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RESEARCH ARTICLE

AN STUDY ON CROSS CULTURAL VARIABLES AND ITS IMPACT ON CHANGE MANAGEMENT STRATEGIES IN SELECTED ORGANIZATIONS OF RAJASTHAN

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There are differences across global cultures in terms of values, behaviours and attitudes in management that often constitute the key element to understanding the dynamics within the organizations. With the emergence of Global Organizations People of all type of Cultures are employed under one roof. Such differences reflect divergence of cultural attitudes and place the focus on the behaviour of people within organization as suggested by the culture-bound perspective and are bound to damage the Change Management Process. Demographic variables include age, gender, ethnicity, education, income, marital status, employment status and perceived socio economic status etc. Against this backdrop, an attempt has been made to study 30 Organizations of Rajasthan and take response from HR Managers to study the cross cultural variables and its impact on change management strategies.

*Copy Right, IJAR, 2015,. All rights reserved***INTRODUCTION**

The variations in organizational cultures have been documented in numerous studies in diverse cultural contexts. Differences in the organizational culture lead to differences in working behavior and attitudes at the workplace. With the globalization of markets, managers working beyond the employees need frameworks to assist them in interacting with their counterparts from diverse cultures. This paper examines the influences of work engagement on both innovative work behavior and intention to quit in an organizational context. Demographics, Work engagement, personality, intuition and innovation emerged recently as an important mediating variable.

Ouchi (1981), "managers are able to create strong organizational cultures that could even reflect values different from those of the national culture where organizations evolve."

Macey et al. (2009) "Organizations increasingly realize that no company, small or large, achieves sustainable success without engaging employees who bring high energy and passion to their work. Work engagement is cognitive-affective motivation at work, characterized by vigor, dedication, and absorption."

Encouraging individuals to invest more psychic energy in work is the most powerful lever corporations possess to improve productivity.

The liberalization of the economic policies and the increased level of competition by overseas firms have put a lot of pressure on the personnel functions of Indian domestic companies. To survive and prosper, they have to prepare and develop their employees so as to compete with overseas firms and skills, efficiency and effectiveness. In the present competitive business environment Indian organizations are feeling compelled from within to reorientation their Employment Relation System.

2.0 CONCEPTUAL UNDERSTANDING OF DEMOGRAPHIC VARIABLES

2.1.1 Defining Demographic Variables

Demographics are the quantifiable statistics of a given population. These are also used to identify the study of quantifiable subsets within a given population which characterize that population at a specific point in time.

Demography is used widely in public opinion polling and marketing. Commonly examined demographics include gender, age, and ethnicity, knowledge of languages, disabilities, mobility, home ownership, employment status and even location. Demographic trends describe the historical changes in demographics in population over time (for example, the average age of a population may increase or decrease over time). Demographics can be viewed as the essential information about the population of a region and the culture of the people there.

There are differences across national cultures in terms of values, behaviors and attitudes in management that often constitute the key element to understanding the dynamics within the organizations, although it is not the only element it is nonetheless an important one. In respect of organizational training **Noble (1997)** examines the way of training and development are managed within the multinational corporations operating in both UK and Australia in light of a comparative study of enterprise based training and concludes that differences are a reflection of national training policies rather than originating from the enterprise level. Within a similar line of thought Tregaskis and Dany (1996) state the organization in France and UK show differences regarding the focus of training and development. Such differences reflect divergence of cultural attitudes and legislative environment in both entities. The comparative approach revolves around observing differences and variations among cultures in terms of management practices and places the focus on the behavior of people within organization as suggested by the culture-bound perspective... Demographic variables include age, gender, ethnicity, education, income, marital status, employment status and perceived socio economic status etc.

- (1) **Age** – Participants specify month, day and year of their birth. Employers have mixed opinions about older employees. They agree that older employees make valuable contributions by virtue of their experience and sound judgment. Moreover these employees have high work ethics and are quality conscious. However they are also perceived as inflexible and are generally unwilling to adapt to new technology or methods of working. Age has a significant impact on turnover, absenteeism, productivity and satisfaction. As people grow older, they are less likely to leave the job because they have limited opportunities available. Their longer tenure in the organization guarantees them higher pay, longer paid vacations and good pension benefits. In general it has been observed that older employees have higher rates of unavoidable absence because of various health-related problems and also because they take a longer time to recover.
- (2) **Gender** – Participants choose one of the two gender options. Researchers have found that there are very few differences between men and women which affect their performance at the workplace. Like men and women also displayed problem solving abilities, analytical skills, motivation levels, interpersonal skills and learning abilities. Men are more aggressive than women and women are more likely to comply with instructions given by superiors. As far as job satisfaction is concerned, there is no evidence to indicate that the gender of an employee has any effect on this.
- (3) **Ethnicity** – Due to the Global swipe all type of ethnicity work under one roof. Every ethnicity has a different mindset and resistance level. (White/Caucasian; Black/African-American; Native American/Eskimo, Aleut; Asian/Pacific Islander; Hispanic/Latino; Other).
- (4) **Education** – From “No Formal Education” to “Doctoral Degree” the mental level of the employees also have different type of responses to change.
- (5) **Marital Status** – Currently married or living in a marriage like relationship: never married: Separated: Divorced: Widowed. Research has been conducted on the effect of marital status on productivity. It was found that married people have greater responsibilities as they have to provide for their families. Hence they value a steady job far more than their counterparts who are single. Consequently they are steady and reliable.
- (6) **Employment Status** – Participants check all categories that apply to them (working full time; working part time; not employed; retired; homemaker; disabled; other) which again have an impact on the resistance.

3.0 CHALLENGES IN CHANGE MANAGEMENT

- **Cultural diversity:** Culture is set of beliefs, attitudes and values that are shared commonly by the members of the society. It is measured on the basis of 5 cultural dimensions;
 - Individualism/collectivism
 - Power distance
 - Uncertainty avoidance
 - Masculinity
 - Time Orientation

Higher is the degree of differences in these dimensions between cultures of 2 countries, higher is the degree of cultural diversity.

- **Language diversity:** Globalization has problem in the form of language diversity. Language is a medium of expression but employees from different countries have different languages. Though English is a very common language, it does not serve the purpose adequately as it does not cover the entire world.
- **Workforce diversity:** Workforce is the building block of an organization but there is workforce diversity in global companies. Based on their place of origin, employees of a global company may be divided in to 3 groups:
 - **Parent-country national:** permanent resident of the country where the company is headquartered.
 - **Host-country national:** permanent resident of the country where the company's operations are located.
 - **Third-country national:** permanent resident of a country and the host country.

Workforce diversity implies that various categories of employees bring not only their skills and expertise but also their attitudes, motivation to work or not to work, and other personal characteristics.

Economic diversity: Economic diversity is measured in terms of per capita income of different countries in which a global company operates. Economic diversity has implication to compensation management, that is paying wages/salaries and other financial compensation to employees located in different countries.

Socio-cultural diversity: People coming from different social and cultural backgrounds which may develop conflicts among themselves. Many interpersonal conflicts based on caste, religion, region and family background are based on socio cultural differences. These differences may lead people to perceive the personal interests as conflicting.

4.0 REVIEW OF LITERATURE

Pfeiffer (1983) Employee demography can be defined as “the study of the composition of a social entity in terms of its members’ attributes”. Demographics include such factors as gender, age, ethnicity, occupation, experience, and educational qualification, type of organization, employment sector, marital and family status.

Flannery (2014) As the demographic composition of organizations in the United State rapidly shifts, such that minority groups are becoming the numerical and economic majority, organizations are grappling with ways to manage diversity in the work place.

Agbolade (2014) concluded that the small scale businesses are indispensable catalyst and important contributor to the economic growth in every nation due to their vast irreplaceable prospect in the economy. Small businesses serve as laboratory for the development and innovation of new ideas and offerings before market commercialization in order to prevent the production of goods and services that does not meet consumer expectation.

5.0 RESEARCH METHODOLOGY

The statement is: - A STUDY ON CROSS CULTURAL VARIABLES AND ITS IMPACT ON CHANGE MANAGEMENT STRATEGIES IN SELECTED ORGANIZATIONS OF RAJASTHAN

The Main objective of the Research Paper was to find out relation between demographic variables and their impact on change management. The study is restricted to the organizations in Rajasthan. The Cross Cultural Variables were measured in 30 selected organizations of Rajasthan on the basis of Age (Year of Establishment), Size of the Organization, Experience of the HR Managers, and Type of the Organization.

C. Some terms were devised for the purpose of the study

- (i) **Strategic Change Management Practices score (Aggregate):** A numerical score calculated on the basis of factors indicated by respondents. A high score indicates a better level of Strategic Change Management Practices of that organization.
- (ii) **Strategic Change Management Practices Score (factor-wise):** The Strategic Change Management Practices score is the score of Cross Cultural variable that constitute Strategic Change Management Practices of the organization.

The Research design chosen for this study was exploratory research design.

The Primary data was collected using Survey method using a very well semi-structured questionnaire filled by mainly the HR Managers and Managers handling Change Management in the Organizations. The units operating within the industrial areas of Rajasthan namely were considered as target population. Convenience sampling in the non-probability sampling was adopted to select the sample units. The sample units the researcher was able to incorporate in the sample came out to be 30.

Hypothesis and tests applied

H0: There is no significant difference in the change management strategies of the different types of organizations in Rajasthan.

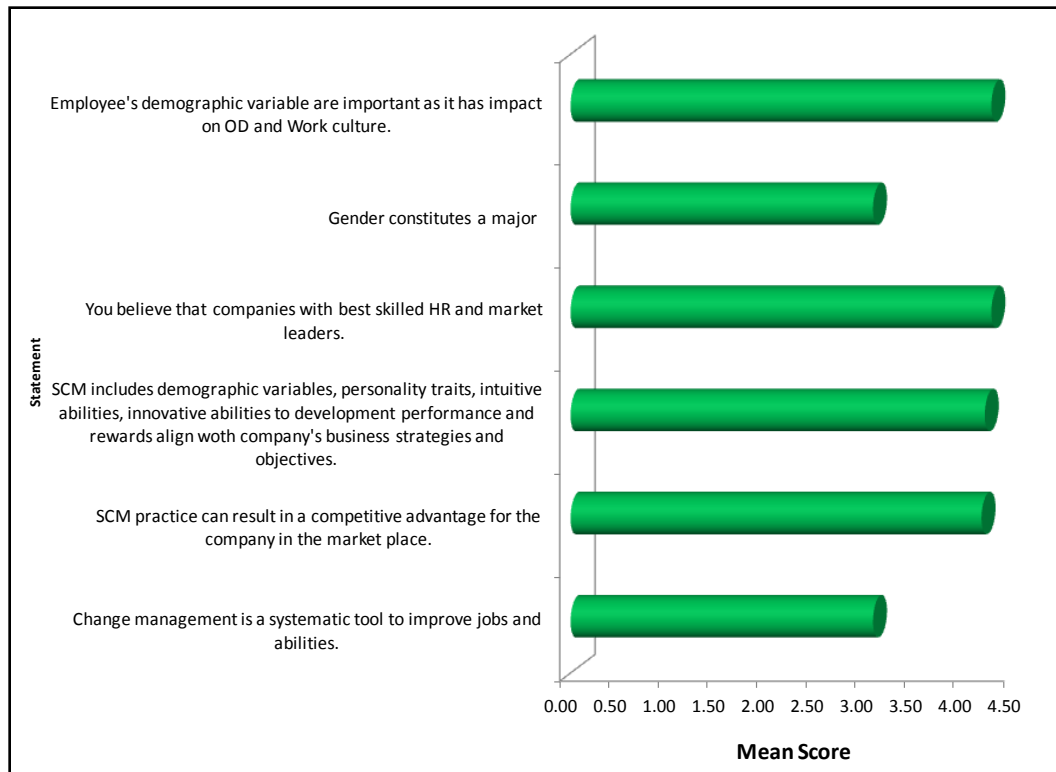
Tests: The tests that are used to analyse the null hypothesis of Change Management Strategic Practices are percentage, mean, standard deviation, t-test and chi-square test.

6.0 ANALYSIS AND INTERPRETATION

Cross cultural variables

Serial No.	Statement	Agreement with the statement		
		Low	Moderate	High
Category 1	Employee's demographic variables are important as it has impact on OD and work culture.	0.00	3.33	96.67
Category 2	Gender constitutes a major issue to the survival and development of the organizations.	36.67	20.00	43.33
Category 3	Openness to diversity is an important dimension of the corporate culture to knowledge sharing and cooperation within the firm.	3.33	6.67	90.00
Category 4	Age and occupation also influences employee attitudes and behavior towards affirmative action policies.	6.67	0.00	93.33
Category 5	Employee experience and employment sectors impact on productivity and quality of output	0.00	3.33	96.67
Category 6	Employee's personality traits are important as it has impact on OD and work culture.	36.67	20.00	43.33

96.67% respondents were highly favored with the statement that employee's demographic variables are important as it has impact on organizational development and work culture. 43.33% respondents were highly agreed, 20% were moderately agreed and 36.67% were low agreed that Gender constitutes a major issue to the survival and development of the organizations. 90% respondents were highly favored with the statement that Openness to diversity is an important dimension of the corporate culture to knowledge sharing and cooperation within the firm. 93.33% respondents were highly agreed that Age and occupation also influences employee attitudes and behavior towards affirmative action policies. 96.67% respondents were fully supported with the statement that Employee experience and employment sectors impact on productivity and quality of output. 43.33% respondents were highly agreed, 20% were moderately agreed and 36.67% were low agreed that Employee's personality traits are important as it has impact on OD and work culture.

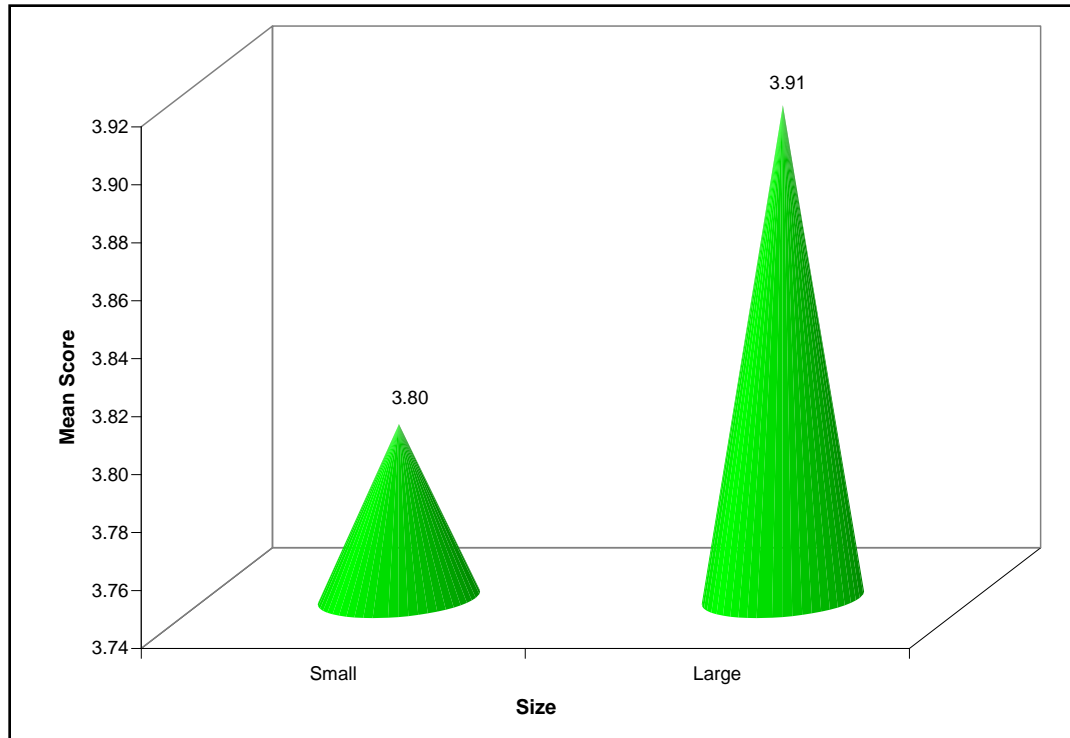


H₀₂: There is non significant difference in the level of cross cultural variables adopted by large and small size companies.

Table 5.17: Change management tools and techniques

Size	N	Mean	SD	T	Df	Result
Small	18	3.80	0.48	-0.650	27	NS
Large	11	3.91	0.40			

Test results given above shows that there is no significant difference in the level of cross cultural variables adopted by the company whether it is of large size or small size company ($t = -0.650$, $p > 0.05$). Hence it can be concluded that cross cultural variables adopted by the companies are independent of size of the companies and the null hypothesis is accepted.



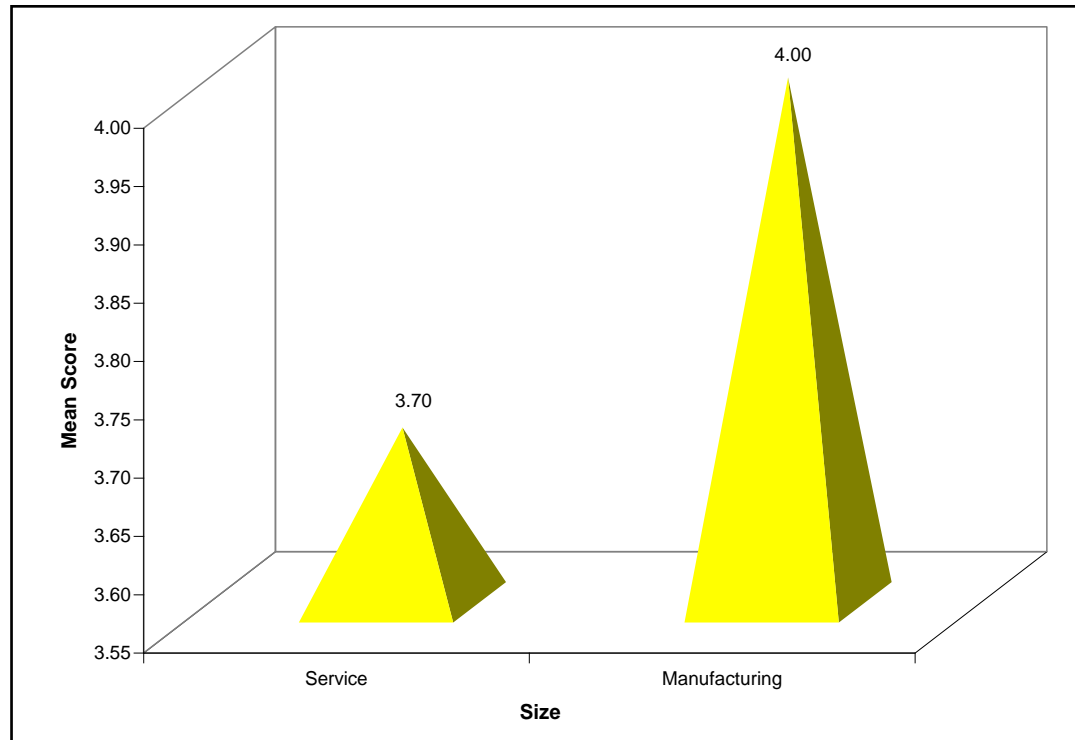
Cross Cultural Variables

H₀₇: There is no significant difference in the level of cross cultural variables adopted by service and manufacturing companies.

Tests and result

Type	N	Mean	SD	t	df	Result
Service	16	3.70	0.46	-1.962	28	NS
Manufacturing	14	4.00	0.36			

Test results given above shows that there is no significant difference in the level of change management tool and techniques adopted by the service industry or manufacturing industry ($t = -1.962$, $p > 0.05$). Hence it can be concluded that cross cultural variables adopted by the companies are independent of type of the companies i.e. whether it is service type or manufacturing type of company and null hypothesis is accepted.



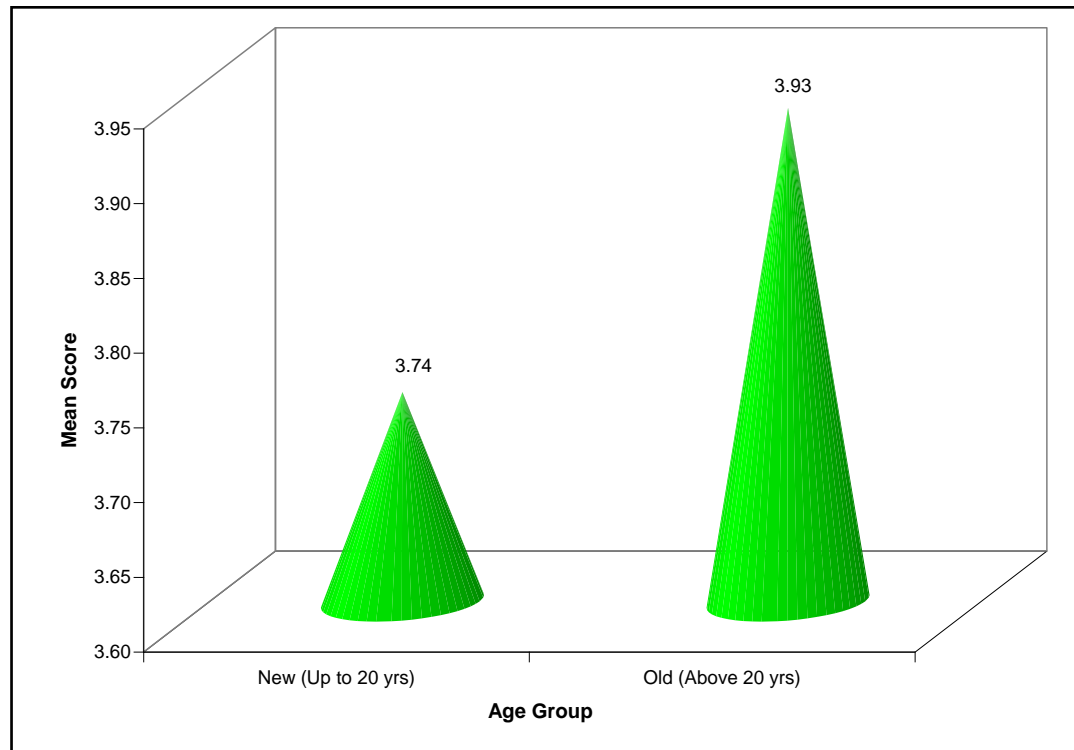
Cross Cultural Variables

H_{012} : There is no significant difference in the level of Cross Cultural variables adopted by new and old companies.

Change management tool and techniques

Age group	N	Mean	SD	T	Result
New (up to 20 years)	15	3.74	0.52	-1.18	NS
Old (above 20 years)	15	3.93	0.34		

Test results given above shows that there is no significant difference in the level of cross cultural variables adopted by the new industry or old industry ($t = -1.18$, $p > 0.05$). Hence it can be concluded that change management tool and techniques adopted by the companies are independent of age of the companies i.e. whether it is new or old company and null hypothesis is accepted.



Cross Cultural Variables

H₀₁₇: There is no significant difference in the level of cross cultural variables adopted by the companies are flagship or non flagship.

Chi square test

χ^2	df	Result
2.222	1	NS

The chi square test result shows that the completion analysis consideration is independent of age of the organization in cross cultural variables formulation ($\chi^2 = 2.222$, $p > 0.05$). Hence it can be said that whether company will considered completion analysis, is not dependent upon age of the company.

CONCLUSION AND SUGGESTION

It is suggestive that Perceived Socio-Economic Status – is assessed using the “ladder” technique developed by the MacArthur Foundation Network on SES and Health? Subjects are presented with 2 questions. Each question contains a picture of a ladder with 9 rugs. The instructions for the first question ask them define community in different ways (e.g. including friends, neighbors, or co-workers) and they should define it in the way that is most meaningful to them. At the top of the ladder are the people who have the highest standing in their community and at the bottom are those with the lowest status. The subjects are asked to place themselves on the ladder by placing an X in the appropriate rung. The second question is very similar, only it asks people to indicate their standing compared to other people in the USA rather than in their community.

The researcher analyzed the demographic variables as a change management tools and techniques in the organizations. The research revealed interesting that in spite of heavy and vigorous studying where it seems no stone is left unturned, employees focus still needs attention. An instrument was developed and manager focus was taken as which Strategic Change Management Practice was analyzed. Further, the researcher has presented some focused suggestions on this issue which are as follows:

1. In case of gender there were differences found in the number of working male and female employees in the organizations. Large and small sized both organizations must refine their workers to survival smoothly and development of organizations by hiring of more female employees.
2. The Organizations are suggested to arrange for a specific area of work must be clarified to each and every employee with the top management and down to the hierarchy. So it facilitates the smooth functioning and making the change process successfully.
3. Further the analysis projects the top management should go for exploring employee's occupation and needs in depth and continuously monitor the demand analysis with respect of change time to time. So that the HR can build up and keep track of skills in employees for further change process.
4. Large organizations need to analyze and monitor the internal environment, employees' needs and desires continuously will help in developing 'Core competency' in change management.
5. For small organizations top management must keep in mind and instruct the strategic change management process to focus their organizational culture and organizational development.
6. HRD department should conduct a regular review of current technologies and issues needed to support employees' strategic change management needs, for large as well as small sized organizations.
7. The large organizations should adopt most of the current and future strategies in change management to engage employees' long term with the organizations.
8. Large sized organizations top management should enforce tough internal changing policies as matched to external policies. Further, all staff should be fully aware of these policies and needs.
9. Test the employees and they should be hired for the most change adopting context, in large and small sized organizations.

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