

IMPACT OF LEADERSHIP STYLE & ORGANIZATIONAL COMMITMENT ON ORGANIZATIONAL CULTURE IN INDIAN AND MULTINATIONAL RETAIL COMPANIES: A COMPARATIVE STUDY

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ABSTRACT

In addition, we conducted an investigation into four essential facets of the firm's culture. The analysis of both Indian and foreign multinational organizations revealed that both types of companies possess a robust organizational culture across all dimensions. This finding applies to both Indian and foreign multinationals. It was anticipated that transnational firms would outperform national organizations regarding their organizational culture. The study's outcomes, in most cases, supported this hypothesis. Global companies have generally achieved positive results in fostering their organizational cultures.

This research significantly enhances our understanding of the characteristics of organizational culture in both Indian and foreign multinational firms. It also highlights areas where improvements can be made to enrich the culture in both types of businesses. Additionally, the study sheds light on how organizational culture can be enhanced, providing valuable insights for both Indian and foreign multinational companies to develop and strengthen their cultural frameworks.

Keywords: Organizational Behavior, Companies, Comparative

INTRODUCTION

Just as various civilizations have developed their unique cultures over time, organizations have also established their own distinct cultures. According to Weick (1979), organizational culture is the means by which the fundamental assumptions about how a company operates and the values it upholds while striving to achieve its goals are communicated to its workforce. This process enhances the likelihood of the organization successfully reaching its objectives. Within an organization, individuals tend to think and interpret information in ways consistent with their colleagues, which they believe will aid their professional advancement. Organizational culture serves as a roadmap for employees to understand information, behaviors, and expectations, ensuring they perform their roles correctly. New employees receive this cultural knowledge during the onboarding process.

Hofstede (2005) describes organizational culture as "the collective programming of the mind that distinguishes the members of one group or organization from those of another." Similarly, Barney (1986) defines organizational culture as a comprehensive collection of values, beliefs, assumptions, and symbols that shape how an organization conducts its business. In essence, the culture of an organization is the driving force behind its daily operations.

Culture can also be understood in a broader sense as a set of fundamental beliefs about how the world is and should be. This perspective encompasses a wide range of phenomena. A group's shared assumptions contribute to forming its perspectives, ideas, feelings, and, to some extent, its overt actions. Organizational culture reflects the collective

understanding of actions and situations within the organization. Robbins suggests that organizational culture is a system of shared meanings and values upheld by members of the organization. Another interpretation is that organizational culture is "the way things are done around here," setting the organization apart from others in the same industry.

The culture of an organization has been referred to as "the glue that holds the organization together", and "isn't just one aspect of the game - it is the game" (both comments attributed to the same authors). Both of these descriptions have been attributed to the same writers. The same authors are responsible for both of these interpretations of the character. Both of these descriptions may be found in Goffee and Jones, albeit in different places. It is possible for culture to be a major factor in determining whether or not the implementation of a manufacturing strategy is successful; it is possible for culture to play a significant role in determining the success of mergers and acquisitions; it is possible for culture to facilitate links between the adoption of new technology and the growth of an organization.

Researchers have proven strong correlations between the "fit" of workers and the prevalent organizational culture, in addition to a range of important outcomes on a more local level such as job commitment and turnover. These connections have been shown to have a significant impact on a variety of important outcomes, which has been uncovered via research. The idea of culture has been researched by a large number of experts specialising in a variety of academic subjects and utilising a broad spectrum of methodological techniques. As a direct result of this, there is not a single definition of culture that is accepted by all individuals. Having said that, one author has presented the following explanation of what culture is and how it operates: To give an example, "culture" might be defined as "patterned ways of thinking, feeling, and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups including their embodiments in artefacts; the essential core of culture consists of traditional ideas." Culture is characterised by recurrent patterns of thought and emotion. To phrase it another way, it claims that the culture is the method in which the individuals who compose the society act or experience things.

The ways in which individuals within a society think and interact with the outside world significantly contribute to shaping that society's culture. The specific historical ideas selected to form the foundation of a civilization's culture were chosen to fulfill this purpose, serving as the basis for the society's cultural framework. Organizational culture, similarly, can be perceived in various ways: some view it as the observable behavioral norms in human interactions, others see it as the predominant values of a corporation, and still others regard it as a consistent perspective across an organization.

One common definition of organizational culture is the shared values and perspectives among individuals working within the same company. It can also be described as the most frequently held collection of values within a company. This view posits that organizational culture comprises the philosophies and values shared by the members of the organization, as well as the behavioral patterns used to translate these philosophies and values into practical actions.

In summary, organizational culture encompasses the collective values, beliefs, and behaviors that shape how members of the organization interact and work towards common goals. This shared culture influences everything from decision-making processes to interpersonal relationships within the organization, ultimately guiding the organization towards achieving its objectives.

Culture, defined as "a coherent set of assumptions and fundamental values that distinguish one group or organization from another and orient the decisions it makes," plays a crucial role in shaping organizational dynamics. According to Schein (1989), organizational culture can be further understood as "a pattern of basic assumptions invented, discovered, or developed by a group as it copes with external adaptation and internal integration problems, and that has worked well enough to be considered valid and, therefore, is taught to new members as the correct way to perceive, think, and feel about those problems."

A company's culture is pivotal to its sustained success over time, especially if recent achievements are to be maintained. It serves as the source of vital energy, direction, and purpose that aligns the organization with its broader objectives. Organizational culture encompasses shared norms, values, and beliefs that provide the essential framework for how organization members interact and make decisions.

In discussions of organizational culture, terms such as ethics, values, beliefs, attitudes, norms, ethos, climate, and environment are commonly employed. Ethics specifically refers to normative aspects considered desirable within a culture, while norms, values, beliefs, and attitudes are interconnected in both intimate and broader senses. In essence, organizational culture shapes how individuals within an organization perceive and respond to their environment, influencing everything from decision-making processes to interpersonal interactions. It is through culture that organizations establish their identity, foster cohesion among members, and navigate challenges in both internal integration and external adaptation.

Researchers have established strong correlations between the alignment of employees with the prevailing organizational culture and various critical outcomes, such as job commitment and turnover. These connections have been extensively studied and found to influence organizational effectiveness and employee well-being significantly.

The concept of culture has been the subject of research by numerous experts across different academic disciplines, employing a wide array of methodological approaches. As a result, there is no single universally accepted definition of culture. However, one author provides the following definition: "Culture" can be understood as "patterned ways of thinking, feeling, and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups including their embodiments in artifacts; the essential core of culture consists of traditional ideas." This definition emphasizes that culture involves recurring patterns of thought and emotion, shaping how individuals within a society behave and perceive their experiences.

The formation of a society's culture is heavily influenced by how individuals think and interact within that society. Historical ideas selected as foundational elements shape the civilization's culture, serving as its bedrock. Organizational culture is perceived differently by various individuals: some see it as observable behavioral norms in human interactions, others as the predominant values of a corporation, and still others as a consistent perspective across an entire organization. There's also the viewpoint that organizational culture remains uniform throughout an organization.

Another approach to defining corporate culture is viewing it as the collection of values most commonly held within a company. One widely accepted definition describes organizational culture as "the philosophies and values shared by members of the organization, along with the behavioral patterns they use to translate these into practical actions." In essence, culture represents the shared beliefs, values, and behaviors that guide an organization's members in their daily activities. This definition encapsulates the essence of organizational culture, emphasizing its role in shaping organizational identity and behavior.

Culture, defined as "a coherent set of assumptions and fundamental values that distinguish one group or organization from another and orient its decision-making," plays a crucial role in shaping organizational identity and behavior. According to Schein (1989), organizational culture is "a pattern of basic assumptions — invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration — that has worked well enough to be considered valid and, as a result, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems."

The importance of a company's culture cannot be overstated. It serves as the source of vital energy and provides direction and purpose in the broader context of the organization's existence. This shared set of norms, values, and beliefs provides the foundation from which the organization derives its identity and sustains its operations.

When discussing organizational culture, various terms come into play, including ethics, values, beliefs, attitudes, norms, ethos, climate, environment, and culture itself. Each of these terms contributes to understanding the complexities of organizational dynamics and how individuals within the organization perceive and interact with their environment.

Ethics, for instance, refers to normative features or characteristics considered desirable within a particular culture. Norms, values, beliefs, and attitudes are interconnected aspects that influence behavior within the organization, shaping its culture both directly and indirectly.

Beliefs and values interact reciprocally, shaping attitudes that in turn establish norms within societies. This dynamic relationship is encapsulated in the "beliefs multiplied by values equation," a formula used to gauge attitudes based on these foundational elements. Across different cultures, beliefs and values operate at various levels, with core values typically forming the foundational bedrock that defines a community's identity and permeates its entirety. Defined in the Random House Dictionary, "ethos" signifies the fundamental character or spirit of a culture, embodying prevailing assumptions. In organizational contexts, ethos denotes the guiding values that steer daily operations and decision-making. Scholars suggest that an organization's core principles, encompassing values and beliefs, can be structured into seven key pillars, each influencing the organization's culture and shaping its practices and identity. This holistic view underscores how beliefs, values, and ethos collectively underpin organizational and cultural dynamics, driving behavior and defining organizational identity.

ORGANIZATION

In the upcoming section of the study, we will explore several definitions provided by various authors. Money and Reiley define "Organization" as the structure through which every human association functions to achieve a common goal. Puffer and Sherwood's definition of "organization" describes it as the pattern through which large groups of people engage in tasks, interact face-to-face, and systematically work towards mutually agreed-upon objectives. Organizational hierarchy, or simply "hierarchy," refers to the structured order of individuals within an organization, crucial for delineating power dynamics and roles. It establishes who holds authority and who is subordinate, enforcing an unspoken rule that subordinates are expected to comply with directives from superiors, although enforcement of this rule varies across organizations. This principle dictates that subordinates should not act contrary to instructions from their superiors.

OBJECTIVES

1. To study the impact of Organizational Commitment on Organizational Culture
2. To study the impact of Leadership Behaviour Style on Organizational Culture

RESEARCH METHODOLOGY

The process of conducting research is inherently methodical and scientific, involving the systematic search for information related to a problem with the aim of finding solutions. Central to this process is the research design, which

requires researchers to clearly outline the approach before commencing the study. This step is crucial before progressing to subsequent phases of investigation. A key aspect of research design includes selecting an appropriate methodology for scientific inquiry.

This chapter delves into the research strategy aimed at examining how organizational commitment, job satisfaction, and human resource strategies influence organizational citizenship behavior. For further details, refer to the section titled "Research Architecture and Methods to Be Used" in this thesis, which thoroughly discusses the research framework and methodologies applied in the project.

To achieve the objectives of this investigation, a research strategy combining exploratory and descriptive elements was employed. This approach encompasses several key components: sample design, determination of data collection procedures, development of measurement instruments, and rigorous testing of their reliability and validity. The research design also includes data analysis, hypothesis testing, and comprehensive discussion of findings. The primary focus of the study is to examine the relationships among job satisfaction, organizational commitment, human resource practices, and organizational citizenship behaviors among retail industry workers in India. The research was conducted in collaboration with an Indian-based company, with participants predominantly from the retail sector of the country.

PROPOSED RESEARCH MODEL

The review of the relevant literature lays the groundwork for the research study model that demonstrates the relation and direction of the association between the constructs of organizational commitment, job satisfaction, and human resources practices and organizational citizenship behavior (OCB) and its underlying variables. This model was developed in order to answer the question, "What is the relationship between the constructs of organizational commitment, job satisfaction, and organizational citizenship behavior?" The outcomes of the research study support the recommendation that this model be used.

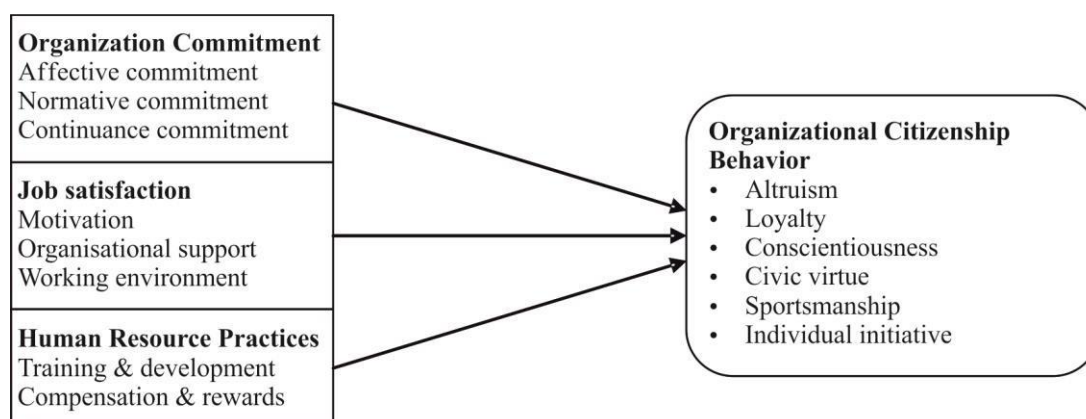


Figure 1: Research Conceptualization and Planning Framework

DATA ANALYSIS

In this comprehensive discussion section, the analysis begins by providing a detailed demographic profile of the survey respondents who completed all survey questions, focusing specifically on their roles within the expansive retail industry in India. This demographic overview sets the stage for understanding the context in which the study's findings

unfold, highlighting key characteristics such as age, gender, educational background, and tenure within their respective organizations.

Following the demographic profile, the discussion proceeds to elucidate the outcomes derived from the comprehensive research design employed in the study. Central to these outcomes are variables critical to organizational dynamics: organizational commitment (OC), which reflects employees' dedication and loyalty to their organizations; job satisfaction (JS), measuring employees' contentment with their roles and working conditions; human resource practices (HRP), encompassing policies and strategies employed by organizations to manage their workforce effectively; and organizational citizenship behavior (OCB), which examines employees' voluntary contributions beyond their formal job roles.

Methodologically, the study utilized the Social Sciences Statistical Package version 20 to conduct both descriptive and inferential analyses of the collected data. This analytical approach enabled a thorough examination of each construct's attributes, assessing their authenticity and reliability within the specific context of the Indian retail sector.

The discussion is further subdivided into five critical areas to provide a comprehensive understanding: firstly, a detailed exploration of the demographic profile of respondents within the Indian retail industry; secondly, an in-depth analysis of organizational citizenship behavior among retail employees, contextualized within the dynamics of the Indian retail market; thirdly, a rigorous examination of construct reliability, ensuring the robustness and consistency of the measurement tools used; fourthly, the application of factor analysis to uncover underlying relationships and dependencies among the study variables; and fifthly, an exploration of potential correlations between variables such as job satisfaction, organizational commitment, human resource practices, and organizational citizenship behavior, offering insights into their interconnectedness and implications for organizational effectiveness.

In this section, the discussion delves into the significant impact that job satisfaction, organizational commitment, and human resource practices exert on shaping the organizational citizenship behavior of retail workers. It explores how these variables influence employees' willingness to go beyond their formal job roles and contribute positively to their organizations. Moreover, the section critically analyzes the variations in organizational citizenship behavior across different demographic profiles of retail workers, examining factors such as gender, age, and years of work experience.

Moving forward, the subsequent section will either present the detailed research model utilized in the study or highlight the key findings and outcomes, depending on the preceding choice. This structured approach ensures a comprehensive overview of the study's methodology and results, encapsulating the extensive analysis conducted throughout the study.

PERSONALITY DESCRIPTION OF THE RESPONDENTS

Table 1: Demographic Profile of the Respondents (n*=400)

Variable	Group	Frequency	%
Gender	Male	321	79.9
	Female	79	20.1
Age (in Years)	>20	72	18.0
	20-30	260	65.0

	30-40	60	15.0
	40-50	8	2.0
Duration of Service (in Years)	(>1)	136	34.0
	(1-5)	188	47.0
	(6-10)	40	10.0
	(11-15)	28	7.0
	(<15)	8	2.0

Source: Primary data collected from the field, 2018

*n represents the total number of respondents.

Table 1 presents a breakdown of the respondents' demographic profiles, revealing notable insights into the composition of the sample. Among the respondents, only twenty percent were female (n=80), while eighty percent were male (n=320), indicating a significant gender disparity within the surveyed population. This imbalance suggests a prevalent dominance of male representation in the retail workforce, possibly influenced by the industry's demanding work schedules that traditionally align more with male employment patterns. The higher proportion of male respondents could be reflective of the challenges women face in balancing long working hours with personal responsibilities.

Furthermore, the age distribution of respondents highlights that the majority (65%, n=260) fell between the ages of 20 to 30 years old. This demographic skew towards younger adults underscores a trend where many individuals enter the retail sector early in their careers, often starting at entry-level positions due to the industry's accessibility. This demographic insight is crucial for understanding the workforce dynamics and can inform strategies aimed at recruitment, retention, and career development within the retail industry.

As a result, this is consistent with the fact that a large number of young people enter the workforce through floor level retail employment. This is due to the fact that the minimum age required for employment at floor level in retail is just 16 years old. This is owing to the fact that the minimum age requirement for these jobs might be as low as 16 years of age in some cases. As a direct result of this, young people are being attracted to the retail business as a result of the numerous simple entry choice possibilities that are currently accessible. A additional convincing point is that a considerable number of employees are employed in the retail industry at lower level cadre occupations, which are reserved entirely for workers in this age group. These employment are exclusive to people in this age range.

Prospective workers for these opportunities are restricted to individuals aged between 18 and 24 years. Additionally, the distribution of workers across different age categories in the industry is notably diverse. After the age group of 18-24 years (65%, n=260), which comprises the majority of respondents and likely reflects the entry-level nature of many retail positions, the next significant group is the age category of 30-40 years (15%, n=60), followed by those aged 40-50 years (2%, n=8). A noteworthy 18% (n=72) of respondents fall into the age group of less than 20 years, indicating that many in this bracket are still completing their education, as the legal minimum working age is 18 years. The distribution of tenure among respondents shows that 10% (n=40) have worked for one to five years, 7% (n=28) for six to ten years, and another 7% (n=28) for eleven to fifteen years. Only 2% (n=8) of respondents have been

employed for more than fifteen years, highlighting the rarity of long-term tenure among retail staff, who typically occupy entry-level positions with lower educational requirements. This scarcity of experienced personnel in lower-level retail roles underscores the challenge of finding qualified candidates for such positions, as the majority of experienced individuals are concentrated in higher-level positions within the industry.

To Analyse the Organizational Citizenship Actions of Staff from Various Retail Store Brands

A null hypothesis and an alternative hypothesis, both of which are described in the following paragraphs, have been developed as a result of the examination of the link between the responses from the retail outlets and their OCB. This analysis can be found in the following paragraphs.

According to the hypothesis, the OCB of employees working for a variety of various retail brands is not considerably different from one another. This is the conclusion that can be formed after looking at all of the evidence. The on-the-clock behaviors of workers who are employed by various retail businesses are easily distinguishable from one another despite the fact that they are in the same industry.

Table: 2: Descriptives

Retail Stores		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Pantaloon	84	21.0	21.0	21.0
	MAX	82	20.5	20.5	41.5
	Lifestyle	79	19.8	19.8	61.3
	Shopper Stop	75	18.8	18.8	80.0
	Vishal retail	80	20.0	20.0	100.0
	Total	400	100.0	100.0	

Based on the analysis presented, it appears that there is no significant difference in the Organizational Citizenship Behavior (OCB) scores among employees working in different retail firms. The probability value ($p = 0.938$) associated with the F statistic suggests that this lack of significant difference is robust. Therefore, we accept the null hypothesis, which posits that there is no significant variation in OCB among workers across different retail enterprises. This conclusion is crucial for subsequent analyses and implications related to organizational behavior within the retail sector.

CONCLUSION

The projections for the retail industry in India over the next five years indicate potential growth ranging from 15 to 20 percent, supported by robust macroeconomic conditions and a youthful population experiencing increasing disposable incomes and urbanization. These forecasts are also bolstered by the current economic stability in China. Access to the internet plays a pivotal role in this growth trajectory, enabling businesses to tap into previously untapped markets even in the most remote areas, thereby expanding their reach and customer base significantly.

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