goal attainment, life experience, self-directed learning and the personal growth of the coachee" (Grant 2003: 254). Popular coaching models, for example, GROW—Goals, Reality, Options, and Way forward (Whitmore 2009)—are based on these definitions. Most practitioners will agree that coaching is an enabled reflective learning process which is structured, goal oriented, and time based and is facilitated by a coach who asks powerful questions and engages in active listening with a coachee without offering advice. Coaching can be distinguished from mentoring on the one hand on its temporal dimension, i.e., the mentoring relationship is usually longer; and on the other hand through its emphasis on the transfer of knowledge, experience, or skills (Joo et al. 2012). Further, coaching focuses on facilitated self-learning and the coach is usually an "external" person as the coaching relationship requires distance between the coach and the coachee to ensure objectivity much like a psychologist or therapist (Mullen 1994). A mentor may easily be someone who is closely related to the mentee, for example, from the same company.

In literature the ancient Indian guru–śiṣya (teacher–disciple) paramparā is often liken to mentoring because of its apprenticeship nature. The guru–śiṣya relationship is a learning system that extends over many trades and levels of society. It is also linked to the ancient system of higher education, gurukuls (schools), where gurus and rishis taught the kings. Traditionally the word used for a succession of teachers and disciples in ancient Indian culture is parampara, a system of lineage within which knowledge (in any field) is passed down through successive generations. The knowledge of classical music, dance, and artisan craftsmanship in India has been passed in this way through generations. Although the guru–śiṣya relationship includes knowledge and skill transfer, it is equally a spiritual relationship whereby the guru is responsible for the well-being, self-actualization, and personal growth of the disciple. This teaching–learning guru–śiṣya paramparā is still deeply rooted in Indian society so that it is not usual to hear people refer to their own mother as their first and foremost guru, emphasizing the nurturing aspect of the relationship and the personal responsibility assumed by the guru. The philosophy behind this relationship is not only a skill-learning model but rather a learning system that strives for professional and personal excellence by which nuances and finesse are learned by patience, listening, observation, and practice (Shrikanth 2009). For this reason the guru–śiṣya relationship cannot be simply defined as mentoring as the quality of the relationship that suggests a coaching relationship that includes mentoring elements.

The example of the guru–śiṣya relationship suggests that learning systems cannot be applied across cultures in the same way without an understanding of the assumptions in their origins. This could explain why the same coaching models do not resonate in the same way in all cultures (e.g., Verhulst and Sprengel 2009; Handin and Steinwedel 2006). Understanding the cultural influence of individuals involved in a coaching process through sociocultural anthropological frameworks

(e.g., Hofstede 1980; Trompenaars and Hampden-Turner 1997; House et al. 2004) does not address this issue. Sociocultural anthropological frameworks in which characteristics of ethnic-based social interactions are mapped along defined dimensions to explain the behaviors and attitudes of the coach and the coachee offer limited opportunities to culturally adapt the learning process entailed in coaching. For example, Tulpa and Bresser (2009) describe an "ideal" coaching environment as one (based on Hofstede's cultural dimensions) which has low scores with regard to power distance and uncertainty avoidance and medium scores for the other three dimensions as would be the case in most Western countries. This description of an ideal coaching environment exemplifies the challenge in using sociocultural anthropological frameworks as a point of reference. The authors have inadvertently reemphasized a Western cultural bias in coaching, which stems from its origin—incidentally, India has a high score on power distance, a low score on uncertainty avoidance, and a medium score on the other dimensions.

Some authors suggest that the discrepancy in resonance when coaching in different cultures arises from its focus on the individual and also in collective cultures such as in India, where group harmony and social well-being appear to be put ahead of individual achievement and self-actualization (e.g., Peterson 2007; Triandis 1996a, b). Coaching for personal achievement is however relevant in collective cultures too. This is also because in these individual and group contexts are not considered contradictory or opposite. Metaphorically speaking, a tree that is rooted is not free, but a tree that is not rooted is also not free because it is likely dead. Therefore, like the trees individuals in collective cultures are embedded in their social environments. They do also demonstrate an innate fear of isolation and being "cut off" which needs to be taken into consideration during coaching. At the same time individuals strive for the attainment of moksha (salvation) as in Indian philosophy. This is the ultimate form of individual detachment. The symbol of the ascetic Lord Siva embracing Shakti (the mother of the universe) from Indian mythology demonstrates this complex notion of being individual and at the same time an integral part of a whole. A collective society defines itself through a symbiotic relationship of the individual within the collective.

Not only in the Indian context are individual identity and culture keenly interlinked. It is generally difficult to focus on one without at least considering the impact of the other. Hatch and Schultz (2002) postulate that identity entails how we define and experience ourselves; it is at least to some extent influenced by our beliefs, which are grounded in cultural assumptions and values. In this way culture can serve to operationalize self-identity, which includes the thoughts, feelings, and emotions held by this individual about their own culture. Individuals have a multitude of identities: social, professional, and personal (Rosinski 2003). Csikszentmihalyi (2007: 7) describes the multifaceted characteristic of individual identities grounded in culture by using snowflakes as a metaphor because they look identical as they fall, "but if we took a magnifying glass and looked at the flakes separately we soon discover that they are not identical—in fact, that each had a shape that no other flake duplicated exactly." Consequently, culture is not an add-on but an integrated part of an individual. In fact, "culture is so persuasive that even when an individual seems

to break away from it, as in states of 'madness' it is still influenced by its norms and rituals" (Kakar 2004: 9).

Based on an empirical investigation in China, Wright et al. (2002) suggests that coaching has sufficiently inherent cross-cultured attributes to be transplanted across cultures (even if in a modified form). Setting aside the sociocultural anthropological approach for investigating the impact of culture on coaching, this chapter seeks to elicit some possible discretionary elements by investigating the coaching process through the lens of an ancient Indian learning system in the guru–śiṣya paramparā.

In their research Indian authors Nangalia and Nangalia (2009) identified cultural aspects in the coaching process. These include the understanding that (1) coaching entails a paid service rendered among equals, (2) the coach is not a counselor or a mentor and must not give advice or tell the client what to do, (3) a coaching dialogue focuses solely on the client's agenda without the necessity for establishing an in-depth coach–client relationship, and (4) a client is responsible for his/her own actions. Inversely, Milner et al. (2013) reported on critical incidents in cross-cultural coaching by German coaches. They categorize four areas of critical incidents: (1) communication, i.e., lack of open communication because of the fear of loss of face; positive focus, i.e., the refusal to speak of problems; and difficulties in accepting feedback and different body language; (2) coach–client relationship, i.e., expecting friendship and idealization of coach, informal addressing of coachee considered inappropriate, and difficulties establishing trust; (3) coaching setting and location, e.g., busy office settings or the presence of a team; and (4) differences in role understanding, i.e., role expectations between coach and coachee, e.g., coach expected to advise.

A recent study showed that 46 % of the leaders in India agree they learned the most from their superiors, suggesting a strong desire for managers in India to assume coaching roles (Wilson 2010). Indian psychologist Nagpal (2000: 304) makes reference to Kakar's analysis of an Indian's "lifelong search for someone, a charismatic leader or a guru, who will provide mentorship and a guiding worldview." In the same survey, respondents indicated that they expect coaches to be learned, experienced, nurturing, and able to share relevant experiences while having the ability to ask insightful questions, to reflect on deeper personal insights, and to explore alternatives. Characteristics of trust, faith, and respect in coaches are important and maintaining long-term relationships is also desirable. These results show a strong anchorage of the guru–śiṣya type of relationship for learning in India.

The research results also point toward a fundamental cultural assumption at the foundation of coaching, i.e., in traditional Western learning models (e.g., Kolb 1984) where it is assumed that knowledge resides within the learner and learners can progress through self-teaching, active trial and error, and learning from their own experience in self-reflection underlining the notion that the learner (coachee) has the answers to their own questions within them. The coach's role is to probe, ask questions, and encourage the coachee to explore options until this answer is found. The Eastern or collectivist learning tradition postulates that the learners may have the answers within themselves and that they seek a competent person to guide them to leverage this by sharing from their experiences so that they, the learners, can too learn from them!

The guru–śiṣya relationship is in the first place a personal and trusting learning relationship, which is deeply spiritual. It is based on one of the greatest role models, Lord Krishna (the coach) and the Arjuna (the coachee) in the Mahabharata. The dialogue between the two is compiled in the 18 chapters and 700 verses of the Bhagavad Gita and is one of the prominent ancient Indian scriptures (Sood 2013). This conversation between the coach, Lord Krishna, and the coachee Arjuna focuses on enabling Arjuna to overcome a situation of moral ambiguity (dharam sankat) on the battlefield by questioning the purpose of his actions and the maintaining focus on his cause and duty. The coach in a guru–śiṣya coaching relationship is depicted as insightful and wise, one who takes on a more empathic, caring, or benevolent role with genuine concern for the coachee. The relationship is not one of equals but neither is it hierarchical, it is one of reflective collaboration and one of transitory roles. Arjuna as the coachee also asks questions and contemplates these under the guidance of Lord Krishna, the coach, who also asks questions and sometimes offers explanations, advice, and even instruction through the use metaphors or narratives assuming a variety of roles such as coach, mentor, consultant, and teacher.

The Hindi word sīkhanā means both to learn and to teach. Therefore, in the teaching–learning relationship, the role of learner and teacher are reciprocal, so that the learner becomes the teacher and the teacher becomes the learner. The emphasis here is to learn and grow together; it serves to explain the dynamic of individual and generational learning as in the guru–śiṣya parampara.

Coaching is expected to occur in an atmosphere "conducive" to learning where the coach and the participant work together to identify needs and possible behavioral changes and opportunities. The guru–śiṣya relationship permits an apprenticeship type of interaction, whereby the coach may act in a more directive way or even assume the role of a role model. The guru–śiṣya relationship leans toward inductive thinking and learning reflecting on lessons learned or principles after an action has taken place. Deductive learning, on which coaching is primarily based, begins with reflection on theory, concepts, and scenarios to determine what type of action (if any) is appropriate, and attempts to anticipate the outcome of these actions. Coachees are encouraged to answer many questions in an attempt to understand the options for action and the possible consequences of these. At its worst, a deductive learning style allows theory and discussion to become an end in itself and little action is taken. A good balance between inductive and deductive learning can enhance the coaching process. Sood (2013) summarizes that given their cultural heritage Indians might expect a coach to be more prescriptive than facilitative. At the same time coaches are expected to openly demonstrate empathy with their coachees, allowing for closeness in their relationship while simultaneously maintaining a detached and nonjudgmental observer (sakshi bhav) stance.

The research findings of Nangalia and Nangalia (2009) and Milner et al. (2013) point toward possible discretionary elements in the coaching process which when viewed through the guru–śiṣya relationship can be clustered into three categories: the need for a more differentiated relationship between the coach and the coachee as well as a transitory enactment of their roles, a more varied way for building trust as

a basis for the coaching relationship, and increased flexibility in the application of coaching methodologies. These elements are explored in detail below:

1. *Differentiated relationship between the coach and the coachee as well as a transitory enactment of their roles*: In coaching the coach is expected to maintain an emotional distance to the coachee in order to preserve objectivity in the coaching process. Further, it is taboo for a coach to advise or instruct a coachee. In a guru–śiṣya relationship, maintaining distance to the coachee is seen as demonstrating a lack of empathy or as unwillingly artificial and cold, a contradiction with the notion of a caring "guru." Equally the categorical refusal to give advice can be perceived as a disengagement from the coachee. The guru–śiṣya relationship demonstrates that in the Indian cultural context the coaching process needs to go beyond a Socratic question–answer dialogue and can include, for example, narratives of the coaches' own experiences. While continuing to use common coaching dialogue features such as reflective questioning or probing or active listening (Passmore 2009), the coach may assume transitory roles alternating between coaching, mentoring, and advising, thereby facilitating a double-loop learning cycle (Arygis 1977). For instance, an advisory role within coaching needs not be instructive or directive; it can, for example, point to a recommendation to read a book. Combined with the sharing of relevant experiences by the coach and demonstrated empathy about the situation at hand, the coach can transgress from a purely coaching stance to include a mentoring and advisory role. Consequently, neutrality and objectivity is maintained not with strict rigor but in principle. At the same time, the coach, like the guru, must at all times remain nonjudgmental and supportive, embracing the notion that coaching is about personal learning and growth, not only about continual dissection of problems with a battery of question–answer sessions aimed at diagnosis and solution finding.

   In the guru–śiṣya paramparā, the coach is more of a guide. This spiritual approach to coaching means that it ceases to become a process that is limited to achieving goals, seeking solutions, or being remedial; into an enlighten learning process that truly inspires high performance by building self-leadership through increased self-awareness and learning through emotional strengths and vulnerabilities, values and attitudes, personality traits, and unresolved conflicts. It also ceases to be solely driven by the coachees' agenda; although it may still be a short-term transaction between equals, the coach still assumes a sense of responsibility for the coachees' well-being.
2. *Building and maintaining trust*: Trust and credibility are considered the foundation of every coaching relationship and is only established to some extent by formal qualifications and references. In many cases building trust can be about creating a relationship as opposed to simply acquiring a qualified paid service. For example, we use the services of a medical doctor based on formal qualifications, but a trustful relationship with the doctor will render a different quality than a purely paid service. As coaching is a less-established profession than medical practice, coachees may struggle to qualify the competence and credibility of their coach based on formal qualification credentials alone. Further, a rational contractual relationship based on formal qualifications and logical questioning

may not foster a trusting bond needed for a meaningful coaching relationship. Practitioners know that bonding or sympathy can make a positive difference in the coaching process even though current coaching practice is weary of closeness between the coach and coachee. In the Indian culture the personal background of the coach may also be of greater importance as the guru–śiṣya relationship demonstrates. The guru is a socially accepted role and is supported by lineage and experience.

Although coaching is viewed as a short and punctual intervention, in practice, building trust in collective cultures can take time and time will be taken for it. In order to quickly build a deeper sense of trust, the coach can start a coaching process by inviting coachees to ask questions about the coach in quasi small talk, perhaps over coffee. This can also help establish the authority of the coach through personal closeness as a substitute for lineage. Closeness between the coach and the coachee is viewed more positively, i.e., as a symbol of togetherness and empathy in the Indian context. In accordance with the guru–śiṣya paramparā, it would not be considered inappropriate for a coachee to ask a coach something about themselves or their experience. This makes the coaching dialogue much more reciprocal and fluid. It entails the idea that coaching is not only driven by the coachee's agenda but by the coaching relationship. The coaching dialogue does still need to be steered by the coach. For example, the conditions and expectations of the coaching contract including the clarification of roles and issues of confidentiality should still be addressed in this initial contact phase.

3. *Flexibility in the application of coaching methodologies*: A differentiated relationship between the coach and the coachee, the transitory enactment of their roles, as well as a more varied way for building trust as a basis for the coaching relationship can be supported by the adjustment of popular coaching models. In his article "Coaching for High Flying Corporate," Indian coach Avinash Kirpal adapted the GROW model: **g**oal setting, **r**eality checking, **o**ption analysis, and **w**illingness to take action (Benz and Maurya 2007). The latter is changed from the original "way forward" because it appears more relevant to his Indian clients. Kirpal integrated specific cues from his coachees' environment by acknowledging that taking action may not be of foremost importance and not always a viable option for many. For example, spontaneously changing jobs might not be a way forward in a slow economy with high unemployment rates or that individuals may also have other societal commitments, as is likely in a collectivistic society that strongly influence their standpoint aside from a singular focus on their own self-driven agenda.

   In another example, Renner (2007) describes how he develops model of asset management during coaching sessions with his clients from Africa and Asia, after experiencing difficulties in applying models at hand. By engaging with his clients in this way, Renner unwittingly demonstrated his own willingness to learn and teach simultaneously, simulating the word sīkhanā, and was able to develop a relevant model with his clients.

   Hence, the coach is called upon to sensibly distinguish between personal resistance of a coachee toward a model or methodology during the coaching process and when this model might not be making sense to the coachee or be

appropriate for the cultural context. When working in various cultures, the opportunity to meaningfully tweak coaching models for relevance should not be missed. Even in cases where the coachee may be perceived as simply resisting, the coach can invite the coachee to adjust the model to break the status quo! In this way, paradoxically, through the inclusion and acceptance of the specificities of the coachee's cultural context and environment into the coaching process, the possibility to create more "room to move" is made possible.

In conclusion, "a good coach recognises that people look at the world through different lenses. A good cross-cultural coach recognises that sometimes they may not even know what that lens looks like, and so will scan for important dimensions that they may not fully understand or appreciate" (Peterson 2007: 264). Sociocultural anthropological frameworks based on normed generalizations are not helpful in discovering discretionary elements that allow a coach to adapt the coaching process. The following situation explains the dilemma of using sociocultural frameworks in coaching:

> "There are three things to remember about how people here [in Thailand] will react to you. When someone is smiling and nodding their head, it means they like you and agree with what you are saying. Also, when someone is smiling and nodding their head, it means they don't understand what you are saying. Finally, when someone is smiling and nodding their head, it means they disagree with you and wish you would go away"
>
> (Renner 2007: 11).

Despite the broad applicability of coaching strategies, individuals and their attitudes toward learning are embedded in their cultures and are products of these (Hicks and Peterson 1999). This chapter examines the cultural bias inherent in coaching processes and uncovers discretionary elements in it by looking through the lens of an ancient Indian learning system. The guru–śiṣya paramparā demands that the coach genuinely cares about the coachee and assumes a responsibility to see their coachees' world empathically and with the eyes of possibility. When engaged in a coaching dialogue, a greater potential for change can be leveraged when the variety of experiences of both the coach and the coachee are accepted and valued. As Khan (2005) puts it "Part of what happens when you really listen with openness is that you can often detect a possible way forward, nestled right there in what the other person is saying." This requires the coach to develop a keener level of listening skills, greater self-reflexivity, and a critical assessment of the coaching process and methods, in order to really hear how their coachees make meaning of their world (Wilson 2013). Successful coaching in the Indian context demands this. Therefore, rather than explain the impact on the effectivity of coaching in specific cultural contexts through sociocultural frameworks, practitioners are alerted to an innate bias in the coaching process itself.

As globally cultures are in transition and the divide between East and West is becoming less obvious and the emergence of a new more varied distribution of economic and political power is on the horizon, the time is ripe to reconsider some approaches in global management learning practices which have largely been developed in the Western cultural context. East and West can then enter a new partnership of mutual benefit and influence, each learning from the other.

By reflecting on the guru–śiṣya paramparā, this chapter has demonstrated an opportunity to develop a cross-cultural coaching approach ethos inspired by an ancient Indian system of learning for a popular HRM tool by adapting the coaching template that was derived from a Western ethos. As the purpose of coaching is to enable the shift of an individual's mind-set, approaches, and behavior to ensure more effective action, "By integrating the cultural dimension, coaching will unleash more human potential to achieve meaningful objectives and, thereby, enriched with coaching, intercultural professionals will be better equipped to fulfill their commitment to extend people's worldviews, bridge cultural gaps, and enable successful work across cultures" (Rosinski 2003: xviii). This chapter hopes to have made a contribution toward this quest.

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# Chapter 6
# An Empirical Study of the Influence of Culture on Talent Acquisition and Relationship with Organisational Global Ambitions in Indian Organisations

**Yi Liu and Cecil A.L. Pearson**

## 6.1 Introduction

A fundamental assumption, that talented employees are a crucial source of competitive advantage in a global market economy, has seen a worldwide upsurge in organisational investment in robust staff recruitment and selection procedures (Edgar et al. 2009; Tabassum 2011; Vokić and Vidović 2007). An intensifying pursuit for peak performers in an emerging international economy has exacerbated a shortage of talented personnel in a rapidly changing world (Cipriani 2014; *Economist Intelligence Unit* 2008; Lenartowicz and Johnson 2007), which has onset an emphasis on the systematic identification of managerial talent (Chatterjee et al. 2014; *ManpowerGroup* 2013). In spite of a surge in the importance and interest in choosing talented people the sparse literature reveals the human resource management (HRM) practices have evolved somewhat haphazardly (Al Ariss et al. 2014; Burkus and Osula 2011; Cappelli and Keller 2014; Lewis and Heckman 2006), with a reliance on Western flavoured universalistic approaches.

The rapid economic growth and transforming of the international business arena in recent years has proliferated the emergence of national economies. This renaissance has accelerated a shift from Western bases to Asian nations (Gammeltoft 2008; Gupta and Jain 2014) and predictions have been made the gross domestic products of India will overtake the USA and the EU by 2040 (Fan 2008; Hawksworth and Tiwari 2011). The increasing strength of this phenomena is evident in the rise of a new group of multinationals that have been labelled as emerging country multinationals (ECMs). A substantiative economic reformation is compelling institutions in the Indian ECMs to reassess their architectural identities in terms of managerial practices particularly in the realm of talent acquisition.

Y. Liu • C.A.L. Pearson (✉)
Curtin University, Bentley, WA 6102, Australia
e-mail: Yi.Liu@curtin.edu.au; cecil.pearson0112@gmail.com



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An emphasis on ethnocentric practices for acquiring managerial talents in local labour markets may be inappropriate. Building on a wealth of West European, and particularly North American talent management (TM) studies a great deal of the recently undertaken comparative research in China, India, and other Asian nations have employed Western instruments or adaptations (Singh 2013). The use of foreign research designs and HRM investigative procedures of advanced countries (Choi and Lee 2013; Chuai et al. 2008; Ewerlin 2013; Li et al. 2013) may be insensitive to the beliefs and attitudes of potential employees. A relatively few empirical endeavours and other written material describing traditional local management selection practices in Asian countries (e.g., China, Japan, Malaysia) have been undertaken to systematically ascertain if the distinctive best practice HRM procedures standardised in foreign contexts are satisfactory for facilitating cadres of high potential talent in organisations operating in contemporary international market contexts (Iles et al. 2010; Jiang and Iles 2011; Liu et al. 2014; Sharma and Bhatnagar 2009). Intuitively, the seminal work of Hofstede (1980) revealing the phenomenon of national culture, together with recent indepth insights of the existence of situational nuances, that are likely to differently influence and shape business practices (Hartmann et al. 2010; Li et al. 2013) suggest the global consistent selection and recruitment activities may be locally responsive. A fascinating opportunity to evaluate this notion with responses from Indigenous Indian managers, who are responsible for the hiring policy in their international corporations, is reported in this chapter.

## 6.2 Investigative Framework

The rapid growth of the competitive international marketplace is intensifying search strategies for talented personnel. Established managerial assumptions that human resources individually and collectively chart organisational sustainable competitive advantage has attracted extensive practitioner and academic interest in the pursuit of identifying conceptual and operational frameworks for acquiring talented people (Asil et al. 2013; Ensley et al. 2011; Jauhari et al. 2013). Hence, the entry point of high performing individuals, namely the processes of recruitment and selection, are distinctive important HRM functions. To develop talented cadres from a bounded international labour market global managers have been encouraged to use a variety of different, well tested, often universal practices and methods believing them to be robust. However, as pointed out by El-Kot and Leat (2008: 201) "… globalisation accelerates the transfer not only the products and services among nations, but also of management know-how and practice". Arising global complexity and uncertainty has shifted the economic landscape from commodity based to knowledge expertise compelling the generation of radically different corporate architectures. Greater unpredictability has replaced frameworks of pre-career education, lifelong employment, and stable job markets with lifelong learning, job insecurity, and wider employability status (Chatterjee and Pearson 2006; Nilsson and Ellström 2012; Tin 2006).

Acquiring profiles of workplace flexibility, highly skilled cadres of "… internationally marketable and mobile individuals" (Srivastava and Bhatnagar 2010: 25), often in lesser quantities than the market can provide, has gained increasing attention in the highly competitive business world.

Previous studies (Lubatkin et al. 1997; Shaw et al. 1995; Westwood and Posner 1997) suggest managerial business practices may be affected by national culture. Almost 15 years ago Chatterjee and Pearson (2000) found a decade after the liberalisation of the Indian economic–political framework resident managers espoused substantially different work goal values to those reported prior to the installation of open market conditions. More recently, Malik (2013) reported the impact of the global financial crisis had on hard and soft HRM practices in the Indian information technology sector as a response to the worsening economic environment. In spite of a significant body of literature "… how the range of globalisation has induced a shift from a principally Indian management culture to one comprised of both Indian and international features" (Becker-Ritterspach and Raaijman 2013: 43) the extent of the relationship remains unclear and debate persists. Conventional wisdom underpins the narrow basic presumption talent acquisition is a substantial predictor of organisational competitive advantage, but despite the recognised importance of the relationship between talent acquisition and organisational performance, particularly in the global business environment "… most of the research into talent management does not take national difference into account" (Hartmann et al. 2010: 169). This study will explore the relevance for connections between talent acquisition and dimensions of corporate global ambition in Indian organisations.

### *6.2.1 Independent Variables*

Organisations existing in the contemporary global competitive business arena are compelled to establish innovative, productive, and flexible architectures. Enduring capability is interwoven with hiring people, who will enhance corporate performance (Cappelli and Keller 2014; El-Kot and Leat 2008). In the Indian post-liberalised context activities central to the prosperity of leading corporations are recruitment practices that attract high quality applicants and the capacity to select the most suitable candidates (Kundu and Malhan 2009; Sethi 2005; Tiwari and Saxena 2012). These institutional challenges, that are driven by globalisation pressures, attract attention.

#### 6.2.1.1 Recruitment

Indian organisations use a variety of strategies to attract external and internal candidates. Among the external recruitment sources are advertising externally in newspapers, publications, radio, and TV; the use of professional recruitment agencies; linking with academic and professional institutions; commercial websites and

job fairs, with frequency of use depending on organisational preferences (Gupta and Jain 2014; Ishrat 2013; Sethi 2005). Recruitment is also undertaken with internal mechanisms as it is cost effective. There are generally six common internal systems conveniently employed by Indian firms when attracting new employees. These mechanisms are (1) the use of existing employees to advise by word of mouth job opportunities, (2) by advertising internally, (3) the use of the company website, (4) employee referrals, (5) direct applications, and (6) enquires from friends and relatives of current employees (Jauhari et al. 2013; Srivastava and Bhatnagar 2010; Tiwari and Saxena 2012). Recruitment has become an important core function of Indian organisations endeavouring to attract highly competent employees, but acquiring highly skilled personnel is contingent on firms having suitable selection practices.

#### 6.2.1.2 Selection

A lack of talented personnel in the theatre of the international labour market coerces Indian organisations to reinforce selection strategies. Screening and selection techniques are a function of corporate HRM capacity and features of activity cost, time availability, job complexity as well as the reliability and validity of the chosen decision (Beardwell et al. 2003; Robertson and Smith 2001). Thus, Indian firms employ a wide range of selection methods to choose people with relevant attributes and qualifications. In fact, the traditional five stages of (1) completing an application form, (2) providing referees/references, (3) interview, (4) different tests, and (5) a medical examination have been holistically expanded with electronic systems coupled with benefits by employing the best quality applicants. Although there are a plethora of selection schemes they can be grouped into external and internal practices Sethi (2005) provides a detailed review of selection processes used by Indian organisations. He categorised the external process as assessment centres, personality tests, references and referee reports as well as a medical examination, with interviews (panel, unstructured, structured), job tests, graphology and "what if" scenarios as the main internal practices. More recent literature (Gupta and Jain 2014; Sinha and Thaly 2013; Tiwari and Saxena 2012) confirms Indian organisations use a variety of selection processes with interviews, references and job history interwoven with electronic medium enabling a seamless screening and a faster selection process across the geographical spectrum.

### *6.2.2 Global Ambition*

There is a general consensus the corporate ambition processes of Indian ECMs are influenced by the forces of globalisation. Indian ECMs have intensified their investments in a broad range of overseas production and service sectors (e.g., steel, pharmaceuticals, and IT) when engaging in horizontal venturing (Athreye and

Kapur 2009) in the development of their global ambitions. Globalisation has created a world business arena and many Indian organisations including Infosys, Wipro Technology, and Dr. Reddy's Pharmaceutical, with a desire to achieve global prominence, and no longer constrained by regulation, have expanded their operational boundaries. Specifying the construct of organisational global ambition has led to how the company can distribute sales and assets in key regional clusters of the world in terms of Global Player, Regional Player, Global Exporter as well as Global Sourcer. A detailed discussion of each of these roles that contribute to global ambition is presented in the following section.

#### 6.2.2.1 Global Player

As a major global player with a long history, Indian ECMs have shown their capabilities in developing business activities overseas. For example, several Indian companies, such as Tata group, Bharat Forge, and Ranbaxy have laudably expanded their enterprise to become the largest internationalisers in the global markets (Athreye and Godley 2009; Stucchi 2012). Earlier, some Indian corporations were interested in increasing organisational size in order to better serve domestic markets, and local market driven economic growth strategy has paved a solid foundation for pursing a path in the global arena (Khandwalla 2002). Indeed, Indian ECMs have spectacularly "spread their wings" to invest in overseas knowledge intensive industries, such as pharmaceuticals and drugs, IT, software, and agricultural inputs, broadcasting and automobiles (Ahmad et al. 2012; Guillén and García-Canal 2009). Arguably, these business houses "… have acquired some of the most respected transnational companies abroad…" (Bhattacharya 2010: 1) to build up competitive strength in order to secure a global footprint (Bhattacharya and Lal 2011). Collectively, Indian organisations are becoming international and with their engagement in cross border mergers and acquisitions (M&As) there is an immense potential to make their competitive market presence as global players (Stucchi 2012).

#### 6.2.2.2 Regional Player

Contemporary Indian ECMs have revealed certain preferences to become regional players. Earlier, Gupta (2006) explained that Indian firms prefer to explore new opportunities outside their home boundaries in both developing and developed economies. For instance, the expansion of the State Bank of India was made in countries such as Mauritius, Indonesia, and Kenya (Rajan 2009). Furthermore, during the last decade the growth of Indian's overseas investment has been primarily focused on developed countries, such as the USA, which is the most popular destination for receiving inwards FDI from India (Beerannavar 2013; Kale 2010). In addition, many recent cross border M&As have been conducted in developed economies, such as the USA and Europe (Athreye and Kapur 2009; Kumar and Gaur 2007). Arguably, "… the desire to gain access to large developed-economy

markets is likely to result in increasing investment activity by Indian firms to finance further and larger acquisitions abroad" (Beerannavar 2013: 4). All of these internationalising events are indicative of the global ambitions of the Indian ECMs as they transform their historical governance structures by the creation of special economic zones to become regional players.

#### 6.2.2.3 Global Exporter

Exports kindled the growth and development of Indian organisations that led to spreading of their operations into world trade (Athreye and Kapur 2009; Naudé and Rossouwm 2011). Sharma (2000) documented that initially manufacturing exports were mainly underpinned by the four product lines of jewellery, garments, engineering goods, and chemicals. In recent years India has established a competitive market position by specialising technological intensive exports, such as computer software and auto components (Amit 2012; Meyer 2007). Many Indian ECMs have built the services sector for exports, and today many national corporations consider their strategic ambition as global exporters, but with a different industry focus. Overall, global exporters define their roles as to sell home products or services across the four key international markets of North America, Europe, Asia, and the rest of the world (Lasserre 2007).

#### 6.2.2.4 Global Sourcer

Many Indian organisations have become global sourcers by acquiring large portions of product components from overseas markets and concentrating sales in the domestic market. Nayyar (2008) predicted the strategic motives for the internationalisation of firms from India would be driven by gaining access to technology, sourcing raw materials as well as fulfilling global leadership aspirations. Initially, a large number of Indian ECMs were driven by securing energy resources, but more recent intention was to search for strategic assets of new technological skills and brands (Athreye and Kapur 2009; Huchet and Ruet 2008). The pathway for Indian corporations to propagate their business was identified by Athreye and Kapur (2009: 4), when they stated that overseas acquisition is "…fuelled by the desire to steal a march on domestic rivals. There appears, for instance, to be a strong competitive element in … Indian business houses". Arguably, the internationalisation of Indian firms is driven by cross border M&A as a national strategy, and to a large extent many Indian ECMs may perceive their strategic ambitions to be sourcing advanced technology, resources or markets (Kanungo 2011). Consequently, the attributes of Indian firms, that were the subjects of this chapter content, were motivated by sourcing necessary skills and resources in order to develop capability and ability to compete in the world marketplace. But securing the anticipated benefits also obliges giving proper attention to a multitude of influences from the societal culture.

### *6.2.3 Culture*

National culture is a most complex construct. Hallmarks of countries are shown by language, music, religion, culinary features, technological sophistication and a host of emotional and physical nuances. Measuring conglomerates of these properties with blunt paper and pencil instruments is problematic, yet many social scientists have undertaken this onerous task. For instance, Schwartz (1994) created a scale of 56 items that coalesces to 2 dimensions, Ralston and colleagues (1997) advanced a framework for contrasting 4 countries by their economic ideology, while others have chosen to evaluate sets of personality constructs to find country differences. Arguably, one of the most parsimonious formats is a reduction of the Chinese Value Survey (CVS) (*The Chinese Culture Connection* 1987) to 17 items by reducing the leakage items and balancing each dimension with a similar number of items (Pearson and Entrekin 2001). Gaining an appreciation of undertaking different HRM practices and managerial business operational activities, to facilitate effective organisational positioning in the global marketplace, concomitantly necessitates knowledge of the influencing national managerial value system.

#### 6.2.3.1 Testing Indian Culture Scaffolding

Indian management has been inherited from a long line of historical events. Drawing on ancient and contemporary evidence Tayeb (1987) provided a list of 23 Indian characteristics while other sources (Gupta 1991; Sett 2004) describe how these features emerge in the national business world. Overtime Indian society has been referred to as a collective, patriarchal, authoritative, centralised, and paternalistic environ with variations induced by the transition of the workforce from earlier states of ill educated, innumerate, and illiterate employees. For instance, Hickson and Pugh (1995) comment while authority is the basis of relationship management Indian managers are likely to be caring and considerate. In the workplace these managers can be expected to show greater allegiance to family in aspects of duty and loyalty as ascribed by ultimate obedience to the senior male and guided by the Hindu scriptures. These personalistic modes of management are exercised inside and outside of work settings as obligatory nuances of a familial and collective society. Some of the greatest conundrums for the modern Indian manager are how to balance the traditional moŕes with the exigencies of modernity.

The mindsets of Indian managers are culturally challenged. A widely held corporate strategic perspective is the acquisition of talented people is central to the prosperity of the firm, but impinging on the process of choosing between attractive applicants are numerous introduced Western HRM features of instruments, measures as well as practices and procedures. These elements are the converging forces, and while company specific may not fit well with the value system of the decision maker. Counterbalancing the acquired external standardised HRM routines are

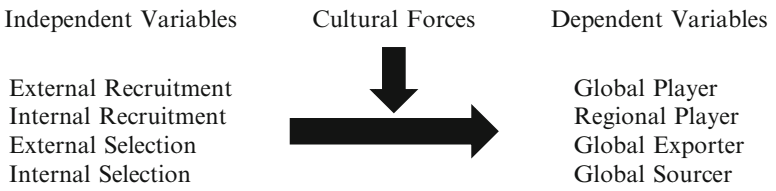


**Fig. 6.1** Investigative framework

recruitment and selection practices influenced by decisional cues embedded in historical traditional roots. These home country nuances, that enhance the decision alternatives, are the divergent forces. Developing systems and practices associated with the acquisition of talented cadres is an important task in meeting the long term corporate global proprieties.

### *6.2.4 Investigative Model*

The components of talent acquisition activity, organisation endeavour, and cultural context intuitively suggest the framework shown as Fig. 6.1. Connecting the 4 independent variables with the 4 dependent variables is the horizontal arrow headed symbol to effectively represent 16 main hypotheses. External recruitment is hypothesised to contribute to Global Player, Regional Player, Global Exporter, and Global Sourcer, a total of four hypotheses. Similarly, each of the other 3 independent variables is predicted to generate a further 12 hypotheses. The vertical arrow headed symbol indicates each of the 16 main hypotheses will be moderated by cultural forces.

The exactness of the significant differences of moderating or interactive effects attracts attention. An interaction is observed when the nature and strength of the relationship between two variables changes as a function of a third variable, that is classified as a moderator variable (Howell 1982). In this instance the third variable is the Indian context. In a recent contribution Chatterjee (2007) stated that the Indian context remains very much anchored in family, group, and collective societal values, which have begun shifting to new horizons with lesser cultural baggage. These contextual forces establish new arrangements on the 16 predicted direct connections between the independent and dependent variables. Summarising the anticipated associations leads to two broad predictions.

1. The connections between the convergence HRM practices of external recruitment and external selection, as the perceived drivers of corporate global ambitions, are likely to be inversely mediated by Indian cultural intensity.
2. The connections between the divergence, nuanced societal priorities of internal recruitment and internal selection, as the perceived drivers of corporate global ambition, are likely to be moderated by Indian cultural intensity.

This investigative framework of Fig. 6.1 was evaluated to elicit the veracity of the two generated hypotheses.

## 6.3 Methodology

### *6.3.1 Respondents and Site*

Primary data were collected from 72 Indian executive managers. In this study, a questionnaire survey was administered as well as an independent set of indepth interviews were undertaken to collect complementary responses from the participants. Questionnaires were administered and distributed by the sponsor Indian Institute of Management (IIM) in Calcutta, and a total of 51 managers completed the survey. A further 21 independent interviews were undertaken with a different set of participants, who were attending the executive training programmes at IIM. These respondents came from widely geographically dispersed and ever changing Indian business environments, and have demonstrated overall successful business and managerial careers in their respective organisations in India.

There are two main reasons for selecting Calcutta as the study site. First, Calcutta is deemed as the principal commercial and financial hub of East and North East India (Kundu 2003). Second, as one of the highest ranked business schools in the world the IIM attracts some of the best talents in India in professionalising Indian management through its executive training programmes (*Ivory Education* 2014).

### *6.3.2 Procedure*

This study used a mixed methods design. Both quantitative and qualitative techniques were used to examine the effects of culture on the relationships between HRM practices of talent acquisition and desirable features of corporate global ambition. Two pilot studies were undertaken with refinements to the questionnaire to ensure a representative and suitable survey instrument had been generated. The refined questionnaire, which focused on HRM practices of recruitment and selection, corporate global ambition and the CVS, was administered to 51 executive Indian managers by the sponsored institution in Calcutta. The completed questionnaires were air mailed back to the researchers in Australia. A cover letter introduced the purpose of the survey and assured participants of confidentiality of information provided. A prominent feature of the sample characteristics was that a majority of the respondents were owners, executives, or business managers in India, and in these roles the respondents were dominant partners of the global strategic decision making for their institutions.

In order to enhance the validity or credibility of the quantitative findings, qualitative interviews were conducted independently by the first author. The complementary element of qualitative responses allows the researchers to generate new insights into findings gained from the quantitative procedure (Bamberger 2012) through meaningful bilateral discussions with the interviewees. This action ensures both intentional and latent information were captured. The interviews were arranged by the first researcher as the respondents were attending a residential executive training

programme at IIM, Calcutta, and these managers made themselves available at a convenient time. The conversations were electronically recorded by the researcher, and agreements to record the dialogues from the participants were gained at the very beginning of the interviews.

### *6.3.3 Measures*

#### 6.3.3.1 Quantitative

Two types of quantitative data were obtained. First, the demographic dimensions of personal (e.g., gender and age) and organisational information (i.e., firm size, international focus) was collected with ordinal and nominal data. Interval data, for the HRM practices of recruitment and selection, preferences of organisational global ambition as well as Indian society value, assessed by the CVS, were gathered with 7 point Likert scales (1 = strongly disagree, 7 = strongly agree).

There were two independent variables. The HRM practice of *recruitment* was scored with eight items. This scale was an adaptation of measures of recruitment that had been employed in earlier international studies in other countries (Chang et al. 2007; Lockyer and Scholarios 2007). *Selection* was assessed with a scale that was generated by selecting the most frequently mentioned items (evaluated by percentages) used previously to measure the selection construct (El-Kot and Leat 2008; Hsu and Leat 2000).

Scales to measure the four dependent variables were generated by the authors. After comprehensively evaluating the existing relevant literature (Athukorala 2009; Lasserre 2007; Rugman and Verbeke 2008) instruments were designed. Prior to their administration with the Indian managers these scales were pilot studied with Indian nationals in the locality of Perth, Western Australia, to ensure the literal meanings would be understood. The scale for *global ambition* had the four sub-constructs of Global Player, Regional Player, Global Exporter, and Global Sourcer. Each one of these constructs was assessed with 7 point Likert scales (1 = strongly disagree, 7 = strongly agree).

*Culture* was evaluated with a shortened version of CVS. This instrument was reduced from the 40 item scale created by The Chinese Culture Connection (1987) to a 17 item scale (e.g., factors with loadings greater than 0.50 were kept) by Pearson and Entrekin (2001). The kept 17 items had the 4 sub-constructs of integration (5 items), Confucian work dynamism (4 items), human heartedness (4 items) as well as moral discipline (4 items). The studied Indian respondents were asked to give perceptual views on how important each of the 17 items was in the operations of their organisations.

#### 6.3.3.2 Qualitative

To consolidate the understanding of the quantitative findings two interview questions were formulated. Indian business practitioners were asked to comment on the implications of talent acquisition (e.g., recruitment and selection practices) on the

global operation of their organisations. Particular attention was devoted to examine whether national culture or local nuances are significant and if the environmental nuances impose constraints on organisational management practices. The two questions were:

1. What is your view on recruitment and selection practices in relation to your organisation's global business development?
2. How do you view the cultural priorities or other types of institutional forces influence the systems employed by your organisation in the pursuit of global ambition?

### *6.3.4 Analysis*

Quantitative and qualitative analyses were conducted. The quantitative analysis employed principal factor analyses with the varimax option, Pearson correlations, mediated regression analysis, and graphical scatter plots. Multicollinearity issues were addressed by using centric data, which is effected by deducting from the raw variable score the average of that variable set. Qualitative analysis was performed with the Nvivo software. This programme facilitated the storage, management, and analysis of data provided from indepth interviews with 21 Indian CEOs and executive managers of Indian ECMs.

Moderator and interaction effects were also explored by scatter plot graphs. Each dependent variable was examined by plotting the regression lines with the independent centred variables (i.e., centric data) on the abscissa. The dependent variable was on the *Y* axis (i.e., vertical) and there were 3 levels of culture by trisecting the 51 responses of the 17 CVS items to give a low, median, and high category. The technique is undertaken with SPSS software to provide a coefficient of determination that is shown as $R^2$. The square root of $R^2$ gives the correlations.

## 6.4 Results

### *6.4.1 Quantitative*

Table 6.1 presents a demographic profile of the respondents. The investigated Indian organisations were male dominated, the respondents were relatively young, academically qualified, and they had relatively few years of managerial service highlighting the mobility of cadres commonly referred to as job hopping. This phenomenon is prevalent in the Asian business community obliging a continual search for managerial talent (*ManpowerGroup* 2013). Almost all the study participants were employed in private institutions engaged in the service sector, which is a major component of the Indian economy (Athreye and Kapur 2009). Over one half of the study companies were relatively large and extensively aligned to holding a leading

**Table 6.1** Demographics % ($N=51$)

| | | | |
|---|---|---|---|
| Gender | | Organisational type | |
| Male | 88.2 | Private | 94.1 |
| Female | 11.8 | State owned | 2.0 |
| | | Government department | 3.9 |
| Age (years) | | | |
| 30–39 | 74.5 | Firm size | |
| 40–50 | 25.5 | Less than 500 | 25.5 |
| | | 500–1,000 | 13.7 |
| Qualification | | 1,001–1,500 | 3.9 |
| University | 98.0 | More than 1,500 | 56.9 |
| Other | 2.0 | | |
| | | International focus | |
| Service (years) | | Extensive | 74.5 |
| Less than 6 | 66.6 | Moderate | 21.6 |
| 6–10 | 25.5 | Very little | 3.9 |
| More than 10 | 7.9 | | |
| | | Market orientation | |
| Industry type | | Local | 7.8 |
| Service | 94.1 | Regional | 19.6 |
| Manufacture | 5.9 | Global | 72.6 |

position in the global market place. Although not disclosed in Table 6.1 a unique feature of the managerial sample was their Indigenous national identity and the respondents were the senior office holders in their corporations. In these positions they were the policy decision markers. Thus, while the sample was relatively small for a one shot correlational study the strategically aligned responses to the survey were unfiltered, which is unlikely to occur with data from lower level managers.

Factor analyses confirmed the robustness of the independent, dependent, and moderator scales. The factors were rotated to an orthogonal structure using the varimax procedure, and those with Eigenvalues greater than 1 were retained. Also, items in the kept scale had item-to-total correlations of at least 0.35, and a desirable objective was to have more than 2 items in the scale.

Table 6.2 shows the factor loadings and reliability estimates for the independent and dependent variables. External recruitment had five items with a reliability of 0.69, while the internal recruitment scale was three items with a Cronbach's alpha score of 0.56 which is suitable for exploratory research (Guilford 1965; Hair et al. 1998). External selection had five items with a reliability of 0.55, and the internal selection instrument of two items had a relatively low alpha score of 0.46. The data for the dependent variables were relatively sound. Each construct had three items and the reliability scores were Global Player, 0.90; Regional Player, 0.76; Global Exporter, 0.96; and Global Sourcer, 0.94. The recruitment and selection scales, and consequently, the reliability estimates, were a function of the extensive number of

**Table 6.2** Factor loadings and reliability assessments for independent and dependent variables

| Independent variables | | | | | | Dependent variables | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Recruitment | | | Selection | | | | Global | | Regional | | Global | | Global |
| Items (*I*) | External | Internal | *I* | External | Internal | *I* | player | *I* | player | *I* | exporter | *I* | sourcer |
| 9 | **0.675** | 0.491 | 18 | **0.736** | 0.293 | 25 | 0.870 | 28 | 0.761 | 31 | 0.926 | 34 | 0.957 |
| 13 | **0.549** | −0.017 | 19 | **0.745** | 0.062 | 26 | 0.935 | 29 | 0.835 | 32 | 0.967 | 35 | 0.935 |
| 15 | **0.800** | 0.200 | 20 | **0.535** | 0.047 | 27 | 0.978 | 30 | 0.814 | 33 | 0.958 | 36 | 0.920 |
| 15® | **0.689** | −0.098 | 22 | **0.474** | 0.143 | | | | | | | | |
| 16® | **0.534** | −0.001 | 24 | **0.497** | −0.139 | | | | | | | | |
| 10 | 0.386 | **0.684** | 21 | 0.260 | **0.769** | | | | | | | | |
| 12 | 0.005 | **0.741** | 23 | −0.075 | **0.805** | | | | | | | | |
| 14 | −0.461 | **0.760** | | | | | | | | | | | |
| Cumulative % variance | 31.49 | 54.08 | | 27.53 | 47.10 | | 67.69 | | 84.82 | | 24.01 | | 46.59 |
| Cronbach's alpha | 0.69 | 0.56 | | 0.55 | 0.46 | | 0.90 | | 0.76 | | 0.96 | | 0.94 |

*Note*: ® = item reversed

practices that were employed by the study organisations in the pursuit of obtaining quality management talent. The item numbers provide a direct link to the questionnaire that is shown at the end of the chapter as Appendix. Only the high value positive loadings of the dependent variables are shown in Table 6.2 as they parsimoniously reveal the specific themes of the institutional global ambitions of the Indian organisations of the study.

Rotated factor analysis of the moderator variable responses (17 items of the CVS) gave 3 factors as shown in Table 6.3. There are seven dominant positive loadings in the first factor, and the questionnaire items suggest a strong alliance with attributes of politeness, kindness, consideration, righteousness, and probity so the factor was labelled paternal. The second factor has five positively large scores all greater than 0.5, that broadly reflect notions of consistency, temperateness, constraining, and bounded concepts. Thus, the factor was nominated as personal. The third factor had four large valued positive items with allegiance to personal relationships, connections, and family orientation so the construct was classified as communal. The observations recorded in Table 6.3, derived from 51 respondents, border on the statistical requirements of 2 (Guilford 1954) to 10 (Nunnally 1978) responses for each of the grouped items.

Correlations were undertaken to inspect for relationships between the study variables. An important intention of this procedure is to determine if there are any indicative connections between the independent and dependent variables. Transformation of variables was also undertaken to ascertain from the product terms if there was an interactive effect (i.e., independent variables × culture). To counteract problems with the issue of multicollinearity, from large product correlations, the centering methodology was used. A relevant enquiry is also to ascertain if there is the presence or absence of a moderating effect with the culture variable that would be shown by differences between the correlations of the independent and dependent variables. Earlier, Whisman and McClelland (2005) cautioned against this expectation explaining there was no necessary relationship as the correlations can confound moderator effects. Nevertheless, correlations were undertaken with raw scores and centric data, and the latter are presented as Table 6.4.

The correlations of Table 6.4 present four main features. First, centric data were used. Second, the significantly different product correlations of Table 6.4 for the independent variables with culture and the same relationships with non-centric data confidently demonstrate the issue of multicollinearity has been addressed. For instance, with the raw data (i.e., non-centric) the correlations for external recruitment × culture with external recruitment was 0.903, $p < 0.01$, for external selection × culture with external selection was 0.745, $p < 0.01$; internal recruitment × culture with internal recruitment was 0.943, $p < 0.01$; and internal selection × culture with internal selection 0.939, $p < 0.01$. These pairs of correlations with centric data are shown in Table 6.4 as 0.075, 0.050, 0.187, and −0.188, all non-significant. Third, except for the correlation of global player with regional player ($r = -0.333$, $p < 0.05$) the four independent variables and the remaining three dependent variables are non-significantly related, revealing their independence. Last, there are some significant

**Table 6.3** Rotated component matrix for CVS items

| Items | Variables | Factor loading | | |
|---|---|---|---|---|
| | | Paternal | Personal | Communal |
| 44 | Courtesy | **0.769** | 0.200 | –0.033 |
| 43 | Patience | **0.726** | 0.044 | 0.097 |
| 38 | Harmony | **0.638** | 0.035 | 0.123 |
| 37 | Tolerance | **0.633** | 0.087 | 0.079 |
| 42 | Kindness | **0.633** | –0.150 | 0.343 |
| 45 | Patriotism | **0.612** | 0.115 | 0.241 |
| 46 | Personal | **0.592** | 0.377 | –0.182 |
| 49 | Thrift | 0.110 | **0.806** | –0.045 |
| 53 | Prudence | 0.027 | **0.797** | –0.094 |
| 47 | Protecting face | 0.154 | **0.766** | –0.041 |
| 48 | Ordering | 0.299 | **0.708** | –0.012 |
| 52 | Moderation | –0.198 | **0.586** | 0.310 |
| 39 | Non-competition | 0.115 | –0.023 | **0.770** |
| 51 | Few desires | –0.091 | 0.064 | **0.731** |
| 40 | A close relation | 0.454 | –0.087 | **0.673** |
| 41 | Filial piety | 0.392 | –0.050 | **0.670** |
| *Reliabilities* | | **0.791** | **0.797** | **0.749** |

associations between the independent and dependent constructs (e.g., internal selection and global sourcer $r=0.29$, $p<0.05$) as well as moderating effects (e.g., external selection × culture with global sourcer $r=-0.30$, $p<0.05$) to encourage further examination of the centric data with more discerning tests.

Regression analysis was performed on the independent–dependent variable connections with the three identified culture constructs. The results are presented as Table 6.5. At the top of Table 6.5 is shown the three culture variables and each one has been partitioned into high and low categories by conducting a frequency plot and deleting the median responses from each data set. Thus, the tabled numbers of respondents for each culture construct is less than 51. The independent variables are listed in the left column of Table 6.5, and each group of dependent variables is labelled in the next right column of this table (i.e., Global Player, Regional Player, Global Exporter, and Global Sourcer). The values presented in Table 6.5 are the standardised beta weights of each regression analysis and there were 96 (16 rows × 6 columns).

The results of Table 6.5 lead to paradoxical conclusions. On the one hand, only 19 of the assessments have given significant findings, despite 17 (90 %) of them being in the forecasted alignment. On the other hand, 37 of 48 (77 %) paired differential (i.e., between low and high culture) tests are in the predicted direction of Hypothesis 1 and Hypothesis 2. Further tests to compare the statistical differences between the low and high culture scores for each of the 96 tests could be undertaken with the sum of squares and degrees of freedom values of the regression tests.

**Table 6.4** Correlations ($N=51$)

| | Variables | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | Global P | | | | | | | | | | | |
| 2. | Regional P | −0.333* | | | | | | | | | | |
| 3. | Global E | 0.247 | −0.110 | | | | | | | | | |
| 4. | Global S | 0.083 | 0.211 | 0.122 | | | | | | | | |
| 5. | ES | −0.206 | −0.148 | 0.182 | −0.092 | | | | | | | |
| 6. | IS | 0.088 | 0.160 | 0.104 | 0.290* | −0.119 | | | | | | |
| 7. | ER | 0.363** | −0.311* | 0.064 | 0.015 | −0.042 | −0.268 | | | | | |
| 8. | IR | 0.140 | 0.251 | 0.183 | 0.455** | −0.088 | 0.152 | 0.156 | | | | |
| 9. | ES × culture | 0.225 | −0.191 | −0.030 | −0.301* | 0.050 | −0.128 | 0.114 | 0.095 | | | |
| 10. | IS × culture | 0.117 | 0.085 | 0.142 | 0.136 | −0.094 | −0.188 | −0.033 | −0.022 | −0.120 | | |
| 11. | ER × culture | −0.020 | 0.044 | −0.095 | 0.249 | 0.098 | −0.039 | 0.075 | 0.224 | −0.122 | −0.112 | |
| 12. | IR × culture | 0.159 | 0.042 | 0.290* | 0.192 | 0.072 | −0.022 | 0.197 | 0.187 | 0.245 | 0.281* | 0.131 |

*Notes*: *Global P* global player, *Regional P* regional player, *Global E* global exporter, *Global S* global sourcer, *ES* external selection, *IS* internal selection, *ER* external recruitment, and *IR* internal recruitment

All data are centric

*$p<0.05$, and **$p<0.01$

**Table 6.5** Standardised beta weights of moderated regression analyses

| Variables | | Mediating variables | | | | | |
|---|---|---|---|---|---|---|---|
| | | Paternal | | Personal | | Communal | |
| | Respondents | 21 | 18 | 22 | 21 | 19 | 23 |
| | | L | H | L | H | L | H |
| ES | Global P | 0.03 | 0.44* | −0.12 | 0.44* | 0.29 | 0.56* |
| IS | | 0.00 | 0.41* | −0.06 | 0.22 | 0.19 | 0.32 |
| ER | | 0.24 | 0.58* | 0.46 | 0.41* | 0.29 | 0.52* |
| IR | | 0.05 | 0.06 | 0.10 | 0.18 | 0.01 | −0.10 |
| ES | Regional P | 0.49 | −0.42 | 0.35 | −0.43 | −0.15 | −0.03 |
| IS | | −0.10 | 0.30 | −0.09 | 0.44* | −0.06 | −0.02 |
| ER | | −0.51* | −0.12 | −0.55* | −0.18 | −0.31 | −0.38 |
| IR | | 0.03 | 0.18 | 0.07 | 0.33 | 0.33 | 0.22 |
| ES | Global E | 0.43 | 0.55* | 0.31 | 0.07 | 0.60* | 0.18 |
| IS | | −0.21 | −0.14 | −0.11 | 0.35 | −0.18 | 0.06 |
| ER | | 0.00 | 0.05 | −0.02 | 0.13 | −0.10 | −0.04 |
| IR | | −0.10 | 0.26 | 0.01 | 0.44* | −0.28 | 0.25 |
| ES | Global S | 0.02 | −0.17 | −0.29 | −0.20 | −0.01 | −0.01 |
| IS | | 0.08 | 0.52* | 0.02 | 0.63* | 0.14 | 0.38 |
| ER | | −0.38 | 0.25 | −0.07 | 0.29 | −0.19 | 0.17 |
| IR | | 0.18 | 0.45* | 0.56* | 0.47* | 0.41 | 0.61** |

*Notes*: *Global P* global player, *Regional P* regional player, *Global E* global exporter, *Global S* global sourcer, *ES* external selection, *IS* internal selection, *ER* external recruitment, and *IR* internal recruitment

*L* low level of culture and *H* high level of culture

*$p<0.05$, and **$p<0.01$

However, they have not been undertaken as the sample sizes are not only small, but at the lower limit of veracity. A more useful strategy that uses all the data of the 51 respondents is scatter plot analysis.

Table 6.6 shows the results of the scatter plots for the independent variables, the three levels of the culture variable, and the dependent variables. The left column of Table 6.6 presents the four independent variables and the adjacent column to the right has the three levels of the culture variable. Each cell of the culture variable has 17 respondent scores enabling employment of all data. The $R^2$ values and correlations are shown for each of the 48 tests. A scatter plot of the cell for the independent variable external selection with the dependent variable Global Exporter is shown as Fig. 6.2a, and the scatter plot for the independent variable of internal recruitment with the dependent variable of Global Exporter is presented as Fig. 6.2b. Centric data were employed in Table 6.6, and consequently, all the scatter plots employed these data.

The empirical data provide a better understanding how culture relativity impacted the Indian managers. A demographic profile showed a perceived focus for global market aspirations, while factor analysis confirmed the data were suitable for conducting statistical tests. Correlational analysis gave evidence of reasonable independence of

**Table 6.6** The mediating effects of culture on the relationships between human resource practices and global ambition of the Indian organisations

| Variables | | Dependent | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Global P | | Regional P | | Global E | | Global S | |
| Ind | Culture | $R^2$ | corr | $R^2$ | corr | $R^2$ | corr | $R^2$ | corr |
| ES | L | 0.170 | –0.130 | 0.090 | 0.300 | 0.126 | 0.355 | 0.250 | 0.500 |
| | M | 0.006 | 0.025 | 0.276 | –0.525 | 0.091 | 0.302 | 0.173 | –0.416 |
| | H | 0.005 | –0.071 | 0.008 | –0.089 | 0.002 | 0.045 | 0.125 | –0.354 |
| IS | L | 0.049 | –0.221 | 0.127 | 0.356 | 0.103 | –0.321 | 0.030 | 0.173 |
| | M | 0.001 | –0.032 | 0.007 | –0.084 | 0.264 | 0.514 | 0.0005 | –0.022 |
| | H | 0.182 | 0.427 | 0.159 | 0.399 | 0.046 | 0.215 | 0.287 | 0.536 |
| ER | L | 0.130 | 0.361 | 0.213 | –0.462 | 0.067 | 0.259 | 0.097 | –0.311 |
| | M | 0.101 | 0.318 | 0.063 | –0.251 | 0.082 | –0.286 | 0.088 | 0.297 |
| | H | 0.217 | 0.466 | 0.093 | –0.305 | 0.018 | 0.134 | 0.008 | 0.089 |
| IR | L | 0.004 | –0.063 | 0.071 | 0.267 | 0.007 | –0.084 | 0.053 | 0.230 |
| | M | 0.004 | –0.063 | 0.200 | 0.447 | 0.107 | –0.327 | 0.383 | 0.619 |
| | H | 0.173 | 0.416 | 0.038 | 0.195 | 0.389 | 0.624 | 0.238 | 0.488 |

*Notes*: *Ind* independent variables, *Global P* global player, *Regional P* regional player, *Global E* global exporter, *Global S* global sourcer, *ES* external selection, *IS* internal selection, *ER* external recruitment, and *IR* internal recruitment
*L* low level of culture, *M* medium level of culture, and *H* high level of culture
$R^2$ = coefficient of determination, and corr = correlation
$0.281 \leq r \leq 0.363$, $p < 0.05$; and $r > 0.363$, $p < 0.01$

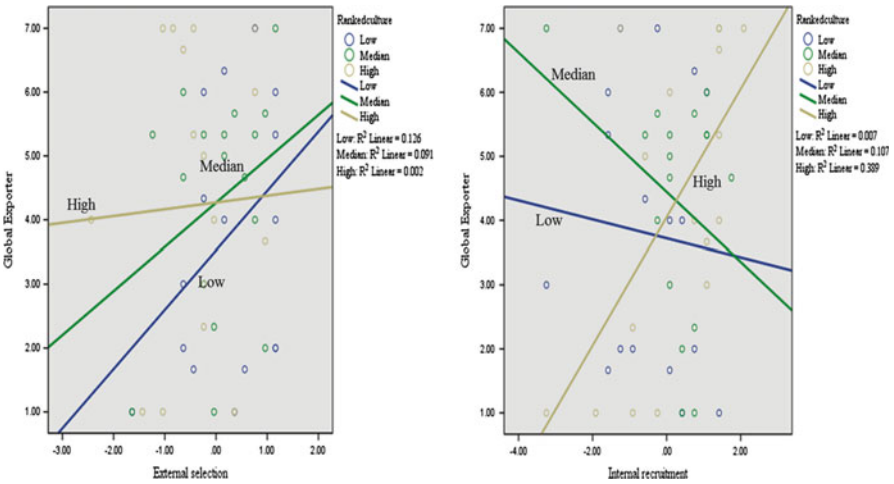


**Fig. 6.2** (**a**, **b**) Global exporter with external selection and internal recruitment across three levels of CVS

**Table 6.7** Summary of moderator effects

| Culture | Link to global ambition | Perception |
|---|---|---|
| Low | External recruitment | Intensified |
| Low | External selection | Intensified |
| High | Internal recruitment | Intensified |
| High | Internal selection | Intensified |

the sets of independent and dependent variables, and the use of centric data was a method of addressing the issue of multicollinearity. The mediated regression analyses suggest higher cultural levels had the potential to intensify the linkages between the connections shown in the investigative model of Fig. 6.1. Clarification was sought by using all the available data with scatter plots. Although not definitive for all the tests patterns of moderated relationships are observable and they are succinctly disclosed as Table 6.7.

Table 6.7 concisely shows the patterned beliefs and values of moderating effects perceived by the Indian managers. An explanation of the networks, that were obtained from numerous tests, including a blunt tool for assessing culture, is that culture acted as buffer for the HRM practices of external recruitment and external selection. In other words for low levels of culture the perception was these HRM procedures would lead to higher corporate global ambitions. Conversely, high levels of culture moderated, to intensify, the widely held belief that the acquisition of quality managerial talent, when undertaken in internally perceived arrangements of recruitment and selection, would be a rationale for promoting the corporation into the global marketplace.

### *6.4.2 Qualitative*

A summary of the dominant features from interviews were documented as Fig. 6.3. The theme, that is the first level of analysis, is presented as a rectangle. This theme has several determinants or notions, that have been labelled nodes, which are shown as shaded ovals. When a node attracts a wide set of sub-nodes these items are shown as unshaded ovals. At the bottom of the nodes and at the base of the sub-nodes is presented the number of respondents and the total responses given by them. For example, the 2 HRM constructs of external recruitment (19–46) and internal recruitment (5–10) were identified separately by 24 respondents with 56 responses, while external selection (14–31) and internal selection (9–18) were recognised as a further 2 separate HRM activities (mentioned by 23 respondents with 49 references). The separateness of the recruitment and selection activities is consistent with the factor analyses results shown in Table 6.2. A bank of recent evidence (Gupta and Jain 2014; Ishrat 2013; Zaman 2012) confirms Indian organisations are acquiring talented personnel from external and internal sources as each strategy has attractive features.

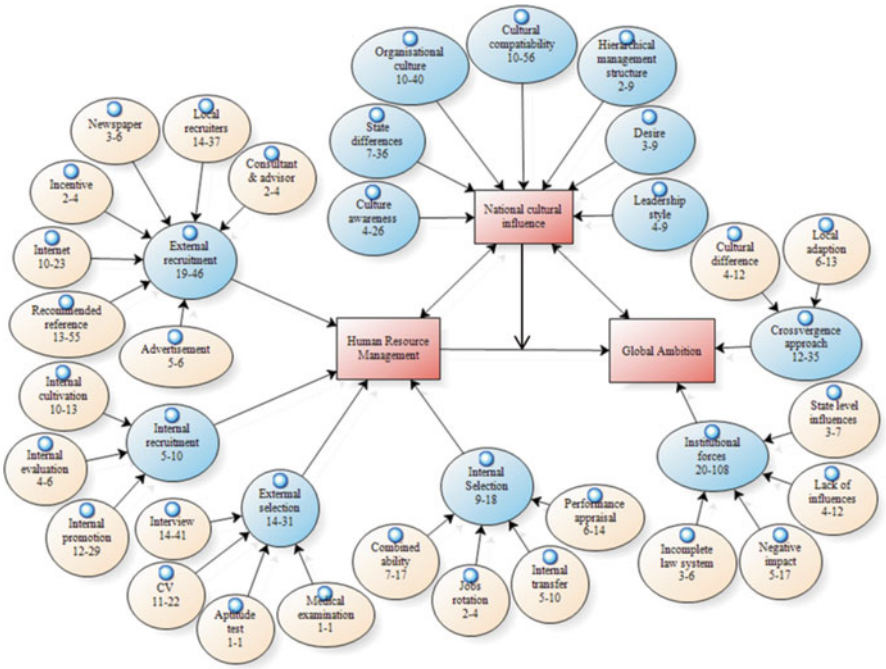


**Fig. 6.3** The mediating influence of culture on the relationships between talent recruitment/selection and global ambition

Reflected in Fig. 6.3 is the Indian managers' preference for recruiting with customary external practices rather than internal techniques. While the use of local recruiters (14–37) and the internet (10–23) were preferred sources of recruiting talents, recommended reference (13–55) appeared to be a favourite channel for employing potential candidates, and interestingly some organisations actually provide an incentive (2–4) to the referral (i.e., the employee who recommended the external candidates) when the candidates were selected. In spite of the extensive usage of external recruitment techniques the respondents claimed, the Indian ECMs also used internal recruitment methods through process of internal promotion (12–29), internal cultivation (10–13) as well as internal evaluation (4–6) when recruiting managerial talents. In addition, some traditional external selection methods (e.g., interviews and curriculum vitae) were utilised to a large extent in the study Indian ECMs. It was observed the Indian managers were mindful of the internal selection techniques emphasising the combined (multi faceted competencies) ability (7–17) of potential candidates, that were gauged with the mechanism of performance appraisal (6–14), while appreciating there was opportunities for internal transfer (5–10) and job rotation (2–4). The evidence of the interview responses from the Indian managers suggests the study ECMs preferred traditional recruitment when choosing managerial talents for a particular job.

Elucidation of the recruitment and selection processes employed by the Indian organisations was given by interview responses. A large number of the study participants stated organisational recruitment through employee referral or reference was a dominant method for employment a feature shown in the qualitative responses that are summarised in Fig. 6.3. A salient feature of the study data was a revelation the Indian ECMs are continuing to employ internal recruitment approaches (such as internal promotion and career development), but greater intensity is being placed on external recruitment methods to acquire the required skills and talents, often not residual in contemporary institutional frameworks, that are transforming from traditional practices of nepotism, cronyism, and patronage. Furthermore, the Indian participants indicated their organisations had a strong preference toward external selection approaches. The traditional external selection method of requiring candidates to successfully complete a medical examination is still practiced in the study Indian ECMs. One senior manager, whose organisation was involved in the public sector, indicated: "…based on interview, they will select the candidate and there will also be a medical examination…". Collectively, the transformation to a contemporary approach towards HRM practices was evidenced in the study Indian ECMs in the formation of different methods for talent acquisitions.

Shown in Fig. 6.3 are the key nodes and sub-nodes that emerged from the theme of global ambition. The nodes are crossvergence (12–35) and international forces (20–108), the latter attracting comments from 95 % of the respondents. Comments of cultural differences (4–12) and local adaption (6–13) articulate exposure to the competitive international marketplace has led to a diversity of external and local values sweeping across the Indian business landscape. The respondents indicated the level of institutional forces could be drawn from state level influence (3–7) as some Indian states provide different types of incentives, such as financial support to attract companies to invest in the local districts. These institutional forces could be at the central government or state levels, and where these systems did not operate (i.e., lack of influence 4–12) there were barriers to the pursuit of corporate global ambition, expressed as negative impact (5–17). Other problem faced by Indian ECMs was an incomplete law framework (3–6). Indian ECMs are obliged to not only adapt to the current environment, but sustain daily operations to maintain a competitive position in the global arena.

The theme of national culture influence attracted seven discreet nodes. Furthermore, 91 % of the Indian managers stated through 66 comments national culture was linked with the independent and dependent variables as well as corporate operating practices that coupled talent acquisition with company ambitions. These observations are also a significant challenge for the managers of Indian ECMs. Managers not only need to incorporate a variety of stakeholders, who all have particular value sets, into the corporation, but have to balance these expectations and priorities with organisational goals. The connections and realm of influence is shown in Fig. 6.3.

## 6.5 Recapitulation

The key objective of the study reported in this chapter is to demonstrate the mediating influence of culture in an Indian HRM conceptual framework. A conceptual paradigm was generated from the available relevant literature to provide testable hypotheses, and the identified variables of this network confirmed the constructs to be measured. The central contention of the conceptual framework (presented as Fig. 6.1) is national culture will moderate the bivariate relationships of the HRM practices of recruitment and selection with the global ambitions of the 72 investigated Indian corporations. Primary quantitative and qualitative data were used to test the hypotheses shown in the conceptual framework.

Distinctive patterns of cultural values that pervade Indian society were identified. Description provided by the questionnaire items enabled labelling of the three dominant cultural themes: (1) paternal, (2) personal, and (3) communal, that correspond with paternalistic (to counterbalance regimes of centralisation), personalistic (when reconciling traditional customs in the workplace), and collectivistic (which is rooted in loyalty and honour ascribed to familial blood kin connections), which are societal attributes and observable in the management of Indian organisations (Chatterjee 2007; Tayeb 1987). Alluded in Table 6.5 is the standardised beta weights of the regression analyses for the HRM recruitment and selection practices with the dependent variables of organisational global aspirations were intensified by the high values of the three culture sub-constructs. The inverse effect was presented for the low culture scores. Table 6.5 provides evidence the associations between the independent and dependent variables of the conceptual model were dependant on the three dimensions of culture. The condition of moderation was observed as the impact of the independent variables (i.e., recruitment and selection) on the level of the dependent variables (i.e., organisational global priorities) varied by the strength of culture (i.e., the mediating variable).

Interaction or moderator effects were also assessed by scatter plots. When the plotted lines are exactly parallel there is no interactive effect; and conversely, if the slopes of the lines are unequal there is an interactive effect. Not only is the effect observable, but all the data are employed, whereas when data is partitioned to obtain discrete high and low value categories a median group of data is discarded. A further feature is the employment of all the CVS data, for the scatter plots process, obliged the formation of a composite culture variable, that combined the three identified culture dimensions. This is an acceptable technique (see Bhattacharya 2010). More focussed specific information was not sought as the scatter plot analysis was complimented with information from interviewing 21 resident Indian executives.

While traditional management philosophies and approaches were practiced in all spheres of the study Indian ECMs there is an increasing trend towards modern business management frameworks. These frameworks were formulated through the influence of a deep seated and pervasive Indian culture, and this view was shared by one middle manager:

> *… a person from southern India is coming to the Eastern India …working with the organisation… highly dominated by Eastern region people … so it is a cultural mix, we are quite comfortable with this culture … a cultural compatibility … have different* [cultural] *background and yet share the common goal and values… it is crossvergence practice being undertaken or employed by the organisation.…*

Arguably, a cultural mix with people from different parts of Indian working in the same organisation requires a unique set of organisational values in order to pursue a harmonised and fair working environment. Ultimately, the evolving impacts of the Indian culture on the formation of a hybrid management practice were evident in the study ECMs. It is interesting to note the traditional values still dominate the consciousness of the Indian society and institutions (Deshpande 2010; Pearson and Chatterjee 2006; Suri and Abbott 2009), and this observation is demonstrated as the studied Indian ECMs tend to combine both the external and internal recruitment and selection methods. Nevertheless, the rapid global economic integration along with the increased international exposure at all levels has shifted the Indian managerial philosophies and practices to be moved towards more crossvergence patterns rather than convergent or divergent management approaches.

The quantitative and qualitative data revealed there is a distinct crossvergence of HRM practice in the study Indian ECMs. For example, the quantitative results shown in Table 6.2 suggested that while the study Indian ECMs maintained some of the traditional HRM practices of selecting and recruiting talents within the organisation, a preference towards external selection and recruitment techniques is becoming a sign of adopting contemporary HRM initiatives. Furthermore, one middle manager reflected on the notion of crossvergence management being implemented when operating business overseas with the words:

> *… sending a whole team initially from India to develop the local people and hire in the local market and … a crossvergence management approach, half being managed by Indians and the other half by the Indigenous people within the local market … it is crossvergence, in terms of HR managing….*

The results of the study demonstrate an interesting transition towards a hybrid crossvergence TM approach in the study Indian ECMs, and this view is documented in Fig. 6.3. Overall, a strong inference of these results is the organisational processes and approaches of the study Indian ECMs were transforming towards a crossvergence value system, which is strongly influenced by the rapid growth of international business along with India's increasing engagement in the diverse cross border investment activities.

## 6.6 Conclusion

This chapter reports the results of an empirically based assessment of the extent a sample of Indian managers are transforming in their global context. In spite of scepticism drawn from previous studies asserting the influence from foreign sources and particularly of Western foundations only superficially impact heritage based behaviours and practices of Indian managers the compelling evidence presented in this chapter reveals the external forces penetrated deeply into the mindsets of the respondents. The corroborating quantitative and qualitative testimony shows globalisation has induced challenges to the underlying cultural notions in the human resource practices of the 72 studied Indian originations. These results are accompanied with cautionary suggestion future investigators consider factors of international diversity, larger samples of respondents, and wider industrial sector spread.

A perplexing threat lies in the assessments of the self report data. On the one hand, the findings predominantly highlight societal culture has power to impact organisational practices, but the intensity within personal relationships is unqualified. Not in dispute is the existence of a hybridisation of Indian management practices, but whether the traditional historical system predominates or if the Western influence is secondary is unclear. Discordance between these two streams begets conciliatory processes. How individualistic preferment is exercised and diffused in business making activities fostered in contexts of moral and political attitudes of the decision makers calls into question interesting research conundrums. On the other hand, identifying societal cultural pressures permeate perceptual responses is disturbing. Relationships between cultural context and organisational architecture frame networks enabling organisations to operate worldwide by management developing procedures and documentation. But when the relationships change new intricate dependencies exist and the nature of these situations attract importance to criteria used by firms in the phenomena of talent acquisition. The qualitative responses confirm the Indian managers were acutely aware of the national culture and organisational integration with foreign business systems.

A prevailing phenomenon of hybridisation permeates the work settings of the studied Indian corporations. Created as a composite of global and local forces this sense of mind is shaping Indian managerial perspectives. Pertinent is the ancient roots of the Indian mindset, cultural imprints that have not been eroded by the competitive realities of the global business environment. The simplistic bipolarity of global and local pressures seem to be irrelevant as this research reveals a complex dimension of *Indianness* persisting in spite of the compelling global trends. This chapter indicates a new dynamic element in the way "culture" is being adopted in Indian organisations.

**Acknowledgement** The authors are grateful to Emeritus Professor Samir Ranjan Chatterjee who gave insightful and constructive comments for refining an earlier draft of this chapter.

## Appendix

### *Section 1: Demographic Data*

| *Personal attributes* | | | | |
|---|---|---|---|---|
| 1. | Please indicate your gender. | | | |
| | Male ☐ | | Female ☐ | |
| 2. | Age in years (tick one): | | | |
| | Under 30 ☐ | 30–39 ☐ | 40–49 ☐ | Above 50 ☐ |
| 3. | What is the **highest** level of education you have completed? | | | |
| | University qualification ☐ | | Other (please specify) _____ | |
| 4. | How long have you been a manager in this organisation? | | | |
| | Less than 6 years ☐ | 6–10 years ☐ | 11–15 years ☐ | More than 15 years ☐ |

(continued)

| | | | | |
|---|---|---|---|---|
| *Affiliation attributes* | | | | |
| 5. | To what industry is your organisation affiliated: _____ | | | |
| 6. | What is the type of global organisation you manage? | | | |
| | Private company ☐ | State owned company ☐ | Government department ☐ | |
| 7. | How many employees are there in your organisation? | | | |
| | Less than 500 ☐ | 500–1000 ☐ | 1001–1500 ☐ | More than 1500 ☐ |
| 8. | Please indicate the extent your organisation engages with the international arena. | | | |
| | Extensive ☐ | Moderate ☐ | Very little ☐ | |
| 9. | Which of the following categories best describes the market orientation of your organisation? | | | |
| | Local ☐ | Regional ☐ | Global ☐ | |

## *Section 2: Talent Selection and Recruitment*

Using the scale below, please indicate the extent of your level of agreement regarding the impact that each item has had on your organisation's **international operations**. Please circle as applicable.

| Strongly disagree | Disagree | Slightly disagree | Neither disagree nor agree | Slightly agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | *Recruitment* | | | | | | | |
| 10. | External recruitment agencies are extensively used for the selection of potential managers in my organisation | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 11. | Guanxi/networking is the dominant recruiting method in my organisation | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 12. | A job centre is a main recruitment method used by my organisation for attracting managers | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 13. | In my organisation managerial recruitment is mainly done by internal appointments | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 14. | In my organisation management recruitment through connections/networking is **seldom** done | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 15. | In my organisation managers are often recruited from referrals by existing senior/executive managers | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 16. | It is **NOT** a common practice in my organisation for managers to be recruited by referrals from existing staff | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 17. | Often my organisation recruits managers by advertising in the national press | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | *Selection* | | | | | | | |
| 18. | The selection process in my organisation requires managers to complete an application form | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 19. | In my organisation an interview panel is involved in the selection process of managers | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 20. | The selection process for managers in my organisation places importance on external references and comments from referees | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 21. | In my organisation the selection process for managers frequently uses psychometric testing (e.g., aptitude tests) | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 22. | In my organisation the selection process requires managers to undertake a medical examination | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 23. | A one-to-one interview is a dominant selection technique for managers in my organisation | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 24. | In my organisation a curriculum vita is a requirement in the selection process for managers | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

## *Section 3: Global Ambition*

Using the scale below, please indicate your level of agreement regarding the global ambition of your organisation. Please circle as applicable.

| Strongly disagree | Disagree | Slightly disagree | Neither disagree nor agree | Slightly agree | Agree | Strongly agree |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | *Global player* | | | | | | | |
| 25. | My organisation has a strong intention to be involved in doing business in North America, Europe, Asia and the rest of the world | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 26. | In the next 5 years my organisation's business ambition is to establish credibility as a sustainable competitive global player in the world's key markets | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 27. | The main strategic ambition of my organisation is to be a global player of the world | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | *Regional player* | | | | | | | |
| 28. | The strategic ambition of my organisation is to have a strong presence in only **one** of the four key regions of (1) North America, or (2) Europe, or (3) Asia, or (4) the rest of the world | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 29. | My organisation has a strong interest in capturing a sustainable competitive advantage in (1) North America, **or** (2) Europe, **or** (3) Asia, **or** (4) the rest of the world | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 30. | Being a regional player is one of the main strategic ambitions of my organisation | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | *Global exporter* | | | | | | | |
| 31. | The main strategic objective of my organisation is to be a global exporter | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32. | My organisation's strategic ambition is to be a global exporter by selling home country products/services to North America, Europe, Asia and the rest of the world | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 33. | The intention of my company is to be a global exporter in the next 5 years with sales distribution in the key regional clusters of the world | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| | *Global sourcer* | | | | | | | |
| 34. | As a global sourcer my organisation acquires a large proportion of the product components in overseas markets and concentrates the sales in the domestic market | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 35. | My organisation's strategic ambition is to procure a large fraction of the product components from world markets to sell domestically | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 36. | The focus of my company is to be a global sourcer | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

## *Section 4: Societal Values in the Work Setting*

Using the scale below, please score each of the 17 items to indicate the importance of societal values in the work setting for the global operations of your organisation. Please circle as applicable.

| Extremely unimportant | Unimportant | Slightly unimportant | Neither unimportant nor important | Slightly important | Important | Extremely important |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 37. | Value the tolerance of work colleagues | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 38. | Developing a harmonious relationship with others | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 39. | Supporting the notion of non-competitiveness | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 40. | Maintaining a close, intimate friendship with work colleagues | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 41. | Call for the belief of filial piety/follow parental guidance | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 42. | Uphold kindness in the working setting | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 43. | Encouraging employees to be patient | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 44. | Being courteous at work | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 45. | Promote patriotism within the organisation | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 46. | Monitoring personal steadiness and stability on a regular basis | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 47. | Protecting your 'face' within the organisation | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 48. | To sustain the philosophy of ordered relationships | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 49. | Having a vision of thrift for the organisation | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 50. | Adaptability to the work environment | | | | | | | |
| 51. | Focusing on having few desires | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 52. | The existence of moderation/eliminating or lessening extremes | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| 53. | The recognition of prudence/sound judgement in practice | 1 | 2 | 3 | 4 | 5 | 6 | 7 |

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# Chapter 7
# Impact of Knowledge Management Practices on Competitive Advantage: Empirical Experiences from Telecommunication Sector in India

**Jeevan Jyoti, Sindhu Kotwal, and Roomi Rani**

## 7.1 Introduction

In this information age, the economic value of knowledge is more than the value of physical product (Demarest 1997; Alipour et al. 2010) as it is the foundation for stable development and acts as a source for achieving competitive advantage for the organisation (Ruggles 1998), which is full of uncertainties. There are competitions among organisations that develop new knowledge, share and convert it into services and products. Thus, knowledge gives the organisations the ability to find out their weaknesses, solve problems and gain new opportunities (Alipour et al. 2010). In the other words, knowledge management is serving as one of the intervening mechanisms, which influences organisational effectiveness (Zheng et al. 2010). Hence, the concept of KM has added in the list of modern HRM practices and gets equal attention like other practices such as performance appraisal, total quality management (TQM) and talent management.

Knowledge management is an organisational method that utilises the strategic resource knowledge more deliberately and more efficiently to increase the skill and capabilities of employees (Julia and Rog 2008). Many organisations are launching knowledge management initiatives with a view to improve business processes, make financial savings, generate greater revenues, enhance user acceptance and increase the competitiveness (Chua and Lam 2005). In this context, the literature review on KM has indicated that the presence of a specific culture in an organisation is necessary for effective performance of knowledge management processes (Allameh et al. 2011; Donate and Guadamillas 2010). The culture component is prominently present in research on knowledge management, knowledge economy and the knowledge-based view of the firm (Grant 1996) and has been repeatedly used

J. Jyoti (✉) • S. Kotwal • R. Rani
Department of Commerce, University of Jammu, Jammu (J&K) 180006, India
e-mail: jyotigupta64@rediffmail.com



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by numerous authors through different expressions like "knowledge sharing culture" or "knowledge culture" (Ardichvili et al. 2006; Bock et al. 2005; Smith 2003; Damodaran and Olphert 2000; Davenport et al. 1998), "knowledge-centred culture" (Janz and Prasarnphanich 2003) or "knowledge-friendly culture" (Davenport et al. 1998). In respect of KM strategies development (Earl 2001; Garavelli et al. 2004), "knowledge culture" is an essential factor, which makes implementation easier, along with other elements such as leadership, human resources practices or the organisational structure. It is an indication of an organisational life method, which uses people in the process of creation and exchange of information to accomplish organisational goals and attain success (Oliver and Kandadi 2006; King 2007). Further, effective and cooperative organisational culture makes KM implementation easier by establishing a shared organisational vision, commitment in terms of common projects, teamwork, autonomy in decision making and a stimulus to continuous innovation (Davenport and Grover 2001; Gold et al. 2001; Leidner et al. 2006). So, an important condition for successfully carrying out such an assessment is to recognise that the relationship between culture and knowledge sharing is fundamental: culture is linked in the organisational knowledge itself (Hendriks 2004). So, the aim of this paper is to assess the culture induced KM practices on CA.

## 7.2 Knowledge Management (KM)

A conceptual understanding of knowledge management (KM) can be approached from various perspectives, such as philosophical, religious, cognitive, practical, etc. The KM literature has focused on the practical perspective, discussing it, for example, in the data-information-knowledge continuum (Davenport et al. 1998; Duffy 2000). "Knowledge" can be thought of as an information that changes something or somebody either in the most basic form by becoming grounds for actions or by making an individual capable of different or more effective action (Drucker 1998). It is a fluid mix of framed experience (Davenport and Grover 2001). Knowledge has been classified in different ways by knowledge management authors. Some have differentiated it as technical and strategic knowledge (Liebeskind 1996), but the most common form of knowledge is tacit and explicit (Nonaka 1994; Nonaka and Konno 1998). Tacit knowledge is the knowledge that people have in their minds. It is more of an "unspoken understanding" about something that is more difficult to write down. Explicit knowledge is documented information that can facilitate action (Nonaka 1994). On the other hand, "management process" includes a range of activities ranging from learning, collaboration, and experimentation to integration of diverse sets of tasks and implementation of powerful information systems, such as internet, intranets, and extranets (Bhatt 2001). Organisations learn and acquire knowledge through their routines, which are embedded in specific organisational histories (Bhatt 2001). Therefore, KM can be defined as a systematic discipline and a set of approaches to enable information and knowledge to grow, flow and create value in an organisation. This involves people, information, workflows, best practices, alliances and communities of practice (Bharadwaj and Saxena 2005).

In general, knowledge management is seen as the process of critically managing knowledge to meet existing needs, to identify and exploit existing and acquired knowledge assets and artefacts and to develop new knowledge in order to take advantage of new opportunities and challenges (Bharadwaj and Saxena 2005). It encompasses any processes and practices concerned with creation, acquisition, capture, sharing and use of knowledge skills and expertise. In the holistic terms, knowledge management must be seen as a strategy to manage organisational knowledge assets, to support management decision making, to enhance competitiveness and to increase capacity for creativity and innovation (Nowack et al. 2008). Therefore, the objective of a firm applying knowledge management is simply to make the right knowledge available at the right time and at the right place.

## 7.3 Competitive Advantage (CA)

Competitive advantage is the important issue in the marketing literature (Alipour et al. 2010) for the success and survival of companies. It is necessary for the company to be competitive in order to achieve major share in market and profits. Lismen et al. (2004) defined competitive advantage as an abundance of company's suggestion attractiveness from the customer's point of view in comparison with other rivals. It is a diversity of features or any company's dimensions that enable it to perform better services to customers than their competitors (Hao 1999). Further, many theorists put focus on the factors present in the organisation in order to achieve competitive advantage (Alipour et al. 2010) including the resource-based view. It depicts that competitive advantage of an organisation is based on resources. It is not only competing on the ability to exploit but also on their ability to renew and develop their existing resources.

## 7.4 Knowledge Management and Competitive Advantage

In today's competitive environment, the organisations seek to preserve and promote the competitive advantage. The management scholars believe that the only basis and principle of formation, preserving and the promotion of competitive advantage is to create knowledge management databases in organisations. Firm relies less on traditional factors (capital, land and labour) as knowledge is now replacing these factors (Sher and Lee 2003). As the importance of knowledge increases in a competitive organisation, it becomes a pivotal engine for economic growth. As per resource-based theory, tacit knowledge often lies at the core of the sustainable competitive advantage enjoyed by many organisations. Further, the competitive advantage of an organisation depends on the quality, quantity, creation, use and application of knowledge (Ahn et al. 2009). Turbulent environmental change continuously requires effective knowledge management in order to achieve competitive advantage (Nielsen 2006). Schutle and Sample (2006) viewed that application of KM technologies has made organisations efficient by reducing the cost element.

Knowledge management has great impact on competitive advantage (Kibet and Carter, 2010). Effective knowledge management leads to improvement of organisational effectiveness, enhancement of productivity, performance of the most important operations and improvement of decision making, which is the innovative source of competitiveness.

KM affects competitive advantage in three ways, viz. reduced costs, shortened production time and product differentiation. First, KM reduces the operation costs of a firm and creates added value to customers by significantly increasing product quality (Ofek and Sarvary 2001). Second, firms shorten time by analysing current situations and allowing previous knowledge to be utilised to solve the problem for current situation (Duffy 2000: Scarbrough 1991). Finally, KM can be regarded as central to product and process innovation and improvement, executive decision making and organisational adoption and renewal (Earl 2001). Well-managed KM system in an organisation improves business excellence and competitive advantage (Wigg 1997). So, the hypothesis generated from the above literature is:

H1: Implementation of knowledge management practices gives competitive edge to an organisation.

Nguyen et al. (2008) in a study entitled "interconnections entrepreneurial culture, knowledge management and competitive advantage" found out that knowledge management capabilities (knowledge acquisition, knowledge conversion, implementation and maintenance of knowledge) have a significant positive impact in creating competitive advantage. Li et al. (2006) showed strong correlation exists between the components of competitiveness and knowledge management capabilities. Sher et al. (2004) revealed significant effects of both internal and external knowledge management on the competitive capacities. Nguyen et al. (2008) revealed that there is a significant positive correlation among the KM infrastructure capability components as well as between them and organisational CA.

Abdul-Jalala et al. (2013) confirmed that knowledge sharing capability is important for knowledge sharing success, and if there is lack of employee's sharing capability, it may lead to an inability of the organisation to remain competitive.

Mutsik and Hill (1998) suggested that in certain contexts, such as dynamic environments, contingent work can be a means of accumulating and creating valuable knowledge, which can generate competitive advantage for the organisation. Yli-Renko et al. (2001) viewed that knowledge acquisition provides competitive advantage through knowledge exploitation. Knowledge acquisition via relationships contributes to new product development in high-technology sectors, because new product development requires the integration and combination of specialised knowledge inputs from many different areas of technology. They proposed (p. 593) that knowledge acquisition increases new product development in three ways: (1) by enhancing the breadth and depth of relation-specific knowledge available to the firm, thereby increasing the potential for new innovative combinations, (2) by enhancing the speed of product development through reduced development cycles and (3) by increasing the willingness of the young technology-based firm to develop new products for its key customer.

Sharfard et al. (2013) found that the four components of knowledge management, i.e. knowledge acquisition, exchange of knowledge, implementation of knowledge and preservation of knowledge, help in generating competitive advantage. Moses et al. (2010) concluded that firm, which gathers knowledge, disseminates the knowledge acquired and responds appropriately to that knowledge, is expected to build a competitive advantage. Further, when knowledge is applied to existing ends, the size and durability of a firm's competitive advantage can be defined by how well protected its knowledge is (Chakravarthy et al. 2005). It is because knowledge as an asset is the source of a competitive advantage only when it is rare and inimitable.

Last but not the least, the IT-supported knowledge management systems are an important value-adding component of knowledge management initiatives (Davenport and Prusak 1998) because the knowledge (IT) approach helps in the systematic identification of decentral knowledge and the expertise, encourages converting knowledge in manifest forms and makes information accessible to others in the firm for local use in terms of knowledge reuse and as input for knowledge development. IT utilisation leads to a reduction of costs; it tends to be a source of competitive advantage (Bharadwaj and Saxena 2005).

H2: All dimensions of knowledge management (knowledge sharing, knowledge acquisition, knowledge conversion, knowledge utilisation, knowledge creation, knowledge protection and knowledge (IT) approach) positively contribute toward competitive advantage of an organisation.

## 7.5 Research Design and Methodology

In order to make the study more accurate and objective, following steps have been taken:

### *7.5.1 Generation of Scale Items*

The statements of the questionnaire were finalised after reviewing the existing literature and detailed discussion with the experts and interaction with the local managers of the leading telecommunication organisations. The questionnaire comprised three sections. The first section was concerned about the demographic profile of the employees of telecom sector, whereby they were asked about the name of their organisation, department, designation, qualification, age, gender and length of service. It was followed by two different scales, i.e. knowledge management and competitive advantage.

#### 7.5.1.1 Knowledge Management Scale (KMS)

It consisted of 48 statements related to seven dimensions of knowledge management, viz. knowledge sharing (10 statements) (Yi 2009), knowledge acquisition (4 statements), knowledge conversion (6 statements), knowledge utilisation

(8 statements), knowledge protection (6 statements) (Nguyen and Neck 2008), knowledge creation (5 statements) (Nonaka 1991; Nonaka and Takeuchi 1995) and knowledge (IT) approach (9 statements) (Sher and Lee 2003). Knowledge management (KM) has been measured on 5-point Likert scale (1 = strongly disagree and 5 = strongly agree).

#### 7.5.1.2 Competitive Advantage Scale (CAS)

The competitive advantage of telecom sector was measured with the help of competitive advantage scale based on questionnaire developed by previous researchers, viz., Nguyen and Neck (2008), Kongpichayanand (2009), Gold et al. (2001) and Davenport and Grover (2001). This construct consisted of seven statements regarding competitive advantage.

### *7.5.2 Sample and Response Rate*

The pretesting was done on 100 employees working in Jammu and Kashmir (J&K) telecommunication sector to finalise the questionnaire. The exercise of pilot study led to the refinement of questionnaire. The mean and standard deviation from pretesting have been used to calculate the sample size for the research. After working out the equation, i.e. 1.96*S.D. $\sqrt{}$ N-n/n*$N$=0.05* mean (Mukhophadhya 1998, pp. 21–32), the sample size came to 57, which was too small for the application of multivariate analysis. So, it was decided to find out the sample size according to the number of items to be used to study knowledge management. Every item requires a minimum of 5 respondents and maximum of 10 respondents (Hair et al. 2007). As the study's construct contained 48 items, it was decided to take 480 as the sample size. The respondents were personally contacted, and they were explained the reason for the research. Out of 480 respondents, 331 responded properly (response rate of 69 %).

## 7.6 Exploratory Factor Analysis

The multivariate data reduction technique of factor analysis has been used for the study. The primary purpose of factor analysis is to define the underlying structure in a data matrix. It involves examination of interrelationships (correlations) among a large number of variables and reduction of large number of variables into few manageable and meaningful sets (Stewart 1981). Factor analysis was carried out with the Statistical Package for Social Sciences (SPSS, 16.0 versions) to simplify and reduce the data. It was carried with principal component analysis along with orthogonal rotation procedure of varimax for summarising the original information with

minimum factor and optimal coverage (Stewart 1981). The statements with factor loading less than 0.5 and eigenvalue less than 1.0 were ignored for the subsequent analysis (Hair et al. 2007).

Factor analysis of knowledge management construct reduced 48 statements to 22, which got compressed under seven factors, viz. knowledge sharing (F1), knowledge (IT) approach (F2), knowledge protection (F3), knowledge creation (F4), knowledge acquisition (F5), knowledge conversion (F6) and knowledge utilisation (F7). The high Kaiser-Meyer-Oklin (KMO) value and $\chi^2$ value in Bartlett's test of sphericity (0.756 and 2095.191) revealed the sampling adequacy of data for factor analysis. The total variance explained by these factors has arrived at 64 %. Further, the eigenvalue of each factor is also above one (Table 7.1).

**Table 7.1** Summary of factor analysis of knowledge management scale

| Factors | Mean | S.D | F.L. | Com. | E.V. | KMO | V.E. | Alpha value |
|---|---|---|---|---|---|---|---|---|
| KS (F1) | 4.06 | 1.06 | | | 2.499 | 0.756 | 11.361 | 0.7899 |
| Brainstorming sessions | 4.06 | 1.39 | 0.750 | 0.628 | | | | |
| Team meeting | 4.09 | 0.89 | 0.865 | 0.731 | | | | |
| Sharing success stories | 4.04 | 0.91 | 0.875 | 0.769 | | | | |
| KAP (F2) | 4.12 | 0.86 | | | | | | 0.7641 |
| Knowledge formalisation | 4.11 | 0.83 | 0.837 | 0.758 | 2.385 | | 10.842 | |
| Standard data | 4.15 | 0.88 | 0.814 | 0.672 | | | | |
| Corporate data | 4.13 | 0.89 | 0.747 | 0.604 | | | | |
| IT specialists | 4.10 | 0.84 | 0.795 | 0.512 | | | | |
| KP (F3) | 4.16 | 0.89 | | | | | | 0.7562 |
| Protecting trademarks | 4.12 | 0.87 | 0.810 | 0.758 | 2.087 | | 9.485 | |
| Protecting knowledge | 4.19 | 0.92 | 0.795 | 0.670 | | | | |
| Importance of protection | 4.17 | 0.89 | 0.746 | 0.639 | | | | |
| KCR (F4) | 4.11 | 0.82 | | | | | | 0.7800 |
| Customer knowledge | 4.10 | 0.85 | 0.834 | 0.754 | 2.026 | | 9.256 | |
| Social benefits | 4.14 | 0.76 | 0.796 | 0.653 | | | | |
| According to problems | 4.09 | 0.85 | 0.705 | 0.589 | | | | |
| KA (F5) | 4.04 | 0.93 | | | | | | 0.7158 |
| Knowledge distribution | 4.07 | 0.95 | 0.847 | 0.760 | 1.916 | | 8.709 | |
| Opportunities | 4.04 | 0.93 | 0.752 | 0.699 | | | | |
| Competitors | 4.03 | 0.92 | 0.708 | 0.688 | | | | |
| KCO (F6) | 4.14 | 0.83 | | | | | | 0.7010 |
| Absorption of knowledge | 4.12 | 0.82 | 0.837 | 0.750 | 1.581 | | 7.187 | |
| Organisation knowledge | 4.12 | 0.86 | 0.750 | 0.647 | | | | |
| Replacement knowledge | 4.19 | 0.81 | 0.741 | 0.620 | | | | |
| KU (F7) | 4.05 | 0.78 | | | | | | 0.7800 |
| Improvement | 4.09 | 0.79 | 0.642 | 0.675 | 1.559 | | 7.088 | |
| Better utilisation | 4.06 | 0.83 | 0.604 | 0.683 | | | | |
| Find out weakness | 4.02 | 0.71 | 0.532 | 0.500 | | | | |
| Total | | | | | | | 63.928 | 0.844 |

S.D. = standard deviation; F.L. = factor loading; Com. = communality; E.V. = eigenvalue; KMO = Kaiser-Meyer-Oklin value; V.E. = variance explained

**Table 7.2** Summary of results of factor analysis of competitive advantage scale

| Factor | Mean | S.D. | F.L. | Com. | E.V. | KMO | V.E. | Alpha value |
|---|---|---|---|---|---|---|---|---|
| Competitive advantage (CA/F8) | 4.12 | 0.83 | | | 3.693 | 0.770 | 61.55 | 0.763 |
| Knowledge-based innovation | 4.10 | 0.86 | 0.827 | 0.684 | | | | |
| Competitors | 4.14 | 0.78 | 0.799 | 0.638 | | | | |
| Line of services | 4.13 | 0.85 | 0.606 | 0.567 | | | | |
| Market conditions | 4.90 | 0.84 | 0.794 | 0.599 | | | | |
| Efficient management | 4.10 | 0.82 | 0.876 | 0.580 | | | | |
| Difficult to duplicate | 4.12 | 0.82 | 0.834 | 0.721 | | | | |

*S.D.* = standard deviation; F.L. = factor loading; Com. = communality; E.V. = eigenvalue; KMO = Kaiser-Meyer-Oklin value; V.E. = variance explained

Further, competitive advantage construct contained seven statements, which got reduced to six under one factor after conducting factor analysis with positive factor loadings (0.827, 0.799, 0.606, 0.794, 0.876 and 0.834). The KMO value (0.789) and $\chi^2$ value in Bartlett's test of sphericity (394.174) gave required adequacy for factor analysis. The total variance explained has arrived at sixty-two percent (Table 7.2), which reflects the soundness of the construct.

## 7.7 Scale Validation: Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) is a tool that enables us to either confirm or reject our preconceived theory. It is used to provide a confirmatory test of our measurement theory. A measurement theory specifies how measured variables logically and systematically represent constructs involved in theoretical model. In the other words, measurement theory specifies a series of relationships that suggest how measured variables represent a latent construct that is not measured directly (Hair et al. 2007).

During CFA items with standardised regression weights (SRW), less than 0.5 were deleted (Hair et al. 2007). The detailed CFA for two scales is as under:

The knowledge management construct comprised of seven subscales, namely, knowledge sharing, approach, acquisition, creation, utilisation, conversion and protection. The result of CFA on all subscales revealed that all the manifest variables are highly loaded on their latent construct (Fig. 7.1, Table 7.3). The fit indices of the specified measurement model have also yielded excellent results (chi-square/df = 2.87, $p < 0.001$, RMR = 0.042, GFI = 0.921, AGFI = 0.889, CFI = 0.925, NFI = 0.911 and RMSEA = 0.052).

Further, standardised regression weights of KM construct are substantial and significant at $p < 0.001$ (Table 7.3). This measurement model did not contain any cross loadings either among the measured variables or among the error terms. These results supported the unidimensionality, convergent and discriminant validity of all subscales in the final measurement model (Hair et al. 2007).

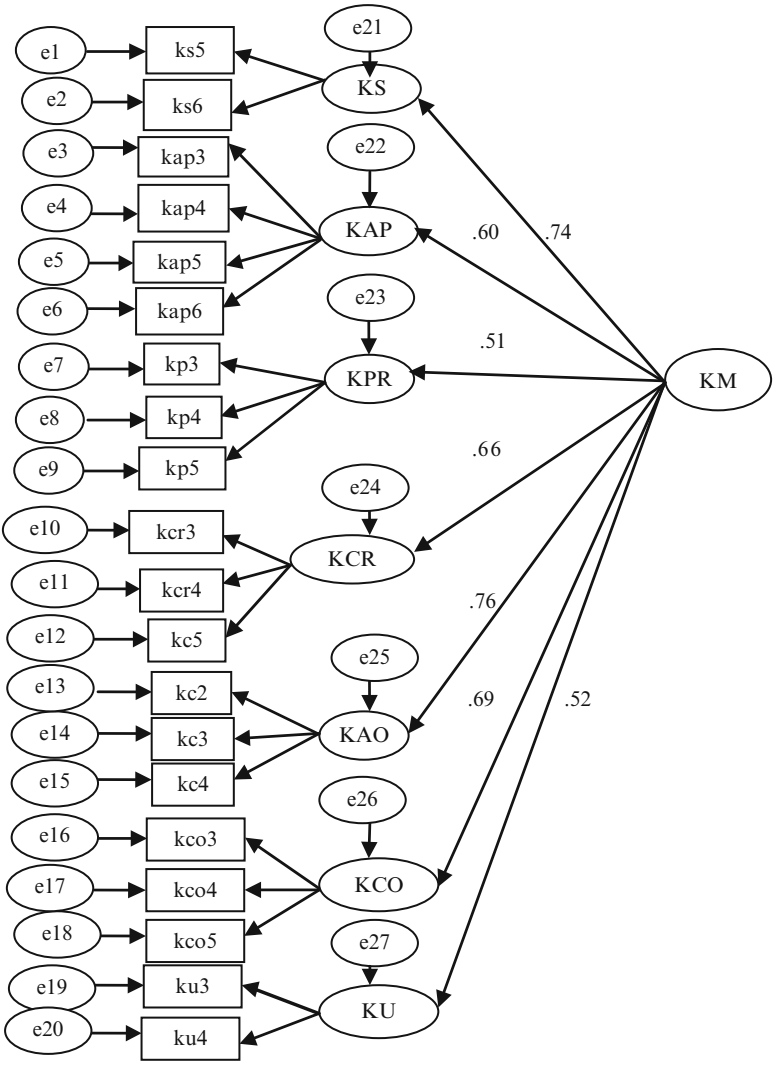


**Fig. 7.1** Knowledge management measurement model. *Key*: *Ks5–Ka4* are the manifest variables of subscales, *KS–KA* are the subscales of knowledge management scale, *e1–e20* are the error terms of manifest variables, *er1–er7* are the error terms of subscales of knowledge management, *KM* knowledge management

Further, EFA of competitive advantage scale resulted into one factor consisting of six manifest variables. Application of CFA resulted in deletion of two items due to low standardised regression weight. Manifest variable CA2 is highly loaded (0.73) on its latent construct, followed by CA1, CA3 and CA7 (Fig. 7.2), which also proved the convergent validity of the scale.

**Table 7.3** Reliability and validity analysis

| Scales | Standardised loadings | Mean | S.D. | AVE | CR | Bentler-Bonnett coefficient | Cronbach's alpha |
|---|---|---|---|---|---|---|---|
| Knowledge management | | | | 0.990 | 0.966 | 0.934 | 0.844 |
| KS (F1) | 0.74 | 4.06 | 1.06 | | | | |
| KAP (F2) | 0.60 | 4.12 | 0.86 | | | | |
| KP (F3) | 0.51 | 4.16 | 0.89 | | | | |
| KCR (F4) | 0.66 | 4.11 | 0.82 | | | | |
| KA (F5) | 0.76 | 4.04 | 0.93 | | | | |
| KCO (F6) | 0.67 | 4.14 | 0.83 | | | | |
| KU (F7) | 0.52 | 4.05 | 0.78 | | | | |
| Competitive advantage | | 4.12 | 0.83 | 0.973 | 0.982 | 0.983 | 0.763 |
| CA1 | 0.45 | | | | | | |
| CA2 | 0.56 | | | | | | |
| CA3 | 0.78 | | | | | | |
| CA4 | 0.53 | | | | | | |

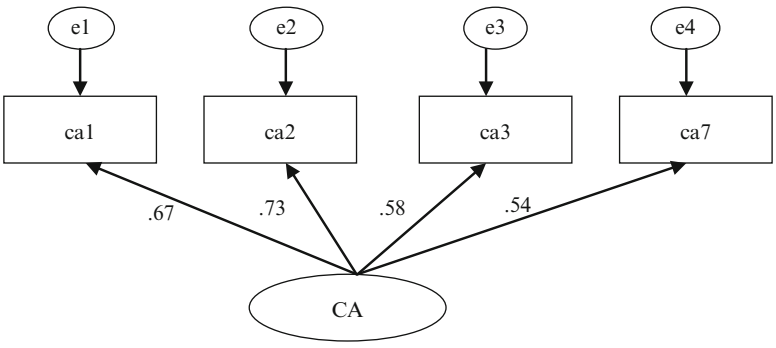


**Fig. 7.2** Measurement model of competitive advantage scale. *Key*: *CA1–CA7* manifest variables, *e1–e6* error terms, *CA* competitive advantage

This model (Fig. 7.2) resulted into four indicators and has excellent fit (chi-square/df = 2.066, GFI = 0.994, AGFI = 0.969, RMR = 0.014, CFI = 0.991, NFI = 0.983 and RMSEA = 0.058).

## 7.8 Reliability

The reliability of knowledge management scale and competitive advantage scale was assessed through Cronbach's alpha, which assesses the internal consistency of the scale. The alpha reliabilities for each of the dimension of knowledge management

and competitive advantage are high (above 0.7), indicating internal consistency, and further, the reliability of all subscales of knowledge management (Table 7.1) and competitive advantage has also proven very good (Table 7.3).

The construct reliability was tested with the help of the following formula:

$$CR = (\text{sum of standardised loadings})^2 / (\text{sum of standardised loadings})^2 + \text{sum of error terms}.$$

The construct reliability of both the scales is above 0.9 (knowledge management = 0.966 and competitive advantage = 0.982), thereby indicating strong construct reliability.

## 7.9 Validity

### *7.9.1 Face Validity/Content Validity*

The content/face validity of the constructs, i.e. knowledge management and competitive advantage, was duly assessed through review of literature and discussions with the subject experts, managers and other employees of telecom sectors, i.e. Airtel, Aircel, Vodafone, Tata Indicom and Reliance.

### *7.9.2 Convergent Validity*

Convergent validity refers to the extent to which the measures correlate with other measures that were designed to measure the same thing. High correlations indicate that the scale is measuring the concept. A scale with Bentler-Bonnett coefficient values of 0.90 or above implies strong convergent validity (Bentler and Bonnet 1980). The Bentler-Bonnett coefficient delta for all scales is above 0.90 (Table 7.3), indicating strong convergent validity. Further, convergent validity can also be checked through factor loadings (above 0.7) and variance extracted, which should be 0.5 or higher. It gets established in the present study as majority of loadings came to be above 0.70 (Table 7.1) and variance extracted of these scales are above 0.5 (Table 7.3).

### *7.9.3 Discriminant Validity*

Discriminant validity refers to the extent to which the measures differ from other similar measures designed to measure different concepts. It can be examined through the evaluation of the variance extracted (VE) (Fornell and Larcker 1981). It is suggested that the variance extracted for each construct should be greater than squared correlation between constructs. In this study, the average valiance extracted for each construct, i.e. knowledge management and competitive advantage, is greater than their squared correlations, which is also established the discriminant validity (Table 7.4).

**Table 7.4** Discriminant validity of different scales

| Scale | Knowledge management | Competitive advantage |
|---|---|---|
| Knowledge management | 0.990 | |
| Competitive advantage | 0.593 (0.770**) | 0.973 |

*Note*: Variance extracted is on the diagonal; squared multiple correlations are given below the diagonal. The values in parenthesis depict correlation. $^{**}p < 0.01$

## 7.10 Relationship Between Knowledge Management and Competitive Advantage: Structural Equation Modelling (SEM)

SEM is a tool to test the specified set of relationships among observed and latent variables as a whole (MacCallum and Austin 2000). SEM has the ability to incorporate latent variables into the analysis. A latent construct or variable is a hypothetical and unobserved concept that can be represented by observable or measurable variables called indicators or manifest variables. The inclusion of latent construct improves statistical estimation, better represents theoretical concepts and directly accounts for measurement error.

Two latent constructs were used to assess the relationship between knowledge management and competitive advantage. It was a recursive model which shows only one-way relationship. Initially, one path was established from knowledge management to competitive advantage. The results revealed knowledge management is a strong predictor of competitive advantage (SRW = 0.78, sig < 0.001; see Fig. 7.3). It is responsible for 58 % variation in the competitive advantage. It supports hypothesis 1. The goodness-of-fit indices have also yielded excellent results (GFI = 0.956, AGFI = 0.927, NFI = 0.892, CFI = 0.934, RMR = 0.023 and RMSEA = 0.0625).

Factor-wise impact of knowledge management on competitive advantage revealed that all factors (dimensions of KMS) are not significant predictor of competitive advantage and the model fitness is also poor. Hence, to obtain the model fitness, all the insignificant relations were removed from the initial model and final model was again tested (Arbuckle and Wothke 1999). The results revealed that knowledge (IT) approach (KAP), knowledge protection (KP) and knowledge acquisition (KA) have significant relationship with competitive advantage (Fig. 7.4). All these are the strong predictors of competitive advantage, where knowledge acquisition is highly influencing the competitive advantage (SRW = 0.50 sig. < 0.001) as compared to knowledge (IT) approach (SRW = 0.46) and knowledge protection (SRW = 0.26). The combined variation caused by all these dimensions on competitive advantage is sixty-two percent. Hence hypothesis 2, i.e. all dimensions of knowledge management (knowledge sharing, knowledge acquisition, knowledge conversion, knowledge utilisation, knowledge creation, knowledge protection and knowledge (IT) approach) positively contribute toward competitive advantage of an organisation, is partially accepted. The fitness of this model is excellent (chi-square/df = 2.142, GFI = 0.962, AGFI = 0.934, CFI = 0.904, NFI = 0.946, RMR = 0.021 and RMSEA = 0.060).

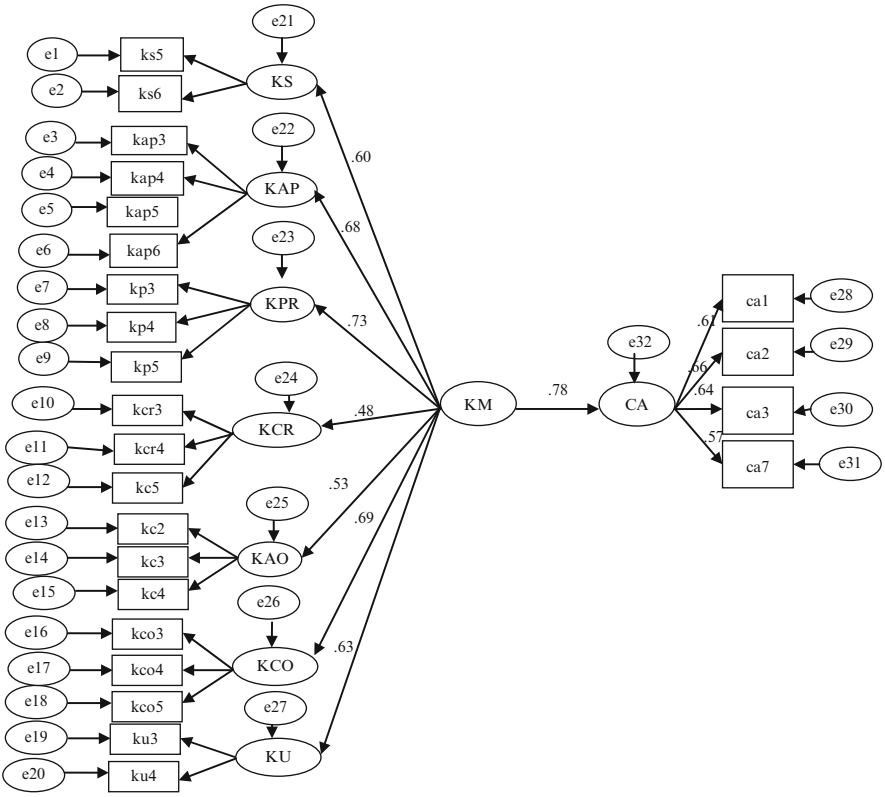


**Fig. 7.3** Impact of knowledge management on competitive advantage. *Key*: *KS* knowledge sharing, *KAP* knowledge approach, *KP* knowledge protection, *KCR* knowledge creation, *KA* knowledge acquisition, *KCO* knowledge conversion, *KU* knowledge utilisation, *e1–e20* are the error terms, KS6–*KU4* are the manifest variables, *CA* competitive advantage, *KM* knowledge management

## 7.11 Discussion and Conclusion

Employees of telecommunication organisations have high perception about implementation of knowledge management practices in their organisation. Knowledge sharing is the most important factor of knowledge management. Employees can share their knowledge through discussion and team meetings, which increase their knowledge and help to solve problems concerned with goals attainment. Knowledge (IT) approach and knowledge creation are also the valuable factors of knowledge management. IT specialists are required to maintain database which helps in the formation of new knowledge to perform special tasks efficiently. Further, knowledge conversion enhances the capabilities of the organisation through proper integration of knowledge and managing the overall knowledge in the organisation. Knowledge protection helps to protect the knowledge, utilised for various

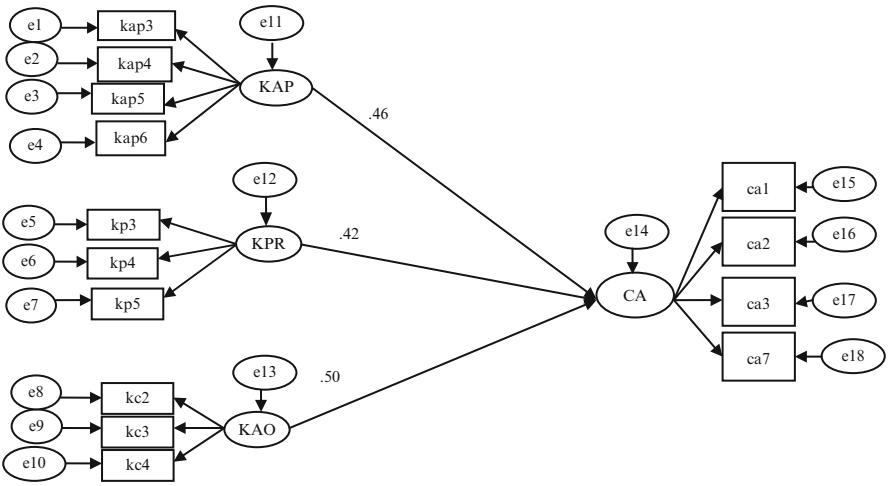


**Fig. 7.4** Impact of knowledge (IT) approach, knowledge protection and knowledge acquisition on competitive advantage. *Key*: *KS* knowledge sharing, *KAP* knowledge approach, *KP* knowledge protection, *KCR* knowledge creation, *KA* knowledge acquisition, *KCO* knowledge conversion, *KU* knowledge utilisation, *e4–e21* are the error terms, *KS6–KU4* are the manifest variables, *CA* competitive advantage, *KM* knowledge management

purposes, from inappropriate use by making policies and procedures. Knowledge acquisition helps in the growth and diversification of the business. All the processes of knowledge management help in the creation and development of competition. Hence, we are conceptualising that organisations have to build strong, effective and supportive culture in their working environment for exercising all practices of KM effectively, which ultimately helps to achieve competitive advantage. Further, the structural model for the present study highlighted two significant latent constructs, namely, knowledge management and competitive advantage. While analysing the relationship of knowledge management with competitive advantage, it was revealed that knowledge management has a strong and significant relationship with competitive advantage, which means knowledge management is the strong predictor of competitive advantage. Any variation in the knowledge management implies direct effect on competitive advantage. Further, dimension-wise impact of knowledge management and competitive advantage has also been explored, which revealed that out of seven dimensions of KM, only knowledge protections, knowledge (IT) approach and knowledge acquisition have significant impacts on the competitive advantage in telecom sector. Knowledge acquisition highly influences competitive advantage because a service provider organisation remains in competition only if it has full information of its competitors, policies of governments, customers, etc. They get all these information from the process of knowledge acquisition, whereas knowledge protection process also plays an important role in the organisation to gain competitive advantage by protecting this information from illegal use. Further, our study also found that the most strong dimension of KM process, i.e. knowledge sharing, has no significant impact on CA of telecom organisations in India, which is not in line with

previous studies. The reason is that Jammu telecom sector is used in general ways such as brainstorming sessions, team meetings and sharing success stories to share individual as well as organisational knowledge. But, this study result has indicated that Indian telecom sector highly depends on IT culture for achieving the competitive advantage followed by knowledge acquisition and knowledge protection. Hence, we are suggesting that this sector should use common IT applications in KM for sharing knowledge within/outside the organisation such as coding and sharing of best practices, creation of corporate knowledge directories (mapping internal expertise) and the creation of knowledge networks (online interactive forums), groupware, intranet, e-mail, discussion forums, and e-bulletin boards (as suggested by Alavi and Leidner 2001; Bender and Fish 2000). Moreover, e-learning can also work as a training tool for improving knowledge sharing behaviour (Wild et al. 2002). As a result, the organisation is able to build effective and successful knowledge sharing culture within/outside the boundaries of the organisation. Further, this exercise will also help to enhance knowledge creation and culture conversion automatically, same as revealed by Hutchings and Michailova (2004). They stated that knowledge creation, knowledge sharing, communication and learning in organisations are profoundly influenced by cultural values of individual employees.

## 7.12 Limitations

All efforts were made to maintain objectivity, reliability and validity of the study, yet certain limitations could not be ignored. These limitations are discussed as under:

1. The data were collected from private telecommunication companies only.
2. Convenient sampling technique has been used.
3. The study has measured KM on the basis of employees' responses, which might have been guided by their likes and dislikes.

## 7.13 Future Research

1. A comparative study of KM practices in private and public firms
2. Impact of KM practices on financial and nonfinancial performance
3. Impact of knowledge culture on CA through KM

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# Chapter 8
# A Study on Organizational Culture in Indian Private Hospitals

**Kajal Sharma, Poonam Sharma, and D.M. Pestonjee**

## 8.1 Introduction

Last few years have seen the global healthcare industry rise to astonishing heights making it challenging and exceedingly competitive for modern healthcare providers around the world. The healthcare market has grown faster than the GDP in the Western world for the past three decades, and at high rates in emerging markets such as China and India (Powell 2006). Public sector (federal and state governments) has traditionally dominated the Indian healthcare scene but currently the private healthcare sector is witnessing a boom. The private healthcare market is growing and several consulting firms' research indicates it to be the next-big thing (PwC health report 2007; IBM health report 2008). According to the WHO report (2008), newfound prosperity of many Indian households is spurring demand for high-quality medical care, transforming the healthcare delivery sector into a profitable industry. Recently, the Indian national expenditure on healthcare budget was hiked by 20 % by the government (Federal budget speech 2011). Hence, the funds for health have

K. Sharma (✉)
Portsmouth Business School, University of Portsmouth,
Richmond Building, Portland Street, Portsmouth PO1 3DE, UK
e-mail: kajal.sharma@port.ac.uk

P. Sharma
Lecturer, Amity Global Business School, Ahmedabad, Gujarat, India
e-mail: poonam.h.sharma@gmail.com

D.M. Pestonjee
GSPL Chair Professor, School of Petroleum Management,
Pandit Deendayal Petroleum University, Gandhinagar, Gujarat, India

Dean, Faculty of Applied Management, CEPT University, Ahmedabad, Gujarat, India
e-mail: pestonjee@hotmail.com



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risen to $5.9bn or £3.7bn (BBC 2011) that indicates the government is getting increasingly concerned about its ability to meet its social obligations toward the wider population in the health sector.

While the country has made substantial strides in economic growth, still its performance in health has been less impressive. An important reason for this is the inability of the health system to provide health care for all. Despite an extensive network of government funded clinics and hospitals providing low cost care, curative health services in India are largely provided by the private sector, tend to be concentrated in urban areas, serve those who are socio-economically better-off, and place a substantial burden of out-of-pocket payments on patients. While India is one of the fastest growing economies in the world today, it is also one of the weakest performers in health. The importance of reforming the health sector has never been as critical as it is today as it facing several social, financial, and ethical challenges (Dahnke 2013).

In the last 5 years, many new corporate hospitals have emerged in the Indian healthcare market further augmenting the scale of investment and expansion within the private sector (Wilson 2009). These hospitals are the major recipients of increased attention because they are highly visible organization and focal points for health services delivery. Hospital is widely recognized as the peak organization in healthcare sector (Lehrman et al. 2010). Moreover, the work of hospital has expanded from cure to rehabilitation services as well like providing physical therapy, psychological counselling, and various outpatient services (Beyond Health Care 2009).

Research (Nie et al 2013) indicates that all types of different healthcare workers aim for efficient and effective patient safety still these contemporary hospitals are a unique and highly complex organizational entity. They face different environments, new rules, and greater accountability to various stakeholders. Management structure and practices have also evolved dramatically within the hospital settings complementing the external transformation. As a result, the hospital is appreciably different, yet its mission and social responsibilities remain basically same: to provide quality patient care with an emphasis on affordability and accessibility of such services. Considering such state of affairs, the ability of the hospital to serve its patients is critical as it helps ensure customer retention and in turn organizational profitability (Deshpande et al. 1993; Grönroos 1990, 2001; Narver and Slater 1990; Parasuraman et al. 1985). For this reason, hospitals around the world have taken several change initiatives, including product line management, cost accounting systems, total quality management, business process reengineering, and patient-focused care (Huq and Martin 2000; Bellou 2008).

Many individuals and agencies concerned with healthcare quality and performance have emphasized the need for cultural change to be wrought alongside structural, financial, and procedural reforms (Mannion et al. 2005). Crafting productive organizational culture for hospitals is challenging for the leadership as hospitals and healthcare delivery systems are complex as they comprise of many subcultures, which may adhere to some elements of the dominant culture's values, beliefs, and assumptions or function as countercultures that directly oppose the core values

formally espoused by the organization (Sackmann 1992). The very complexity of healthcare systems is an obstacle to systems thinking. As at times such competing sources of culture may be detrimental to the emergence of a homogeneous culture in hospital. Subsequently, such groups have their own functional orientations, definitions of work settings, and value orientations (Zabada et al. 1998) that can generate multiple challenges for an organization.

Changing the operating organizational culture considering better appreciation of human issues, needs, and circumstances within hospitals can be helpful in this direction. But it needs to be substantiated by further research. At present, there is dearth of research on the culture of organizations involved with health care (O'Reilly et al. 1991; Manley 2000a, b; Bellou 2008) and many unanswered questions still remain regarding organizational culture (Black 2003; Balthazard et al. 2006).

This study tried to investigate the culture in modern corporate private Indian hospitals and focused on the following research questions:

- To identify the shared organizational culture values in private hospitals.
- To analyse and discover if there existed any culture patterns related to desired values in these hospitals.
- To explore whether clinicians' and non-clinicians differ in their perceptions of hospital culture values.

## 8.2 Literature Review

Many studies show that structural changes alone do not deliver anticipated improvements in quality, performance, and success for contemporary organizations including health care (Le Grand et al. 1998; Shortell et al. 1998). The key ingredient for organizational success, as described in case of every successful organization is something less tangible, less blatant, but more powerful than the market factors like entry barriers, market share, bargaining power, market growth, suppliers, or customers (Porter 1980). This distinguishing feature of such organizations has evolved as their most important competitive advantage and is highlighted as their "Organizational Culture".

Organizational culture has been a buzzword in organizations across the globe ever since practitioners realized that an organization's dominant philosophy and value system could be critical to its overall success. Moreover, it can even result into concrete competitive advantage in the market. However, the realization is not enough as healthcare industry has lagged in its understanding of how to evolve effective culture for its unique organizational requirements. Such understanding is essential on the part of management teams responsible for planning, organizing, directing, and controlling people resource as this will help them predict, control, explain, and change their work-related behaviour and competence.

Exploring complex phenomena such as organizational culture has been an area of particular interest since the seminal work of Pettigrew (1979). Pettigrew demonstrated how the concepts of symbolism, language, and rituals can be used to analyse and understand organizational life, and reveal the rich tapestry of meaning

around everyday tasks and objectives in the workplace. Elaborating its scope, Hofstede (1980) encouraged management scholars to engage in cross-cultural studies of work-related values to further understand the function of organizational culture from a more global viewpoint. The result of these noteworthy works and others (e.g., Deal and Kennedy 1999; Frost et al. 1985; Martin 1992; Schein 1985) have created an area of organizational theory considered by many to be among the most important and challenging concepts for management scholars to comprehend (Alvesson 2002). As highlighted by MacIntosh and Doherty (2010), effects of organizational culture on individual attitudes and behaviour as well as overall company performance are what make the phenomenon an attractive area of study for scholars and professionals alike.

Scholars like Martin (2002), Martin and Frost (1996), and Alvesson (2002) agree to the fact that the phenomenon of culture can be approached in manifestly different ways. Moreover, Kroeber and Kluckhohn identified 164 definitions of culture. Common culture definitions refer to "a system of shared values and beliefs that produces norms of behaviour and establish an organizational way of life" (Koberg and Chusmir 1987, p. 397), "the commonly held and relatively stable beliefs, attitudes and values that exist within the organization" (Williams et al. 1989) and "a set of cognitions shared by members of a social unit" (O'Reilly et al. 1991; Bolman and Deal 1997; Braithwaite et al. 2005) giving more emphasis on values and behavioural patterns which seem to safely be examined in a quantitative way (Lim 1995).

According to Lewis (2002), a universal definition of organizational culture has proven elusive; however, it is generally considered to be the shared values, beliefs, and assumptions that exist among employees within a company that help guide and coordinate behaviour (Schein 1990). Moreover, according to many researchers (Hofstede et al. 1990; MacIntosh and Doherty 2010), it is generally accepted to be a holistic and multidimensional concept that is historically determined and socially constructed. Others who see it as an important organizational phenomenon that correlates with organizational sustainability and performance characterize it as the "glue that holds organizations together" (Goffee and Jones 1996) and "it isn't just one aspect of the game—it is the game" (Gerstner 2002). This study utilized the perspective of organizational culture as essentially an individual perception of an organizational phenomenon as suggested by van den Berg and Wilderom (2004).

Discussions about organizational culture usually refer to an organization's dominant culture. However, complex organizations such as hospitals and healthcare delivery systems comprise many subcultures, which may adhere to some elements of the dominant culture's values, beliefs, and assumptions or function as countercultures that directly oppose the core values formally espoused by the organization (Sackmann 1992). For instance, physicians are strongly socialized to manifest a unique value system that sharply distinguishes them from other healthcare providers (Freidson 1970).

The very complexity of healthcare systems is an obstacle to systems thinking. As at times such competing sources of culture may be detrimental to the emergence of a homogeneous culture in hospital. Subsequently, such groups have their

own functional orientations, definitions of work settings, and value orientations (Zabada et al. 1998) that can generate multiple challenges for an organization. However, it can be summarized that the presence of subcultures is natural for any kind of organization given the dynamics of environment.

Organizational culture is important to study because it, unlike other hospital characteristics such as geographic location or size, is potentially mutable and, with effort, can change over time (Schein 1996), thereby offering opportunities for intervention. Furthermore, domains of organizational culture have been associated with healthcare outcomes, although not always in expected directions. Organizational cultures in healthcare institutions differ from other cultures because of hospitals' unique managerial and organizational structures; therefore, management styles in healthcare settings also vary from those in other fields. Assumptions, values, behaviours, and attitudes common in healthcare settings are rooted in traditions and are strictly adopted by the personnel (Rakich et al. 1993; Seren and Baykal 2007).

Organizational culture change has widely been seen as a means of improving healthcare performance (Davies et al. 2003). Theorists propose that organizational culture is among the most critical barriers to leveraging new knowledge and implementing technical innovation (Kinicki and Tamkins 2003; Helfrich et al. 2007). Scholars on the basis of empirical evidence have credited (or faulted) organizational culture with contributing to significant differences among healthcare facilities in organizational performance (Davies et al. 2007), quality improvement implementation (Shortell et al. 1995), patient-care quality and efficiency (Rondeau and Wagar 1998), effectiveness of provider teams (Gifford et al. 2002; Goodman et al. 2001), healthcare provider job satisfaction (Gifford et al. 2002; Goodman et al. 2001), and patient satisfaction (Meterko et al. 2004). Moreover, prior research has indicated to some extent that culture of a healthcare organization can powerfully influence its ability to manage human resources and serve patients, and ultimately has a strong impact on its economic performance (Kotter and Heskett 1992; Wooten and Crane 2003).

In addition to this, there has been substantial research literature on studies seeking to link organizational culture to objective measures of organizational effectiveness, the construct has also been associated with numerous other organizational outcomes, such as employee morale (Connell 2001), quality, employee satisfaction (Fraser et al. 2002), and overall performance (Denison and Mishra 1995; Sorenson 2002). In many cases, these outcomes have been used as indicators of organizational effectiveness. Healthcare studies have also found that strength of organizational culture predicted job satisfaction well and positively; job satisfaction predicted inpatient satisfaction significantly and positively; and inpatient satisfaction predicted general inpatient satisfaction well and positively (Fitzpatrick and Boulton 1994; Tzeng 2002). Thus, hospitals that wish to offer their patients services of increased quality in a cost-effective manner need to form employees' values, priorities, attitudes, and behaviours accordingly (Bellou 2008).

## 8.3 Research Methodology

The empirical study was undertaken by adopting quantitative analysis techniques to examine the significant aspects of organizational culture in private hospitals. The methodological approach for this chapter was inductive and positivist survey method was utilized (Bryman and Bell 2003) to gather data of healthcare professionals for this cross-sectional study.

The total sample size from each hospital is 70, which was further divided into 20 doctors, 25 nurses, and 25 non-clinical staff which includes administrative and non-administrative. The research data was collected from three hospitals A, B, and C from the state of Gujarat, India. All the chosen private, multi-speciality tertiary care hospitals are managed by different leading hospital chains. They are known to be patient centric, follower of ethical medical practices, and a provider of world-class health care to global clientele. These hospitals are engaged in providing high-quality medical and surgical care in a host of critical specialties such as Cardiology and CVTS surgeries, Neurology, and Neurosurgeries, Nephrology and Kidney Transplant, GI Medicine and Surgeries, Haematology, Oncology and Oncosurgery, Critical and Emergency Care, Trauma and Orthopaedic, Neonatology as well as General Medicine and Surgeries. These hospitals provide high-quality services, which attract patients from other states and even from outside the country. These hospitals also focus on clinical research and medical education through various programs. The total sample size for this study is 210 cases.

According to a report (2007) published by Department of Health and Welfare, Government of Gujarat, the state of Gujarat offers holistic medicinal services and cost-effective treatment through various district hospitals, sub-district hospitals and private hospitals and is poised to be a leader in medical tourism in India. The state boost most sought after super speciality hospitals and many reputed hospital groups like Fortis, Apollo, Wockhardt, Sterling SAL, Rajasthan, Medisurge, and Krishna Heart have made significant investments in setting up state-of-the-art hospitals in major cities of Gujarat. Moreover, the state alone accounts for about 40 % of the pharmaceutical production of the country and most of them are having operations in and around Ahmedabad. Thus, healthcare sector in the state is buzzing with lot of activity and has a global reputation. So researching on healthcare issues in the state can contribute to identifying and better understanding on challenges related to future progress in the field.

Probability sampling was chosen to obtain a representative sample as it is most commonly associated with survey-based research strategies where the researcher need to make inferences from the sample about a population to answer the research question(s) or to meet the objectives (Saunders et al. 2009). Stratified random sampling technique was identified as the most appropriate for such research. The population of hospital staff was divided into three relevant and significant strata, i.e. doctors, nurses, and other staff based on their work characteristics. It was not a major issue to identify these strata as in some instances like healthcare settings the sampling frame is already divided into strata (De Vaus 2002). A simple random sample was then drawn from each stratum.

The sample size proved to be appropriate as the descriptive statistics reflected that the standard deviation for the sample was equal or less than 1/3rd of mean. It also highlighted that sample was taken from normal population. Moreover, higher sample size indicated the sample represented the population suitably. Initially, a total of 350 questionnaires were distributed among these hospitals. Out of that 140 questionnaires were not included in the final sample as some were incomplete and others were not submitted in time. Thus, the response rate for the studied sample was 60 %. Some of the questionnaires had to be translated in local languages (Hindi/Gujarati) for better understanding of respondents.

OCTAPACE instrument by Pareek (2010) was used for the survey. The OCTAPACE profile is a 40-item instrument (on a 4-point scale) that gives the profile of organization's ethos in eight important values relevant to institution building. These values are as follows: Openness, Confrontation, Trust, Authenticity, Pro-action, Autonomy, Collaboration, and Experimenting. The instrument contains two parts. In part one, values are stated in items 1–24 (three statements of each of the eight values), and the respondent is required to check (on a 4-point scale) how much each item is valued in her organization. Part two, contains 16 statements on beliefs, two each for eight values, and the respondent checks (on a 4-point scale) how widely each of them is shared in the organization. In addition to checking the items on the extent of their importance or sharing in the organization, the respondents can also check how much they should be valued or how much the beliefs are useful. Thus, present as well as desired or ideal profiles can be obtained.

According to various studies (Panchamia 2013), it is important to find the aspect of HRD climate of organization in order to study the factors which are contributing to the success of healthy culture, which in turn proves to be a tool to enhance the effectiveness and efficiency of work culture in an organization (Schein 1996). In order to understand HRD climate, we have defined the work culture prevailing in an organization through OCTAPACE profile developed by Udai Pareek in 1994. This instrument has been designed considering Indian organizations and has been used in several international studies (Saxena and Shah 2008). The overall reliability of the scale considering all items was obtained as 0.81 (Cronbach's alpha).

The final data set used for further analysis was of 210 cases with 29 % responses from doctors out of which 24 % are specialist and 5 % are junior/assistant doctors, 36 % from nurses, and 35 % of other staff. There were 58 % male and 48 % female respondents in the group with the average age for each group being 41 year for doctors, 34 years for nurses, and 37 years for other staff. Furthermore, the average experience (in the field) for each group was 16 years for doctors, 9 years for nurses, and 12 years for non-clinical staff.

## 8.4 Results and Analysis

Results indicate that there are no significant differences on most shared OCTAPACE dimensions among hospitals. Values like openness, trust, authenticity, and collaboration can be found in all hospitals. But values like autonomy, proaction, confrontation,

and experimentation are practiced differently in different hospitals. This suggests the leadership's not-so-positive attitude toward change and risk that it is often seen as the major barrier for change to be initiated or successfully implemented. Comfort with the status quo too often extends toward passive-aggressive attitudes to any experimental and creative initiative. Rewards too often go to those who identify risks associated with new ideas and not to those initiating the ideas. Subsequently, it indicates attitude toward employee empowerment that again needs enhancement. Cultural attributes of micro-managing and bureaucracy come into play when control is a dominant feature in the culture, and these features should be discouraged by hospital management to strengthen positivity in existing culture (Table 8.1).

There are incompatibility and tensions that characterized subcultural relations appeared to contribute to the incomplete realization of certain key values that were promoted by hospitals. This was perhaps most clearly illustrated in relation to teamwork, which is a central aspect of both clinical governance and hospital management. These results clearly indicate that within professional groups there are positive scores on trust, authenticity, confrontation, and collaboration compared to overall scores. Moreover, overall results also reveal characteristics of different professional groups. Like doctors as a group tend to be more "individualistic", sometimes autocratic, self-reliant, and exclusive, tending to mix less socially with other. Whereas, nurses by contrast generally came across as being more "team-based" and open to acknowledge the need to engage in cross-disciplinary teamworking to achieve common goals. Managers (especially non-clinical managers) tended to be regarded as not important and not facilitative by both doctors and nurses. This also reflects that confrontation is perceived to be negative by doctors as a professional group. This may lead to problems like sulking behaviour, ego clashes, and communication gaps between employees (Table 8.2).

There were no significant differences in desired cultural values of organization in doctors based on tenure. Overall results show doctors show desirability on all OC values except confrontation. This indicates that they perceive their role as superlative in hospitals. It can be interpreted that while recognizing that teamwork was important, doctors were more dismissive of it in practice, preferring instead a hierarchical relationship, which placed them at the top. However, it can also stem in part from the resentment that other health professionals often expressed towards what they consider to be a doctor's privileged position. This was especially marked in the case of nurses in what they consider to be their own relatively insecure position (Table 8.3).

For Nurses, there are significant differences regarding autonomy. The value of autonomy has significant contribution in medical practice, in creating a healthy work environment—both in terms of staff satisfaction and the quality and safety of patient outcomes—have been consistently demonstrated (Weston 2008). Moreover, recent research has reported that a positive work environment, including higher levels of autonomy is not associated with increased systems costs (Mark et al. 2009). Thus, hospitals can take initiatives to enhance staff autonomy without worrying about financial burden. Autonomy refers to the ability to act according to one's knowledge and judgment, providing care within the full scope of practice as defined

**Table 8.1** Octapace analysis for all hospitals

| Multiple comparisons | | | | | | | |
|---|---|---|---|---|---|---|---|
| LSD | | | | | | | |
| | | | | | | 95 % confidence interval | |
| Dependent variable | (I) Hospital | (J) Hospital | Mean difference (I–J) | Std. error | Sig. | Lower bound | Upper bound |
| Open | A Hospital | B Hospital | −.086 | .340 | .801 | −.76 | .58 |
| | | C Hospital | −.443 | .340 | .194 | −1.11 | .23 |
| | B Hospital | A Hospital | .086 | .340 | .801 | −.58 | .76 |
| | | C Hospital | −.357 | .340 | .294 | −1.03 | .31 |
| | C Hospital | A Hospital | .443 | .340 | .194 | −.23 | 1.11 |
| | | B Hospital | .357 | .340 | .294 | −.31 | 1.03 |
| Confront | A Hospital | B Hospital | .214 | .338 | .526 | −.45 | .88 |
| | | C Hospital | −.286 | .338 | .398 | −.95 | .38 |
| | B Hospital | A Hospital | −.214 | .338 | .526 | −.88 | .45 |
| | | C Hospital | −.500 | .338 | .140 | −1.17 | .17 |
| | C Hospital | A Hospital | .286 | .338 | .398 | −.38 | .95 |
| | | B Hospital | .500 | .338 | .140 | −.17 | 1.17 |
| Trust | A Hospital | B Hospital | .371 | .391 | .343 | −.40 | 1.14 |
| | | C Hospital | .357 | .391 | .362 | −.41 | 1.13 |
| | B Hospital | A Hospital | −.371 | .391 | .343 | −1.14 | .40 |
| | | C Hospital | −.014 | .391 | .971 | −.79 | .76 |
| | C Hospital | A Hospital | −.357 | .391 | .362 | −1.13 | .41 |
| | | B Hospital | .014 | .391 | .971 | −.76 | .79 |
| Authen | A Hospital | B Hospital | .614 | .340 | .072 | −.06 | 1.28 |
| | | C Hospital | .900[a] | .340 | .009 | .23 | 1.57 |
| | B Hospital | A Hospital | −.614 | .340 | .072 | −1.28 | .06 |
| | | C Hospital | .286 | .340 | .401 | −.38 | .96 |
| | C Hospital | A Hospital | −.900[a] | .340 | .009 | −1.57 | −.23 |
| | | B Hospital | −.286 | .340 | .401 | −.96 | .38 |

(continued)

**Table 8.1** (continued)

| Multiple comparisons | | | | | | | |
|---|---|---|---|---|---|---|---|
| LSD | | | | | | | |
| | | | | | | 95 % confidence interval | |
| Dependent variable | (I) Hospital | (J) Hospital | Mean difference (I–J) | Std. error | Sig. | Lower bound | Upper bound |
| Proa | A Hospital | B Hospital | −.357 | .345 | .301 | −1.04 | .32 |
| | | C Hospital | .171 | .345 | .620 | −.51 | .85 |
| | B Hospital | A Hospital | .357 | .345 | .301 | −.32 | 1.04 |
| | | C Hospital | .529 | .345 | .127 | −.15 | 1.21 |
| | C Hospital | A Hospital | −.171 | .345 | .620 | −.85 | .51 |
| | | B Hospital | −.529 | .345 | .127 | −1.21 | .15 |
| Auto | A Hospital | B Hospital | −.686 | .392 | .082 | −1.46 | .09 |
| | | C Hospital | −.457 | .392 | .245 | −1.23 | .32 |
| | B Hospital | A Hospital | .686 | .392 | .082 | −.09 | 1.46 |
| | | C Hospital | .229 | .392 | .560 | −.54 | 1.00 |
| | C Hospital | A Hospital | .457 | .392 | .245 | −.32 | 1.23 |
| | | B Hospital | −.229 | .392 | .560 | −1.00 | .54 |
| Collab | A Hospital | B Hospital | −.271 | .311 | .384 | −.88 | .34 |
| | | C Hospital | .043 | .311 | .891 | −.57 | .66 |
| | B Hospital | A Hospital | .271 | .311 | .384 | −.34 | .88 |
| | | C Hospital | .314 | .311 | .313 | −.30 | .93 |
| | C Hospital | A Hospital | −.043 | .311 | .891 | −.66 | .57 |
| | | B Hospital | −.314 | .311 | .313 | −.93 | .30 |
| Exper | A Hospital | B Hospital | −.657 | .408 | .109 | −1.46 | .15 |
| | | C Hospital | −.471 | .408 | .249 | −1.28 | .33 |
| | B Hospital | A Hospital | .657 | .408 | .109 | −.15 | 1.46 |
| | | C Hospital | .186 | .408 | .650 | −.62 | .99 |
| | C Hospital | A Hospital | .471 | .408 | .249 | −.33 | 1.28 |
| | | B Hospital | −.186 | .408 | .650 | −.99 | .62 |

[a]The mean difference is significant at the 0.05 level

**Table 8.2** Octapace analysis across all three groups in hospitals

| Multiple comparisons | | | | | | | |
|---|---|---|---|---|---|---|---|
| LSD | | | | | | | |
| | | | | | | 95 % confidence interval | |
| Dependent variable | (I) Job | (J) Job | Mean difference (I–J) | Std. error | Sig. | Lower bound | Upper bound |
| Open | Doctors | Nurses | 2.290[a] | .297 | .000 | 1.70 | 2.88 |
| | | Other Staff | 2.383[a] | .297 | .000 | 1.80 | 2.97 |
| | Nurses | Doctors | −2.290[a] | .297 | .000 | −2.88 | −1.70 |
| | | Non-clinical staff | .093 | .280 | .739 | −.46 | .65 |
| | Non-clinical staff | Doctors | −2.383[a] | .297 | .000 | −2.97 | −1.80 |
| | | Nurses | −.093 | .280 | .739 | −.65 | .46 |
| Confront | Doctors | Nurses | 2.653[a] | .288 | .000 | 2.08 | 3.22 |
| | | Non-clinical staff | 2.213[a] | .288 | .000 | 1.64 | 2.78 |
| | Nurses | Doctors | −2.653[a] | .288 | .000 | −3.22 | −2.08 |
| | | Non-clinical staff | −.440 | .272 | .107 | −.98 | .10 |
| | Non-clinical staff | Doctors | −2.213[a] | .288 | .000 | −2.78 | −1.64 |
| | | Nurses | .440 | .272 | .107 | −.10 | .98 |
| Trust | Doctors | Nurses | 3.530[a] | .309 | .000 | 2.92 | 4.14 |
| | | Non-clinical staff | 2.863[a] | .309 | .000 | 2.25 | 3.47 |
| | Nurses | Doctors | −3.530[a] | .309 | .000 | −4.14 | −2.92 |
| | | Non-clinical staff | −.667[a] | .291 | .023 | −1.24 | −.09 |
| | Non-clinical staff | Doctors | −2.863[a] | .309 | .000 | −3.47 | −2.25 |
| | | Nurses | .667[a] | .291 | .023 | .09 | 1.24 |
| Authen | Doctors | Nurses | 2.433[a] | .304 | .000 | 1.83 | 3.03 |
| | | Non-clinical staff | 2.167[a] | .304 | .000 | 1.57 | 2.77 |
| | Nurses | Doctors | −2.433[a] | .304 | .000 | −3.03 | −1.83 |
| | | Non-clinical staff | −.267 | .286 | .353 | −.83 | .30 |
| | Non-clinical staff | Doctors | −2.167[a] | .304 | .000 | −2.77 | −1.57 |
| | | Nurses | .267 | .286 | .353 | −.30 | .83 |

(continued)

**Table 8.2** (continued)

| Multiple comparisons | | | | | | | |
|---|---|---|---|---|---|---|---|
| LSD | | | | | | | |
| | | | | | | 95 % confidence interval | |
| Dependent variable | (I) Job | (J) Job | Mean difference (I–J) | Std. error | Sig. | Lower bound | Upper bound |
| Proa | Doctors | Nurses | 2.310[a] | .301 | .000 | 1.72 | 2.90 |
| | | Non-clinical staff | 2.457[a] | .301 | .000 | 1.86 | 3.05 |
| | Nurses | Doctors | −2.310[a] | .301 | .000 | −2.90 | −1.72 |
| | | Non-clinical staff | .147 | .284 | .606 | −.41 | .71 |
| | Non-clinical staff | Doctors | −2.457[a] | .301 | .000 | −3.05 | −1.86 |
| | | Nurses | −.147 | .284 | .606 | −.71 | .41 |
| Auto | Doctors | Nurses | 4.143[a] | .255 | .000 | 3.64 | 4.65 |
| | | Non-clinical staff | 3.797[a] | .255 | .000 | 3.29 | 4.30 |
| | Nurses | Doctors | −4.143[a] | .255 | .000 | −4.65 | −3.64 |
| | | Non-clinical staff | −.347 | .241 | .151 | −.82 | .13 |
| | Non-clinical staff | Doctors | −3.797[a] | .255 | .000 | −4.30 | −3.29 |
| | | Nurses | .347 | .241 | .151 | −.13 | .82 |
| Collab | Doctors | Nurses | 2.267[a] | .262 | .000 | 1.75 | 2.78 |
| | | Non-clinical staff | 2.387[a] | .262 | .000 | 1.87 | 2.90 |
| | Nurses | Doctors | −2.267[a] | .262 | .000 | −2.78 | −1.75 |
| | | Non-clinical staff | .120 | .247 | .627 | −.37 | .61 |
| | Non-clinical staff | Doctors | −2.387[a] | .262 | .000 | −2.90 | −1.87 |
| | | Nurses | −.120 | .247 | .627 | −.61 | .37 |
| Exper | Doctors | Nurses | 4.260[a] | .267 | .000 | 3.73 | 4.79 |
| | | Non-clinical staff | 3.993[a] | .267 | .000 | 3.47 | 4.52 |
| | Nurses | Doctors | −4.260[a] | .267 | .000 | −4.79 | −3.73 |
| | | Non-clinical staff | −.267 | .251 | .290 | −.76 | .23 |
| | Non-clinical staff | Doctors | −3.993[a] | .267 | .000 | −4.52 | −3.47 |
| | | Nurses | .267 | .251 | .290 | −.23 | .76 |

[a]The mean difference is significant at the 0.05 level

**Table 8.3** Comparison based on tenure (or years of experience) of all doctors on octapace values

| Coefficients[a,b] | | | | | | |
|---|---|---|---|---|---|---|
| | | Unstandardized coefficients | | Standardized coefficients | | |
| Model | | B | Std. error | Beta | *t* | Sig. |
| 1 | (Constant) | 14.900 | 12.576 | | 1.185 | .242 |
| | Open | .673 | .917 | .136 | .734 | .466 |
| | Confront | −.817 | .895 | −.202 | −.913 | .365 |
| | Trust | .732 | .921 | .169 | .794 | .431 |
| | Authen | −.889 | .601 | −.227 | −1.479 | .145 |
| | Proa | 1.312 | .831 | .351 | 1.578 | .121 |
| | Auto | −.646 | .910 | −.156 | −.710 | .481 |
| | Collab | −.691 | 1.028 | −.125 | −.672 | .505 |
| | Exper | .356 | .821 | .088 | .434 | .666 |

[a]Job-Doctors
[b]Dependent variable: experience

by existing professional, regulatory, and organizational rules (Weston 2008). Nurses and support staff should get organizational culture that supports autonomous practice, expecting and encouraging them to utilize their medical expertise to deliver the best in patient care. They should perceive that the organization supports their professional actions and clinical judgment (Table 8.4).

For non-clinical members, there are differences regarding opinions on values of collaboration and confrontation. Besides the fear of negative confrontation, impede people to take risk in giving feedback to others and use it appropriately. In such a case, people who are not open may receive many cues and much feedback from others, but may be observed as manipulative and generally unavailable. Moreover, when people want to receive feedback but feel it is fake, they develop defensive behaviour to deal with such feedback which might be denial, rationalization, withdrawal, aggression, projection, cynicism, etc. Again the fear of negative confrontation can also be eliminated by perceptiveness that requires people to be sensitive to and insightful about others. This also assists stronger team dynamics (Table 8.5).

The analysis show very interesting results related to Male and Female Doctors having different opinions concerning values of Proactivity, Autonomy, and Collaboration within hospitals. Studies have identified that the doctor–nurse relationship has traditionally been seen as a man–woman relationship and so doctors are found to be dominant and nurses on the other hand are subservient (Gjerberg and Kjolsrod 2001). Thus, the gender distinction and preference is clear in this relationship. But this is for the first time that results have highlighted that differences do exist within the professional group of doctors based on gender. Results indicate that female doctors feel less empowered within hospitals. These results when studied in relation to societal culture and in specific to status and relationship between men and women in Indian society helps understand power equations in such relationships. Moreover, medical profession is strongly male dominated in India like in many other countries

**Table 8.4** Comparison based on tenure (or years of experience) of all nurses on octapace values

| Coefficients[a,b] | | | | | | |
|---|---|---|---|---|---|---|
| | | Unstandardized coefficients | | Standardized coefficients | | |
| Model | | B | Std. error | Beta | *t* | Sig. |
| 1 | (Constant) | .215 | 8.682 | | .025 | .980 |
| | Open | .708 | .596 | .191 | 1.187 | .240 |
| | Confront | .150 | .570 | .037 | .262 | .794 |
| | Trust | −.459 | .490 | −.127 | −.936 | .353 |
| | Authen | −.569 | .559 | −.149 | −1.017 | .313 |
| | Proa | −.270 | .599 | −.068 | −.451 | .653 |
| | Auto | 1.493 | .626 | .305 | 2.384 | .020 |
| | Collab | −.823 | .663 | −.199 | −1.241 | .219 |
| | Exper | .855 | .703 | .174 | 1.217 | .228 |

[a]Job = Nurses
[b]Dependent variable: experience

**Table 8.5** Comparison based on tenure (or years of experience) of all non-clinical staff on octapace values

| Coefficients[a,b] | | | | | | |
|---|---|---|---|---|---|---|
| | | Unstandardized Coefficients | | Standardized coefficients | | |
| Model | | B | Std. error | Beta | *t* | Sig. |
| 1 | (Constant) | 6.726 | 5.134 | | 1.310 | .195 |
| | Open | −.837 | .427 | −.333 | −1.959 | .054 |
| | Confront | .610 | .413 | .216 | 1.478 | .144 |
| | Trust | .010 | .392 | .004 | .026 | .979 |
| | Authen | .044 | .391 | .017 | .113 | .910 |
| | Proa | −.882 | .389 | −.321 | −2.266 | .027 |
| | Auto | .476 | .488 | .143 | .976 | .332 |
| | Collab | .944 | .466 | .325 | 2.027 | .047 |
| | Exper | .152 | .455 | .051 | .335 | .739 |

[a]Job = Other Staff
[b]Dependent variable: experience

(Gjerberg and Kjolsrod 2001) and so there are gender disparities in relation to aspects like status and remuneration in hospitals (Table 8.6).

There were no significant differences between genders on desired values of OCTAPACE across other groups—Nurses and Non-Clinical staff. Interesting observation here is that majority of nurses are females (89 %) and majority of non-clinical staff comprised of males (96 %). As these groups are highly dominated by single gender group, this may be the important reason behind these results (Tables 8.7 and 8.8).

**Table 8.6** Comparison of all male and female doctors on octapace values

| Independent samples test[a] | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Levene's test for equality of variances | | *t*-test for equality of means | | | | | | |
| | | F | Sig. | *t* | df | Sig. (2-tailed) | Mean difference | Std. error difference | 95 % confidence interval of the difference | |
| | | | | | | | | | Lower | Upper |
| Open | Equal variances assumed | .817 | .370 | .199 | 58 | .843 | .090 | .452 | −.814 | .994 |
| | Equal variances not assumed | | | .224 | 23.113 | .824 | .090 | .401 | −.740 | .920 |
| Confront | Equal variances assumed | .725 | .398 | 1.141 | 58 | .258 | .622 | .545 | −.469 | 1.713 |
| | Equal variances not assumed | | | 1.254 | 22.158 | .223 | .622 | .496 | −.406 | 1.650 |
| Trust | Equal variances assumed | .021 | .885 | 1.715 | 58 | .092 | .863 | .503 | −.144 | 1.869 |
| | Equal variances not assumed | | | 1.805 | 20.656 | .086 | .863 | .478 | −.132 | 1.857 |
| Authen | Equal variances assumed | .137 | .712 | .791 | 58 | .432 | .448 | .567 | −.687 | 1.583 |
| | Equal variances not assumed | | | .765 | 18.338 | .454 | .448 | .587 | −.782 | 1.679 |
| Proa | Equal variances assumed | 4.180 | .045 | .354 | 58 | .725 | .211 | .597 | −.984 | 1.406 |
| | Equal variances not assumed | | | .460 | 31.366 | .649 | .211 | .459 | −.725 | 1.147 |

(continued)

**Table 8.6** (continued)

| Independent samples test[a] | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Levene's test for equality of variances | | *t*-test for equality of means | | | | | | |
| | | | | | | | | | 95 % confidence interval of the difference | |
| | | F | Sig. | *t* | df | Sig. (2-tailed) | Mean difference | Std. error difference | Lower | Upper |
| Auto | Equal variances assumed | 5.206 | .026 | .131 | 58 | .896 | .070 | .538 | −1.006 | 1.147 |
| | Equal variances not assumed | | | .201 | 49.069 | .841 | .070 | .349 | −.632 | .772 |
| Collab | Equal variances assumed | 8.949 | .004 | 1.758 | 58 | .084 | .694 | .395 | −.096 | 1.484 |
| | Equal variances not assumed | | | 2.589 | 43.643 | .013 | .694 | .268 | .154 | 1.234 |
| Exper | Equal variances assumed | 1.497 | .226 | −.577 | 58 | .566 | −.318 | .550 | −1.419 | .784 |
| | Equal variances not assumed | | | −.643 | 22.705 | .527 | −.318 | .494 | −1.340 | .705 |

[a]Job = Doctors

**Table 8.7** Comparison of all male and female nurses on octapace values

| | | Levene's test for equality of variances | | *t*-test for Equality of Means | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | F | Sig. | *t* | Df | Sig. (2-tailed) | Mean difference | Std. error difference | 95 % confidence interval of the difference | |
| | | | | | | | | | Lower | Upper |
| Open | Equal variances assumed | .027 | .870 | .727 | 73 | .469 | .431 | .592 | −.750 | 1.611 |
| | Equal variances not assumed | | | .699 | 11.633 | .498 | .431 | .616 | −.916 | 1.778 |
| Confront | Equal variances assumed | .070 | .793 | −.171 | 73 | .865 | −.092 | .540 | −1.168 | .983 |
| | Equal variances not assumed | | | −.166 | 11.699 | .871 | −.092 | .556 | −1.308 | 1.123 |
| Trust | Equal variances assumed | .931 | .338 | −.292 | 73 | .771 | −.177 | .606 | −1.385 | 1.031 |
| | Equal variances not assumed | | | −.247 | 10.831 | .810 | −.177 | .717 | −1.757 | 1.403 |
| Authen | Equal variances assumed | .765 | .385 | .133 | 73 | .894 | .077 | .577 | −1.073 | 1.227 |
| | Equal variances not assumed | | | .112 | 10.817 | .913 | .077 | .684 | −1.432 | 1.586 |
| Proa | Equal variances assumed | 2.473 | .120 | −.291 | 73 | .772 | −.162 | .556 | −1.269 | .946 |
| | Equal variances not assumed | | | −.373 | 15.155 | .714 | −.162 | .433 | −1.083 | .760 |

(continued)

**Table 8.7** (continued)

| | | Levene's test for equality of variances | | *t*-test for Equality of Means | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | F | Sig. | *t* | Df | Sig. (2-tailed) | Mean difference | Std. error difference | 95 % confidence interval of the difference | |
| | | | | | | | | | Lower | Upper |
| Auto | Equal variances assumed | .928 | .339 | −1.229 | 73 | .223 | −.546 | .444 | −1.432 | .340 |
| | Equal variances not assumed | | | −1.246 | 12.063 | .236 | −.546 | .438 | −1.500 | .408 |
| Collab | Equal variances assumed | .029 | .865 | −1.778 | 73 | .080 | −.923 | .519 | −1.958 | .112 |
| | Equal variances not assumed | | | −1.880 | 12.454 | .084 | −.923 | .491 | −1.988 | .142 |
| Exper | Equal variances assumed | .086 | .770 | −1.055 | 73 | .295 | −.469 | .445 | −1.356 | .417 |
| | Equal variances not assumed | | | −1.096 | 12.281 | .294 | −.469 | .428 | −1.400 | .461 |

[a]Job = Nurses

**Table 8.8** Comparison of all non-clinical staff on octapace values

| | | Levene's test for equality of variances | | *t*-test for equality of means | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 95 % confidence interval of the difference | |
| | | F | Sig. | *t* | df | Sig. (2-tailed) | Mean difference | Std. error difference | Lower | Upper |
| Open | Equal variances assumed | 1.833 | .180 | −.032 | 73 | .974 | −.014 | .440 | −.891 | .862 |
| | Equal variances not assumed | | | −.032 | 69.408 | .974 | −.014 | .441 | −.894 | .865 |
| Confront | Equal variances assumed | 3.139 | .081 | −.760 | 73 | .450 | −.297 | .390 | −1.074 | .481 |
| | Equal variances not assumed | | | −.757 | 64.778 | .452 | −.297 | .392 | −1.079 | .486 |
| Trust | Equal variances assumed | .537 | .466 | −.428 | 73 | .670 | −.190 | .444 | −1.074 | .694 |
| | Equal variances not assumed | | | −.427 | 71.562 | .670 | −.190 | .444 | −1.076 | .696 |
| Authen | Equal variances assumed | 2.328 | .131 | −1.493 | 73 | .140 | −.608 | .407 | −1.420 | .204 |
| | Equal variances not assumed | | | −1.488 | 67.485 | .142 | −.608 | .409 | −1.424 | .208 |
| Proa | Equal variances assumed | .049 | .825 | −2.276 | 73 | .026 | −.883 | .388 | −1.655 | −.110 |
| | Equal variances not assumed | | | −2.275 | 72.709 | .026 | −.883 | .388 | −1.656 | −.109 |

(continued)

**Table 8.8** (continued)

| | | Levene's test for equality of variances | | *t*-test for equality of means | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | 95 % confidence interval of the difference | |
| | | F | Sig. | *t* | df | Sig. (2-tailed) | Mean difference | Std. error difference | Lower | Upper |
| Auto | Equal variances assumed | 3.454 | .067 | −.540 | 73 | .591 | −.179 | .332 | −.840 | .482 |
| | Equal variances not assumed | | | −.538 | 64.536 | .592 | −.179 | .333 | −.845 | .486 |
| Collab | Equal variances assumed | .984 | .325 | −1.284 | 73 | .203 | −.482 | .376 | −1.231 | .267 |
| | Equal variances not assumed | | | −1.280 | 68.971 | .205 | −.482 | .377 | −1.234 | .269 |
| Exper | Equal variances assumed | 1.717 | .194 | −1.971 | 73 | .052 | −.703 | .357 | −1.415 | .008 |
| | Equal variances not assumed | | | −1.968 | 71.710 | .053 | −.703 | .357 | −1.416 | .009 |

[a]Job = Other Staff

## 8.5 Discussion and Conclusions

There is an overall culture of wanting to improve the health of the individual based on what priorities are identified, focusing on efficiency and effectiveness. However, there is also a culture of playing the blame game and bureaucracy in these hospitals. This makes the relationships less open and transparent and more hierarchy conscious and this perception creates differences among the professional groups. However, other examples from the data suggest that the issue of power balance in a hospital setting cannot adequately be described in simplistic terms that characterize doctors as superior to others. Indeed, while senior doctors are always perceived as powerful and respected, nurses (especially the experienced ones) commonly felt that they maintained a degree of countervailing power over inexperienced groups of doctors (assistant doctors). Overall, it emerged that pre-existing subcultural values contributed to the ambiguity, incompatibility, and contradictions which made it difficult to present a coherent picture of subcultures and subcultural dynamics in these hospitals.

Hospitals should work toward developing constructive organizational cultures that enhance both employee satisfaction and patient satisfaction consist of work environments where members have positive colleague interactions and approach tasks in a manner that helps them to attain high-order personal satisfaction and meet organizational goals (Cooke and Rousseau 1988; Wooten and Crane 2003). In other words, healthcare organizations that typify constructive cultures; put people first by encouraging positive interpersonal relationships, but also they value self-actualization and employees who are achievement oriented (Wooten and Crane 2003).

Moreover, the fact that culture may be based on professional groups such as nurses or physicians (Gifford et al. 2002) implies that allowance must be made for the coexistence of multiple and heterogeneous cultures inside health organizations. In spite of these intuitively appealing statements, relatively little attention has been devoted to the exploration of the links between organizational culture and hospital performance (Davies et al. 2007; Scott et al. 2003a, b). Research has supported the idea that with integration of subcultures a more consistent and clear organization culture can be developed that members can associate with and follow (Frost et al. 1985).

This is supposed to aid organizational effectiveness as a result of greater cognitive clarity, commitment, control, productivity, and profitability. As such, it resonates with the ideas put forward within the perception of culture as a variable: culture is one organizational facet that can be manipulated by managers in order to control the behaviour of organizational members and increase organizational effectiveness (Martin 1992). But the fact the consensus of multiple views is rarely achieved also needs to be appreciated. Thus, the implications for hospital leadership and managers of these findings are that they should not be worried about the multifaceted and at times conflicting expectations regarding ideal organizational culture, but should work on a balanced or suitable culture exclusive to their organization needs.

Nevertheless, this study provides leaders/managers directions and areas for changing/enhancing organization culture. Results highlight need for initiatives focusing on improving management style through communication, encouragement

of individual, team and organizational learning, no egoistic blame game type of environment, linking all clinical groups into management and clarity on acceptable practices. Subsequently, systems for early recognition team development, as well as managerial and professional approaches to reduce the negative aspects of work life should be encouraged. There is, for example, considerable evidence that health workers feel less stressed when they consider themselves part of good teams (Carter and West 1999), perhaps because of the support and role clarity they provide. In addition, a team can be a micro-organization that ensures well-being of its members like assistant (young) doctors are not doing unnecessary tasks (McKee and Black 1991), and that support and supervision are provided (Firth-Cozens and Moss 1998, 2001). Such team can also be developed for nurses assuming the managers heading such teams act sensitively toward member nurses too.

In addition, a variety of interventions during training and beyond can be involved in preventive ways to increase the hardiness of individuals in tackling the pressures of their roles; for example, through teaching them ways to reduce self-criticism through cognitive restructuring or by encouraging coping skills other than denial and sulking. The implications for nurse leaders/managers indicate toward need to align with and support frontline nurses and share decision-making with them. As nursing is a female profession, feminist relational theories might be helpful in "establishing a community of sharing and caring" (Ashley 1997, p. 190) and to foster self-confidence and assertiveness as empowered practitioners (Maraldo 1991; Kane and Thomas 2000).

Furthermore, there should be more focus on empowerment and job redesign strategies that can prevent negative consequences like loss of motivation, commitment, and loyalty needed to accomplish the hospital objective of providing quality service. Enduring change in health care requires a change in culture, but that change is unlikely to come about by directly attacking the existing culture. Instead, an understanding of the nature, sources, and functioning of culture leads us to suggest that health care has deep cultural strengths that can be built upon to support and reinforce change. Thus, managers/leaders should formulate systems and policies that encourage staff to positively, timely, and effectively respond to work-related problems and to provide them the necessary resources and authority to do so.

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# Chapter 9
# The Changing Face of Indian Organizations: Incorporating Cultural Literacy to Make a Difference

**Neelu Rohmetra and Pallvi Arora**

## 9.1 Backdrop

Diversity in organizations has become a reality today. As more and more number of firms move from domestic, multi-domestic, multinational strategies to operating as a truly global firm, the significance and the impact of cultural diversity increases markedly (Adler 1997). Thus, in order to create advantages and gain a competitive edge, management of cultural differences has become significant in a global frame of reference.

The coexistence of people from diverse sociocultural backgrounds who come together and interact with one another on cross-cultural grounds creates a diverse organization. Viewing a diverse organization from different angles enables the understanding of the diverse perspectives that persist within an organization. Diversity includes cultural factors such as race, gender, age, color, physical ability, and ethnicity (Kundu and Turan 1999).

Corporates are increasingly witnessing "the age of change," "the age of chaos," "the age of surprise," and "the age of uncertainty" (Saini 2005). The breaking of economic barriers across the length and breadth of the globe has consequently led to an enhancement in the intensity of competition to incredible proportions. Thus, it is assumed that only the best performing organizations can thrive for excellence at the global as well as country level. Even despite the knowledge, economy comprises enormous complexities and challenges; it also offers opportunities for those who are competent enough to fight those complexities.

N. Rohmetra (✉) • P. Arora
International Centre for Cross Cultural Research and Human Resource Management, University of Jammu, Jammu, India
e-mail: nrohmetra@yahoo.co.uk; pallvi.arora12@gmail.com



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This globalization syndrome illustrates, among others, the practical desire for radical change along with incorporating flexibility into the various spheres of organizational working and governance. Accommodating and managing in the new business scenario calls for adopting the strategic route in line with planning and simultaneously integrating performance improvement agendas through effective management of processes, systems, and people.

Also that, as globalization has been marked by a deeper understanding of the intricacies attached to the component of cultural diversity and assuming it to be the mantra of the contemporary business organizations characterized by two words "change and diversity," it is no longer that organizations operate within the cultural boundaries of a particular nation, and it is no longer a barrier. Thus, comprehending the competencies in cross-cultural organizations becomes crucial from the perspective of the customers as well as the employees who are more diverse and demanding than they were in the past. Even in India, which is predominantly a multi-cultural, multilingual, and multi-religious nation, we find that the organizations are not merely confined to the inhabitants of the nation only. We observe a massive influx of people coming from different nationalities/cultures as customers or employees. In a diverse organization, the viewpoints of various employees as well as stakeholders enable shaping the cultural performance structure that strengthens the overall productivity of such organizations.

Pertinent to mention here, that even Indian organizations have become diverse in terms of their operations. Ample literature that tends to serve our understanding of workforce diversity in Indian organizations be it the within nation diversity accounting for the gender, age, caste, religious background, experiential factors, etc. or the intercultural differences based upon people coming from different nationalities. It is significantly relevant to point out here that even the customer base to which the employees in the Indian context may or may not belong to the same cultural background. Customers/clients are partial employees of service organizations (Mills and Morris 1986) and are directly involved in the service production function (Mills et al. 1983). Thus, in order to get their best products and service ideas, employees need to listen intently and regularly to their outside constituencies (Peters and Waterman 1994). As companies serve a number of customer groups possessing varying/contrasting characteristics due to dynamism of the day, fulfilling their needs and expectations and assessing the spectrum of the various ways by which the diversity issues of international customers can be resolved is imperative for succeeding in today's complex business scenario.

As a consequence, Indian companies should rethink and redefine missions, strategies, management practices, cultures, markets, and products to meet the needs of an increasingly diverse body of customers and stakeholders (Fernandez 1998). Capturing the essence of the cultural and value orientations, and the differentiation that persists among varying cultures, nationalities, societies, therefore, creates a need for international managers to acknowledge cultural differences and become Culturally Intelligent, thereby, stimulating the understanding of the various dimensions of difference. This has practically changed the face of Indian organizations wherein previously customization of needs particularly the cultural needs wasn't

prevalent but now holds immense significance. Incorporating cross-cultural trainings and cultural literacy programs, thus, constitutes a significant aspect of the overall training of the managers or employees dealing with multiculturalism like handling customers from diverse cultural backgrounds to ensure smooth functioning of the organization.

Cultural Intelligence (CQ) is a managerial competency that is needed for dealing effectively with people from different cultural backgrounds. It is a person's capability to function effectively in situations characterized by cultural diversity. It aims at providing a new insight into the social skills and development of mental frameworks that help in bridging cultural differences. Cultural Intelligence consists of specific knowledge about different cultures as well as general knowledge about how cultures work. It explains how some individuals are more capable of navigating in the culturally diverse environment than others. Such a competence is primarily essential in service organizations, which, to a large extent, are dependent upon the way in which they are able to cater to the needs of their international clientele including their cultural needs. Capturing on to the essence of Cultural Intelligence in organizations and its growing need felt in Indian organizations, the present study attempts to present the case of the Indian hospitality industry wherein a major share of their clientele is those customers who are diverse in their perspectives, beliefs, attitudes, values, and basically their cultural orientation, thereby, highlighting the eminence of Cultural Intelligence and discussing the significant impact of cross-cultural trainings as well as cultural literacy programs being accommodated into the trainings.

## 9.2 Developing Cultural Intelligence in Organizations

Responding to the need of acknowledging multiculturalism in organizations calls for identifying key variables that can be adjusted to the organization's framework to build culturally intelligent organizations. In this context, Livermore (n.d.) has build upon trust, engagement, influence, authenticity, and positive intent as few significant variables that must be adjusted to in order to bring about relevant changes in the organization to make it more culturally responsive in terms of cultural intelligence.

- *Trust*: Distrust normally occurs in organizations on account of cultural differences. However, this distrust can gradually be converted into trust if more similarities are realized. In culturally intelligent organizations, managers try and build trust among people having different value orientations.
- *Engagement*: Bringing together people from diverse cultural backgrounds totally enhances the possibility of generating innovation into the business and elucidating engagement into your work. When the response, feedback, and input of each member of a team/organization coming from diverse cultural background and offering a different perspective is encouraged, it amplifies the productivity levels of managers while boosting their morale that their viewpoint is respected.

- *Influence*: Culturally intelligent organizations encourage the inclusion of people in their organizations who are particularly effective in functioning across cultures. Such managers have the capability of influencing all others around them be it their peers, subordinates, supervisors, or customers irrespective of the cultural backgrounds they may belong to. Their efficiency in managing multiple cultures is highlighted by managers to reflect upon how culturally synergistic solutions for organizations may be used.
- *Authenticity*: Culturally intelligent organizations reflect upon the usage of one's own identity as a ground base for understanding the cultural identity of others. It is not that organization wherein an individual has to only adapt to someone's culture but one wherein an individual allows for his own cultural space and is flexible enough to adapt themselves to the cultural orientation of others.
- *Positive Intent*: Positive intent is reflected by a culturally intelligent organization by way of creation of a positive culture in the sense that managers and individuals are committed toward assuming their best first.

## 9.3 Review of Literature

### *9.3.1 Cultural Intelligence (CQ)*

Business has always been about competing for markets, territories, and most of all, customers. Today's customer expectations are higher than ever before, and the range of choices open to them is wider than ever before (Brown 1991). Therefore, it becomes necessary to identify "who is your customer?" With the increasing impact of globalization, the world has become a small interconnected village. Still, cultural diversity remains a challenge to be dealt by individuals and organizations. Thus, your customer may be of the same nationality or belong to a different country or a different cultural background. The extent to which a manager or an employee understands his customer and satisfies him, elicits his level of Cultural Intelligence (CQ). Consequently, there is a strong need to hire and maintain global leaders and workers proficient in global knowledge of international business processes, such as consumer demands and etiquette in various cultures (Harvey et al. 2000).

Cultural Intelligence is relevant and also essential for those who deal with people from different cultures. According to Earley and Ang (2003), CQ is "a person's capability for successful adaptation to new cultural settings, that for unfamiliar settings attributable to cultural context." It recognizes the skills and characteristics required to work effectively with international clients and partners. As an individual difference capability, CQ reflects what a person can do in culturally diverse settings. Thus, it is distinct from stable personality traits which can describe what a person typically does across time and across situations (Costa and McCrae 1992). Still some personality traits may relate to CQ.

Earley and Ang (2003) conceptualized CQ as comprising four facets, namely meta-cognitive, cognitive, motivational, and behavioral dimensions which have relevance to functioning in culturally diverse situations. Meta-cognitive CQ reflects mental process that individuals use to acquire and understand cultural knowledge including knowledge and control over individual thought processes (Flavell 1979) relating to culture. Those with high meta-cognitive CQ are consciously aware of other's cultural preferences before and after interactions (Ang et al. 2007).

Cognitive CQ focuses on the knowledge of the norms, practices, and conventions in different cultures acquired from education and professional experiences (Ang et al. 2007). This includes the knowledge of the economic, legal, and social systems of different cultures and subcultures (Triandis 1994) and knowledge of the basic frameworks of cultural values (e.g., Hofstede 2001). Those with high cognitive CQ understand similarities and differences across cultures (Brislin et al. 2006).

Motivational CQ reflects the capability to direct attention and energy toward learning about and functioning in situations characterized by cultural differences (Ang et al. 2007). Those with high motivational CQ direct attention and energy toward cross-cultural situations based on intrinsic interest (Deci and Ryan 1985) and confidence in their cross-cultural effectiveness (Bandura 2002).

Behavioral CQ reflects the capability to exhibit appropriate verbal and nonverbal actions when interacting with people from different cultures (Ang et al. 2007). Those with high behavioral CQ exhibit situationally appropriate behaviors based on broad range of verbal and nonverbal capabilities such as exhibiting culturally appropriate words, tones, gestures, and facial expressions (Gudykunst et al. 1988).

The four dimensions of CQ are qualitatively different facets of the overall capability to function and manage effectively in culturally diverse settings (Earley and Ang 2003). The amalgamation of all these four elements produces a powerful and systematic framework for understanding why individuals vary in their effectiveness in coping with novel cultural settings. However, research on individual capabilities for individual effectiveness is sparse and unsystematic, leaving an important gap in our understanding of why some individuals are more effective than others in culturally diverse situations (Ang et al. 2007).

Ang et al. (2006) demonstrated that the four dimensions of CQ were distinct from, and yet related to, more distal Big Five personality traits in conceptually meaningful ways. In another study, Sternberg and Grigorenko (2006) pointed out, "Someone could be relatively successful across cultures but not highly successful within any one of those cultures."

Based on Gardner's (1984) multiple intelligences theory, Peterson (2004) identified four dimensions of CQ: (a) linguistic intelligence refers to the language skills needed to interact with people from other cultures, but one does not have to speak a second language fluently to have cultural intelligence; (b) spatial intelligence refers to the ability to adapt spatial behaviors in other cultural settings; (c) intrapersonal intelligence refers to the ability to know one's own cultural style; and (d) interpersonal intelligence refers to the ability to respond appropriately to others.

According to Thomas and Inkson (2004), a manager who is high on CQ will first be knowledgeable about the cultures and fundamental issues in cross-cultural interactions; second, be mindful of what is going on in intercultural situations, having a sensitivity to cues and an ability to interpret them to respond appropriately to different intercultural situations. Thus, higher CQ can strengthen workplace communication and build solid business relationships.

Ng and Earley (2006) discussed conceptual distinctions between CQ, a culture-free etic construct, and the traditional view of intelligence that is culture-bound and emic; Triandis (2006) discussed theoretical relationships between CQ capabilities and forming accurate judgments; Brislin et al. (2006) discussed Cultural Intelligence (CQ) as critical for expecting the unexpected during intercultural encounters. Earley and Peterson (2004) developed a systematic approach to intercultural training that links trainee CQ strengths and weaknesses to training interventions.

Menon and Narayanan (2008) discuss the applicability of Cultural Intelligence (CQ) to understand its relation to outcomes in culture-specific contexts. The authors have theoretically examined the relationship between Cultural Intelligence and cultural differences to identify the organizational outcomes that could be interpreted for future research.

Van Dyne et al. (2010) focuses on Cultural Intelligence as the capability to make oneself understood and lead in culturally diverse situations and display appropriate behaviors in situations characterized by cultural diversity.

Despite the newness of the construct, empirical research on CQ is promising. Ang et al. (2007) found CQ to be significant in explaining the variance in performance. Thus, researchers in this area have consistently suggested for more research to address the measurement issues as well as the substantive issues to pursuit of CQ construct validity (see Ang et al. 2004).

### *9.3.2 Impact of Culture on the International Hospitality Industry and Service Encounters to Analyze the Need for Cross Cultural Trainings and Cultural Literacy Programs*

Business success in the twenty-first century will be dependent on how individuals and organizations acquire and practice cross-cultural sensitivity and skills in dealing with customers from diverse backgrounds (Harris 2004). Thus, it is of great significance to identify the impact of culture on the international hospitality industry where managers come across customers and others belonging to varying cultural backgrounds in order to establish the foundation of successful cross-cultural training and literacy programs.

When people are aware of the potential differences in thought processes, they tend to make isomorphic attributions, defined as interpreting behavior from the actor's perspective and giving it the same meaning as intended by the actor (Triandis 2006). This holds true for the hospitality sector where the customer may belong to

a different cultural background and the employee takes the challenge of addressing the needs of the customer and bringing him satisfaction, contentment, and most importantly meeting his cultural expectations. When customer expectations are not met, this often leads to disappointment, fear, and loneliness which can result in cultural conflicts (Weiermair 2000). However, these negative outcomes may be avoided if managers are appropriately trained to become Culturally Intelligent.

Hospitality services are "high contact" services with a high degree of human involvement and face-to-face contact (Lovelock et al. 2001). If the service provider and the customer come from different cultural backgrounds, there can be serious implications with regard to the most important of hospitality issues—the perception of service delivery (Stauss and Mang 1999).

In the hospitality industry, the true measure of any company's success lies in an organization's ability to continuously satisfy customers to gain a competitive edge by acknowledging and managing customers of different cultural backgrounds (Kandampully et al. 2001). Global customers have different expectations and different ways of evaluating performance (Vavra 1997). Services and products important to Asians may be completely different from those sought by Europeans. Culture holds an impact upon the perception and problem solving of global customers leading to a difference in the satisfaction level for the same service. In this context, Heo et al. (2004) point out that tourism providers must be able to accommodate culturally based needs in order to tap into the increasingly lucrative market of international travelers. Thus, the employees need to be culturally intelligent in order to deal with such customers. Since, cultures differ in their norms for appropriate behaviors (Hall 1959; Triandis 1994), the ability to display a flexible range of behaviors is creating positive impressions and developing intercultural relationships (Gudykunst et al. 1988) which may be achieved through training managers in the said context.

Stauss and Mang (1999) in discussing service quality stated two mutually dependent variables presenting perspective of two interactions in service encounters, which may become a cause of two main problem areas:

- Problems appear because the performance of the domestic service provider does not meet the expectations of the foreign customer (intercultural provider performance gap).
- It is possible that the service cannot be fulfilled at usual performance level because the foreign customers do not maintain the role behavior expected by domestic supplier (intercultural customer performance gap).

Mattila (1999) studied the influence of culture on consumer perceptions of service encounters. In his study, he pointed out with relation to hotel industry that because first class hotel services are delivered by people, cultural factors are likely to mediate the hotel customers' attitude toward the service component of their service experience.

Mattila (2000) stated that today's hospitality managers need to be aware of the parts of consumer experience that are open to cultural influences in contrast to those that remain stable across cultures, and this awareness potentially comes in through training and experience.

Barker and Hartel (2004) in reporting the service experiences of culturally diverse consumers in multicultural society of Australia stated that on the basis of the service provider behavior (both verbal and nonverbal), culturally diverse customers perceive they are the recipients of inequitable service and consequently experience low levels of satisfaction.

Research indicates that cross-culturally sensitive employees provide to customers better service. They are able to adjust to their serving styles to meet the needs of their foreign customers. Such an act is extremely beneficial for any hotel as such employees are able to generate more revenue for the hotel through their impression on hotel guests and suggestion selling (Mohsin 2006).

But, despite the importance and relevance of this topic, however, very little research has examined the influence of culture on service perceptions (Malhotra et al. 1994) and our understanding of how customers from different countries evaluate service encounters is very limited (Winsted 1997). Consequently, issues of diversity remain untouched if appropriate cross-cultural training of employees is not done.

Thus, keeping the review of literature in mind, the following objectives were laid down to be determined using the sample of employees in three international hotels in India, namely, The Oberoi, ITC Maurya, and The Taj Palace, New Delhi, India. The objectives are:

1. To evaluate the relationship between Cultural Intelligence and Cross Cultural Trainings.
2. To understand the various training modules adopted by the three hotels under study to cater to the diverse needs of international clientele.

The primary hypothesis for the current research is:

$H_1$: There exists a positive relationship between Cultural Intelligence and Cross Cultural Trainings.

## 9.4 Research Methodology

The present piece of research is exploratory in nature. Keeping in view the overall objectives as well as the hypothesis of the study, an extensive review of literature has been conducted in order to design the questionnaires to be adopted for the research process. It is eminent here to note that as data constitutes the most significant part of any research and it needs to be collected carefully in order to enhance the overall effectiveness of the research, it has been collected using simple random sampling. Both primary and secondary sources have been adopted. The scope of the study was confined to the employees in three international hospitality players in India namely, The Oberoi, ITC Maurya, and The Taj Palace in New Delhi, India. The primary data has been collected using the Cultural Intelligence Scale (CQS) which is a 20-item structured questionnaire to determine CQ. Further, the same questionnaire incorporated the Cross Cultural Training Scale that was pretested for

its validity and reliability and ultimately had 10 statements to be measured on a 7-point Likert Scale and produced two factors to be studied namely: Basic Cross Cultural Literacy Training and Communication Training. Also personal interviews were conducted with the managers as well as assistant managers of the respective hotels under study to determine the kind of training modules adopted by them.

After the preliminary examination 696 questionnaires, out of 900, were returned along with the usable, complete, and valid responses that accounted for 77.3 % response rate of the employees for the study.

## 9.5 Findings/Discussion

### *9.5.1 Demographic Profile of Respondents*

The employees who responded to the combined questionnaire on Cultural Intelligence and Cross Cultural Trainings were 75.7 % males and 24.3 % females. 7.8 % of the employees belonged to the age group of 18–24 years, 59.6 % of them were of the age group of 25–34 years, 25.9 % were of the age group of 35–45 years, and only 6.8 % were above the age of 45 years. A majority of employees (46.3 %) had taken a graduate degree only, while 35.2 % had taken a professional qualification in the field of hospitality management. 18.5 % of the employees had taken a postgraduate degree or above. The total number of employees who responded to the questionnaire from each hotel were 35.5 % from The Taj Palace hotel, 31.8 % from ITC Maurya, and 32.8 % from The Oberoi. Majority of the employees (34.2 %) in these hotels had been employed for almost 3–5 years. The percentage of employees who worked for almost 1–3 years was 31 % and above 5 years was 31.3 % each. A very few employees (3.4 %) had been employed in their respective hotels for less than 1 year. The various working departments from where the data had been collected are Front Desk (17.2 %), Housekeeping (21.5 %), Food and Beverage (52.6 %), Administrative and Support (2.9 %), and others (5.8 %).

### *9.5.2 Relation Between Cultural Intelligence and Cross Cultural Trainings*

Regression analysis was conducted in order to identify the relationship between Cultural Intelligence and Cross Cultural Training. Table 9.1 represents the $r^2$ value equivalent to 0.381. This indicates that 38.1 % variation can be seen on Cultural Intelligence by variability in the independent factors (i.e., Communication Training and Basic Cross Cultural Literacy Training). The value of $r=0.617$ shows a fairly positive correlation ($r>0.5$) between Cross Cultural Training and Cultural Intelligence.

**Table 9.1** Model summary—regression matrix to identify the relationship between cross-cultural training and cultural intelligence

| Model | *R* | *R* square | Adjusted *R* square | Std. error of the estimate |
|---|---|---|---|---|
| 1 | .617(a) | .381 | .379 | .381 |

Predictors: (Constant), Basic Cross Cultural Literacy Training, Communication Training

**Table 9.2** Coefficients (a): regression matrix to identify the relationship between cross-cultural training and cultural intelligence

| Model | | Unstandardized coefficients | | Standardized coefficients | *t* | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. error | Beta | | |
| 1 | (Constant) | 1.588 | .230 | | 6.910 | .000 |
| | Communication training | .092 | .008 | .383 | 11.532 | .000 |
| | Basic cross-cultural literacy training | .081 | .008 | .346 | 10.427 | .000 |

Dependent variable: cultural intelligence

Further, the results of the coefficient estimates are presented below. Both the variables namely Communication Training ($\beta = 0.383$, $p = 0.000$) and Basic Cross Cultural Literacy Training ($\beta = 0.346$, $p = 0.000$) are significant at $p$-value $< 0.05$. This indicates a positive relationship between Cross Cultural Training variables and Cultural Intelligence. As the value of t is greater than 2, it indicates that the two Cross Cultural Training variables are statistically significant at the 5 % level (Table 9.2).

Thus, our hypothesis stands accepted that there exists a positive relationship between Cultural Intelligence and Cross Cultural Trainings.

In addition to evaluating the relationship between Cross Cultural Training and Cultural Intelligence using regression analysis, personal interviews were also conducted in all the three hotels under study to identify the kind of training modules that have been formulated by them in order to satisfy their international clientele by meeting their cultural expectations also. The following information about the cross-cultural trainings and cultural literacy programs has been reported by the Training as well as Assistant Training Managers from the respective hotels under study through the personal interviews.

The Oberoi, New Delhi, India, trains its employees in two areas: language as well as etiquettes. Language training is provided to employees on a need basis. Few number of people undergo the Language training program wherein they are trained in any one of the three languages, i.e., French, Spanish, or Arabic. Employees at the Front Desk are ones to whom language training is very important as they are the people with whom the international clients will interact at the outset. The impression that these employees at the Front Desk will give shall be carried forward with regard to the impression of the hotel as a whole.

Recognizing the importance of quality hospitality training, The Oberoi's has also established a *Centre of Learning and Development*, and has been operational since 1966. The students are well groomed and nurtured to meet the standards

and values of The Oberoi's. The Center offers a 2-year management course where students who join this course have an obligatory necessity to learn one of the three previously stated languages. Eighty percent of the students who are a part of this institution are finally placed with The Oberoi's, and therefore a significant number of employees working with this hotel are invariably trained in one of these languages.

Another significant aspect of their pool of cultural knowledge that they use is by maintaining a log of the employees who are fluent in various languages across the globe. At the time when there is a need to interact with an individual of an unfamiliar cultural background and his language is not known, employees who can communicate with them in their native language are called for to handle such a situation in order to avoid any kind of misinterpretation or miscommunication. However, permanent translators are not available with the hotel.

As far as the etiquettes or habits training is concerned, it is purely department based. A manager dealing with the Front Desk Office needs to be much better acquainted with various languages, basic terminology, and the use of certain words and it is significant for him to know the kind of food preferences for an international guest. On the other hand, the Food and Beverage department needs to know the kinds of tastes, likings, food habits, and table layouts being preferred in various cultures and have a fair knowledge of some languages. The Housekeeping department shall be aware of the living standards, amenities, and colors that are being preferred in varying cultures. The employees undergo a pre-hand preparation and groundwork when they know from where the mass of people, i.e., the international guests are arriving at the hotel. They are trained with regard to different aspects of their cross-cultural expectations and the training module is drafted with regard to the need fulfillment of their international customers.

The Taj Palace, New Delhi, India offers Cross Exposure Training to its employees in the form of two modules that nearly covers the basics of approximately 35 cultures. The modules are:

- The e-learning module
- The Class room module

The e-learning module is meant exclusively for all the executives. This program constitutes vast information on how cultures are different, the cultural orientations, verbal as well as nonverbal issues, beliefs, perceptions, attitudes as well as expectations of international travelers.

The Class room module, however, deals with a number of critical issues that are necessary to be controlled at the time of cross-cultural interactions. These involve training the employees on the basic cross-cultural knowledge that deals with understanding the importance of cultural diversity, cultural orientations, respect and understanding of other cultures, cultural do's and don'ts, verbal and nonverbal issues inclusive of language, phrases, gestures, etiquettes, communication skills, likes and dislikes, use of colors, gifts, etc.

The Taj Palace, New Delhi, India has also developed *Guest Engagement Programs* wherein associates were trained to share their guest experiences and thus take anticipatory service a notch higher. Managers spend exclusive time with their

international clients at the time of check-in when the employee would escort them to their room and attain suitable information from the customer in the context of their expectations with their stay with the hotel as well as any other aspect in association to their stay. The employees become well prepared to manage the needs and expectations of these clients and leave no stones unturned to achieve this goal. With enthusiastic participation of associates in these programs the Overall Satisfaction Scores of their international guests has shown significant improvement, as reported by the managers.

When a large group of international travelers are visiting the hotel for business or leisure purpose, from a particular culture, the employees who shall be coming in direct interaction with them are trained in a number of aspects like language, habits, use of words, pronunciations, do's and don'ts, likes and dislikes of a particular culture, cultural and religious needs, colors and amenities in rooms, etc. through their modules along with using the past experiences on how to handle the clients from that particular culture which is also referred to as the *Observe-Store-Perform* function of handling international clients. Managers believe that they put in a lot of effort to provide mass customization in a cultural context so that the cultural expectations of clients are met suitably.

As far as food is concerned, they have a number of multi-cuisine restaurants. Even their coffee shop offers a wide range of international menus like Indian, American, African, Russian, Japanese, Chinese, Polynesians, Sri-Lankan as well as South African to enable international customers choose in accordance to their tastes.

On the contrary, ITC Maurya, being a luxury business hotel, provides cross-cultural training to its managers based upon the specific cultural needs of international clients as reported to them by the Embassy or the High Commission.

No specific language training is being provided to the managers as the groups that visit their hotels usually travel with a translator. Managers who already know a second language acts as an advantage to them. It is eminent here to point out that managers feel that though language is always considered to be primary cultural barrier for anyone interacting in cross-cultural situations but for them it is a barrier to some extent though not very large.

Managers report that they do not engage in too much of customization and deal with only those aspects of the international clients as being informed to them. Certain basic needs are, though, always taken care of, like placing a compass in the rooms of people traveling from the Middle East, kits for Sikhs for tying their turbans, kits for single lady travelers, etc. Even as far as food is concerned, the multi-cuisine restaurants are available as well as the 24-hour breakfast menus enable the visitors reaching at any time to have their meals in accordance to their time of breakfast/meals.

Apart from this, it is notable to mention here that the Bukhara restaurant is famous among the international clientele where not just guests staying with the hotels but other international clients also come not just to experience the ambience of the place but also to have a true feel of the North Indian cuisine which is much preferable as against the international menus.

Thus, it is important here to understand the fact that Cross Cultural Trainings form a significant function of any hospitality organization that can enable to improve Customer Satisfaction as this is one area that deals exclusively with knowing the international customers and understanding their cross-cultural expectations. Broadly, introspecting the challenges to develop culturally intelligent organizations in the context of the present scenario can facilitate creation of strategies and develop a future outlook for other organizations encountering similar cross-cultural encounters and interactions.

## 9.6 Conclusion

It is significant to mention in the end that the concept of Cultural Intelligence is gaining fast pace in the Indian context too bringing out its significance while highlighting the paradigm shift that the Indian organizations are coming across. This case of the Indian hospitality industry spurs out how the managers and owners are now becoming aware of the cultural differences prevalent across cultures and nationalities and the relevance of accommodating to these differences as a competitive advantage for Indian organizations. The global thinking on diversity management being reflected from any angle focuses on diversity as a business case, a critical and fundamental aspect of strategic human resource management acts as a source of competitive advantage. Indian companies that did not address diversity to date as a factor for business success and moved ahead with a short-term perspective have now begun to realize the immense significance attached to acknowledging diversity in organizations. Meeting the cultural needs of diverse international clientele calls for an understanding of training the employees congruent to cross-cultural trainings constituting the cultural literacy programs too, in order to ensure that the employees are well aware of the prevalence of differences and how these differences may be used as a source of business advantage.

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# Chapter 10
# Organizations and Indian Culture: A Multicultural Perspective

**Sreelekha Mishra and Sushanta Kumar Mishra**

## 10.1 Introduction

Culture has been argued to be a critical aspect for the success of an organization (Golnaz and Lees 2001; Salk and Brannen 2000). It is treated as an intangible resource and is seen as the "meanings attached to more tangible aspects of organizations, such as strategies, structures, and labor management practices" (Rowlinson 1995, p. 123). Organizations being open systems are dependent on their environment. Research on organization studies argued that for their survival and prosperity, organizations must "fit" to their surroundings, i.e. they must be isomorphic with their environments (Meyer and Rowan 1977). Studies in population ecology (Hannan and Freeman 1977) assert similar theories. They argue that the environments "select in" only those organizations whose characteristics match with them and others are discarded. The "contingency school" and the early works on organization–environment make similar arguments; organization structures and practices must "fit" to the environment in which they are embedded (Lawrence and Lorsch 1967). Hence, how the organization manages the environments across its boundaries is crucial for its survival and prosperity. Santos and Eisenhardt (2005) elaborated on different types of boundaries, such as boundaries of efficiency, boundaries of power, boundaries of competence, and boundaries of identity. However, an important boundary which was not explicitly discussed by Santos and Eisenhardt (2005)

S. Mishra (✉)
Indian Institute of Technology Indore, Indore, India
e-mail: sreelekhadash@gmail.com

S.K. Mishra
Indian Institute of Management Indore, Indore, India
e-mail: sushantam@iimidr.ac.in



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was the boundaries of culture. Nelson and Gopalan (2003) argued that the concept of organization–environment fit can be applied to organizational culture. In fact, Goffee and Jones (1996) suggested that for an organizational culture to be effective, it should be consistent with the culture of the business environment in which the organization operates. In the context of multinational organizations, Wang et al. (2011) argued that the ability of an organization to exchange social information across the national and regional cultural boundaries might impact business of the organizations. In fact, cultural boundaries are argued to create uncertainty (Ravlin et al. 2014) and cultural distance negatively affects the exchange of social information (Vaara et al. 2012). Kymlicka (2001b, p. 18) considered a nation as a "societal culture", i.e. language, a set of social structures, norms and relationships, institutions, customs, and cultural ways. Hence, understanding national/regional culture is important for organizations in sustaining competitive advantage. There is ample reason to expect some kind of relationship between national/regional and organizational cultures. For example, researchers have studied the role of national culture on multicultural groups (Salk and Brannen 2000). It is argued that national culture defines, in part at least, the individual, and that the individual brings these collective identities and interests into the organizations. Hence, to be effective, organizations need to be aware of and adapt themselves to the national/regional culture where they operate.

The inherent flaw in these arguments is that the national/regional culture is assumed to be static. For example, culture is assumed to be "a coherent and enduring set of values that members of a nation/region carry and invariably act upon" (Boyacigiller et al. 2004, p. 140) and hence, for survival and prosperity, organizations need to adapt to the national culture. However, this stand has been critiqued by the researchers (Fang 2006; McSweeney 2002) who argue for the dynamic nature of culture. Though there are some work on cultural dynamics, the main focus is more on organizational culture change (Hatch 1993) and new culture creation in organization and team settings (Sackmann and Phillips 2004; Salk and Brannen 2000) than on national culture change. In a recent study Leung et al. (2005, p. 362) noted that "although changes in organizations as a reaction to environmental changes have been subjected to considerable conceptual analyses, the issue of cultural change at the national level has rarely been addressed". It is against the above background that this chapter has been positioned. The chapter focuses exclusively on the interface between organizational and national/regional culture. Despite the intuitive relation between national/regional and organizational culture, empirical research relating the two phenomena is sparse (Nelson and Gopalan 2003). This chapter intends to enrich the current research on cultural dynamics (Leung et al. 2005; Sackmann and Phillips 2004; Salk and Brannen 2000) in two main aspects. First, whereas most current studies look at cultural change at the organizational level, this study addresses cultural change at the national/regional level. Second, although studies on cultural dynamics are found in the existing literature (culture negotiation and cultural identity) few studies have included the role of organizations in facilitating the change in national/regional culture.

There are important practical and theoretical reasons to study the relationship between national/regional and organizational culture. Recent studies have noted that institutional forces that provoke homogeneity in practices and even reduce cultural differences between communities over time (Guler et al. 2002). Knowing how organizational cultures relate to national/regional cultures should help shed light on how organizations contribute to the developmental paths that nations take (Fang 2006). Further, a stable nation can provide a stable environment for the organizations. For sustaining stability, a nation requires not isolated islands and multiple cultural solitudes but communities living together and participating as equal partners in the national development (Mahajan 2011). To explore the role of organizations, we propose to look at this issue from a multicultural perspective. We chose the multicultural perspective for the following reasons. One, to speak of a multicultural society, is to speak of a society—a state, a nation, a country, a region, or even simply a bounded geographical location such as a town or a school—composed of people who belong to different cultures. Though many concepts such as cosmopolitan, multiracial, and polyethnic are used to signify plural societies, multicultural is still the preferred word (Watson 2009, p. 2). Second, in a study across three countries namely, the USA, Brazil, and India, Nelson and Gopalan (2003) argued that India is the most multicultural of the three countries, and hence multicultural perspective warrants attention. Third, no matter whether research on culture is conducted within cross-national comparisons, intercultural interactions or from the perspective of multiple cultures (Boyacigiller et al. 2004), particular cultures are most often classified by well-defined cultural differences, and the challenge is most often to eliminate the conflicts, friction, and miscommunication that arise because of these cultural differences (Søderberg and Holden 2002).

## 10.2 Multiculturalism

Though plural, diverse and multicultural are very commonly used interchangeable terms to represent different cultural beliefs, there is subtle difference among them. Plurality talks about "many" but is silent on the nature of "many"; silent about how the multiple forms are structured and how they relate to one another (Mishra et al. Forthcoming). For example, according to Furnivall (1948, p. 304) "a plural society is a medley of people … for they mix but do not combine. Each group holds by its own religion, its own culture and language, its own ideas and ways… This is a plural society where different sections of the community live side by side, but separately, within the same political unit". Diversity is defined as the existence of "many" that are different, heterogeneous, and are not commensurable. The concept of multiculturalism endorses the idea of difference and heterogeneity that is embodied in the concept of diversity.

Multiculturalism stresses the importance of recognizing cultural diversity within the same political framework as well as proving equal chances and opportunities to diverse cultural groups (Fowers and Richardson 1996). Multiculturalism is defined in

many ways. According to Willet (1998, p. 1), multiculturalism is "…a political, social, and cultural movement which aimed to respect a multiplicity of diverging perspectives outside of dominant traditions". According to Kymlicka (2001a, p. 153), the definition of multiculturalism is: "…a supplement to, not a substitute for, citizenship". Kymlicka talked about two models namely, anglo-conformity model and multicultural model. Anglo-conformity model implies that immigrants in course of time adopt the native culture and standards. The immigrants assimilate into the mainstream culture. After a period of time, there would be no difference between immigrants and local inhabitants. In the second model, immigrants do not have to assimilate. The government became more tolerant towards immigrants. Kymlicka (2001a) has also talked about immigrants and national minorities. He thinks that these are two different terms used to highlight multiculturalism. According to him, immigrants are the people who arrive under an immigration policy which gives them the right to become citizens after a relatively short period of time. On the other hand, national minorities are groups that have in common some or all of history, community, territory, language, or culture. Each of these is sometimes referred to as a nation, people, or culture. Each of these may have become a minority involuntarily through conquest, colonization, or expansion, or it could have voluntarily by agreeing to enter a federation with one or more other nations, peoples, or cultures.

## 10.3 Context of India

The difference between immigrants and national minorities is the form of integration. Immigrants accept the fact that they have to integrate and adapt to dominant social culture. National minorities, on the other hand, resist integration and fight to maintain their own social culture (Kymlicka 2001a). In this chapter, we focus on national minorities for three reasons. One, the number of immigrants coming to India is limited (Mishra et al. Forthcoming) compared to other countries such as the USA, Canada, and Australia. Second, India is multicultural within the county. There are different states in India with different languages, religion, caste, etc. The 2001 Census of India reports 122 languages and 234 mother tongues. Most of the major religions of the world such as Hinduism and Buddhism, originated in this land while others, such as Christianity and Islam, though came from outside has remained and grown in it for a 1,000 years and more. Though termed as a Hindu nation, it is the home of the third largest Muslim community in the world (Census of India 2001). The profusion of linguistic, religious, and other customs and usages was associated with a multitude of castes, communities, and tribes each of which was bearer of a particular sub-culture or even sub-sub-culture which is transmitted from generation to generation (Robinson 2012). Given these multitude diversity, India faces many conflicts which are mostly based on language, religion, and caste. Third, the interstate migration is more economically motivated (mainly for better work or employment opportunities in urban areas). According to the Census of India (2001), the work/employment is a major reason of migration (accounts for about 27.5 % of the total migration). Hence, the diversity is within the nation.

The relatively common sources of division in societies around the world are class, caste, religion, language, race, ethnicity, and clan. To these other divisions are usually added: settler versus native; immigrants versus indigenous population; pastoralist versus cultivators; urban versus rural (Guelke 2013, p. 14). In the context of India, the common sources of division are: caste, language, religion. From the socio-cultural perspective, the national environment in India is very complex as it witnesses a millennial cultural heritage and longstanding ethnic, religious, and regional cleavages (Nelson and Gopalan 2003). Kymlicka (1996: 10) argued that "modern societies are increasingly confronted with minority group's demand for the recognition of their identity, and accommodation of their cultural differences, which often is phrased as the challenge of multiculturalism". This is often phrased as the challenge of multiculturalism. In this chapter, we focus on how organizations help in mitigating these challenges.

## 10.4 Context of the Study

Data were collected from 20 respondents comprising 6 senior Managers, 6 Middle level managers, and 4 line managers. The age of the respondents ranged from 36 to 52 years. All the respondents lived in a setting for a considerable time period. The profile of the respondents is provided in Table 10.1. These respondents are employed in a

**Table 10.1** Profile of the respondents

| Sl. no. (respondents) | Native state | Religion | Caste | Age (in years) |
|---|---|---|---|---|
| 1 | Odisha | Hindu | SC[a] | 39 |
| 2 | Odisha | Hindu | General | 48 |
| 3 | Chhattisgarh | Christian | SC | 36 |
| 4 | Tamil Nadu | Hindu | SC | 39 |
| 5 | Odisha | Hindu | ST[a] | 38 |
| 6 | Karnataka | Hindu | SC | 40 |
| 7 | West Bengal | Hindu | General | 38 |
| 8 | Uttar Pradesh | Muslim | General | 45 |
| 9 | Bihar | Muslim | General | 37 |
| 10 | West Bengal | Hindu | General | 40 |
| 11 | Odisha | Hindu | ST | 36 |
| 12 | Madhya Pradesh | Sikh | General | 42 |
| 13 | Madhya Pradesh | Jain | General | 38 |
| 14 | Odisha | Hindu | General | 45 |
| 15 | Odisha | Hindu | Brahmin | 39 |
| 16 | Punjab | Sikh | General | 51 |
| 17 | Andhra Pradesh | Hindu | OBC[a] | 41 |
| 18 | Tamil Nadu | Hindu | Brahmin | 52 |
| 19 | UP | Hindu | OBC | 47 |
| 20 | Jharkhand | Hindu | ST | 48 |

[a]*SC* scheduled case, *ST* scheduled tribe, *OBC* other backward classes

Public Sector Undertaking (PSU) located in Rourkela, a city in the state of Odisha. Rourkela is the place where the first integrated steel plant in the public sector in India was set up with German collaboration in the 1960s. According to the census report of 2011, the population of Rourkela Industrial Township is 273,217 and Rourkela Town is 279,753 and the urban metropolitan area is 650,000 (approx.). We chose, a PSU for the present study for the following reasons. One, the public sector plays a key role in nation building activities, which takes the economy in the right direction.[1] Second, employees are selected from all over the country and hence, people from different parts of the country work here. This makes the PSU a right context to study multiculturalism. We chose Rourkela because the city predominantly thrives on the PSU and hence, the culture of this region can be greatly attributed to the organization. Given the exploratory nature of the research, an interview-based approach was adopted for the investigation. Open-ended questions were asked to the respondents as the intention was to understand the phenomena and not to verify any theory. Some of the questions were about their work, life in the organization, social life, and experiences. Subsequent questions that we asked were based on the responses to the above questions. The duration of interviews ranged from 45 min to 90 min. The interviews were written down for the purpose of analysis.

## 10.5 Analysis, Findings, and Discussion

While analysing the data, we found many interesting factors that might help meeting the challenges faced in a multicultural society. Some of the factors that we noticed are described below. We arrive at these factors by analysing the data and moving back and forth between the data and the literature. The literature helped us in arriving at these factors. In an attempt to minimize our biases, we shared the data with two experts and showed them our analysis.

Being a township developed by the PSU, the organization takes care of the recreational facilities for their employees. The cultural centres such as *Civic centre, Bhanja Bhawan* are the places where different cultural festivals are organized over the year. All these activities increase people's exposure towards other cultures. In addition, the workplace seems to influence people's perceptions about others and that changes their world view. For example, when someone works with others in mutual coordination as part of the role requirement, it increases their individual understanding and closeness. Being in the same locality, most often the kids of these employees go to the same schools. The schools play an important role in enhancing awareness. Being in the same school not only facilitates understanding other cultures among the students but also among their parents. All this indicates awareness about other cultures increases acceptance of others and that leads to a multicultural society.

[1] http://www.archive.india.gov.in/spotlight/spotlight_archive.php?id=78#mf5. Retrieved September 18, 2014.

Based on a study in 24 countries, O'Rourke and Sinnott (2006) reported that people having greater exposure to other cultures would be less hostile towards immigrants. Our data found similar patterns and it indicates that exposure to others plays a significant role in accepting national/regional minorities.

In the workplace, there is no discrimination based on caste, religion, or language. While working, gradually people understand each other and that engenders mutual respect. The following statements substantiate our argument.

*Initially, people do not respond to my views. After some time, they realized that I am very sincere in my work. Now I have spent almost 10 years and my people know me very well. They are my good friends. Today, if some problem occurs in the workplace, they ensure the problem is attended because they do not want me to feel unhappy.* (Respondent 3)

*For us everyone is same. The caste, religion, or the language is second. What matters is their attitude to work*. (Respondent 2)

*In our work, we get breaks (usually 15–20 min). We go together to the canteen, sit together, eat together, and enjoy together. I have never felt caste or language as a barrier. They are my best friends.* (Respondent 11)

The employees are provided accommodation by the company. There are many sectors where the employees are allotted houses. The allotment is done based on seniority only. Because of the allotment process people having different cultural backgrounds become neighbours and gradually the physical propinquity strengthen the bond among people.

*I think what matters is the quality of relationship. What I realized over these years is that people do not care your caste, religion, or language, what they care is your sincerity and behaviour.* (Respondent 15)

*I think respect and mutual help fosters these feelings over time. When my mother died, my colleagues came forward for my help and that sharing and feeling strengthens our relationships*. (Respondent 20)

Employees stay in different sectors. In each sector, people celebrate festivals together. For example, every year, *Durga Puja* is organized by the communities in each sector and implicitly there is competition among different sectors. Usually, the sectors try their level best to prove that their idols, decorations are better than the other sectors. To make it a grand success, residents of each sector voluntarily contribute for the puja in their sector. People are more concerned for their sector. These activities unite the community members together. The festivals are a powerful mechanism to unite people irrespective of their caste, religion, or language. Many festivals such as Pongal, Rath Yatra (car Festival), Durga Puja, Chhat, Vaisakhi, and Eid are celebrated with equal enthusiasm.

*The entire period of Durga Puja is a festive period. During this time, the company provide us the bonus. Our relatives from other cities visit us during this time. This is the period when we purchase new clothes and the entire city is in a festive mode.* (Respondent 10)

*During this time if you happen to be in Rourkela, you can feel the festive mood. Irrespective of the religion in every household you can feel celebration*. (Respondent 7)

For example, some respondents reported that

*My neighbour invites my family every year during Eid and we also feel for their fasting in that month. I like the food prepared in Eid.* (Respondent 17)

*I have been to Gurdwara with my friends. On some occasions, I have enjoyed the langars. One of my friends had brought a kara for me from Amritsar and I was wearing it for long.* (Respondent 7)

In the day-to-day functioning of the work, the employees of a particular department have to depend on others. In the work arena, the competence matters not the other factors such as caste or religion. All this provides dignity to the employee.

*In the work place, any breakdown is our problem and we attend the breakdown together. There is a lot of interdependencies in the smooth functioning of the work.* (Respondent 5)

*Even though I am from a lower caste, I have the recognition in the workplace. This image spills over to my personal life and people in my locality respect me*. (Respondent 6)

For the kids of the employees, the company has set up schools in almost all the sectors. Kids go to the same school and are treated like others. There is no discrimination in terms of their cultures or beliefs. That provides a different world views to the students. One respondent reported that

*We have never looked at others through the lenses of region, religion, or caste. This is the culture of our city.* (Respondent 1)

The social identity theory argues that individuals derive their self-definitions in terms of their in-group. Through working together, they consider the others as their in-group members and the sharing and caring for each other increases the feeling of in-group membership. Thus, individuals derive some parts of their self-definition through the establishment and maintenance of collective identities. The collective identity overcomes the differences such as language, religion, region, and caste. When we looked at the literature, there is mention of these factors. For example, Bochner (1999) argued that, in a multicultural society, the interpersonal contacts between individuals and groups who differ in their ethnicity occur within a climate of tolerance and mutual respect. Our findings also validates the Contact Hypothesis proposed by Berry (2001) which postulates that intergroup contact will engender a more favourable out-group attitude in an environment, where all groups are treated fairly and with sincere, mutual respect. According to Noor and Leong (2013), this constitutes a major factor in the multicultural ideology. From the above discussions, it seems interdependence and mutual respect affects positively the attitude towards other group members and as a result it minimizes the cultural distance. Our study supports the assertion by Berry (1984), who suggested that by acknowledging and celebrating ethnic differences, the harmony, and equality between the groups can be increased (Fowers and Richardson 1996). This was supported by studies in social psychology that have found positive implications of multiculturalism for intergroup relations (Plaut et al. 2009).

The interviews revealed interesting insights into the lives of people. Though people come from different cultural background, they get closer to people with

whom they spend most of their time. When people get closer, they do not see their caste, language, or religion.

*I belong to Bengaluru and before joining this organization, I had no clue about odia language (the local language), even I was not so good in Hindi. Now I know a bit of Odia language and I have picked up Hindi as well. I am comfortable working here.* (Respondent 6)

*I do not think language is a barrier. I do not know the local language. Nor my friends know my language. However, as long as we are able to communicate it is Ok. Most often we talk in Hindi or in English language.* (Respondent 18)

All these conversations highlight closeness with other groups. From the interactions, we believed that the closeness may be due to working in same department, same batch, staying in the same location as neighbours, etc. This closeness leads to respect and love for the other group members. Because of the love for the others, their attitude towards their community becomes positive. There are some references to this in the literature. For example, Irigaray (1985) emphasized the importance of love through the lenses of the dominant and the oppressed groups (particularly among the sexes). According to her, love is something which is out of domination. For love, there is no dominant group and oppressed group. Equality prevails where love prevails. According to her, love is a positive attempt towards otherness, towards difference. All great social movements for freedom and justice in all societies are based on love. She further argued that collective development of any nation, city, or neighbourhood is rooted in the values of love. All the above discussions suggest that love for others engenders love for their community.

The organization follows similar rules for all its employees. For example, the housing policy, medical policy, leave, and other policies are the same for all the employees. The organization has set up its own hospital, where the medical facilities are provided free of cost. The tuition fees charged in the schools operated by the organization are very nominal. From providing houses, maintaining them, maintaining street lights, roads to ensuring safety of its people are all taken care of by the organization. The organization strives to make the life of its people better. Usually, people who come from other places settle down here after they retire. Because of the employee-friendly policies, acquaintance with the city, and a feeling of *my city*, people feel for this city. The following statements corroborate it.

*I came to this city as a stranger and now I belong to this place. I have my friends and groups. We share among each other. It is a beautiful place to live. I do not think I will be able to live in my native state after the retirement.* (Respondent 18)

Ahmed (2004) tried to put the concept love in a different way in the context of a pluralistic society. Ahmed (2004), in her book titled *The cultural politics of emotion*, argued that love becomes a way of bonding with others in relation to an ideal, which takes shape as an effect on such bonding. She asked an interesting question, in multicultural discourse whether something is done in the name of love or out of love? She argued that out of love for the country to avoid violence, conflicts immigrants are accommodated in the name of love. So love becomes crucial to promise of cohesion within multiculturalism. Extending this argument, it seems people form their friendships and relations and as a result appreciate other

cultures out of love for the place. Organizations play a significant role in creating a place worth living.

## 10.6 Conclusions

Growing globalization, and crumbling of boundaries between the nation states, enhanced the importance of multiculturalism. The question of whether a society should be culturally plural or multicultural is not really an issue: modern societies for the most part are simply multicultural. Not only nation states, but also most of the organizations are becoming multicultural. In fact, managing diversity in organizations is becoming more and more important and there is wide agreement on the need to actively deal with diversity in organizations (Podsiadlowski et al. 2013). Studies have highlighted the benefits of cultural diversity in the context of organizations. However, there is paucity of research that explores how cultural diversity in the organization influences the societal culture. This is important because intra-country variance in culture is huge in countries such as India. Despite the intuitive relation between national and organizational culture, empirical research relating to the two phenomena is sparse (Nelson and Gopalan 2003), and there is a felt need to study the relationships. The research in organizational theory predominantly assumes that the environment is constant and delve into how organizations can adapt to environmental demands. In a similar manner, studies on culture focus more on cultural adaptation. In fact, most of the studies on culture focus on multicultural settings, such as immigrants (or MNCs) and explore how the individuals (or the MNCs) adapt to the local cultures. To our knowledge, a very few studies have addressed how the organizations influence the local cultures. The present study throws light on these important yet neglected issues. We intend to contribute to the discussion of multiculturalism by arguing that organizations do influence the environment where they operate. Our exploratory study demonstrates that organizations play an important role in fostering a multicultural society. This is achieved by enhancing toleration for other cultures among people. This is important because most of the violence in modern society can be attributed to intolerance towards other cultures. In this regard, our study provides another answer to the question, why do organizations exist. Questions of multiculturalism and cultural diversity raise an important question, how and why do people change their attitudes towards other cultural groups. These questions are relevant where most of the migrations are within India and are related to work/employment. In addition, Salk and Brannen (2000) in their study argued that the role of culture is far more complex than past researcher and theory suggest. In their work, Sibley and Ward (2013) suggested that definitions of multiculturalism should take into account the factors such as how diversity is accommodated by individuals. Further they argued that not only national level practices are important, but also the attitudes towards diversity and willingness to engage in intercultural contact are also important. Our work focuses on the attitudes towards diversity in intercultural contacts and highlights the role of organizations in influencing these attitudes.

Toleration is often represented as a form of non-judgmental acceptance of differences. Toleration is an important ideal that is indispensable for the working of a genuinely free and democratic society (Furedi 2011). According to Rawls (1999), if different groups take the values of difference as good, toleration among differences may help in bringing equality among people and instead of assimilating in mainstream culture, minority groups can maintain their own cultural heritage. Culture is strongly associated emotionally and nostalgically with a distinctive way of life which, despite all its deficiencies, speaks directly to an individual's sense of identity and belonging. As individuals recognize in themselves the emotional charge which this sense of distinctiveness conveys, they are also prepared to recognize the significance and importance of the notion of culture in the lives of others.

Our study, based on an exploratory approach, argue the important role played by the organizations in answering these questions. Our study highlights the ways through which organizations are influencing the attitude of cultural groups towards each other. Some of the factors are workplace experiences, cultural celebrations, and enabling mechanisms such as schools, work role requirements bring different communities towards each other. Further, relationships with others and respect for one another minimizes the barriers among the groups. Organizational policies and practices engender love for the city and in the name of love it creates love for others. The study highlights the fact that mere exposure to other cultures in the presence of some enabling mechanisms fosters closeness among the members of different community and helps fostering a multicultural society.

Drawing from others work, Fang (2006) argued that when cultures interact with each other, a behavioural change process begins which, in turn, eventually ignites a value change process among the interacting cultures. As a result of that, the cultures change overtime. The present study supports this assertion and argues that in a multicultural setting, people accept other cultures, sometimes to leave in a harmonious manner. The enabling mechanisms are awareness, love, celebration, and toleration.

Hence, beyond the issues pertaining to culture, identity, and inclusion, attention should be paid to the influences of organizations on multiculturalism and intergroup relationships. The present study further supports the argument that the processes of others' adjustment involve adaptation on the part of different cultural groups. Our study agrees to Fang (2006, p. 88) who concluded by the ocean metaphor of culture. According to him, culture is like an ocean which has no boundaries, and various waters are both separate and shared, both different and similar and both independent and dependent.

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# Chapter 11
# Culture Research in India: Critical Issues and Future Research Opportunities

**Ashish Malik and Vijay Pereira**

## 11.1 Introduction

This concluding chapter attempts to pull together the various threads and portray three key aspects from the nine empirical chapters presented in this research monograph. As editors of this monograph, we do this by analyzing responses from the authors themselves. We asked the contributing authors to furnish pivotal information on three areas: first, to furnish key points regarding *Investigating Cultural Aspects in Indian Organizations* (from each of their chapter); second, key points regarding strategies to overcome these challenges; and third, key points regarding future opportunities in investigating cultural aspects in Indian organizations. All three areas pertain either to the study/chapter, methods, or practice or also a combination of these. In what follows below we discuss each contribution in turn.

## 11.2 Religion, Organizations, and HRM

India as a nation faces the challenge of heterogeneity within the organizations across the length and breadth of the country. The religious differences across the North, South, East, West, and Central India are large, and running a multi-location,

A. Malik (✉)
Newcastle Business School, The University of Newcastle, Ourimbah, NSW, Australia
e-mail: ashish.malik@newcastle.edu.au

V. Pereira
Department of Organisation Studies and HRM, University of Portsmouth,
Portland Street, Portsmouth PO1 3DE, UK
e-mail: vijay.pereira@port.ac.uk



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multiregional domestic organization is nothing short of a multinational corporation. In her piece on "The Role of Religion on Human Resource Management (HRM) Practices in Indian Organizations" as Chap. 2, Rao uses a conceptual methodology to identify comprehensive primary and secondary sources in detailing these concepts. Findings from her research identify how religion impacts both direct and indirect symbols of individuals' work-related practices. She argues that on one hand direct symbols are visible signs and are identified as religious observations, food preferences, and dress codes. Indirect symbols, on the other hand she argues, are tacit representations and are categorized into preferential treatment, attitudes towards learning, and outlook towards leadership. The following were Rao's responses to the challenging determinants of her contribution.

First, she claims that "the workplace has employees from diverse religions." Rao suggests that providing diversity training for employees at all levels is key for all organizations operating in India. In terms of future challenges, she states that in the future, researchers would need to conduct more empirical and qualitative studies on the role of religion at Indian organizations as there is a paucity of research on this theme. Rao's second claim is that there is a cultural inclination to observe a lot of religious and ethnic holidays in India, being a multi-religious country. Organizations she claims should establish clear policies on vacation time for such celebrations. And in the future, exploring if the various holidays impact employee's productivity in different regions in India should be undertaken, she states. Rao's third assertion is that the importance of caste is paramount in organizational practices of recruitment, training, and promotions. Her counter is that organizations should create objective policies that have a strong focus on KSAs (knowledge, skills, and abilities). Her future research direction includes doing more research studies to understand how caste system impacts HRM practices. Rao's fourth challenge is identified as "the significance of religion on indirect symbols of work." She suggests that organizations need to establish practices on training and leadership that can tap into these religious values. Highlighting future research areas, the author claims there is a need to review the literature on various religions and identify other indirect consequences on work practices. Her study has identified only the major religions. Future studies, she claims, should include all the minority religions. Rao's fifth identified challenge is "the implication of religion on direct symbols of work." She suggests that organizations should provide reasonable accommodations for dress, vacations, and food preferences. In the future she requests scholars to review the literature on all the various religions and identify their consequences on dress, food preferences, and religious holidays.

In summary, Rao claims that her contribution can be considered innovative and adds to the evolving body of knowledge on culture in Indian organizations and HRM, as most scholarly articles detail either direct or indirect values of religion on individuals' work-related behaviors. Her contribution takes a holistic approach in understanding the topic. We agree that her contribution provides a practical model that details guidelines and implications for global managers and the proposed theoretical model can be tested by scholars in the future.

## 11.3 Generation Z (Zippies) and Cultural Values

When a country's census (2011) confirms that close to 50 % (more than 500,000 million people) of India's total population (of more than 1 billion) is under the age of 24 and 65 % under the age of 35, it becomes pivotal to research the impact of age demographics on the country, businesses, and organizations. Thus, Shah's contribution (Chap. 3) "Zippies and the Shift in Cultural Values in India" examining the impact of economic globalization on work and family collectivism for young middle-class Indians becomes very interesting and important.

Results from Shah's contribution suggest that in an increasingly globalizing India, young Indians will strive to preserve traditional values of collectivity when it comes to family but will loosen their reins on workplace collectivism. She claims that her chapter is limited to examining the educated middle class in India as they are at the forefront of globalization and the intention of her study is not to assess national culture as a whole, but to predict cultural shifts in India. The results from Shah's study provide critical insight as to how values are changing in a nation that promises to be a prominent feature on the global economic map in this century. The following were Shah's responses to the challenging determinants of her contribution.

The author's first identified challenge was that "we must distinguish between work and family domains in order to understand value shifts for young Indians in a globalized economy." She claims to measure changes empirically in two different domains (work and family). She also used two different metrics. In the future she suggests that "while the two domains are distinct, the two have overlap and we need to investigate that overlap in future studies." Shah's second challenge was that "capitalism/free markets will have a greater impact on work values than family values, as capitalism demands more individualistic values," something we hear and read a lot. She measures the impact of global capitalism, "aka economic globalization," to better understand cultural value shifts in the work and family domains. In the future she suggests that "global capitalism is broadly defined, hence both macroeconomic indicators (such as GDP growth) and micro-indicators (such as number of years working in a multinational corporation or education) can aid in understanding value shifts." Thus, Shah suggests that future studies can explore macroeconomic indicators. Her third identified challenge was "exposure to globalization will impact both work and family values." She uses proxies of globalization, such as "tier of city" to better understand cultural value shifts in both work and family domains. Further, she uses "tier of city" as proxy of globalization but suggests that identifying other proxies of globalization would assist in advancing the impact of globalization on "value" shifts. Shah's fourth challenge is identified as "exposure to type of organization (i.e., MNC versus non-MNC) will impact both work and family values" of Zippies. Here, in her contribution to this book, Shah uses proxies of globalization and capitalism, such as MNC exposures to better understand cultural value shifts in both work and family domains. However, she suggests that "MNCs may not be the best measure. A better measure maybe level of competitiveness as that creates greater pressures against collectivist values." Shah's fifth challenge is

"shifts in family living arrangements will impact work and family values." In her study she uses "living arrangements as a proxy for globalization to understand cultural value shifts in both work and family domains." In the future she suggests that social and psychological connection may matter more in a real-time communication world and that scholars need to understand how families stay connected even if they do not live with each other as they may be a greater predictor of value retention than physical living arrangements.

In summary, Shah claims that insights from her contribution are not only useful to scholars who wish to predict behavior within firms and organizations but also to policy makers, entrepreneurs, and businesses, as it informs them of impending infrastructure needs which must be met via public, private, and/or public-private ventures. We strongly agree with her and also with her assertion that there is a wide recognition of large-scale intuitional changes, such as globalization, which calls for a reexamination of not only cultural values of Gen Z's worldwide but also their changing dynamics and the challenges organizations and countries face.

## 11.4 Indian Expatriates and Cultural Similarities

The number of Indian expatriates abroad is growing. One estimate suggests India has the largest share of about $US70 billions of expatriates' remittances to India (Feedbacq 2013). Hence, it is interesting and topical to study expatriate adjustment through the lens of cultural similarities (Chap. 4). Arora and Rohmetra's piece of research attempts to bring out the conceptual framework to deliberate upon this cultural similarity paradox held by expatriate managers pertinent to the Indian context for Indian managers abroad. Their study highlights the unexpected problems and challenges being encountered by the Indian managers while abroad in culturally similar nations. The following were Arora and Rohmetra's responses to the challenging determinants of their contribution.

Their first challenge was that "expatriates presume cultural similarity with less culturally distant nations and mostly go less prepared." They suggest that predeparture training needs to be accommodated, even at times when expatriates are sent to culturally similar nations. Their next challenge was that the unpreparedness brings immense culture shock which is difficult to handle. Here they suggest that at individual level and organizational level, initiatives like meditation, listening to music, pursuing one's passion, etc., and training programs focusing on language and basic business etiquette training are also relevant. Arora and Rohmetra's third challenge was that "the productivity of even the most effective managers is affected," due to this cultural issue. They suggest that expatriates need to be focused. They argue that flexibility in situations is extremely important and that counseling can be helpful. The author's fourth identified challenge was "adjustment problems." They state that adopting the proactive approach can be useful. They argue that "one can gain information about different cultures from various sources and work on strengthening oneself to adapt to different situations." They further suggest that

expatriates work on enhancing one's "cultural intelligence." Arora and Rohmetra's fifth challenge was "safety and security concerns of expatriate managers." Their proposed solution was that "learning and self-motivation strategies can facilitate handling safety and security concerns in a different though seemingly similar culture." In terms of their future research directions, they suggest that future probe into similar issues can be useful by conducting researches in cultures that are culturally similar. They suggest identifying relevant variables in context like the definable areas of presumed similarity: language, cultural heritage, and commonalities in historical, social, and cultural domains can facilitate learning about the kind of training programs that may be adopted by organizations to prepare their mangers prior to sending them for an international assignment. They conclude that even as empirical research in this domain is relatively less, cultural similarity calls for determining and conducting sound research in the field.

In summary Arora and Rohmetra's study highlights how sometimes the Indian expatriates perceive that if sent to culturally similar countries, the stress and pressure would be comparatively less. However, their research in the domain presents that it is not always so. Keeping in view the successful completion of international assignments on one side and expatriate adjustment on the other side, their research attempts to highlight the cultural similarity paradox in context of Indian expatriates while simultaneously presenting the challenges being faced by them and suggesting a way forward.

## 11.5 Cross-Cultural Coaching

Cross-cultural coaching in organizations is a new concept, and the need for global coaches has evolved. Chatwani is a coach herself and is best suited to contribute to this topic. She argues that many authors have approached the topic of coaching across cultures from the point of view of a Western cultural ethos and have placed emphasis on differences and pitfalls. Her contribution focuses on how cultural and diversity aspects in the coaching process can be leveraged that goes beyond a Socratic dialogue of questioning and probing for learning. Her stand is that aspects of Indian culture are blended into the coaching process, thus giving it a cross-cultural character. She further argues that the example of the guru-śisya relationship suggests that learning systems cannot be applied across cultures in the same way without an understanding of the assumptions in their origins. The following were Chatwani's responses to the challenging determinants of her contribution.

Her first identified challenge was "the importance of assessing cultural bias in learning interventions in HRM." She suggests that "learning interventions in Indian organizations need to be assessed for cultural relevance if they are to be effective." In terms of future research, she suggests that "cultural dimension needs to be added in assessing learning outcomes in organizations." Chatwani's second challenge was that "relevant coaching models are needed for the Indian context." She suggests that there needs to be a better understanding of the opportunities for adapting current

coaching practices. In the future, she suggests that Indian authors/coaches need to publish more about their coaching experiences and propose new models based on their experience and research. The authors' third challenge was that there was a "danger of overuse of sociocultural anthropological frameworks to explain cultural differences in the outcome of learning methods." She suggests the need to "expand the focus on cultural away from the individual in learning to the process and method." She proposes more differentiated ways of defining culture in organizations, in the future. Her fourth identified challenge was "better leveraging of Indian heritage systems for learning in organizations." As a solution she suggests the need to "elicit other traditional methods of learning and management that are relevant for Indian organizations." In the future, she suggests scholars to investigate other traditional methods of learning and management that are relevant for Indian organizations. Chatwani's fifth identified challenge was to "develop a better understanding of Western ethos in human psychology and its influence on management methods in general." Her solution was to "increase the awareness of the bias in management methods." In terms of future research directions, she requests scholars to research and publish more management material based on indigenous Indian psychological traditions.

In summary, by reflecting on the guru-śisya paradigm, Chatwani's chapter has demonstrated an opportunity to develop a cross-cultural coaching approach ethos inspired by an ancient Indian system of learning for a popular HRM tool by adapting the coaching template that was derived from a Western ethos. We agree with her assertion that the purpose of coaching is to shift an individual's mind-set, approaches, and behaviors to ensure effective action in cross-cultural approaches in organizations.

## 11.6 Talent Acquisition Culture

The catch phrase the "war for talent" was mooted by a consulting firm a few years ago, and since then it has become important for organizations to scout for highly skilled and competent employees in the pursuit of corporate competitive advantage. India being the second largest growing economy in the world, this contribution by Liu and Pearson titled "An Empirical Study of the Influence of Culture on Talent Acquisition in Indian Organizations" is timely and interesting. The author's argue that the effectiveness of these arrangements in the cultural marketplace is not well understood. In their contribution, they employed a mixed method approach, and hence they utilized an investigation "in a pluralist study design with Indigenous managerial executives employed in Indian multinational corporations." In terms of results (quantitative), it was found that the strength of culture influenced the relationships between talent acquisition and the organizations' global ambition. These results were substantiated with qualitative evidence revealing the perceived influence of cultural forces on these connections. Liu and Pearson's findings thus show the relevance of cultural effects when the labor market is liberalized to strategically integrate organizational systems in the pursuit of global ambition. The following were the author's responses to the challenging determinants of their contribution.

Liu and Pearson's first identified challenge was "establishing dominant issues of culture influence in Indian organizations." They suggest "extensive reading of cross-culture management/business literature" as a solution. As a futuristic measure, they suggest a "sustained examination of global business challenge to identify concerns." Their second challenge is the "creation of an investigative model with a basic independent/dependent culture framework." Their solution for this challenge is to balance "the dimensions of complexity and simplicity to get a pragmatic arrangement." In the future they suggest scholars to "expand the investigation framework to incorporate intervening variables." The third challenge identified by these authors is the "collection of suitable primary data for instruments to assess the model." They suggest centralization of "the data collection period rather than extensive travel to numerous centers." In the future they suggest scholars to "evaluate objective data (e.g., performance)" and to "examine fewer organizations, industry, and geographic specific." Liu and Pearson's fourth challenge was "demonstration of moderating effects of culture." They suggest a solution of "establishing acceptable statistical techniques demanded both quantitative and qualitative analyses." In the future they suggest scholars and researchers to "employ qualitative and quantitative designs with newer emerging statistical procedures." The fifth challenge identified by the authors was the "parsimonious description of a complex pluralist empirical study." In terms of the future, they suggest that "academic scholarship of readership determines the content quality level and length of the document." We acknowledge this challenge as fellow authors and editors and expect that publishers also take note.

In summary Liu and Pearsons's chapter reports the results of an empirically based assessment of the extent a sample of Indian managers are transforming in their global context. In the study they claim that "in spite of skepticism drawn from previous studies asserting that the influence from foreign sources and particularly of Western foundations only superficially impact heritage-based behaviors and practices of Indian managers, the compelling evidence presented in this chapter reveals the external forces penetrated deeply into the mindsets of the respondents." They further claim that "the corroborating quantitative and qualitative testimony shows globalization has induced challenges to the underlying cultural notions in the human resource practices of the 72 studied Indian originations." However, we also concur that the findings should be read with caution and that future researchers consider factors such as international diversity, bigger samples sizes, and a broader industry coverage.

## 11.7 Knowledge Management Culture

The greatest area of growth in the context of the Indian economy is said to be the information technology (IT) and business process outsourcing (BPO) industry, which was worth $100 billion in 2013, and predicted to grow to $ 300 billion by 2020 (Economic Times 2013). In 2012 it was estimated to have contributed 7.5 %

to India's GDP and was directly employing close to 2.2 million people (NASSCOM 2012). Further, in 2012, the overall Indian IT/BPO aggregate revenues exceeded USD 100 billion, with exports in 2014 expected to cross USD 84–87 billion (NASSCOM 2014). Hence, this piece by Jyoti et al. is timely in the context of the sector as well as the topic. The purpose of this contribution was to investigate the impact of knowledge management (KM) practices on the competitive advantage (CA) of IT sector firms in Jammu, India. The authors used survey method to collect data from employees working in the private telecommunication organizations. Two sets of questionnaires were framed for the respondents. Structural equation modeling was used to investigate the relationship between the two processes, viz., knowledge management and competitive advantage. Results from their study revealed a significant relationship between knowledge management and competitive advantage. The authors claim that knowledge approach, knowledge protection, and knowledge acquisition were significant predictors of competitive advantage. The following were their responses to the challenging determinants of their contribution.

The first challenge identified by Jyoti et al. is that their results revealed that "KM is being practiced in Indian telecom sector at higher level." They suggest that this sector should use "common IT applications in KM for sharing knowledge within/outside the organization such as coding and sharing of best practices, creation of corporate knowledge directories, etc." They further suggest that in the future scholars should "identify the culture-based factors that can help in instituting KM in the organization." The second challenge identified by them was "the knowledge culture of Indian telecom sector is technology oriented followed by acquisition and protection." The solution suggested by them was that "before implementing all KM practices together, organization as well as management has to study each and every practice intensely and choose only those which are according to nature of the organization." In terms of future research directions, they suggest that the "organization as well as management should focus on all core components of KM that include people, processes, technology (or) culture, structure, technology, depending on the specific perspective for implementing and executing overall KM process." The third challenge identified was that "out of seven dimensions of KM, only knowledge protections, knowledge (IT) approach, and knowledge acquisition are significantly contributing towards competitive advantage of Indian telecom sector." As a solution they suggest "designing strategies for better knowledge sharing, creation, conversion, and utilization to generate CA." In the future they suggest that scholars should investigate if "every practice of KM has unique characteristic, so in the future both organization and management have to concentrate and assemble each practice in their process effectively for achieve high CA." The fourth challenge was regional centric and stated that "telecom sector organizations in J&K have failed to utilize the efficiency of knowledge sharing, creation, conversion, and utilization for achieving the CA." As a solution Jyoti et al. suggest that "employee orientation regarding KM should be through need-based training." They suggest that in the future, impact of KC on CA through KM should be examined. The fifth challenge was that "the KM construct has been empirically validated in Indian telecom organizations and knowledge sharing is its important element." They suggest "instilling a sense of

knowledge protection in the employees regarding new created knowledge." They further suggest that "future research can focus on more cultural predictors of KM."

In summary Jyoti et al. suggest that the Indian IT/BPO sector should use common IT applications in KM for sharing knowledge within/outside the organization such as coding and sharing of best practices, creation of corporate knowledge directories (mapping internal expertise), and creation of knowledge networks (online interactive forums), groupware, intranet, e-mail, discussion forums, and e-bulletin boards. Moreover, they suggest that e-learning can also work as a training tool for improving knowledge sharing behavior and, as a result, organizations are able to build effective and successful knowledge sharing culture within/outside its boundaries. They conclude that this exercise will also help to enhance knowledge creation and conversion culture automatically.

## 11.8 Culture in Private Healthcare Hospitals

"Most developing countries have pursued formal health care system strategies which give primacy to government roles in financing and delivering health services" (Berman 1998, p. 1463), and for India it is no different. Healthcare in India is at present predominantly the responsibility of the federal and state governments but is also witnessing the private healthcare sector growing. The federal budget of 2011–2012 announced a 20 % hike in the health budget (Government of India budget speech 2011), and hence the funds for health have risen to $5.9bn or £3.7bn (BBC 2011). Since then year on year there has been a constant increase in the healthcare budgets in India. Thus, this Chap. 8 by Sharma et al. is again timely and interesting. The authors claim that creating a productive organizational culture for such hospitals is challenging for the leadership as these healthcare delivery systems are complex and comprise of many subcultures. The empirical quantitative study presented in the chapter is conducted to examine the significant aspects of organizational culture in Indian private healthcare sector hospitals. The following were the author's responses to the challenging determinants of their contribution.

Their first identified challenge in their study suggested that "preexisting subcultural values contributed to the ambiguity, incompatibility, and contradictions which made it difficult to have a uniform hospital culture." Sharma et al. as a solution suggest that "allowance must be made for the co-existence of multiple and heterogeneous cultures inside health organizations—integration of subcultures." In terms of future research, they suggest that scholars should "investigate how subcultures can be assimilated to have common hospital culture acceptable to all groups." Their second challenge was the "culture of playing the blame game and bureaucracy in these hospitals." They suggest that "organizations that typify constructive cultures put people first by encouraging positive interpersonal relationships, but also they value self-actualization and employees who are achievement oriented." In the future they suggest an "investigation into how the blame culture and bureaucracy be reduced and changed in these hospitals." The third challenge identified by the

authors was that the "issue of power balance in a hospital setting cannot adequately be described in simplistic terms that characterize doctors as superior to others." The authors suggest a "need to align with and support frontline nurses and share decision-making with them and more focus on empowerment and job redesign strategies." In the future they suggest "investigation regarding how issues of power imbalance between professional groups in hospitals be minimized to create synergy." The fourth challenge was the "multifaceted and at times conflicting expectations regarding ideal organizational culture." They suggest that "leadership should work towards a balanced or suitable culture exclusive to their organization needs." In the future they suggest "investigation regarding how harmony can be maintained regarding expectations of different professional groups—setting and managing expectations." Sharma et al.'s fifth challenge was that "male and female doctors have different opinions concerning values of proactivity, autonomy, and collaboration within hospitals. The results highlight that differences do exist within the professional group of clinicians based on gender and traditionally clinicians too been seen as a man-woman relationship in hospitals." As a way forward, the authors suggest "initiatives focusing on improving management style through communication; encouragement of individual, team, and organizational learning; no egoistic blame game type of environment; linking all clinical groups into management; and clarity on acceptable practices." Their future research focus here was for scholars to "investigate the perception and differences regarding organizational culture in clinicians within."

In conclusion Sharma et al. try to explore the organizational culture patterns related to desired values in chosen hospitals. They further also explore whether clinicians and non-clinicians differ in their perceptions of hospital culture. The analysis of their results leads to discussion on developing insight to enhance the present organizational culture.

## 11.9 Cultural Literacy

Rohmetra and Arora in Chap. 9 argue that the global context has implicitly increased the need for global organizations to consider incorporating cultural literacy into their training programs that revolve around training managers to comprehend the need for acknowledging diversity and cultural differences. They further argue that the inclusion of managers from diverse cultural backgrounds poses a challenge for Indian organizations too, thereby creating a sound need to regiment novel work settings wherein the development and efficient performance of managers shall be grounded upon "how" and "what" of "culture" framing their cultural literacy program as well as making them culturally intelligent. Their research thereby aims at presenting the changing face of Indian organizations in the era of globalization, consequently highlighting the need and role of cultural literacy programs for developing the requisite competencies for success of these

organizations, thus eliminating stress. The following were the author's responses to the challenging determinants of their contribution.

Rohmetra and Arora's first identified challenge was "reflecting on one's own cultural identity and creating global consciousness." They suggest a solution of "essentially analyzing how one functions in one's own culture while seeking to give importance to the global perspectives of others as all cultures are important." Their second challenge identified was "assessing cultural similarities and differences." They say the solution here is that "culturally intelligent and synergistic solutions offering 'win-win' situations in organizations can be done only when cultural similarities and dissimilarities can be used as organizational advantages." Their third identified challenge was "managing cross-cultural communication." They suggest a solution where "offering cross-cultural communication training including basic training and etiquettes training that shall incorporate both verbal and nonverbal training can help build better intercultural relations." Rohmetra and Arora's fourth challenge was "handling intercultural conflicts." The solution they offer here was that organizations "by strategically analyzing if any cultural gaps have led to intercultural conflicts can help reduce misunderstandings and misperceptions that lead to intercultural conflicts." The fifth challenge these authors identify was "dealing with bias while simultaneously promoting teaming up with varying cultures." They suggest a solution where "multicultural organizations try to reduce bias by teaming up people from different cultural backgrounds and building trust and faith in them." In terms of their overall future research directions, they suggest the following:

> The future prospects for the development of culturally intelligent organizations include researching into domains of HR initiatives that are currently opted by Indian organizations to enhance creation of meta-cognitive, cognitive, motivational as well as behavioral aspects of cultural intelligence. Determining the success rates of specific training programs as well as key indicators of development of cultural intelligence quotient can help determine what programs must be opted by which type of organizations. Research in the similar context may be extended to other organizations handling cross cultural encounters like aviation, education, health, entertainment, manufacturing, etc.

In summary, Rohmetra and Arora claim that the concept of cultural intelligence is gaining fast pace in the Indian context bringing out its significance while highlighting the paradigm shift that the Indian organizations are coming across. They showcase the case of the Indian hospitality industry where it is seen how managers and owners are now becoming aware of the differences prevalent across cultures and nationalities and the relevance of accommodating to these differences as a competitive advantage for Indian organizations.

## 11.10 Multiculturalism

As a "cultural melting pot," multiculturalism is at the core of India and its organizations. Mishra and Mishra claim that in spite of growing importance of multiculturalism in today's organizations, there is little research exploring this topic. They argue that

there have been some discussions in leading journals of management; however, more is needed. In Chap. 10 the authors propose to explain the concept of "multiculturalism" in the context of India and highlight the barriers to the formation of multicultural organizations. Data were collected from 20 respondents employed in a Public Sector Undertaking (PSU) located in Rourkela, a city in the eastern state of Odisha, India. The following were the author's responses to the challenging determinants of their contribution.

Mishra and Mishra identify several differences as challenges. The first challenge identified by them was "language diversity." They suggest "awareness and familiarity with other communities" as a solution. In the future, they request scholars to look into the aspect of "leadership orientation and its impact on accommodation of cultural minorities." The second challenge identified by these authors was "region differences." As a solution they suggest "awareness and living together." In the future they suggest researching into "how regional feeling changes cultural adaptation." The third challenge was identified as "caste differences." They suggest "fairness of treatment and maintaining human dignity" as a solution. In the future they suggest researching into "what organizations can do to influence the behavior of lower caste groups towards higher caste groups." The fourth challenge identified was "religion differences," the solution of which was suggested to be "sharing (interdependencies) with each other and living as neighbors." In the future Mishra and Mishra suggest that researchers should look at the "involvement in community activities and what can be done to enhance community belongingness." The fifth challenge was "orientation towards others." The solution offered was "focus is on work and not on other factors and awareness about others." In the future they suggest researching into "what organizations can do to encourage the acceptance of cultural minorities by the majority groups." Though these may seem simplistic in nature, the authors argue that for organizations to be effective, they need to be aware of and adapt themselves to the national/regional culture where they operate.

In summary Mishra and Mishra's study was based on an exploratory approach, where they argue and portray the important role played by organizations in multiculturalism. Their study highlights the ways through which organizations are influencing the attitude of cultural groups towards each other. They claim some of the factors to be workplace experiences, cultural celebrations, and enabling mechanisms such as schools; work role requirements bring different communities towards each other. Their findings suggest that relationships with others and respect for one another minimize the barriers among the groups. Mishra and Mishra claim through their findings that organizational policies and practices engender love for the city and in the name of love it creates love for others. In conclusion, this study highlighted the fact that "mere exposure to other cultures in the presence of some enabling mechanisms fosters closeness among the members of different communities and helps fostering a multicultural society." We couldn't agree more!

## 11.11 Conclusions

In conclusion, the epitome of this chapter was a critically condensed account of challenging determinants of each empirical chapter, an outline of how issues each of the chapter authors identified were/can be addressed, and conjectures how the difficulties might draw future interests, i.e., future research directions.

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# Retraction Note to: The Cultural Similarity Paradox: Understanding the Psychology and Challenges of Indian Expatriates Across International Boundaries

**Pallvi Arora and Neelu Rohmetra**


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