

# **A study on Assessment of Organization Culture and its Influence in Employee Involvement**

## **Author**

**Priyanka Rao S.**

Government First Grade College

Mundagod

Email Id: priyankamnp@gmail.com

## **Abstract**

Employee involvement and empowerment are two deep factors that affect the daily performance of the Organisation, however, both these aspects of involvement and empowerment are highly influenced by the organizational culture prevalent. The organizational culture thus, has a greater role in the level of involvement and empowerment. Organizational culture is the way the Organisation works its planning and strategizing, which further provides an impetus for the employees to stay. Culture does play a pivotal role in the Organisation. Employee involvement is the level of interest shown by the employee to accomplish the overall strategy of the Organisation whereas employee empowerment is the level of freedom towards the decision making an employees are allowed to make. This research paper is basically an assessment towards analyzing these factors in-depth. The outcome of the research shows tremendous influence of Organisation culture in employee empowerment and employee involvement.

**Keywords: Employee Empowerment, Employee Involvement, Organizational Culture, Employee Performance, Employee Effectiveness**

## **Introduction**

HRD has been conceived in numerous methods by distinctive government. on this appreciate, broadly there are components. One is, the range of HRD is from the character employees to the agency beginning with the ones individuals as persons after which the duets, the two group relationships which exist within the organisation because the subordinate and his boss, then the group, and eventually the complete organisation.

The second one issue is, its improvement on an expansion of dimensions like the competence of people, giving them a experience of delight making their paintings significant and to assist the employer use people as humans so that its range of improvement also takes area. Consequently, HRD can be looked at as a philosophy. It's far a way of dwelling together, manner of going for walks an organisation. The core of HRD is the "person" and what can an employer do to assist person to realise his maximum potentials and abilities. The business enterprise in its totality has to assist the man or woman to develop and therefore, it's far the link among character, his aspirations, his personal assessment and company"s aid to assist him to grow.

Of late, there has been a paradigm shift in the application of HRD. We are seeing plenty of change inside the organisations which claim to have set up HRD branch which has all at once replaced training branch. The query arises right here is, is it a

trifling trade of nomenclature? it can be visible that HRD has end up an increasing number of elegant in a manner by using designating schooling departments as HRD departments. it is able to be without difficulty stated that education is of the methods of growing people and it is a part of HRD and HRD is tons wider than education.

The activities blanketed within the HRD may be classified into 3 categories. The first category is largely primarily based on humanistic considerations, the philosophy of the proprietor supervisor, top management, in which the organisations said that their responsibility is to train and evolve people. However, they did not always regard them to be their part and parcel of the organisation. But efforts were taken up to introduce welfare schemes, family inclusion, living quarters so on and so forth. It was thought over to provide them basic necessities while satisfying their primary requirements.

The second category is, reciprocal approach in which the owners stated that they have issues, the organisation needs to be developed. In this pursuit, the feelings of the employees, their feedback, were considered with view to enhance their strength, capabilities and skills. And it was believed that unless the management takes care of the employees, development of organisation remains a dream.

The third category is “effective approach”, where the management is concerned with developing leadership for the future and therefore they pick the number of people who display high potentials for progress and help individual or collective programme in order to achieve their predefined objectives. And today, we have leadership being given so much importance in all the walks of human life. However, a point here to be noted is that feeling of leadership should flow within an individual and not outside. Being a good leader, such an employee in an organisation can certainly lead a good team towards attainment of the goals of the firm.

## **Literature Review**

### **Organizational Culture**

Culture is crucial for the success of any organisation and to maximise the effectiveness of human resources. Organisational culture, accepts organisational needs as the commonality of language, defined organisational limits, process of selection, allocation of authority, status, power, resources, various criteria of punishments and rewards and the means of coping with stress and unpredictable scenarios (Shrivastava, M., & Dave, S. 2010). A robust organisational culture could be the basic provider of actual motivation and high commitment (Mobley et al. 2005). As very well mentioned by (Soni, S. 2019) contemplating the various values, beliefs and opinions is a requirement for an organisation so as to sketch out a collective culture that mainly occurs in the current and observed methods. Further pursued by the organisation in a way which people comprehend its occurrence in the organisation (Soni, S. 2019). The organisational guidelines and the perceived methods of the manner in which activities are conducted within an organisation, the culture of the organisation could be interpreted (Kuscu et al., 2015).

Designing of culture is a key element that impacts the perceptions of employees involvement and the connection with the climate of the organisation. As the organisation that needs to have an ethical and enriching performance as well as intellect from the employees, should be having a strong cultural environment (Athahar, P. (2019)). The vital affective attitudes of dedication, job satisfaction, and stress need to be looked at and build a supporting atmosphere, hence predicting employees' involvement. Grading an

employee for their excellent contributions with commitment and involvement leads to the empowerment of the employee which is directly proportional to the organisation (Athahar, P. (2019)).

### Employee Involvement

Involvement has an equally important role dependent on organisational culture. Management approaches are practiced through high involvement focusing on employee involvement. The practices thus help employee with various opportunities in order to taking decisions regarding the career and in the overall business (Lawler, Mohrman, & Benson, 2001)). With the involvement in multiple programs, multidisciplinary skills could be developed in employees by developing and implementing human capital (Lawler, 2005). Additionally, with the significant growth of human capital, higher involvement in HR practices are now a higher value addition for organisations (Lawler, 2003). Higher participation of human resources placement increases the organisational competitiveness of the firm and both are positively correlated (Browning, V., Edgar, F., Gray, B., & Garrett, T. (2009). In the non - insurance business, proper internal marketing methods are connected with high performance and job satisfaction (Shiu, Y.M., & Yu, T.W. (2010)). Besides the ultimate common practices of human resource practices favouring involvement of employee, the highlights of literature provides employee with power, skills, motivation, and information (Benson and Lawler 2005; Lawler 1991; MacDuffie 1995). Practices like these could lead to a transformational of the employees towards fulfilment of a competitive advantage that is sustainable (Guerrero and Barraud-Didier 2004; Guthrie, Spell, and Nyamori 2002; Wood and de Menezes 2008; Zatzick and Iverson 2006). Literature reviewed by (Cappelli and Neumark 2001) indicates that the fundamental notion virtually behind each and every study examining high-performance work structures and organisational functioning is employee involvement.

### Employee Empowerment

Empowerment denotes a common organisational alignment where in employees have the option to make an everyday decision regarding activities of work (Bowen & Lawler, 1992), empowerment empowers employees to provide additional roles, exhibited higher autonomy at work and carry out add on responsibilities. With higher involvement in task, empowerment would create an intrinsic motivation and built in positive attitudes at work (Eby, Freeman, Rush, & Lance, 1999)

Empowerment does provide stimulates employee's initiative and efforts to drive more involvement in their work (Pfeffer & Veiga, 1999). Therefore, some of the researchers have an opinion that empowerment is as a high performance important HRM practice (Black, Lynch, & Krivelyova, 2004). Empowerment enriches the dedication of employees, creating an emotional attachment, therefore influencing indirectly organisational performance (Tata & Prasad, 2004). Additionally, indication of empowerment enables employees avoiding the levels of hierarchy and immediately solving problems (Ilias, 2008). Employees could immediately respond to requirements of customer needs and service delivery (Bowen & Lawler, 1992). In the service context, enhanced competitive advantage of organisations can be derived through the practice of empowerment (Browning et al. 2009). (Conger and Kanungo (1988)) looked at empowerment in perspective as a set of necessary conditions for task motivation which is intrinsic. (Thomas and Velthouse (1990)) defined empowerment by the presence of four components those are competence, choice, impact, and meaningfulness.

### **Theoretical Foundation of the study**

**Organization Culture** The term culture refers to a unique characteristic that any organisation has to have. It builds over time, and the firm generates a distinctive identity for the corporation. Culture is defined as “the way we do things around here”. It is basically the software of the mental map that organises the behaviour of people in and around the business entity. It is all about mind set as to how the things to be done. Proper planning and strategies need to be done with a proper action plan for the successful implementation. Therefore, a proper mind with a behavioural structure is essential for create a system and that system is referred to as the culture. It is all about how people behave when nobody is watching or looking. People have their own principles in the mind, pre learnt responses, grown up human personality that regulates how they act when no one is watching. If this type of principles or value system is not created in the people working in the organisation, then there will be a distinct comparative disadvantage for the entity. It is like an ice berg wherein we can see only about 10% above the water level and rest 90% remains hidden below the water. Therefore, the leaders need to comprehend and manage to look above the water level is reflected in assumptions, values and beliefs formed over time.

Proper planning and strategies need to be done with a proper action plan for the successful implementation. Therefore, a proper mind with a behavioural structure is essential for create a system and that system is referred to as the culture. It is all about how people behave when nobody is watching or looking. People have their own principles in the mind, pre learnt responses, grown up human nature that determines how they behave when no one is looking. If that that type of principles or value system is not created in the people working in the organisation, then there will be a distinct comparative disadvantage for the entity.

**Openness:** This refers to the spontaneous expression of feelings and thoughts without a preset closed mind and the sharing of these without defensiveness across horizontal and vertical organisational boundaries. Individuals, teams and organisations demonstrate a genuine willingness to examine and learn from both success and failure or anything in between with an open mind and a positive mental attitude.

**Confrontation:** This element focuses on how the employees face problems in the enterprise rather than shying away and working jointly with others to find a pragmatic solution to the problem.

**Trust:** This refers to trusting environment in which people willingly share ideas and information across horizontal and vertical boundaries within the organisation without any fear of someone misusing them. The employees experience emotional or psychological safety in their working relationships.

**Authenticity:** This means the congruence between what one feels, says and does reflecting transparency and accountability of the organisational members’ actions, thoughts, and intentions and of the reasoning behind their opinions and actions as explicitly, clearly, and honestly as possible.

**Proaction:** Refers to the process of taking preventive actions, before something goes wrong. Employees anticipate problems before they occur based on the principle of prevention is better than cure”.

Autonomy: Refers to freedom to act to which individual employees are given latitude in defining and executing their own work.

Collaboration: Refers to an atmosphere characterized by sublimation of personal self-interest. Work activities get distributed around teams rather than individuals and all work together to solve a problem.

Experimentation: Employees will be using and encouraging innovative approaches by taking a fresh look at things rather than adopting traditional while dealing with problems. Individuals and teams demonstrate a willingness to take risks, high tolerance for ambiguity and a willingness to fail.

### Employee Involvement and Empowerment Theories

(Glew, O'Leary-Kelly, Griffin, and Fleet (1995) outlined worker participation (i.e. involvement) as a acutely aware associate degreed supposed effort by people at a better level in an Organisation to produce visible extra-role or role-expanding opportunities for people or teams at a lower level within the Organisation to own a larger voice in one or a lot of areas of organizational performance. EI includes four components, particularly power (i.e., providing individuals with enough authority to form work-related decisions), data (i.e., timely access to relevant information), data and skills (i.e., providing coaching and development programs), and rewards (i.e., providing intrinsic or adventitious incentives for involvement) (Cummings & Worley, 2008; Lawler, 1986).

Employee Empowerment – Employee empowerment is creating a working environment where an employee is allowed to make his own decisions in specific work-related situations. The decisions can be big or small, and the size and effect of the decision is up to the employer. The logic behind employee empowerment is to increase the employee's responsibility, to build employee morale and to improve the quality of your employee's work life. Ideally, when an employee feels vested in an Organisation, he will be more productive, loyal and more confident.

Employee Direction – Worker empowerment is making an operating setting wherever associate degree worker is allowed to form his own choices in specific work-related things. the choices may be huge or little, and therefore the size and result of the choice is up to the leader. The logic behind worker direction is to extend the employee's responsibility, to create worker morale and to enhance the standard of employee's work life. Ideally, once worker feels unconditional in associate degree organisation, they are going to be a lot more productive, loyal and a lot confident.

### **Research Questions**

Research Question 1:

What are the nature and key dimensions of organizational culture?

Research Question 2:

What are the key determinants of employee involvement and employee empowerment?

### **Research Objectives**

- To highlight the nature and key dimensions of organizational culture;
- To assess the perception of Empowerment and Involvement of employee programmes across various levels within the Organisation.
- To analyze the important factors influencing perceptions of Employee Involvement and Empowerment.
- To find out major inhibitors to the successful implementation of Employee Involvement and Empowerment Programmes

### **Hypothesis**

The following hypotheses for research have been articulated for further investigation in this research study:

H1: Organisational culture tends to impact the perceptions of employee involvement and empowerment.

H2: There exists a positive, significant correlation between employee involvement and empowerment.

### **Research Methodology**

The present study is purely based on views and perceptions of employees of Life Insurance Corporation of India in Uttar Kannada District and it does not cover the other providers of life insurance such as post offices, and other private players. A comprehensive, structured and pretested questionnaire to all the 310 respondents in the Uttar Kannada District of Karnataka, who are employees of Life Insurance Corporation of India.

The questionnaire design was preceded by discussions with several corporate HRD specialists in order to identify major practical issues of interest and priority. By going through the detailed relevant works in the current field of investigation and discussions held with corporate HRD Specialists and academicians, a draft questionnaire was prepared and pre tested by being personally administered to 40 employees of Honavar Branch. On an average, it took 45 minutes to complete each questionnaire. The process supported the researcher in suitably modifying and finalising the draft questionnaire by rewording and resequencing some questions.

The research methodology being adopted for the present research is partly explanatory and partly diagnostic in nature. The study is aimed at evaluating employee involvement and empowerment programmes mainly based on the perceptual data collected from managers and non managers from five branches of LIC in the District.

Cronbach's alpha test was used to test the reliability of all the constructs. The data was further analysed. Measures of central tendency were used besides rating scale. Diagram and graphs were used to represent the parameters. Mannwhintney test was used to compare managerial and non managerial groups for the rating scale data. Further, Karl Pearson's Coefficient of Correlation was calculated to ascertain the agreement between changeables. Regression analysis was employed to evaluate connection with the variables and their impact on outcome variables. The nature of relationship between variables has been

analysed to find out low, moderate, or high degree of impact by considering five point scales. Accordingly, the range of scores less than 2.5 have been considered as low, between 2.5 and 3.5 have been considered as moderate and above 3.5 have been considered as high.

## Data Analysis and Results

### PROFILE OF THE ORGANISATION

Table 1 .1  
Branch wise Classification of the Respondents

Branch	Number of Respondents (Employees)	Percentage
Dandeli	37	12.30
Sirsi	87	28.90
Karwar	52	17.27
Kumta	66	21.92
Honavar	59	19.61
Total	301	100

Life Insurance Corporation of India in Uttar Kannada district operates through its five branches of different taluks in the district namely Dandeli, Sirsi, Karwar, Kumta and Honavar.

The above table indicates the total number of respondents included in the present study. As stated earlier, the organisation in Uttar Kannada has totally five branches as indicated in the table and the total numbers of employees amounts to 301 which form the part of study undertaken. The data clearly indicate that Sirsi branch has the highest number of employees (28.90%) as compared to other branches in the district. Dandeli has the least number of employees with 12.30%. Kumta branch ranks second in the overall staff strength of the organisation.

### PROFILE OF THE RESPONDENTS

Table 1.2  
Category and Gender Classification of Respondents

Gender	Managers	%	Non-managers	%	Total	%
Male	56	18.61	191	77.95	247	82.05
Female	0	0	54	22.05	54	17.95
Total	56	18.61	245	100	301	100.0

Note : Figures indicate percentage to the respective total

Source : Field Survey Data

The information pertaining to Category and Gender classification of respondents in the present organisation is given in the Table 1.2. From the 301 respondents in the five branches of the study organisation, 18.61% were managers, while the remaining accounted for 81.39%. Gender classification of respondents, Female managers (0%) were overtaken by male managers (100%). Similarly, male other than manager category accounted for 63.45% while remaining 17.94% were women non – managers. This

should be taken into perspective that from the 54 women respondents, all of them epitomized other than managers.

Table 1.3

Age wise classifications of Respondents

Age group (in years)	Managers	%	Non managers	%	Total	%
Below 30			15	05.26	15	04.98
30-40	3	05.35	65	22.80	71	23.59
40-50	16	28.58	137	62.10	187	62.12
Above 50	37	66.07	28	9.84	28	09.31
Total	56	100	245	100	301	100

Source: Field Survey Data

As seen in Table 1.3, higher number of the managers (62.5%) are in the age group above 40 years and for non-managers (62.10%) 40-50 years. From 301 respondents, age group of more than 50 years was only 9.84%.

Table 1.4 Designation wise Classification of the Respondents

Designation	No. of Respondents	Percentage
Managers	56	18.6
Other than Managers	245	81.4
Total	301	100

Source: Field Survey Data

From table 1.4 it is clearly shown that 81.4 % of the respondents are non – managers.

Table 1.5  
Educational and Insurance Related Qualifications of the Respondents

Qualification	No. of Respondents	Percentage
SSLC and Below	0	0
SSLC and Insurance qualification	0	0
PUC/Diploma	0	0
PUC/Diploma and Insurance qualification	05	02.00
Graduation	275	91.36
Graduation and Insurance qualification	03	01.00
Postgraduation	18	5.64
Postgraduation and Insurance qualification		
Total	301	100

Source: Field Survey Data

From table 1.5 it is visible that the maximum respondents had completed graduation with 91.36 percent.

Table 1.6  
Position Tenure based Classification



Position tenure (in years)	Managers	%	Non Managers	%	Total	%
Below 5	12	21.42	15	6.12	27	8.97
5-10	29	51.78	202	82.44	231	76.74
10 and above	15	26.80	28	11.44	43	14.29
	56	100	245	100	301	100

Regarding the “tenure” of the employees, it might be investigated with dual possibilities : “organization tenure” and “position tenure”. Position tenure is the time period for working in the particular position, while, organisation tenure is the is the time period held by the employee in the particular organisation. Based on the filed survey 81% of managers and around 88% of non-managers had a position tenure extending from 5 to 10 years. Overall a as many as (94%) of the respondents had position tenure 10 years and less.

## TESTING OF HYPOTHESES

Based on results in Tables 1.8 (a) to 1.16, the hypotheses of research has been accepted by rejecting the null hypotheses.

### Exhibit 1.1: Summary of Hypotheses

No.	Description	Confirmation
H1	Organisational culture tends to influence the perceptions of employee involvement and empowerment.	Confirmed
H2	There exists a positive, significant correlation between employee involvement and employee empowerment	Confirmed

Source: Based on Tables 1.8 (a) to 1.16

## Limitations

The present study is purely based on views and perceptions of employees of Life Insurance Corporation of India in Uttar Kannada District and it does not cover the other providers of life insurance such as post offices, and other private players. This might not be applicable for other regions of India.

## Future Scope of Research

This paper can be researched further and provides a great extension to the current scope of the study. The study of influence of organisational culture on the involvement and empowerment can be further extended to various other industries in the services sector. Thus providing a comparative study in various other service industries. This study also provides scope of employee involvement and empowerment with relation to its effectiveness of direct contact with the customers, which has further implication on the

consumers as well. The studies can be further important for academicians especially in the human resources department.

## Conclusion

The findings relating to the investigative assessment of organisational culture in Life Insurance Corporation of India of Uttar Kannada District were presented in this chapter. Basically, the relationship between the individual characteristics of the employees and the organisation has been examined. The individual characteristics of employees like age, marital status, education, gender, organisational tenure etc. have been studied in this chapter. Further, organisational culture has been measured in terms of OCTAPACE. Therefore, it has been inferred whether the organisational culture in the organisation is strong, moderate or weak. In this process, the individual characteristics of employees have considered as the antecedents and organisational culture has served as instrumentality factor. That means to say, the organisational culture will be instrumental in bringing about a changes in the form of employee involvement and employee empowerment and job attitudes. The effect of organisational culture has also been separately measured on employee involvement and empowerment. Therefore, whether the employee involvement and empowerment are high, moderate or weak has been examined.

Considering the organisational culture, the managers and non-managers perceived more positive grade. Therefore, perceptions of involvement and empowerment are proved to be dominated by the firms lifestyle. It is worth noticing perception of involvement of employees is positively correlated to the perception of empowerment of employee. To conclude, it can be interpreted that the etiquette what a firm carries with it has a vital role to play to make the employees feel that they are empowered. And this line of thought in their mind should be always maintained and sustained by the superiors for a longer duration.

## References :

- Bowen, D.E., & Lawler, E.E. (1992). The empowerment of service workers: What, why, how, and when. *Sloan Management Review*, 33(3), 31–39
- Browning, V., Edgar, F., Gray, B., & Garrett, T. (2009). Realising competitive advantage through HRM in New Zealand service industries. *The Service Industries Journal*, 29(6), 741–760
- Cappelli, P., and D. Neumark. (2001). “Do High-Performance Work Practices Improve Establishment-Level Outcomes?” *Industrial and Labor Relations Review* 54 (4): 737–775
- Conger, J.A. and Kanungo, R.N. (1988), “The empowerment process: integrating theory and practice”, *Academy of Management Review*, Vol. 13 No. 3, pp. 471-82.
- Cummings, T. G., & Worley, C. G. (2008). *Organisation development and change* 9th edition. *Cincinnati: OH South western college publishing.*
- Eby, L., Freeman, D., Rush, M., & Lance, C. (1999). Motivational bases of affective organisational commitment: A partial test of an integrative theoretical model. *Journal of Occupational and Organizational Psychology*, 72, 463–483.

- Glew, D. J., O'Leary-Kelly, A. M., Griffin, R. W., & Van Fleet, D. D. (1995). Participation in organisations: A preview of the issues and proposed framework for future analysis. *Journal of Management*, 21(3), 395-421.
- Guerrero, S., and V. Barraud-Didier. (2004). "High-Involvement Practices and Performance of French Firms." *International Journal of Human Resource Management* 15 (8): 1408–1423.
- Guthrie, J. P., C. S. Spell, and R. O. Nyamori. (2002). "Correlates and Consequences of High Involvement Work Practices: the Role of Competitive Strategy." *International Journal of Human Resource Management* 13 (1): 183–197.
- Lawler, E.E., Mohrman, S.A., & Benson, G. (2001). *Organising for high performance: Employee involvement, TQM, reengineering, and knowledge management in the Fortune 1000*. San Francisco, CA: Jossey-Bass.
- Lawler, E.E. (2003). *Treat people right*. San Francisco, CA: Jossey-Bass
- Lawler, E.E. (2005). From human resource management to organisational effectiveness. *Human Resource Management*, 44(2), 165–169.
- MacDuffie, J. P. (1995). "Human Resource Bundles and Manufacturing Performance: Organisational Logic and Flexible Production Systems in the World Auto Industry." *Industrial and Labor Relations Review* 48 (2): 199–221.
- Marin-Garcia, J. A., & Bonavia, T. (2015). Relationship between employee involvement and lean manufacturing and its effect on performance in a rigid continuous process industry. *International Journal of Production Research*, 53(11), 3260-3275.
- Mobley William h., Wang Lena, Fang Kate (2005), "Measuring and Developing IT in Your Organisation." *Behaviour*. 14, 379-394.
- Pfeffer, J., & Veiga, F. (1999). Putting people first for organisational success. *Academy of Management Executive*, 13(2), 37–48.
- Shiu, Y.M., & Yu, T.W. (2010). Internal marketing, organisational culture, job satisfaction, and organisational performance in non-life insurance. *The Service Industries Journal*, 30(6), 793–809.
- Shrivastava, M., & Dave, S. (2010). *Compatibility: Between Culture and Change*. SCMS Journal of Indian Management, 7(1).
- Soni, S. (2019) Impact of Organizational Culture on Employee Engagement and Effectiveness in Indian Manufacturing Company. *IITM Journal of Management and IT*, 42.
- Tata, J., & Prasad, S. (2004). Team self-management, organisational structure, and judgments of team effectiveness. *Journal of Management Issues*, 16(2), 248–2

Thomas, K.W. and Velthouse, B.A. (1990), "Cognitive elements of empowerment: an 'interpretative' model of intrinsic task motivation", *Academy of Management Review*, Vol. 15, pp. 666-81.

Wood, S., and L. M. de Menezes. (2008). "Comparing Perspectives on High Involvement Management and Organizational Performance across the British Economy." *The International Journal of Human Resource Management* 19 (4): 639–683.