

## Impact of Traditional Culture on Organisational Effectiveness: A Comment on Research Methodology

About the impact of Indian culture on the management of industrial organisations, two divergent views are expressed. One suggests that western practices are inappropriate for Indian organisations because the environment, the culture and the traditions in Indian society are vastly different from those of the west. The other states that the nature of work demands being similar, Indian experiences are not so different from the western. This latter view also holds that the perceived differences are characteristic of the transience from an agrarian society to the industrial rather than the result of any particular culture. A universality is assumed in the nature of behaviour patterns in industrial organisations even though social systems and communities may differ.

We will now discuss some available data on the effects of Indian culture on work organisations and suggest some approaches to the research that needs to be done on the influence of the wider culture on organisational behaviour in India. The discussion presents some reflections on the planning of industrialisation in economically underdeveloped countries.

### Some Significant Findings of Earlier Studies

Industrial studies on the impact of culture mostly follow three approaches :

- (a) Assuming such values of the Indian society as caste, hierarchy, other-worldliness, etc., researchers have studied the internal social structure of an organisation to compare the cultures within and outside an organisation (Sheth, 1968; Prabhu, 1963).

- (b) Comparing the culture of an Indian work system with that of the western, the similarities and differences between the two are pointed out (Lambert, 1963; Corbett, 1963).
- (c) Cross-cultural comparisons of some psychological characteristics of people as individuals, and as groups, have been made and interpersonal relationships in Indian and western organisations have been examined to determine how people behave in the two work systems. (Kakar, 1972; Dayal and Saiyadain, 1970; Lahiri and Srivastava, 1967).

The methods in these studies are numerous : observations, questionnaires, psychological and personality tests, interactional analysis and a combination of several of these. The findings of these studies, though inconclusive, could be broadly summarised as follows:

- People within an enterprise can adjust themselves to the demands of their work roles. There is no evidence to suggest that the tradition or the wider culture (*e.g.*, culture of the society in which the organisation exists) influences output or performance on the job. There may be carry-over of some patterns of behaviour such as caste, or rituals from the wider culture; and these may be manifested in the social system within the organisation but there is no clear evidence that these aspects interfere with performance at work (Sheth, 1968; Morris, 1965).
- The characteristics of traditional and industrial societies are generally seen as following: non-traditionalism vs traditionalism; universalism vs particularism; emphasis on contract rather than on status; achieved vs ascribed status; collectivity vs self-orientation. Industrial societies often seem to emphasise the values of hard work, saving, rationality *vs.* magic or other-worldliness and the like. Some studies of Indian organisations show that the behaviour in these organisations is characterised by more traditional values than the industrial. Lambert (1963), in his study of six factories in Pune arrayed the social system of these factories on a traditional-modern scale and found that they held traditional values such as particularism, ascribed status, orientation of collectivity, etc. He concluded as follows: “They summarise our conclusions, then concerning the possible effect of the factory in producing the general transformation outlined in the introduction—substituting contract for status, decreasing the primary group organisation of work, encouraging the growth of achieved status attributes, increasing mobility and raising aspiration levels—the internal organisation of the factories does not represent nearly so sharp a break with the past as might be expected.” The social system and

the culture of the factories were consistent with that of the society or the wider culture, and not comparable to the factories in an industrial society such as the USA Lambert also found, in his sample, that the patterns of modern society were far more evident in the factory that had advanced technology, such as the engine factory, than in the factories with older technology. These findings suggest that the culture of an organisation may depend upon some critical factors within the organisation as well, especially the technology or the work-systems, and not entirely upon the wider culture.

- Cross-cultural studies of personality dimensions and authority relations generally suggest two contradictory features. McClelland found that Indian business executives were lower on the achievement scale than their western counterparts. Similarly Lahiri and Srivastava (1967) found that unlike the US samples, no clear break between the hygiene and motivating factors was found, in the sample of Indian executives; though Dayal and Saiyadain (1970) found in a replication study of Herzberg's scale, that differences between the Indian and the reported western populations were insignificant. In studies on authority, similar differences exist in the findings. Ganguli (1965) found that employees expected, and were comfortable with, authoritarian styles. Kakar (1970, 1972), in his study of superior-subordinates in an Indian factory, found that the differences between the Indian and the western populations were insignificant. The data on this subject are inconclusive and the contradictory findings may be due either to the experimental designs of these studies, or the particular features of the firms studied by the researchers, or to some other causes. Though the findings of the studies on the impact of Indian culture on organisations are tentative, it is, however, useful to conceptualise how the culture is likely to influence work organisations.

## **Methodological Issues in Studying Organisational Culture**

Studies on the impact of the wider culture on organisations could have two focii : (a) comparison between the organisational cultures in different societies which could provide an understanding of how the wider culture affects the work system, (b) the effect of organisational culture on the achievement of organisational tasks.

Comparative studies generally use industrial cultures of the west as a frame of reference, or a theoretical model, to evaluate the Indian culture

against this model. This is characteristic of the work of Lambert (1968), Abegglen (1958), Corbett (1963), Myers (1958) and many others. A number of comparative studies conclude or imply that the internal social structure of Indian organisations is different from that of western societies, because the wider society is traditional and deters organisations from developing social systems appropriate to industrial work. Another stated or implied assumption in this thesis is that societies go through stages of development on a continuum from the agrarian stratum to the industrial. This model is typified in the work of Keer, et. al. (1960), Harbison and Myers (1959), McClelland (1961) and others.

The research data do not clearly point to such conclusions. Among others, Abegglen's study of the Japanese factory, Nash's study in Guatemala and Whyte's studies in Peru suggest that no clearly defined scale of transition, or stages of growth, from agrarian to industrial society can be established. The comparative studies in development planning at the University of Sussex in the UK, studies in comparative administration at Pittsburgh University in the USA, and many others, have emphasised the need for basing the hypotheses on the local situations rather than on a grand theory. This has been the central thesis of the monumental work of Myrdal in the field of development economics, of Braibanti in public administration and of a large number of social scientists subscribing to the contingency theory for study of organisations. Comparative studies such as Lambert's or Myer's do not provide sufficient data for concluding whether or not traditional culture and values are a handicap to productive work systems in developing societies. We really need other designs of study to discover and examine what other factors influence behaviour in organisations.

The main thrust of this discussion in this paper can be stated in the following two propositions:

- (a) Organisational culture is determined by the traditional culture of the wider society and also by the dynamics of the administrative systems prevailing in the organisation.
- (b) Derived from the first, the effectiveness of the industrial system depends greatly on internal administrative behaviour and not entirely on whether the society is traditional or industrial.

These propositions have to be tested through longitudinal and experimental field studies. The design of such studies will have to also identify patterns of behaviour in organisations which are culture bound and those which are a product of the dynamics of organisational and administrative systems of the enterprise. The significance of these propositions is that

industrial development may depend less on the nature of the economically underdeveloped society than on the sensitiveness and relevance of the administrative systems within the organisation.

In the rest of this chapter, we will discuss some relevant data, and later raise some questions, to suggest why a study of the dynamics of organisational behaviour is necessary for a study of the impact of traditional culture on organisational effectiveness. Two aspects of organisational behaviour are significant for our present purpose:

- (a) One relates to the behaviour that is induced by the nature of the task system, the interactional patterns or relationships in an organisation and the leadership. These patterns are a response to organisational dynamics and are subject to change if the situational dynamics changes.
- (b) The other relates to stable patterns in the wider culture which influence behaviour. These are the patterns of behaviour which show constancy in the wider culture and within the work situation.

For further examination of the propositions discussed above, we must first define culture in operational terms so that it can be studied and, if possible, measured. Next, a distinction should be made between patterns of behaviour or value systems that are induced as a response to the situation, or as a result of the nature of interactions between people in the situation, and stable patterns which are more basic in the sense that they are brought into the organisation from across its boundaries and remain unchanged.

For an operational definition of culture, one cannot do better than quote Jaques who defines the culture of a factory as “its customary and traditional way of thinking and of doing things, which is shared to a greater or lesser degree by all its members, and which new members must learn, and at least partially accept, in order to be accepted into service of the firm” (1951, 251). Operationally, the common patterns of behaviour in a given situation characterise the culture of the groups or the society. These patterns are induced through conscious or unconscious processes as a part of socialisation of the members of that group, and often become a frame of reference—an attitude— of the individual. Some patterns of behaviour are influenced less by the internal system and have the quality of continuance from the wider society. For example, competition or cooperation may be a situational response. An individual or a group may behave in different ways in different situations; and if this is so, the pattern of behaviour cannot be said to constitute a cultural factor. The particular manifestation is a response to the situation, and does not represent a culture-bias. If, however, the

individual's response to his supervisor, or to authority, is similar to his response in his family, or the society, the pattern of behaviour could be identified as a cultural response.

There is considerable evidence in organisational behaviour studies that people respond to different systems of technology and to administrative practices in different ways. Lambert, in his Pune studies, also found differences in administrative behaviour between people in traditional and technology-based factories.

Some recent writings by practising executives from Japan (Kabayashi, 1971) show that the effective management practices in Japan are similar to those found in U. S. industry. The management systems evolved at Sony Corporation in Japan are essentially the same as described by executives in US situations (Marrow, et. al., 1967; Davis, 1967; Kuriloff, 1966). A great deal has been written about the impact of culture on the management of Japanese organisations. Increasing evidence, however, suggests that effective management practices have a universal identity irrespective of culture. There is growing evidence that the processes in the Indian situation are also similar to the Japanese and the US experience (De, 1971; Dayal and Thomas, 1968; Dayal, 1971).

In India differences in managerial practices can be observed. An extreme example is of a chief executive of a multi-unit organisation; his style of leadership and way of relating to his subordinates vary dramatically in his engineering company and his textile company. In the former, he has developed a consultative decision making system; in the latter, he practices a highly centralised and directive management style. This chief executive possesses an instinctive recognition of differences between the two work systems. At the worker level, differences in behavioural responses due to job design (Davis and Canter, 1956) or due to automation (Walker, 1962; Prasow and Massarick, 1969) strongly suggest that patterns of behaviour in an organisation are related to the nature of the technical system, or the task system; and to the administrative practices (Guest, 1962).

Briefly, the culture of a firm depends, in some critical ways, on the nature of the work system itself, being a response to the living characteristics of the system. These patterns are unique to the system. There may be certain other patterns of behaviour which transcend across the organisational boundary from the wider culture. A third pattern could perhaps emerge through interaction between the unique culture of the organisation and the stable patterns in the wider culture.

This conceptual framework for understanding the culture of an organisation suggests some methodological problems in the studies devoted to the impact of traditional culture on work organisations. A mere observation of certain patterns of behaviour in an organisation, or of the administrative practices, can be misleading. The identifiable patterns (culture) would have to be studied in terms of patterns which are a response, patterns that represent an attitude, and lastly patterns that are a manifestation of both. For example, some studies on the commitment of Indian labour (Myers, 1958) conclude that workers are not committed to industrial work as measured against indices of absenteeism, involvement in social situations of work, the continuing village ties of workers and the like.

More recent studies of chronic absentees by Vaid (1967) show that chronic absenteeism is not entirely due to the worker's ties with his village but, in some cases, it is due to lack of job satisfaction or personal recognition by the manager. Vaid's depth studies of 25 chronic absentees shows that the workers remained absent because they preferred the work they did elsewhere but retained their permanent status because it afforded greater personal security. Sharma (1971), in his elaborate study of an automobile plant in India, found that commitment to work had more direct relations to the nature of the work and not to the fact of the worker's urban or rural origin, or the membership of a union, age, education or other background factors. Such measures cannot provide an index of commitment or otherwise when viewed from the conceptual framework developed above. Nor can the mere existence of differentiated roles based on caste, religion or education be a basis as claimed by several research studies.

The first question regarding the impact of the wider culture on the organisation must be: what patterns from the wider culture pervade organisational behaviour; and in what way, if at all, are these patterns dysfunctional in the achievement of organisational tasks? The answer to this question would require identification of patterns which are a response to the work system within the firm and to other aspects of the organisation. It is through this process of analysis that the impact of traditional culture on the growth, or otherwise, of an industrial culture could be studied.

Briefly, the following questions need to be answered by research data for understanding either the universality of an industrial society, or the dysfunctionality of certain patterns in organisational culture:

- What aspects of the wider culture directly transcend the organisational boundaries?

2. (a) In what way does the wider culture militate against the requirements of the task system ?
- (b) What patterns of organisational behaviour are directly influenced by the wider culture and which of the patterns are, at least in part, a response to the organisational dynamics ?
- (c) How does the particular technology of the work organisation influence the culture of the organisation ?

Derived from observations of behaviour in organisations, our hypotheses suggest that basic cultural patterns in India relate primarily to dependence in response to authority and to interdependence at peer level. Most other patterns of behaviour in organisations are likely to be responses to the organisational dynamics. The research design needs to differentiate between the patterns of behaviour that are induced by the wider culture and those that are persuaded by the organisational culture.

## **CONCLUSION**

It has been suggested that most studies on the impact of traditional culture on industrialisation fail to distinguish between basic patterns of behaviour and those which are a response to the internal dynamics of an organisation. Some of these studies, such as Lambert's, also conclude from their comparative data that due to the impact of values from traditional or agrarian cultures, the effectiveness of work systems is sub-optimum compared to the more modern or industrial societies. It is also concluded that from data in organisational behaviour some methodological issues need to attentions in research designs for such studies. Moreover it is also raises some questions that seem important for designing studies that may reflect on the relevance of traditional values in the process of industrialisation in economically under-developed societies. If this thesis holds true, the planning for growth should aim at improvement in organisational systems as pointedly as it does at the growth of the society itself.

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