Impact Of Organizational Culture On Corporate Performance In The IT Sector Of India

[1]*Nikhil Vilas Khedekar*, [2]*Shaji Joseph*

[1,2] Symbiosis International University, India

ABSTRACT

This paper discusses the impact of organizational culture on corporate performance in the Indian Information Technology (IT) sector. Worldwide corporate organizations particularly in the IT sector, struggle to compete and survive in today's market. Organizational culture is one of the most important factors which comprises an amalgamation of shared beliefs, values, and convictions that govern how people are behaving within organizations and is unique to each organization. Corporate performance is that which includes a holistic evaluation of how well an organization performs on the most significant metrics, usually the success of the financial, market, and shareholder. This study will emphasize the relationship between organizational culture and corporate performance, taking into account the existing organizational culture in the Indian IT sector. This research consists of a literature review, hypotheses, questionnaire method to gather information from IT professionals working in multiple organizations in India, and finally consists of relevant methods such as descriptive analysis to explain the relationship between the authors' study subjects.

1. Introduction

The effectiveness of an organization is defined with the help of organizational development by identifying and understanding the factors regarding the same (Mashal & Shafiq, 2012). The emergence of a strong IT industry in India since the year 1980 happened due to the collective efforts of the Government, as well as some other factors such as partnerships of public and private organizations, private initiatives as well as the rise of software technology parks. In India, the IT sector covers areas such as IT-enabled services (ITES), which comprise call centers, Business Process Outsourcing (BPO) and other administrative support activities. India is one of the leading exporters of IT in emerging economies of the world (Mathur, 2006).

This study is inclined towards comprehending the impact of the organizational culture in India's corporate IT organizations, on corporate performance. So far many researchers have imparted diverse definitions of organizational culture. A Dutch social psychologist, Hofstede (1980) who has made major contributions regarding organizations' culture and communities, has made notable contributions in this field of study. Culture of an organization refers to an organization's different philosophies, beliefs, and practices that make it different from others. The atmosphere in every workplace defines how workers should interact with each other or with outside parties and often dictates whether they will be engaged in successful activities. Hofstede had initially proposed 4 dimensions with which aspects of organizational culture could be measured. These dimensions constituted of Uncertainty Avoidance, Power Distance, Masculinity/Femininity, and lastly, Individualism/Collectivism. He further added two more dimensions i.e. Long-term orientation/Short-term orientation, Restraint / Indulgence. These additional dimensions were to address aspects missed in the earlier dimensions (Annamoradnejad et al., 2019).

Corporate performance may be described as a holistic assessment of how accurately a company provides an output on the basis of its most significant metrics, usually financial, business, and performance of shareholders. It can also be said as the actual outcomes out of an organization measured against its expected outcomes. This research takes into account the IT professionals working in corporate IT organizations in India. This research would also help evaluate which of the six dimensions of Hofstede the Indian organizational culture can be classified in.

The objectives of this research are:

- To identify the various dimensions of corporate culture that are prevalent in corporate organizations in the Indian IT sector today.
- To consider the impact of the organizational culture on corporate performance and to what degree it affects the same in the Indian IT industry.
- To comprehend which organizational culture parameter/s have a significant influence on corporate performance in the Indian IT sector.

2.   Background

Organizational Culture

Organizational culture is composed of goals, convictions, ideals of a company, which hold it alive and manifest in its work culture, international global affairs, and future objectives. This is focused on traditional beliefs, views, practices which have been developed and considered valid over a while. India is among India's fast-growing economies. Several institutions outside India have been drawn to the nation but little work has been conducted so far to highlight the good management activities in the Indian context (Agrawal and Tyagi, 2010). The leading IT organizations in India have a strong set of values that govern the functioning of the organizations.

Power Distance: This aspect denotes the extent to which the less dominant representatives of a community acknowledge and anticipate unequal allocation of power: assumptions on the correct balance of power in the community. It can also be extended to the approachability of the management for solving their everyday challenges (Nguyen, 2016).

Individualism/Collectivism: This represents the relative value of personal preferences and common interests. The prominent side of this aspect, called individualism, can be referred to as a preference for a closely associated social system under which persons are required to provide about themselves and their dependent families only; on the opposite, collectivism is a choice for a community in which citizens should trust their family or representatives of a specific group to look after them (Hofstede, 1980).

Masculinity/Feminity: This aspect the values that are considered most preferable in society. The masculine aspect of this element reflects a social desire for accomplishments, decisiveness, and monetary incentives. Femininity calls for solidarity, dignity, respect for the vulnerable and the standard of life (Adnan et al., 2017).

Uncertainty Avoidance: The aspect of uncertainty Avoidance denotes the maximum level to which, organizations/ management strive to keep their existing practices in motion without the need for innovation within the same to avoid complexity and ambiguity (Adnan et al., 2017).

Long-term/Short-term orientation: When an organization focuses on its potential and postpone its short-term material or societal change as well as short-term gratification, for future preparation, is referred to as a Long-term orientation. When an organization is inclined towards the past or the present and considers them more noteworthy than the future this is referred to as Short-term orientation (Nguyen, 2016).

Indulgence/Restraint: The Indulgence Dimension is a relatively new element to Hofstede's dimensions. This aspect is defined as the degree to which the management works towards the holistic well-being of its workforce by developing and participating in newer activities regarding the same. Greater involvement is referred to as Indulgence, whereas Restraint is related to lesser involvement (Adnan et al., 2017).

Ali et al., (2017), published a study to grasp a firm's cultural superiority in corporate financial reporting. According to this research, several researchers had contrasting findings of corporate financial results with those of firm performance in their experiments. It was found to be that a negative link existed between some aspects of a firm's financial performance and organizational culture.

Corporate Performance

Corporate performance can be stated as measuring an organization's efficiency against the set goals and targets. In other terms, corporate performance requires real outcomes or outputs as opposed to the expected outputs. The corporate performance helps to determine the overall progress of an organization. It is a mixture of a variety of factors such as financial factors that define how the company should appear to its shareholders to succeed financially. In this direction, some of the key metrics are returned on investments, increased shareholder interest, utilization of assets. Customer factors are used to define how a corporate organization should present before its customers to achieve their goals. Some of the qualities considered are service or product qualities, relations with customers, the image of the organization.

Internal business factors define what business processes a corporate organization should excel at to satisfy its shareholders and customers mainly concerning services and products, after-sales services, product delivery, and finally, learning and improvement factors that help to measure how a corporate organization maintains its ability to achieve its vision. Many of the factors listed here include workplace skills, competencies in the information network, inspiration, confidence, and cohesion (Mashal and Shafiq, 2012). This modern approach to corporate performance measurement is aligned with other organizations' initiatives: cross-functional collaboration, customer-supplier alliances, regional reach, quality management, and team engagement rather than an individual liability.

Research conducted by Salehipour and Ahmand (2018) highlighted the significance of the High-Performance Work System (HPWS) and corporate philosophy seeking to enhance the efficiency of workers. The study offers proof that some aspects of HPWS are related to the performance of employees.

This is important to remember that organizations today need to perform efficiently in fulfilling the aspirations of people involved. Therefore, the degree of understanding of organizations regarding HPWS as well as the opportunity to foster a healthy community is essential to an organization's sustainability. The shortcomings were only region-specific findings were found in this study i.e. the Iranian ministry.

From a financial performance viewpoint, the study conducted by Yesil and Kaya (2013) disclosed that none of the aspects of corporate culture such as market, adhocracy, etc. contribute to the company's financial landscape. Although cultural factors are speculated to have a beneficial impact on financial efficiency, this research did not validate the relationship based on the effects of regression analysis and correlation. The theories related to the success of the hierarchy were also not verified.

Comparison on Organizational Culture and Corporate Performance

Organizational culture may increase employee satisfaction and awareness about the organization's problem solving and efficiency. If the corporate structure is inconsistent with the inconsistent desires of external or internal

stakeholders, the efficiency of the enterprise may be limited in the same manner as with other organizations. The functioning of an organization can be well understood by its organizational culture. This helps to provide support regarding projected future behaviors. Corporate culture creates adherence to the organization's values and principles.

Corporate culture acts as a support mechanism by its guidelines for guiding emotions towards positive habits and distant from behaviors that are harmful in nature. This can be realized by hiring and maintaining employees whose values complement those of the organization. This style of corporate culture can be specifically associated with effective productivity and success compared to other styles (Pollack and Pollack, 2014).

Ozigbo (2013), claimed that the principal objective is to recognize the corporate culture's reliance on firm performance and the effectiveness of information technology. The company's output was computed using the dependent variables, Earning per Share (EPS), Return on Assets (ROA), and collected from Nigeria's listed services sector annual reports. The study findings indicate Nigeria can be said to be a Masculinity culture-oriented organization. This study showed that corporate performance is influenced by organizational culture.

(Zhao et al., 2018), investigated how corporate culture promotion affects company market value performance in China, company financial results, and output from innovation. The clear proof was found that the promotion of corporate culture is positively associated with production from research and development, unrelated substantially to financial results of organizations. Furthermore, the negative effect of the promotion of an organization's culture on organizations' market-value is run by small companies situated in under-developed locations. This study is subject to some limitations. Firstly they had data for 2014, and thus only website data of 2014 was available for investigated companies. Secondly, their paper suffered from potential self-selection bias. Thirdly, their site-based study of corporate culture promotion suffered from a problem of measurement error.

Kamau and Wanyoike (2019), put forth a research paper to understand the dependency of these two parameters in the country of Kenya. This was based on a Casino. The study advises the companies should promote workplace training and development so that they can respond to different technologies, tactics, and initiatives that specifically affect workers in the organization. The empirical findings by Sengottuvel and Aktharsha (2014), disclosed that stress can have a possible effect on the efficiency of the IT organization across the various aspects of the culture. It produces a significant influence on corporate performance when all dimensions of organizational culture are brought together and viewed as a single dimension. It may be inferred that there would be an improvement because there is an efficient and balanced corporate culture inside the organization.

A study by Nikpour (2017), suggested that not only does the corporate culture have a beneficial effect on organizational efficiency, but it also has an indirect influence on corporate performance by the employee's interpersonal engagement, and that the indirect impact is stronger than a direct impact. Another test result showed that the proposed model has sufficient compatibility.

Shahzad and Luqman (2012) have demonstrated conceptualization, evaluation, and analysis of various concepts about performance and organizational culture. This paper that optimum work output of employees is achieved with organizational culture. Limitations in terms of appropriate parameters for measurement was observed in this paper. An exploratory study conducted by Mashal and Shafiq (2012), studied the influence of corporate culture on the success of the organizations. This research was done in different telecom business franchises located in the Bahawalpur district of Pakistan. This paper concluded by stating that the organizational goals can be achieved with a strong organizational culture. Tests revealed a large degree of confusion and also suggested that there was a disparity between the control of managers and workers. If Power Distance exists, workers try the management's answer to their problem. Employees in this scenario value their managers by raising the results in response. The limitations were that the sample size used was quite small and the findings were only region-specific.

Boon-Seng (2019) performed a study using the validity of the hypothesis as a basis for linking the connection between corporate culture and firm results. This work has shown that more homogeneous communities encourage cooperation and have a shared purpose to improve organizational effectiveness. To improve the feasibility of this study model, survey tools were used for assessing the community utilizing the process-oriented methodology. Non-cultural influences impacting efficiency must be included in the quest for the organizational culture-success relation as control variables.

Research by Idris (2017), stated the beneficial relationship between community and success aims to boost the organization's results. Organizational norms and values, based on the influence of different cultures on the workforce, have increased the workforce output. Strong culture in an enterprise facilitates productive and successful workforce management Xiao and Dasgupta (2005), proposed a research model related to IT practices and performance with the culture of innovation and values embraced. The authors intend to check the relationships between such structures using a survey approach. Organizational culture is highly important for recognizing organizations' signature behaviors and for forecasting their success. This research paper used generalized points regarding organizational culture and hence was not able to arrive at a specific conclusion.

Barbara et al., (2012) established a model for explaining the interrelation between the welfare of knowledge workers and the culture of the organization as well as to explore which of the mechanisms shaping is the most important particularly in the industry of pharmaceuticals. It has appeared that a

hierarchical corporate culture may result in a detrimental effect on the job performance of knowledge workers, whereas a creative or accommodating organizational culture has a stronger influence. Also, the analysis allows us to understand the aspects of work satisfaction that the corporate culture has more influence.

Tedla (2016), used a study to reflect valuable insights and details about business managers' effects on corporate results to analyze productive approaches utilized by senior company executives to build an operational or firm culture to improve results of a firm's performance. The importance of a productive organizational culture must be stressed by its business executives, as the culture of a firm has the likelihood to affect company effectiveness.

Lastly, the study of Non-Governmental Organizations has demonstrated that a firm's culture has a noteworthy result on the success of a firm because it determines how things are performed, the culture of the company, the job atmosphere, priorities of results, and productivity of organizations. This study has found that firm culture has a significant influence on productivity. This is because, it defines how tasks need to be performed, operational values, work environment, efficiency goals, as well as operational cohesion. In organizational culture, it is advised that managers here ought to assign further to empower employees to improve their employees ' morale, resulting in more innovation and innovativeness. Such studies have helped to underpin researchers' diverse perspectives, which can help further underpin organizational culture and corporate performance in the Indian IT industry (Wanjiku and Lumwagi, 2014).
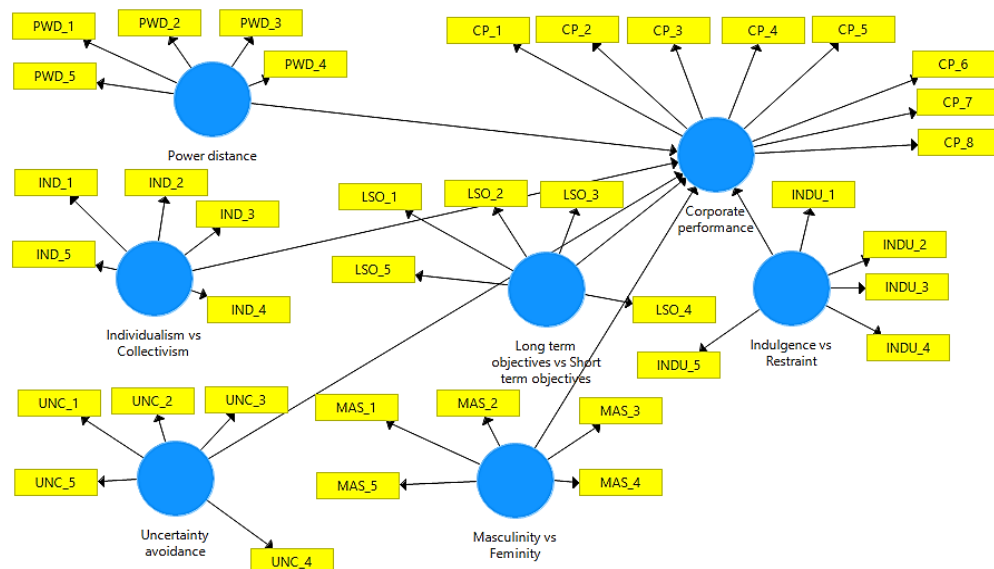
3. Theoretical Model

Figure 1 Proposed model for studying impact of organizational culture on corporate performance Source: Generated from SmartPLS3

The model suggested in "Figure 1" comprises of corporate performance as dependent variable and Hofstede's organizational culture as independent variables. The description of the constructs and the indicators is represented in *Table1*.

Constructs	Indicators
Power Distance	PWD_1 Your manager is accessible for queries regarding work or your performance.
	PWD_2 Your manager discusses with you openly regarding your career development thereby encouraging you to perform better.
	PWD_3 Your manager invites you to rectify/challenge his/her opinions regarding implementation of a strategy which boosts your participation.
	PWD_4 Your manager takes accountability of actions performed in your team including mistakes/escalations thereby empowering you to perform without fear of consequences.
	PWD_5 Your manager treats you as one of his/her equals in discussion regarding personal / professional tasks thereby boosting your sense of belongingness.
Individualism/Collectivism	IND_1 Your manager encourages you to pursue tasks individually rather than a team thereby helping you to showcase individuality in your performance.
	IND_2 Your manager asks for feedback from other people to assess your performance.
	IND_3 Your manager gives credit to the entire team regarding a major accomplishment rather than specific individuals.
	IND_4 Your manager encourages brainstorming in order to make strategic decisions thereby boosting collective performance.
	IND_5 You as well as your team-mates are given equal opportunities for pursuing new tasks that may boost your performance by inculcating a sense of fairness.
Uncertainty Avoidance	UNC_1 Your manager creates a risk-taking environment while pursuing new tasks, enabling you to perform without hesitation.
	UNC_2 Your manager encourages the use of ongoing practices without the need for innovation thereby discouraging you to perform innovatively
	UNC_3 Your organization encourages to retain the employees at the maximum irrespective of their performance.

	UNC_4 Your organization/team has a systematic set of policies and procedures in place that govern day-to-day tasks.
	UNC_5 Your manager emphasizes the importance of minimal error work in your team thereby empowering you to achieve maximum accuracy in your work.
Masculinity/Feminity	MAS_1 Your manager sets unrealistic deadlines for tasks and stresses for their completion thereby affecting your performance.
	MAS_2 Your manager stresses you to extend beyond your working times to accomplish a task thereby impacting your performance.
	MAS_3 Your manager/organization encourages you to take long leaves atleast once a year in order to refresh thereby boosting your performance.
	MAS_4 Your organization organizes programmes for health/mental-health wellness thereby boosting your performance.
	MAS_5 Your management works diligently on the issues raised by you regarding your professional space thereby helping you to perform better.
Long-term objectives/ Short-term objectives	LSO_1 Your organization works towards retaining experienced employees in the projects assigned.
	LSO_2 Your organization imparts timely appraisals / promotions of employees according to experience/performance.
	LSO_3 Your organization organizes for training programmes regarding new technologies and services that can help to improve the productivity of your daily tasks.
	LSO_4 You have to be an outgoing personality in your organization so that your work/performance is noticed.
	LSO_5 Your organization tends to emphasize its values on your work by regularly sending reminders which help to boost your performance.
Indulgence/ Restraint	INDU_1 Your organization follows a standardized feedback procedure to review your performance quarterly/annually.
	INDU_2 Your manager prioritizes mentoring in order to tackle the challenges faced in everyday work performance.
	INDU_3 Owing to loss of trust with the manager, your coworkers tend to quit the team / organization periodically.
	INDU_4 Your manager displays a controlled/ rigid behavior in the implementation of tasks thereby stressing you to perform better.
	INDU_5 Your manager displays his/her displeasure in front of the team in case the targets are not met which has a

	negative impact in your performance.
Corporate performance	CP_1 Your organization is performing well financially.
	CP_2 Your organization provides timely salaries without any delays.
	CP_3 Your organization has good relations with its clients.
	CP_4 Your organization's clients are satisfied with your organization's products/solutions/services.
	CP_5 Your organization provides timely delivery of services/solutions/products within the Service Level Agreement (SLA).
	CP_6 Your organization provides support services to its clients after delivery of services/solutions/products.
	CP_7 You are happy with the organization's financial / non-financial incentives provided to you.
	CP_8 The staff you work with have the right skills set to lead to the growth of the organization.

Table 1. Initial model comprising of constructs and their corresponding indicators

4. Hypotheses

The following hypotheses was proposed to direct the study:

Table 2. Hypotheses of constructs

Hypothesis no.	Hypothesis	Null Hypothesis(H0)	Alternate Hypothesis (H1)
1	Organizational Culture is not positively correlated to corporate performance.	Organizational Culture is not positively correlated to corporate performance.	Organizational Culture is positively correlated to corporate performance.
2	Power Distance does not have a significant impact on corporate performance.	Power Distance does not have a significant impact on corporate performance.	Power Distance has a significant impact on corporate performance.
3	Individualism or Collectivism do not have a significant impact on corporate performance.	Individualism or Collectivism do not have a significant impact on corporate performance.	Individualism or Collectivism has a significant impact on corporate performance.
4	Uncertainty Avoidance does not have a significant impact on corporate performance.	Uncertainty Avoidance does not have a significant impact on corporate performance.	Uncertainty Avoidance has a significant impact on corporate performance.
5	Masculinity or Feminity do not have a significant impact on corporate performance.	Masculinity or Feminity do not have a significant impact on corporate performance.	Masculinity or Feminity has a significant impact on corporate performance.
6	Long-term or Short-term objectives do not have a significant impact on corporate performance.	Long-term or Short-term objectives do not have a significant impact on corporate performance.	Long-term or Short-term objectives have a significant impact on corporate performance.
7	Indulgence or restraint do not have a significant impact on corporate performance.	Indulgence or restraint do not have a significant impact on corporate performance.	Indulgence or restraint has a significant impact on corporate performance.

5. Methodology

Questionnaire

To capture the primary data, a well-defined questionnaire was used wherein, personnel employed in different IT organizations in India responded. Overall 60 responses were recorded from candidates working in 60 different IT organizations in India. The reason for keeping the sample size restricted was to collect responses from representatives of each distinct IT organization. It is observed that multiple employees within 1 organization may or may not have the same perception of the organization. The restricted sample-sized helped to identify a unique perspective regarding each organization. The first section of the questionnaire comprised of demographic questions, sections from second till the seventh consisted of questions related to Hofstede's dimension of organizational culture i.e. Power Distance, Individualism/Collectivism, Uncertainty Avoidance, Masculinity/Feminity, Long-term objective/Short-term objectives, Indulgence/Restraint. These questions were designed to analyze the responses in two ways e.g. Individualism/Collectivism.

Table 3. Demographic statistics of the questionnaire to understand the characteristics of respondents

Characteristics of respondents	Profile	Number	Percentage
Gender	Male	35	58.3%
	Female	25	41.7%
Total		60	100%
Age	18-25	29	48.3%
	26-35	28	46.7%
	36-45	3	5%
Total		60	100%
Total Work Experience in yrs.	Less than 5 yrs.	41	68.3%
	5-10 yrs.	16	26.7%
	10-20 yrs.	3	5%
Total		60	100%

The last section of the questionnaire comprised of questions related to corporate performance. These were designed to understand some of the organizational performance variables, such as finance-related factors, internal company factors, and learning-related factors. Various academic papers were studied to formulate the questionnaire. *"Figure 3"* represents the analysis of demographic data. Of the total candidates, 58.3 % consisted of male and rest female candidates. 48.3% fell in the age group of 18-25, 46.7% in 26-35, and the rest in 36-45. Of these 68.3% had an experience of fewer than 5 years, 16% had an experience of 5 to 10 years whereas 3% consisted of experience between 10 to 20 years. Statistical tools such as Smart PLS3 and IBM SPSS were used for performing analysis.

6.   Results And Discussion

Hofstede's dimension of organizational culture such as Power Distance, Individualism /Collectivism, Long-term objectives/Short-term objectives, Uncertainty Avoidance, Indulgence/Restraint, Masculinity/Feminity which are taken to be the independent variables for the authors' analysis. The dependent variable used here is corporate performance. The initial model as per *Table1.* comprises of 38 constructs. These were reduced to 21 to achieve the required model reliability and validity. This is represented in *"Figure 2"*. The factor loadings of the constructs can be observed as per *Table 2.* The factor loadings of help to determine the strength of a construct and its indicator which in turn helps in identifying the convergent validity (Hair et al., 2009). The factor loadings of the indicators are within the acceptable range i.e. greater than 0.7 as seen in *Table 2.*

Table 4. Factor loadings of indicators

| Construct	Corporate performance	Individualism/ Collectivism	Indulgence/ Restraint	Long-term objectives /Short-term objectives	Masculinity/ Feminity	Power Distance	Uncertainty Avoidance
CP_3	0.811						
CP_4	0.921						
CP_5	0.915						
CP_6	0.823						
INDU_1			0.904				
INDU_2			0.867				
IND_2		0.867					
IND_4		0.928					
LSO_1				0.787			
LSO_2				0.833			
LSO_4				0.849			
LSO_5				0.767			
MAS_3					0.735		
MAS_4					0.891		
MAS_5					0.836		
PWD_2						0.863	
PWD_3						0.767	
PWD_4						0.836	
PWD_5						0.808	
UNC_3							0.877
UNC_4							0.892

Source: Generated from SMARTPLS3
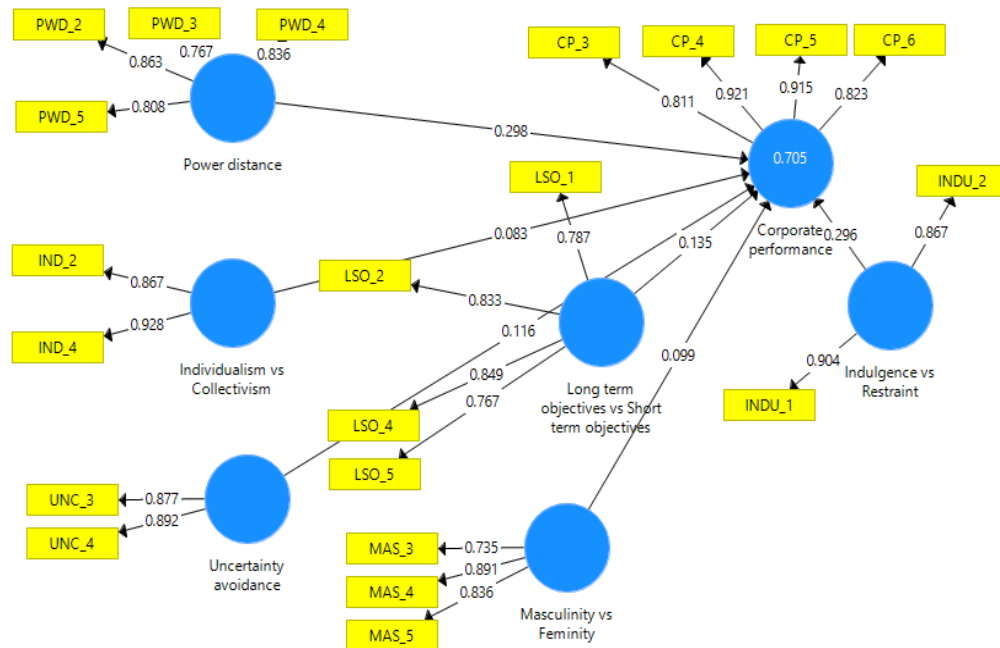
Figure 2 Final model Source: SMARTPLS3

Reliability and validity analysis is done to move forward for further analysis. If the necessary reliability and validity of a model are not achieved, it may result in an inaccurate causal model (Gaskin and Lowry, 2014). The required evaluation was conducted using Cronbach's alpha, Composite reliability, rho A, and Average Variance Extracted (AVE). It is found from *Table 3.* that Cronbach's alpha value exceeds 0.7 i.e., within the acceptable range. The AVE or Average variance as observed is greater than 0.5 which is acceptable. Also, it can be seen that the values for Composite Reliability are greater than those of the Average Variance Extracted (AVE). This is indicative that convergent validity is established for the final model (Hair et al 2009; Gaskin and Lowry, 2014). Furthermore, discriminant validity is also performed. This helps to determine whether measurements or concepts that are not supposed to be related are unrelated (Hubley, 2014). The validity of the Discriminant is tested using Correlation between inter-constructs and AVE. It is proposed that the value of inter-construct correlations should be less than the AVE square root (Fornell and Larcker, 1981; Hair et al. 2009, Gaskin and Lowry, 2014). The diagonal values as displayed in *Table 5.* indicate the AVE square root of the individual constructs with themselves, and the remaining values indicate correlations between different constructs. As required, AVE's square root for all constructs is found to be lesser than that with individual constructs. This is indicative of Discriminant validity.

Table 5. Reliability and validity of constructs

Construct	Cronbach's alpha	Average Variance Extracted (AVE)	rho_A	Composite Reliabilty
Corporate performance	0.891	0.755	0.9	0.925
Individualism/ Collectivism	0.765	0.807	0.81	0.893
Indulgence/Restraint	0.727	0.785	0.739	0.879
Long-term-objectives/Short-term objectives	0.825	0.655	0.833	0.884
Masculinity/ Feminity	0.775	0.678	0.856	0.862
Power Distance	0.836	0.671	0.839	0.891
Uncertainty Avoidance	0.722	0.782	0.724	0.878

Source: Generated from SMARTPLS3

Table 6. Discriminant Validity of constructs

Construct	Corporate performance	Individualism / Collectivism	Indulgence / Restraint	Long-term objectives / Short-term objectives	Masculinity / Feminity	Power Distance	Uncertainty Avoidance
Corporate performance	0.869						
Individualism/Collectivism	0.485	0.898					
Indulgence / Restraint	0.714	0.414	0.886				
Long-term objectives/ Short-term objectives	0.721	0.514	0.598	0.81			
Masculinity/ Feminity	0.666	0.451	0.603	0.73	0.823		
Power Distance	0.718	0.351	0.562	0.73	0.638	0.819	
Uncertainty Avoidance	0.52	0.52	0.652	0.657	0.54	0.536	0.885

Source: Generated from SMARTPLS3

Table 7. Represents the Correlation between the different constructs used in the authors' research. From the table, it is observed that the Pearson Correlation is

positive for all the constructs with the highest being that for the mean between corporate performance with that of Long-term objectives i.e. 0.717. This indicates a strong correlation between the constructs.

Table 7. Correlation table of constructs

Correlations		mean. CP	mean. PWD	mean. IND	mean. UNC	mean. MAS	mean. LSO	mean. INDU
Pearson Correlation	mean. CP	1.000	0.712	0.478	0.658	0.597	0.717	0.703
	mean. PWD	0.712	1.000	0.340	0.534	0.593	0.737	0.557
	mean.IND	0.478	0.34	1.000	0.493	0.411	0.509	0.399
	mean. UNC	0.658	0.534	0.493	1.000	0.506	0.653	0.635
	mean. MAS	0.597	0.593	0.411	0.506	1.000	0.692	0.553
	mean. LSO	0.717	0.737	0.509	0.653	0.692	1.000	0.58
	mean.INDU	0.703	0.557	0.339	0.635	0.553	0.58	1.000
Sig (1-tailed)	mean. CP		0.000	0.000	0.000	0.000	0.000	0.000
	mean. PWD	0.000		0.004	0.000	0.000	0.000	0.000
	mean.IND	0.000	0.004		0.000	0.001	0.000	0.000
	mean. UNC	0.000	0.000	0.000		0.000	0.000	0.000
	mean. MAS	0.000	0.000	0.001	0.000		0.000	0.000
	mean. LSO	0.000	0.000	0.000	0.000	0.000		0.000
	mean.INDU	0.000	0.000	0.001	0.000	0.000		

Source: Generated from IBM SPSS

Table 8. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square change	F Change	df1	df2	Sig. F Change
1	0.834[a]	0.695	0.660	0.44668	0.695	20.122	6	53	0.000
a.Predictors(Constant),mean.INDU,mean.IND,mean.PWD,mean.MAS,mean.UNC,mean.LSO									

Source: Generated from IBM SPSS

In *Table 8*., the column "R" reflects the coefficient of multiple correlations. It is 1 predictor of dependent variable prediction output; in this case, Corporate

performance. A 0.834 value indicates a good uphill relationship. 69.5 % of the uncertainty of the independent variables is suggested by the R square value of the authors'dependent variable. An adjusted R square value of 0.660 is indicative of predictors to keep in the model explain 66 % of the variation in the outcome component. A small difference between the Modified R Square and R-squared values means a reasonable match for the model.

The table of ANOVA, *Table 9.,* represents a broad F ratio (> 1) is indicative that the difference between means of the group is more than predicted. ANOVA into one component splits the difference of all the values arising out of the differences of the mean of groups (because of treatment) and other components due to group differences (because residual variance is often called). This is the remaining number of-squares. The variance between groups is determined using the sum of the squares of variance between the large average (median of all values in both groups) and the average group. In the ANOVA (*Table 9.*), the F-ratio checks that the overall regression model is a reasonable data match. The table indicates that the dependent variable is impacted statistically by the independent variables. The F-statistic, $F(6, 53) = 20.122$, $p(.000) < 0.05$. This is indicative of a strong match of data observed with the regression model. Therefore, regarding hypothesis 1, we can dismiss the null hypothesis H0 and thus approve the alternate hypothesis H1, indicating that a positive correlation is observed between Organizational Culture and corporate performance.

Table 9. Table of regression

ANOVA						
Model		**Sum of Squares**	**df**	**Mean Square**	**F**	**Sig.**
1	Regression	24.088	6	4.015	20.122	0.000[b]
	Residual	10.575	53	0.200		
	Total	34.663	59			
a. Dependent Variable: mean.CP						
b. Predictors: (Constant), mean.INDU, mean.IND, mean.PWD, mean.MAS, mean.UNC, mean.LSO						

Source: Generated from IBM SPSS

Hair et al., (2017) proposed that an interpretation of the causal factor would be interpreted as the effect size, t-statistics, R-Square value, and p-value (Cohen et al., 2013) proposed a spectrum for R-Square significance for the social and behavioral science study. If this is 2%,13%, or 26 % it is categorized as minimal, medium, or strong effect respectively. The evaluability of increasing construction is denoted with a scale of impact and the same is accomplished by exclusion and inclusion of the sample construction(Ringle et al., 2015).

Table 10. denotes the result of path analysis. The hypotheses suggested in *Table 2.* are tested by calculation of the p-value coefficient. This parameter

(beta value) is important at a 95 per cent trust interval if the p-value is reported to be less than 0.05.

The p-value for Power Distance, regarding the second hypothesis, is reported to be 0.032, which is less than 0.05. Therefore, rejecting the null hypothesis, the alternative hypothesis "Power Distance has a significant impact on corporate performance" is accepted. *"Figure 3"* indicates statistics regarding the responses received regarding the Power Distance construct. It is observed based on maximum respondents agree that IT organizations in India have management which discusses with employees openly regarding their career development, it invites employees to rectify/challenge their opinions regarding implementation of a strategy, takes accountability of actions performed in the team and treats employees as one of their equals in discussion regarding personal/professional tasks. This suggests that IT organizations in India follow a culture of low Power Distance, helping them to approach the management and thereby help in boosting performance.

Table 10. Path analysis results

Construct name	Beta Value	t - statistics	p-value	Effect Size (f-square)	Effect
Power Distance	0.302	2.151	0.032	0.128	Medium
Individualism/ Collectivism	0.092	0.903	0.367	0.016	Small
Uncertainty Avoidance	0.141	1.044	0.297	0.020	Small
Masculinity/ Feminity	0.035	0.892	0.373	0.013	Small
Long-term objectives/ Short-term objectives	0.159	0.84	0.401	0.018	Small
Indulgence/Res traint	0.296	2.772	0.006	0.140	Medium

Source: Generated from SMARTPLS3

In the case of the third hypothesis, the p-value is observed to be 0.367 which is observed to be more than 0.05. Hence, the null hypothesis "Individualism or Collectivism do not have a significant impact on corporate performance" is accepted and the alternative hypothesis is rejected.
Regarding the fourth hypothesis of Uncertainty Avoidance, the p-value is observed to be 0.297 which is observed to be more than 0.05. Hence, accepting the null hypothesis, "Uncertainty Avoidance does not have a significant impact on corporate performance" the alternative hypothesis is rejected.
In the case of the fifth hypothesis, the p-value is observed to be 0.373 which is found to be more than 0.05. Hence, accepting the null hypothesis, "Masculinity

or Feminity do not have a significant impact on corporate performance" the alternative hypothesis is rejected.

In the case of the sixth hypothesis i.e. Long-term or Short-term objectives, the p-value is observed to be 0.401 which is much more than 0.05. In this case, the null hypothesis "Long-term or Short-term objectives do not have a significant impact on corporate performance" is accepted and the alternative hypothesis in the authors' case is rejected.

Regarding the final hypothesis, the p-value for Indulgence / Restraint is 0.006 which is lesser than 0.05. In this case, rejecting the null hypothesis, the alternative hypothesis "Indulgence or restraint has a significant impact on corporate performance." is accepted.
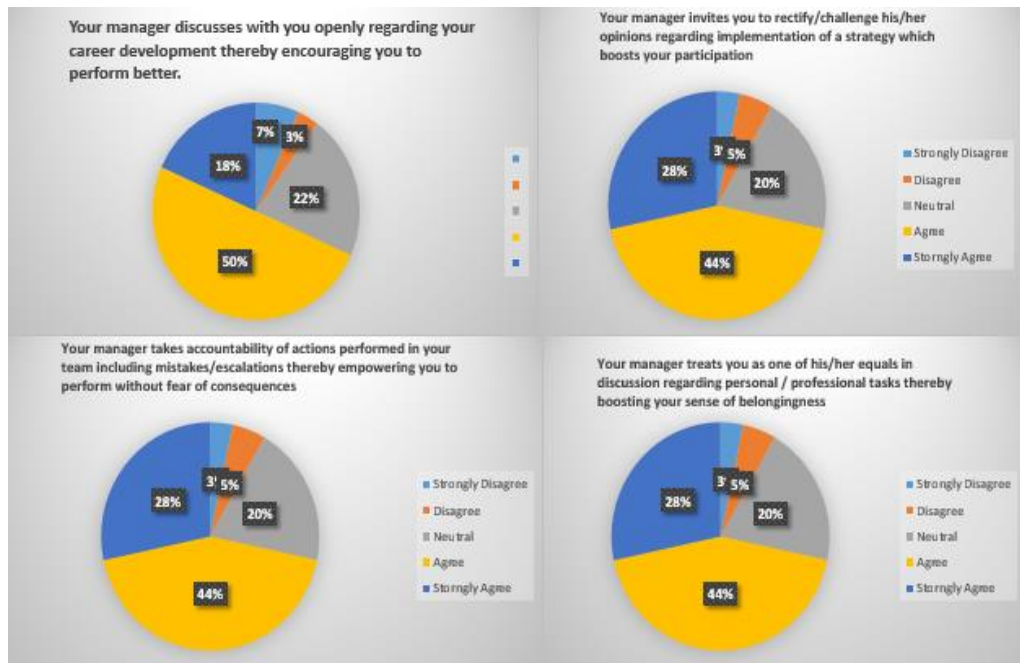

Figure 3 Percentage based statistics regarding power distance

Figure 4 Percentage based statistics regarding indulgence/restraint

"Figure 4" indicates statistics regarding the responses received regarding Indulgence / Restraint. It can be seen that maximum respondents responded towards having mentoring based management which shows inclination towards the Indulgence cultural aspect of the organizations. But is also observed that mixed responses inclined towards having a controlled/rigid behavior regarding

the implementation of tasks. From this, it can be inferred that IT organizations in India also believe in a culture wherein the Indulgence of management plays an important role in boosting corporate performance.

7.   Conclusion

The authors'analysis indicated that Hofstede 's dimensions of culture are effective for measuring the relation between Organization Culture and corporate performance. To get the best insights from the study in-depth analysis was performed. The results indicated that Corporate Performance is positively correlated with Organizational Culture. However, it was observed that only Power Distance and Indulgence out of Hofstede's 6 dimensions had a satisfactory impact on corporate performance. These results indicate that IT organizations should maintain a culture of low power Distance and should indulgence more towards the professional, personal wellness of the employees which in turn, can contribute towards achieving the optimum corporate performance. The striking observation in this research was that, although Hofstede's dimensions of Individualism /Collectivism, Uncertainty Avoidance, Masculinity/Feminity, Long-term objectives/Short-term objectives show a positive correlation with that of corporate performance, they do not impact significantly regarding the same in case of Indian IT organizations. It is observed that not all findings were consistent with those of earlier studies. The possible factor for this deviation maybe because of the restricted sample size, the level of experience regarding the employees which may or may not change their perception regarding organizational culture over a period of time.

The shortcomings of this study as discussed earlier were restricted sample size for measurement and the level of experience of the employees. This study also lacks geographical coverage as it restricts responses from employees working in limited parts of India. Future research would be to expand the sample size to expand the geographical coverage regarding the IT organizations prevalent in diverse regions of India. It will also be based on involving respondents with a greater level of experience. It will also be based on dimensions other than Hofstede's cultural dimensions which can help to assess the impact of organizational culture on corporate performance from a different perspective. The dependent variable in this research, i.e corporate performance can also be broken down into multiple dimensions to assess which aspect of corporate performance is strongly influenced by organizational culture.

References

Agrawal, R. K., & Tyagi, A. (2010). Organisational culture in Indian organisations: an empirical study. *International Journal of Indian Culture and Business Management*, *3*(1), 68. https://doi.org/10.1504/ijicbm.2010.029529

Ali, H. S. H., Said, R. M., Abdullah, A., & Daud, Z. M. (2017). The Impact of Organizational Culture On Corporate Financial Performance: A Review. *International Journal of Economics, Commerce and Management United Kingdom*, *V*(8), 585–597.

Annamoradnejad, I., Fazli, M., Habibi, J., & Tavakoli, S. (2019). Cross-Cultural Studies Using Social Networks Data. *IEEE Transactions on Computational Social Systems*, *6*(4), 627–636.

Barbara, B., Alberto, I. D., Francesco, G., & Giovanni, S. (2012). The impact of organizational culture on the job satisfaction of knowledge workers. *VINE*, *42*(1), 36–51. https://doi.org/10.1108/03055721211207752

Boon-Seng, T. (2019). In search of the link between organizational culture and performance: A review from the conclusion validity perspective. *Leadership & Organization Development Journal*, *40*(3), 356–368. https://doi.org/10.1108/LODJ-06-2018-0238

Cevahir, U., Rachna, K., Halil, S. K., & Gözde, E. (2013). Role of innovation in the relationship between organizational culture and firm performance: A study of the banking sector in Turkey. *European Journal of Innovation Management*, *16*(1), 92–117. https://doi.org/10.1108/14601061311292878

Cohen, K., Finney, S., Gibbard, P., & Fan, J. (2013). Cohen, K.M., Finney, S.C., Gibbard, P.L., Fan, J.X. 2013. The ICS International Chronostratigraphic Chart. Episodes 36, 199-204. *Episodes*, *36*. https://doi.org/10.18814/epiiugs/2013/v36i3/002

Faruk, B., Kevin, B., & Rahat, M. (2020). The association between organisational culture, CSR practices and organisational performance in an emerging economy. In *Meditari Accountancy Research: Vol. ahead-of-p* (Issue ahead-of-print). https://doi.org/10.1108/MEDAR-09-2019-0574

Fornell, C., & Larcker, D. F. (1981). Structural Equation Models with Unobservable Variables and Measurement Error: Algebra and Statistics. *Journal of Marketing Research*, *18*(3), 382–388. https://doi.org/10.1177/002224378101800313

Gaskin, J., & Lowry, P. (2014). Partial Least Squares (PLS) Structural Equation Modeling (SEM) for Building and Testing Behavioral Causal Theory: When to Choose It and How to Use It. *IEEE Transactions on Professional Communication*, *57*, 123–146. https://doi.org/10.1109/TPC.2014.2312452

Hair, J., Black, W., Babin, B., & Anderson, R. (2009). Multivariate data analysis. Prentice Hall. *London*.

Hofstede, G. (1980). Culture and Organizations. *International Studies of Management & Organization*, *10*(4), 15–41. https://doi.org/10.1080/00208825.1980.11656300

Hubley, A. M. (2014). *Discriminant Validity BT - Encyclopedia of Quality of Life and Well-Being Research* (A. C. Michalos (Ed.); pp. 1664–1667). Springer Netherlands. https://doi.org/10.1007/978-94-007-0753-5_751

Idris, M. (2017). An assessment of the impact of organizational culture on employee performance. *International Journal of Development and Management Review*, *12*(1), 178-183–183.

Kamau, & Wanyoike. (2019). Corporate culture and organizational performance : A case of Mayfair casino , Nairobi city county , Kenya. *Global Journal of Commerce and Management Perspective*, *8*(1), 8–17. https://doi.org/10.24105/gjcmp.2019.8.2

Mashal, A., & Shafiq, S. (2012). Impact of Organizational Culture on Organizational Performance : An Overview. *Interdisciplinary Journal of Contemporary Research in Business*, *3*(3), 975–985.

Nguyen, N. A. (2016). A Cross-Cultural Study on e-Government Services Delivery. *Electronic Journal Information Systems Evaluation*, *19*(2), 121–134.

Nikpour, A. (2017). The impact of organizational culture on organizational performance: The mediating role of employee's organizational commitment. *International Journal of Organizational Leadership*, *6*(1), 65–72. https://doi.org/10.33844/ijol.2017.60432

O'Reilly, C., Chatman, J., & Caldwell, D. (1991). People and Organizational Culture: A Profile Comparison Approach to Assessing Person-Organization Fit. *Academy of Management Journal*, *34*, 487–516. https://doi.org/10.2307/256404

Ozigbo, N. (2013). Impact of Organizational Culture and Technology on Firm Performance in the Service Sector. *Communications of the IIMA*, *13*(1), 69–82.

Pollack, J., & Pollack, R. (2014). Using Kotter's Eight Stage Process to Manage an Organisational Change Program: Presentation and Practice. *Systemic Practice and Action Research*, *28*. https://doi.org/10.1007/s11213-014-9317-0

Ringle, C., Wende, S., & Becker, J.-M. (2015). *SmartPLS 3*.

Salehipour, A., & Ahmand, A. (2018). The Impact of Organizational Culture and Performance Work System on Employees' Performance. *International Business Research*, *11*(6), 199. https://doi.org/10.5539/ibr.v11n6p199

Sengottuvel, A., & Aktharsha, S. (2014). *the Influence of Organizational Culture on organizational structures*. *7*(March), 57–73. https://doi.org/10.9790/487X-1810075664

Shahzad, F., & Luqman, R. A. (2012). Impact of Organizational Culture on Organizational Structure. *Ekonomika, Journal for Economic Theory and Practice and Social Issues*, *58*(2), 59–67.

Tedla, T. B. (2016). *ScholarWorks The Impact of Organizational Culture on Corporate Performance*. https://scholarworks.waldenu.edu/dissertations

Wanjiku, N. A., & Lumwagi, N. (2014). Effect of Organisation Culture on Employee Performance in Non Govermental Organizations. *International Journal of Scientific and Research Publications*, *4*(1), 2250–3153. www.ijsrp.org

Xiao, L., & Dasgupta, S. (2005). The impact of organizational culture on information technology practices and performance. *Association for Information Systems - 11th Americas Conference on Information Systems, AMCIS 2005: A Conference on a Human Scale*, *7*, 3188–3192.

Yesil, S., & Kaya, A. (2013). The Effect of Organizational Culture on Firm Financial Performance: Evidence from a Developing Country. *Procedia - Social and Behavioral Sciences*, *81*, 428–437. https://doi.org/10.1016/j.sbspro.2013.06.455

Zhao, H., Teng, H., & Wu, Q. (2018). The effect of corporate culture on firm performance: Evidence from China. *China Journal of Accounting Research*, *11*(1), 1–19. https://doi.org/10.1016/j.cjar.2018.01.003.