Research Paper

Organizational Culture and Organizational Innovativeness in I.T. Industry in India

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ABSTRACT

The aim of the study was to find the organizational culture and organizational innovativeness in IT industry in Indian population. The data was collected from 125 participants who were employed in I.T industries from the cities of Bangalore, Chennai, Hyderabad, Delhi and Mumbai. The questionnaires used in the study were organizational culture scale and organizational innovativeness scale. The analysis performed was correlation and regression. The results found a strong positive correlation between the variables and organizational culture predicted organizational innovativeness by 90.6%. Hyderabad has the highest organizational culture and organizational innovativeness followed by Chennai, Bangalore and Delhi. Mumbai has the least organizational culture and organizational innovativeness.

Keywords: *Organizational Culture, Organizational Innovativeness, I.T, India*

An organization is a based entity consisting of diverse components that have interaction to perform one or extra capabilities (APA dictionary, n.d.). The significance of psychology inside the place of work can't be overstated, as it assists managers in selecting, supporting, motivating, and schooling personnel. COVID-19 has had a huge effect at the IT and Non-IT industries, as many corporations adapted new marketing techniques or new verticles to save you loss or pass bankrupt. Culture is defined as the characteristic attitudes and behaviors of a particular group within society, such as a profession, social class, or age group (APA dictionary, n.d.). A good corporate culture is vital because it attracts the best individuals and keeps them engaged as employees.

Consistent with a Glassdoor survey (Glassdoor Team, 2019), 77% of respondents might keep in mind an organization's culture before making use of an open role, with more than half thinking about organizational culture to be more extensive than compensation. 94% of managers trust a wonderful place of job lifestyle allows hold personnel (Powers, 2023). The Deloitte Global Human Capital Trends (2019) report states that culture and engagement are the pinnacle of the organizational schedule. 94% of pinnacle-level management and 88% of employees agree that having a distinct place of job lifestyle is vital to an organization's success (Deloitte Global Human Capital Trends, 2019). It's far more essential to outline and

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efficiently speak organization values to employees, and to prioritise range and inclusion. Employees are the simplest in selling a high-quality administrative center culture, and a powerful organizational culture has a large effect on applicants who're considering becoming a member of a company. Employees that are satisfied with their workplace culture tend to remain longer, which contributes to lower corporate churn rates (Workplace culture, n.d.).

Innovation is one of the biggest elements of people's lives these days, and organizations should strive to be innovative and present innovative behavior to increase effectiveness and bring benefits (Yuan & Woodman, 2010). Organizations suffer from poor innovation and stagnation as a result of a company culture that stifles employee creativity.

Companies can encourage creativity by paying attention to team contributors' ideas and growing a culture in which, they experience at ease expressing their thoughts. It's also important to look at modern-day business practises and make any required changes to integrate new ideas and improvements into the corporation's tactics. Restrained innovation can result in an organization's failure to capitalise on new thoughts and outperform its opposition, that could have an effect on group of workers' motivation (Herrity, 2020). As time passes, an organization's technique may additionally want to be modified to match social media tendencies, and breaking the habitual within the office can permit new thoughts to emerge and revive employee motivation. Encourage experts to think creatively and provide them with materials to assist them in building techniques (Indeed Editorial Team, 2021).

If the framework is a success, the employee to whom you entrusted the idea may additionally experience a sense of accomplishment. Innovativeness is the most important and so called "sine qua non" dimension of corporate. It is an organizational tendency to introduce newness and novelty through experimentation and research in development of new products, services, and processes. Corporations innovate in a ramification of methods to preserve or capture marketplace share, outpace competitors, and make certain long-time period growth and survival. In the course of the COVID segment, companies indulged in progressive practices via upgrading the products or supplying a brand-new sort of services or products range. The literature of innovation is lengthy-standing and is acknowledged as one of the determinant factors for a company to live to tell the tale and be successful. Innovativeness is an idea that describes willingness to exchange and the degree to which a character or other unit of adoption is exceptionally earlier in adopting new thoughts than other contributors of a system (Braak, 2001).

Organizational culture is a topic that has recently emerged in management knowledge and in the domain of organizational behavior. Culture is a sophisticated mechanism and the primary potential of organizational life is its organizational culture. Schein (2004) believed that an organizational culture is a frame of essential convictions that have developed into the companies' culture. Those convictions are those who have proven enough effectiveness to be valued as precious and should be passed directly to new individuals of the organization as a version of "correct" thinking and emotions. It's far more essential to keep the complex of basic proposals and positions which have been labored out and standard via the organization for an extended time frame and keep its independence.

Organizational culture and leadership are firm-degree resources able to affect the firm's flexibility during times of marketplace volatility. This means that when culture and

management drive the flexibility pressure, the provider commercial organization can join, coordinate, and synchronise practical units with a view to capitalise on new product and market possibilities. A study was conducted to explore how culture facilitates work place innovation and enhances employee innovativeness and performance (Anning-Dorson, 2021). The consequences of the reliability and validity assessments display that the proposed version has quality psychometric residences. The success of an organization depends on the culture of the organization (Khan et al., 2021).

Chaubey & Sahoo (2018) studied how transformational leadership impacts employee creativity to enhance organizational innovation. It became discovered that when uncovered to a more diploma of different shared assumptions, values, and ideals, employees generally tend to show off better creative potential. The more favorable the culture of an organization, the more likely the employee prospers and continues in it. Nallaluthan, K. (2022) conducted a research at Japanese production firm where all of the employees were included in the sample to examine the relationship between technical expertise, workspace culture, and employee' innovativeness at a Japanese manufacturing firm. They found out that technical expertise has a enormous have an impact on on employee innovativeness, and workplace culture plays a moderating role within the courting among technical knowledge and employee innovativeness.

METHODOLOGY

Aim
The present study aims to find the organizational culture and organizational innovativeness in IT industry in Indian population.

Objectives
- To explore the relationship between organizational culture and organizational innovativeness.
- To explore change in amount of organizational innovativeness with respect to organizational culture in different cities.

Hypotheses
H_1: There is a relationship between organizational culture and organizational innovativeness
H_2: There is a difference in impact of organizational innovativeness with respect to organizational culture in different cities.

Participants
A correlational research design was used to conduct the study. A convenient sampling technique was used to collect the data for 125 participants employed in I.T. industry between the ages 22-60.

Instruments
The organizational culture scale (Ghosh & Srivastava, 2014)- has 23 items which is divided into seven factors such as participation, respect for individuals, attitude to risk, action orientation, trust, openness and power distance. It was based on a 5-point Likert scale, with 1 as 'strongly disagree' and 5 as 'strongly agree'. The Cronbach alpha measure was 0.862.

Organizational innovativeness scale (Ghosh & Srivastava, 2017)- has 22 items scale which is divided into four factors such as Behavioural Innovativeness, Process Innovativeness, Strategic Innovativeness and Product–Market Innovativeness. The scale is based on a 7-

point interval scale, with 1 as 'strongly disagree' and 7 as 'strongly agree'. The Cronbach alpha measure for the general construct comprising 22 items was 0.925. The factor-level reliability was also fairly high, ranging from 0.766 to 0.858. The scale is Indian adaptation of Wang and Ahmed (2004) which consists of 29 items.

Procedure

The research is a correlation research design using convenient sampling technique.The data was collected using Google forms from the participants and a consent form was taken. The questionnaires were used to collect the data and analysis was performed using SPSS21 software.

RESULTS AND DISCUSSION

Table 1 Shows descriptive statistics and correlation between organizational culture and organizational innovativeness

	M	SD	N	Correlation coefficient
Organizational Innovativeness	106.590	19.871	122	.940**
Organizational Culture	183.729	25.879	-	-

Note: **$p<0.01$

The participants were between the ages of 22-60 and there was a total of 125 out of which three were excluded outliers. Initially, it was a convenient sampling. It was observed that the data set collected was based on these five cities- Bangalore, Chennai, Delhi, Hyderabad and Mumbai. There were 26 participants from Bangalore, 24 from Chennai, 24 from Delhi, 24 from Hyderabad and 26 from Mumbai. Table 1 shows the relationship between organizational culture and organizational innovativeness. The $r_s= 0.940$ at 0.01 significance level, which implied a positive relationship between the two variables. In this case, H_1 hypothesis was accepted as p-value (0.00) was less than <0.05. Hence, we confirmed a strong and statistically significant correlation.

Table 2 Organizational culture as predictor of organizational innovativeness

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-27.777	3.963		-7.009	.000
Organizational Culture	.731	.021	.952	34.238	

Note: $R^2= 0.907$, Adj.$R^2= 0.906$, F= 1172.223, $p<0.05$

Table 2 shows linear regression analysis that revealed, organizational culture were significantly predicting organizational innovativeness 90.6%, F (122) = 1172.23, p <0.05. If organizational culture increases by one-unit organizational innovativeness will increase by .731 units.

Table 3 Organizational culture as predictor of organizational innovativeness in Bangalore

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-23.923	8.170		-2.928	.000
Bangalore- Organizational Culture	.714	.043	.958	16.467	

Note: $R^2= 0.919$, Adj.$R^2= 0.915$, F= 271.177, $p<0.05$

The r_s = 0.958 at 0.01 significance level, p (0.00) <0.05. Hence, we confirmed a strong and statistically significant correlation between the variables in Bangalore. Table 3 shows linear regression analysis revealed that organisational culture were significantly predicting organisational innovativeness 91.5%, F(26)=271.17, p<0.05.If organizational culture increases by one unit organizational innovativeness will increase by .714 units in Bangalore.

Table 4 Organizational culture as predictor of organizational innovativeness in Chennai

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-39.863	6.997		-5.697	.000
Chennai- Organizational Culture	.799	.038	.976	21.117	

Note: R^2= 0.919, Adj.R^2= 0.915, F= 271.177, p<0.05

The r_s = 0.976 at 0.01 significance level, p(0.00) <0.05. Hence, we confirmed a strong and statistically significant correlation. Table 4 shows linear regression analysis that revealed, organisational culture were significantly predicting organisational innovativeness 91.5%, F (24)=445.94, p<0.01.If organizational culture increases by one unit organizational innovativeness will increase by .799 units in Chennai.

Table 5 Organizational culture as predictor of organizational innovativeness in Delhi

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-24.750	8.348		-2.965	.000
Delhi- Organizational Culture	.710	.046	.957	15.393	

Note: R^2= 0.919, Adj.R^2= 0.915, F= 271.177, p<0.05

The r_s = 0.957 at 0.01 significance level, p(0.00)<0.05. Hence, we confirmed a strong and statistically significant correlation. Table 5 shows linear regression analysis that revealed, organisational culture were significantly predicting organisational innovativeness 91.1%, F (24)=236.94, p<0.05. If organizational culture increases by one unit organizational innovativeness will increase by .710 units in Delhi.

Table 6 Organizational culture as predictor of organizational innovativeness in Hyderabad

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-24.750	8.348		-2.965	.000
Hyderabad- Organizational Culture	.710	.046	.957	15.393	

Note: R^2= 0.954, Adj.R^2= 0.952, F= 458.146, p<0.05

The r_s value= 0.977 at 0.01 significance level, p(0.00)<0.05. Hence, we can confirm a strong and statistically significant correlation. Table 6 shows linear regression analysis that revealed, organisational culture were significantly predicting organisational innovativeness 95.2%, F(24)= 458.14, p <0.05.If organizational culture increases by one unit organizational innovativeness will increase by .710 units in Hyderabad.

Table 7 Organizational culture as predictor of organizational innovativeness in Mumbai

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-26.529	11.644		-2.278	.000
Mumbai- Organizational Culture	.713	.062	.920	11.473	

Note: R^2= 0.846, Adj.R^2= 0.839, F= 131.639, p< 0.05

The r_s value = 0.920 at 0.01 significance level, p(0.00)<0.05. Hence, we confirmed a strong and statistically significant correlation. Table 7 shows linear regression analysis that revealed, organisational culture was significantly predicting organisational innovativeness 83.9%, $F_{(26)}$=131.63, p <0.01).If organizational culture increases by one unit organizational innovativeness will increase by .713 units in Mumbai.

The results of organizational culture and organizational innovativeness is p<0.05, which means we accept the alternate hypothesis H_2. There is a difference in impact of organizational innovativeness with respect to organizational culture in different cities.

In previous studies by Nallaluthan, K. (2022) conducted in Japanese firm it was found that the innovativeness was influenced by the workplace culture which supports the findings of the current study. The research findings by Khan et.al (2021) The level of trust between employees and organizations has to be very high, and the organization has to have a close-knit working environment to ensure that organizations remain in the market retaining their market standing support the importance of trust factor measured in organizational culture and market-innovativeness factor in organizational innovativeness scale.

CONCLUSION

Hyderabad has the highest levels of organizational culture and organizational innovativeness followed by Chennai, Bangalore and Delhi. It can be observed that Mumbai has the least organizational culture and organizational innovativeness. The recent trends demonstrate Hyderabad as an emerging centre for IT industry due to an increased number of startup companies in the past few years. Mumbai has least organizational culture and organizational innovativeness due to the existing companies having organizational culture developed in traditional times where risk taking factor was less and impacts the freedom of creativity given to an employee.

Limitations

The study was focused on a small population and can be replicated on a larger population to generalize the results. The sample obtained has a high share of entry and middle management level employees, whereas the proportion of senior management level employees is rather low. In some ways, it mirrors the real population, as senior managers make up a relatively small fraction of IT organisations in general. However, because their representation in terms of quantity is relatively low, it may be regarded a restriction; one option to rectify this in the future could be to look at the definitional zone of senior management in terms of functions rather than posts.

Implications

The study was conducted to bridge the gap between the less explored variables and help understand the relationship between the culture of organization and type of innovativeness encouraged in the employee in their organization. The results can be used to create and

encourage innovative culture within the organization. The study can be replicated in an organization and strategies or policies can be put into place to promote better culture in the organization. The research might also help to bring into light the type of innovativeness encouraged and give employers an opportunity to promote innovativeness and creativity based on the needs their organization.

Suggestions

The data analysis can be done by years of experience and can be explored in the future studies. Employees from different fields can be taken as a sample size and a comparative analysis can be conducted on inter-departments in an organization or between the same department of different organizations belonging to the same industry.

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APPENDICES

Table 1

Shows descriptive statistics and Spearman's correlation between organizational culture and organizational innovativeness in Bangalore

	M	SD	Correlation coefficient
Bangalore Organizational Innovativeness	109.307	19.882	.958**
Bangalore Organizational Culture	186.538	26.691	-

Note: **p<0.01, N=26

Table 2

Shows descriptive statistics and Spearman's correlation between organizational culture and organizational innovativeness in Chennai

	M	SD	Correlation coefficient
Chennai Organizational Innovativeness	105.833	25.747	.976**
Chennai Organizational Culture	182.416	31.469	-

Note: **p<0.01, N= 24

Table 3

Shows descriptive statistics and Spearman's correlation between organizational culture and organizational innovativeness in Delhi

	M	SD	Correlation coefficient
Delhi Organizational Innovativeness	102.125	21.752	.957**
Delhi Organizational Culture	178.666	29.301	-

Note: **p<0.01, N= 24

Table 4

Shows descriptive statistics and Spearman's correlation between organizational culture and organizational innovativeness in Hyderabad

	M	SD	Correlation coefficient
Hyderabad Organizational Innovativeness	102.458	26.583	.977**
Hyderabad Organizational Culture	177.291	29.618	-

Note: **p<0.01, N= 24

Table 5

Shows descriptive statistics and Spearman's correlation between organizational culture and organizational innovativeness in Mumbai

	M	SD	Correlation coefficient
Mumbai Organizational Innovativeness	106.000	18.678	.920**
Mumbai Organizational Culture	185.884	24.093	-

Note: **p<0.01, N= 26