

Cultural Orientation of Strategy and Performance : A Study of Selected Universities in India

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Abstract

Organizational Culture provides an important framework that influence decision-making in a firm resulting in positive or negative effects on the firm's performance. It is an unwritten and informal standard of behaviour that assist employees understanding how to act in a given situation to ensure effectiveness in their roles. These informal norms are provided by managerial ethos, especially, at the higher levels, and are a shared collection of beliefs and traditions that drives organizational behaviour. Of the various types of cultures, this paper examines the influence of role culture and achievement culture on the performance of selected universities in north India. Data has been collected from the senior academic and administrative functionaries involved in decision-making in the universities directly or indirectly.

Key Words

Role Culture, Achievement Culture, Supervision, Performance

INTRODUCTION

Organizational Culture has an important effect on how people behave in a firm. It affects employees working at all levels in the organizational hierarchy. The term refers to the core values that an organization has adopted to infuse certain behaviour (Ughamadu, 2019). It guides how the members or employees in the firm are expected to behave or how they are supposed to be led. For example, some firms aspire to remain the industry leaders all the time and the employees are expected to function accordingly (Walker, 2018). The influence of

cultural orientation is visible in most firms in the formulation and implementation of strategy both in the short term as well as long term. The employee's and organizational performance may be significantly influenced by the cultural framework that employees perceive.

The cultural framework can be explained as the unwritten and informal standards of behavior that assist employees to understand how to act and what they must do in a given situation to ensure effectiveness in their roles. These informal norms are provided by managerial ethos, especially at the higher levels. It is a shared collection of the beliefs, traditions as well as ideas that drive, organizational behavior (Sanchez *et al.* 2019). Usually, it is the way, the top managers and key personnel, make decisions, act and behave on crucial issues over a long period that results in the emergence of a given culture or any change in it. Most organizations expect that the decision-making by managers or choice of an alternative decision should conform to the established value system.

Denison and Goelzer's (2017) study of six American firms examined the relationship between organizational ethos and success. It was found that working along with the ethos requires employees to align with the administrative procedures. The concept of ethos is built on operational complexity and it has its roots in various business processes. The influence of culture on the performance of employees has been found in many other studies (Shakil, 2017; Oyedele, 2017). The studies found that organizational values greatly affected performance compared to other factors. They found a connection between management procedures and organizational cultures. It was, however, found that different cultures varied in their influence on performance.

The role of culture in decision-making and the effectiveness of an organization has been highlighted by many scholars. Martin and Thompson (2017) concluded that strategy development and execution are centered on company culture. Organizational culture serves as the building block of the organization influencing almost all actions and functions, from creation of new products and procedures to the implementation of the strategy (Ojo. 2018). Consciously or unconsciously the behavior of management is influenced by the prevailing culture of the firm.

Understanding organizational ethos and culture helps an administrator in his/her performance. Tihanyi & Certo (2018) stated that if strategic leaders are aware of the elements of corporate culture and how they influence behavior, they will be better equipped to plan and implement strategies for their firms. It is, therefore important to understand what culture is and what are the different

forms of cultural orientations or cultural frameworks which influence strategic decision-making. These different frameworks of cultural orientation can be understood from the operational terms given below :

OPERATIONAL MEANING OF TERMS

Achievement Culture : Harrison & Stokes (2017) have explained achievement culture as a framework that aligns individuals in an organization with a single goal or purpose. In a non-profit service organization like a university, it is generally measured in terms of vision, mission/goals, and core values.

Role Culture : It is based on creating and adhering to well-defined structures and processes in the organization. It implies that job specifications and job descriptions are in place at all levels which enable employees to have a clear role – goal clarity (Harrison & Stokes, 2017). The day-to-day working of a firm is based on rules and regulations. The extent of bureaucratic functioning, team roles, job descriptions, job specifications, etc are generally used to measure the type of role culture which prevails in an organization.

Performance : It is the criterion and the procedure used in a firm to assess the extent to which the planned objectives or targets of an employee or a Department/Section have been achieved (Kreitner & Kinicki, 2019). Performance is the outcome of on-the-job conduct of the employees and the machines. The quality and quantity of someone's performance also indicate that the obligations placed on him are being met (Hariandia, 2017). In a non-commercial organization, like an educational institution it is operationalised by the intake of students in all or some specified programmes, the research output, the full-time faculty, the ranking etc.

Strategy : It refers to the plans or systems and type of decisions made to achieve the objectives in an organization. It includes both strategic or long-term decisions as well as short term or operational decisions. The strategy covers a firm's future and current ambitions. It covers actions that must be taken for the implementation of plans (Graham & Hubbard, 2015).

Supervision : It refers to a set of actions and procedures through which the activities and functions are monitored. It includes the way the employees are guided and motivated to perform and achieve their goals at the workplace (Ughamadu, 2019). It is generally measured or evaluated by the manner and the quality of coordination and support by the staff.

OBJECTIVES AND METHODOLOGY

The broad objective of the study is to investigate how the cultural orientation of strategy formulation and implementation affects the performance of universities. The specific objectives of the study are :

1. To investigate the influence of the role culture orientation of strategy on performance.
2. To examine the influence of achievement culture orientation of strategy on performance.
3. To explore the effect of supervision on performance.

Hypotheses

The following two hypotheses have been developed to examine the relationship between culture and performance.

H_0_1 : Role culture orientation of strategy has no significant effect on the performance of the Universities in India

H_0_2 : Achievement culture orientation of strategy has no significant effect on the performance of the Universities in India.

SCOPE OF THE STUDY

The study covers some selected public and private universities located in North India. The survey respondents are senior academics and administrators who participate in decision-making in their day-to-day functioning and are affected by the cultural orientation in one way or the other.

There are different types of organizational cultures : Achievement, Role, Adhocracy, Clan Cultures, etc. Out of them the first two: achievement culture and role culture are considered to be more influential and have been covered in this study.

Specifically, the respondents are present or former Vice Chancellors, Pro Vice Chancellors, Deans, Directors, Heads of Departments, Registrars, Deputy Registrars, Finance Officers, Professors, Some College Principals, Executive Engineers, etc. who are responsible for decision-making and policy implementation involving strategies.

SAMPLE

As the respondents are very senior functionaries, it was difficult to find a large sample based on a systematic sampling procedure. Therefore convenience sampling was adopted. It was supplemented by snowball sampling. Although about 200 questionnaires were mailed, only 110 questionnaires were received back.

Data Collection Instrument

To examine how the organization culture and its implementation affect the performance of universities under study, primary data was collected. For this purpose, a structured questionnaire was employed. It is felt that the structured questionnaire was a useful method for data collection as the respondents have a high level of literacy and are capable of answering questions.

Reliability of Research Instrument

Reliability is the capacity of the instrument to produce nearly similar results when tested twice or several times under the same conditions (Kabir, 2018). It ensures consistency of the results. The Cronbach Alpha test was applied to the data obtained from the pilot survey to measure the reliability of the research instrument. An Alpha score of more than 0.7 was found on all sections of the instrument.

Analysis and Interpretation of data

The data obtained from the survey was suitably tabulated and analyzed

Table 1

Demographic Profile of Respondents

		Frequency	Percentage (%)
Gender	Males	61	55
	Females	49	45
	Total	110	100
Age (in years)	Upto 25	5	5
	26-35	17	15
	36-45	28	25
	46-55	44	40
	56 and above	16	15
	Total	110	100
Education	Masters	35	32
	Ph.D.	60	55
	Undergraduate	15	13
	Total	110	100
Service Experience	Not Indicated	4	4
	Less than 5 years	14	13
	5 to 10 years	42	38
	11 to 15 years	45	41
	16 and above	5	4
	Total	110	100

in line with the objectives and hypotheses of the study. Demographic profiles, descriptive statistics, correlation and regression results are presented. The performance of Universities is the dependent variable while the role culture and achievement culture are the independent variables in the study. Supervision has been taken as a moderating variable. The Table; below shows the demographic profile of respondents.

Table 1 above shows the demographic profile of the respondents. It may be seen that 55% of the respondents are males while 45% are females Thus there is a fair representation of both genders in the sample of respondents. Age-wise distribution shows that the highest percentage of respondents (40%) belong to the 46-55 years of age bracket, followed by 25% in the 36-45 years of age bracket. Together these two age groups, with about 65% of the respondents, have fairly long experience working in the university system and therefore have a good understanding of the organizational culture of the universities where they are working or have worked. As expected, the majority of the respondents (55%) have Ph.D. qualifications followed by 32% of the respondents who have masters qualifications. Experience-wise distribution shows that about 41% of the respondents have 11-15 years of experience while 38% of the respondents possess 5 to 10 years of experience. It supports the age-wise analysis mentioned above which shows that a fairly large number of respondents have long experience of working in institutions of higher learning.

Culture and Performance

Descriptive statistics about culture and performance are analyzed below with means and standard deviation. The analysis covers role culture, achievement culture, supervision and performance based on three point scale : disagree (1), neutral (2), and agree (3). Table 2 below shows Descriptive statistics of role culture :

Table 2
Descriptive Statistics of Role Culture

Statement, N = 110	Mean	Standard Deviation
Role Culture Orientation Results in Positive Changes	2.07	0.844
Team Work Among Staff is Essential for Achieving Goals	2.72	0.610
There is Proper Role Clarity Among the Employees	2.30	0.820
Responsibility/Accountability are Rated High	2.35	0.804
The span of Control in Narrow	2.15	0.834
Employees Follow Rules and Procedures	2.50	0.705

The above results show that most of the respondents feel that Team work is essential for achieving the goals of the organization (mean 2.72). Another important variable in the opinion of the respondents is working as per rules and procedures (mean 2.50). Respondents moderately agreed with other variable like Responsibility/Accountability (mean 2.35) and Role clarity (mean 2.30). The overall results thus support the findings of Mulika (2017) that team leaders have to develop a healthy workplace culture to ensure the achievement of organizational goals.

Descriptive Statics of Achievement Culture

Another objective of the study is to examine the influence of achievement culture orientation of strategy on the performance of the organizations. Descriptive statistics are presented in Table 3 below :

Table 3
Descriptive Statistics of Achievement Culture

Statement, N = 110	Mean	Standard Deviation
Employees are Reminded About the Vision	2.45	0.770
Organizational Goals are Widely Shared	2.31	0.815
Standardized Norms of Inter-personal Behaviour Exist	2.30	0.832
Core Values are Shared among Employees	2.40	0.768
Experimentation and Innovation is Encouraged	2.74	0.613

The data in the above table shows that a large majority of respondents felt that Experimentation and Innovation are encouraged in the institution (mean=2.74) and the Employees are reminded about the organization's vision, (mean=2.45). On the other hand the respondents moderately agreed that organizational goals are widely shared (2.31) and standardized norms of inter-personal behavior exist (2.30). The findings implied that respondents appreciated the existence of the culture of Experimentation and Innovations in improving performance which is in line with the findings of David and Glaister (2017).

Descriptive Statistics of Supervision

Another objective of the study was to find out whether supervision had any moderating effect on the relationship between independent and dependent variables. The descriptive statistics relating to supervision are given in Table 4 below :

Table 4
Descriptive Statistics of Supervision

Statement, N =110	Mean	Standard Deviation
Employees work is well-monitored	2.31	0.810
Employees are supported in solving their problems	2.39	0.780
There are well-planned shifts to ensure the flow of work	2.30	0.812
Supervisors help staff in their work	2.18	0.840
Employee appraisal is based on target the achievement	2.22	0.820

As per the above Table most of the respondents felt that Employees are supported in solving their problems (mean=2.39), Employees' work is well monitored (mean=2.31) and Organized shifts ensure continuity of work (mean= 2.30). Respondents moderately felt that employee appraisal is based on target achievement (mean=2.22) and Supervisors help staff in their work (mean= 2.18). Respondents thus emphasize the role of supervision in enhancing performance. Tseng (2019) highlighted a strong association between effective supervision and the development of organizational culture.

Performance of the Institutions

The performance of the universities under study was a dependent variable. The performance has been measured in terms of improvement in ranking, intake of students, research output, and pass percentage.

Table 5
Descriptive Statistics on Performance

Sr. No	Performance Indicator (N=110)	Mean	Standard Deviation
1.	Improvement in Ranking	2.15	0.855
2.	Improvement in Admission of Students	2.50	0.801
3.	Improvement in Research Output	2.40	0.803
4.	Improvement in the Pass Percentage of Students	2.10	0.819

Data given in Table 5 shows that the majority of the respondents agreed that there has been improvement in all variables relating to performance. The data shows improvement in rankings (Mean 2.15), students intake (Mean 2.50), research output (Mean 2.40), and pass percentage (Mean 2.10)

Normality Test

To ensure that there was no bias in the data, normality of data had to be conducted. For this purpose, Shapiro – Wilk test was used. The results are shown in Table 6 below :

Table 6

Normality Test Using Shapiro-Wilk

Variables	Statistics	Df	Sg
Role Orientation	.970	110	0.065
Achievement Orientation	.958	110	0.08
Supervision	.961	110	0.054
Performance	.960	110	0.055

Table 6 above shows that the p values of all variables are greater than 0.05. This led to the acceptance of the null hypothesis. Thus, it was concluded that the data have a normal distribution.

Correlation Analysis

To examine the relationship between the cultural orientation of strategy and the performance of Universities, a correlation analysis was conducted. The results are shown in Table 7.

Table 7

Correlation Results

		Performance	Role Culture	Achievement Culture
Performance	Pearson Correlation	1		
Role Culture	Pearson Correlation	.609**	1	
Achievement Culture	Pearson Correlation	.780**	.742	1
	Sig (2- tailed)	.000	.000	
	N	110	110	110

** Correlation is Significant at 0.01 Level (2-tailed)

The above data about correlation shows that both role culture ($r = .609$, $p = .000 < .05$) as well as achievement culture ($r = .780$, $p = .000 < .05$) have a strong positive and significant relationship with the performance of the institutions. It implies that a change in role culture orientation and /or achievement culture orientation will result in a substantial change in various

performance areas of a university. These findings support some of the earlier studies on the subject (Mulika, 2017, Hapfer, 2019; Bartkus *et al.* 2018).

Role Culture Orientation of Strategy and Performance

To determine the effect of role culture orientation on the performance of University Institutions, a simple regression analysis was conducted. The results are shown in Table 8 below :

Table 8

Model Summary : Role Culture Orientation and Performance

Model	R	R Square	Adjusted R Square	St Error of the Estimate
1	.609a	0.370	0.365	0.316

a Predictor : (Constant), Role Culture

The above data shows R square value of 0.370, which means that 37% of the variation in the university's performance was due to the effect of role culture orientation and the remaining about 63% was due to other variables. Thus, role culture orientation of strategy is an important determinant of performance.

Achievement Culture Orientation and Performance

To determine the effect of achievement culture orientation on performance a simple regression analysis was conducted. The results are given in model summary in Table 9 below :

Table 9

Model Summary : Achievement Culture Orientation and Performance

Model	R	R Square	Adjusted R Square	St Error of the Estimate
1	.780a	0.608	0.605	0.250

* a Predictor : (Constant), Achievement Culture

The data in Table 9 above shows an R square value of 0.608, which means that about 60% of the variation in the university's performance was due to the effect of achievement culture orientation of strategy, and the remaining 40% was due to other variables. Thus the achievement culture orientation of strategy is a significant determinant of performance.

The above findings as shown in Table 8 and Table 9 indicate that although both role culture and achievement culture orientation are important factors influencing the performance, achievement orientation is a more significant variable as compared to all other factors. The findings are in line

with some of the earlier studies that found that achievement orientation provides high energy and motivation to the employees of the organization to achieve the set goals (Bansal, 2017). The study thus rejects the null hypotheses (H_0_1 and H_0_2) that role culture and achievement culture orientation of strategy have no significant effect on the performance of the Universities.

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