

GOLDEN RESEARCH THOUGHTS

STUDY OF SELECTIVE CONSTITUENTS OF WORK CULTURE AFFECTING EMPLOYEE'S PERSONAL, PROFESSIONAL LIFE AND PERFORMANCE IN IT INDUSTRY IN AND AROUND PUNE CITY.



Swati Ranbhor and S.P. Huddedar

Munot./ Management, NIMS University, Jaipur
Ex. Director, Navjeevan Institute of Management, Nashik, Maharashtra.

Abstract :

This research explores Human Resource Management practices specially focus on work culture practices in IT industry in and around Pune City. There are several constituents of work culture however this study considers selective constituents like Infrastructure, facilities, compensation and benefit, work group, work life balance and encouragement among the employees of various product based IT companies.

Keywords: IT industry, Work Culture, Work Life Balance, Infrastructure and facilities.

Study Of Selective Constituents.....

INTRODUCTION

Information technology (IT), as defined by the Information Technology Association of America (ITAA), is "the study, design, development, implementation, support or management of computer-based information systems, particularly software applications and computer hardware." IT deals with the use of electronic computers and computer software to convert, store, protect process, transmit, and securely retrieve information. Today, the term information technology has ballooned to encompass many aspects of computing and technology, and the term has become very recognizable. IT professionals perform a variety of duties that range from installing applications to designing complex computer networks and information databases. A few of the duties that IT professionals perform may include data management, networking, engineering computer hardware, database and software design, as well as the management and administration of entire systems.

Though IT industry is still growing in India, it is now more mature as compared to last decade. Many of the software companies are established in India for more than 10 years now and are well settled. Unlike, mechanical industry, IT industry is more human centric than machine and processes, hence human is still the main resource. In IT industries, apart from salary and technology, work culture is the third most important factor an employee considers to assess his job. A healthy work environment causes productive work hence great importance to the organization and to the employee. The work environment is undoubtedly created by the employees and management of the organization so it has direct impact on employee's personal and professional life as well as performance.

Significance of study and objectives

The study of constituents in Software Industry is chosen purposely since IT industry is fastest growing industry in India. Pune is known as Silicon city and there are many Software companies working on various domains and technologies. In Software Industry Employees are from different culture, religion, education and ambitions, they are working together to achieve companies objectives. This is well known and accepted fact that work culture is the major contributory in company's success and companies wants to make their work culture healthy and employee friendly. Also companies want to know the present status and improvement in the current work culture.

The objectives of the present study are to Identify the work culture constituents affecting Employees; those are from different culture, religion, education, ambitions but they are working together to get companies objectives, to identify the present status of company on Infrastructure, Facilities, work group, work life balance compensation and benefits and to find are they really affects employee's personal and professional life and performance at work.

IT industry in India and in Pune

In India IT industry started in early 1990's. It is the fastest growing industry compare to other industries in India. The Indian software industry has grown from a mere US \$ 150 million in 1991-92 to a staggering US \$ 5.7 billion (including over \$4 billion worth of software exports) in 1999-2000. No other Indian industry has performed so well against the global competition.

India is the place where skilled software professionals are easily available in very cheap cost. For many global IT companies it helps to make cost effective solutions for their business and clients. Also companies can offer their software products and services in global market with very competitive rates. That is the reason India is the favourite destination for many for companies to outsource their projects. Also many of multinational software companies started their offshore development centres in India.

Most of the IT companies are located in Bangalore, Hyderabad, Pune, Chennai and Mumbai. Pune is also called as Silicon city and favourite place for IT outsourcing because

- Pune offers a large talent pool of 650,000 students specializing across various fields. Pune has 526 affiliated graduate colleges and the most number of engineering colleges in India.
- When compared to other outsourcing locations, Pune offers low labor costs.
- The Maharashtra IT policy provides special incentives to the IT industry. The government has also created favorable and business friendly operational policies.
- Pune has a pleasant climate throughout the year. When compared to Mumbai, Pune has better local travel and housing facilities. The city also has lower real estate costs and a low cost of living.
- When compared to other cities Pune is considered to be a safer destination when it comes to terrorism, crime and women safety.

India will lead the software developer population by 2018 according to a new study by Evans Data Corp. in its latest Global Developer Population and Demographic Study. India now has a software developer population of 2.75 million but by 2018, it is projected to show an increase of almost 90 percent resulting in nearly 5.2 million developers.

Organization Work Culture

Study Of Selective Constituents.....

For work culture of any organization, basic values and strategies are of utter importance. Interpersonal relationships between the employees are the key factor. When any employee takes for a job in any organization he seeks after its work culture prominently as one has to get settled in the organization for a period of time. It helps in further defining his role in the organization and relations with the management.

As mentioned earlier many a time's work culture is collective behavior of all the human resources. Generally culture includes the regulations, visions,missions, aims, goals, objectives,organizational ethics and human ethics.It implies work culture affects not only its human resources but also its clients, stakeholders and related organizations.

Work culture is an environment in which people work and have to perform their best. Their productivity is affected positively or negatively depending upon the work culture.

SAMPLE SIZE

For this research the sampling will be restricted for limited sample for this study. Only Product Based IT companies in and around Pune city are considered for this study. Sample selection from each type of organization will be purposive and random sampling. All software companies will be divided as small, medium and large scales companies in term of number of employees.

Sn.	Segment	Segment Definition	Number of Companies (C)	Number of Employees (E)	= C * E
1	Small segment Companies	less than 100 employees	10	450	450
2	Medium companies	less than 2000 employees	3	48	144
3	Large companies	more than 2000 employees	2	50	100
		Total	15	140	694

Data Collection Methods

❖ **Primary Data:** Primary data is collected from the companies in the Pune city. The followings are the methods to collect the Data.

i. Questionnaire Method: - The data is collected with the help of structured questionnaires. The answers are in form of 5(Strongly Agree) to 1(Strongly Disagree) Scale.

ii. Interview Method: - The separate meetings are arranged with the HR head from the selected companies to collect the Work Culture of their companies.

iii. Group discussion Method: - The data is collected by taking group discussion from the selected companies.

iv. Observation Method: - The researcher observed the work culture of the selected companies.

❖ **Secondary Data:** Secondary data is collected through the constitution and by-laws of the companies. The sources for the secondary data are :

i. Company manuals

ii. House generals

iii. Company's websites

iv. Books, journals, texts and research papers

v. Internet

Study Of Selective Constituents.....

Major constituents of work culture considered for this study are

1)Infrastructure

Infrastructure is the basic physical elements needed for the operation of an organization. These physical elements are interconnected to each other and plays vital role to define the work culture of Software Company. These physical elements are company location, floor space, hardware, software, basic furniture and transportation. The quality of these elements makes employee's life easy and help to improve the work efficiency. Also it defines the companies brand and economic conditions.

2)Facilities

Facilities are the basic amenities provided by organization to employees for different purposes. These facilities are Gym, food, entertainment, travel, work from home, relocation and medical. Mostly these facilities range from basic to high and vary according to company's employee strength and economic conditions.

3)Compensation and benefit

In IT industry, compensation and benefit is the major factor to attract and retain the skilled resources. Compensation mostly contains salary structure of employees (base pay, variable pay and bonus) and benefits contains different insurances, joining, royalty and retention bonuses, different retirement plans, paid time offs, leave encashment and equities. Benefit plans are mostly not in form of cash however it helps to save and invest the money for employees.

4)Workgroup

Workgroup is basically a team where employee spends most of the time. In IT companies all projects gets executed in team. Team is always on priority than individuals. Employee spends more time with the team than his family. Openness, respect, helping nature and coordination in team makes success in project so to company. So the Workgroup plays very important role in defining the work culture of company.

5)Work Life Balance

It is well known that high competition, tight project deadlines and stress is very common in IT industry. Employees stretch their selves to complete the project task to meet the project deadlines. WLB ensures that employee can balance his professional and personal life. In IT companies WLB is mostly related to well manage projects and their schedules so that it will not hampers employee's health and personal life, however the techniques varies in different IT companies according to their types, brand and economic conditions.

6)Encouragement

In IT Industry, technology and innovation is key things. Most of company use different tools and techniques to motivate and encourage employees to do innovations and inventions. Encouragement helps employees to come up with different new ideas and implement it. Also company encourages employees to explore different career options within the company to help employee career growth.

Researcher has drawn following hypothesis for this study. These hypothesis are tested using t-test method for the significance of the population mean. The principal Component Analysis (PCA) of the data are done using the MINITAB software. The detail data is not included in this paper due to its size limit.

Hypothesis 1:- Healthy work culture improves employees' professional and personal life.

For this hypothesis following constituents are considered

- V1 : Workgroup
- V2 : Work Life Balance
- V3 : Encouragement

Variable	V1	V2	V3
Average Percent Score	73.59	74.53	72.28
Weight	9/25	11/25	5/25

Study Of Selective Constituents.....

Weighted Average Percent Score = 73.74 Weighted SD =0.84

The researcher set a threshold value of 70 percent to consider the impact to be significant.

For the t-test;

H₀: $\mu = 70$ v/s H_A: $\mu > 70$

Calculated value of t = 3.63 Critical value of t at 5 % I.o.s = 2.92

Since Calculated value of t > Critical value of t at 5 % I.o.s they hypothesis "Healthy work culture improves employees' professional and personal life" is accepted.

Hypothesis 2:- Work culture has direct impact on employees' performance.

For this hypothesis following constituents are considered

V1: Infrastructure

V2: Facilities

V3: Compensation and Benefit

Variable	V1	V2	V3
Average Percent Score	76.43	66.83	73.77
Weight	10/42	17/42	15/42

Weighted Average Percent Score = 71.59 Weighted SD =4.41

The researcher set a thresh hold value of 70 percent to consider the impact to be significant.

For the t-test;

H₀: $\mu = 70$ v/s H_A: $\mu > 70$

Calculated value of t = 0.82 Critical value of t at 5 % I.o.s = 2.92

Since Calculated value of t < Critical value of t at 5 % I.o.s they hypothesis "Work culture has direct impact on employees' performance" is **rejected**

Findings

In Pune based product IT companies, in work group, team members are from different locations, castes creed and genders. Irrespective of diversity they respect and valued each others. These team members give importance to group success over individuals. Contributing to others' success is recognized and rewarded. The members in work group speak openly and honestly. Members in work group express their ideas clearly and listen to others. Apart from work, team member participates in sport, events and social activities.

Most of the product based IT companies' in Pune, pays attention towards Work Life Balance of employees. Employees are aware of important releases and project completion dates early enough so that they can plan their leaves and holidays and not spends weekends and holidays at work. Reasonable period of time gets added in project time estimation to avoid overload of work. Manager's effectively coordinates employee's workloads. Most of companies support flexi timing and work from home policies so that employee can manage their personal and office work. Company supports fun and entertainment at work and sponsors employee's family-oriented activities.

Since innovation and innovative ideas are keys to success for IT product based companies, employees are encouraged for coming up with new and better ways of doing things and for new innovations. Company also encouraged employees to explore new opportunities of careers within organisation. Due to this employees are proactive and self motivated.

Most of the infrastructure in product based IT companies are up to the mark. The quality of hardware and other instruments are good at work place. Chair and desk are Ergonomics designed to support healthy postures. There is enough number of audio and video rooms available for meetings. Rest rooms and floors are clean and hygienic. Enough number of tea/coffee machines with good quality is available on the floor. However most of the companies are located in IT Parks outside the city like Hinjewadi, Magarpatta and Kharadi. There are huge problem of traffic in these areas and public transport are not easily available. Also companies are huge facing problem of space for the car parking due to space limitation and increase of car per employee.

Organization provides different facilities as per their economic conditions. Most of these companies try to provide convenient transportation throughout the city, late night pickup and drop, good quality and enough options of food, library and gym facilities. Small companies not provides gym, library and other recreational areas due to space problem however they provides tie up with outside vendors who provides these facilities to employees on good discounts. These companies well arranges onsite trips of employees and easy ways for bill reimbursement so that employee does not face any problems outside the country.

Product based IT companies having different compensation and benefit structure than service based companies. The pay structure is competent to market. Goals and objectives are set and well communicated to employees

Study Of Selective Constituents.....

in advanced. Proper and effective appraisal systems are in place. Salary structure helps employees to save and manage income tax properly. Life and health insurance plan are very helpful. Company helps employees to get higher education and international certificates to improve his skills and career.

Hence the constituents of work culture, Work group, Work Life Balance and Encouragement, improves employees personal and profession life in Pune based IT product companies. However infrastructure, facilities, compensation and benefits makes employee's life easy but does not helps to improve his performance in the work.

References

1. Alvesson, M. (2002). *Understanding organizational culture*. Thousand Oaks, CA: Sage.
2. Ardichvili, A., Cseh, M., Gaspirashvili, A., Krisztian, B., & Nemeskeri, Z. (2003). **Organizational culture and socio-cultural values: Evidence from five economies in transition.**
3. Bates, R., & Khasawneh, A. (2004). **Organizational learning culture, transfer climate and perceived innovation in Jordan.** In T. B. Egan, M. L. Morris & V. Inbakumar (Eds.), *Academy of Human Resource Development 2004 Proceedings* (pp. 513-519). Bowling Green, OH: AHRD.
4. Chalofsky, N., & Griffin, M. G. (2005). *Work-life programs and organizational culture: The essence of workplace community* In M. L. Morris & F. M. Nafuco (Eds.), *Academy of Human Resource Development 2003 conference proceedings* (pp. 1095-1101). Bowling Green, OH: AHRD.
5. Deal, T. E., & Kennedy, A. A. (1982). *Corporate cultures: The rites and rituals of corporate life*. Reading, MA: Addison-Wesley.
6. Denison, D. R. (1990). *Corporate culture and organizational effectiveness*. New York: John Wiley & Sons.
7. Desimone, R. L., Werner, J. M., & Harris, D. M. (2002). *Human resource development* (3rd ed.). Mason, OH: South-Western.
8. Gilley, J. W. Egglund, S. A., & Gilley, A. M. (2002). *Principles of human resource development* (2nd ed.). Cambridge: MA: Perseus Books.
9. Pettigrew, A. M. (1979). **On studying organizational cultures.** *Administrative Science Quarterly*, 24, 570-581.
10. Shafritz, J. M., Ott, J. S., & Jang, Y. S. (Eds.). (2005). *Classics of organizational theory* (6th ed.). Belmont, CA: Thomson Wadsworth.
11. Smircich, L. (1983). **Concepts of culture and organizational analysis.** *Administrative Science Quarterly*, 28(3), 339-355.
12. Smircich, L. (1985). **Is the concept of culture a paradigm for understanding organizations and ourselves?** In P. J. Frost, L. F. Moore, M. R. Louis, C. C. Lundberg, & J. Martin (Eds.), *Organizational culture* (pp. 55-72). Beverly Hills, CA: Sage.
13. http://en.wikipedia.org/wiki/Organizational_culture