



# IMPACT OF ORGANIZATIONAL CULTURE ON WORK FORCE IN INDIAN VERSUS MULTINATIONAL RETAIL ORGANIZATION IN INDIA

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## **ABSTRACT**

*The current research primarily aims to investigate and evaluate the cultural similarities and differences between Indian retail companies and multinational corporations operating in India. Recognizing the importance of organizational culture across all facets of an organization, this study acknowledges that the organizational environments of different companies can vary significantly. This is particularly evident when comparing Indian firms to multinational firms. The main objective of this research was to examine the organizational cultures of five distinct national and international retail companies. To achieve this, the study explored twelve fundamental aspects of organizational culture in both Indian retail organizations and multinational retailers in India. Analyses revealed that both Indian and foreign multinationals exhibit a rich organizational culture across all dimensions. It was hypothesized that multinational companies would outperform national companies in terms of their organizational culture, and the findings generally supported this hypothesis. Multinational companies scored high in organizational culture across all dimensions. This study significantly contributes to understanding the dimensions of organizational culture in Indian and foreign multinationals, highlighting areas for improvement to enrich the culture in both types of organizations.*

**Keywords:** Organizational Behavior, Versus Multinational Retail

## **INTRODUCTION**

Culture, as a concept, is frequently employed by organizational researchers and managers to describe the environment, values, and practices developed within organizations for managing personnel. Managers and organizational leaders often talk about fostering the "right kind of culture" within their companies. There is a common belief that some cultures are better or worse, stronger or weaker, and that having the right culture significantly enhances organizational effectiveness. This belief is foundational to the study of Organizational Behavior (OB). OB reflects the core values embedded within an organization and how employees manifest these values in both internal operations and external interactions.

**Importance :-**The study of organizational behavior, commonly referred to as OB, focuses on how individuals, groups, and structures influence behavior within an organization. This research explores the importance of understanding these dynamics. The findings contribute positively to a company's efficient operation, benefiting the organization. Organizational behavior analysis (OBA) examines what people do within firms and how their actions

impact the companies' success in achieving their tasks. OBA is another term for Organizational Behavior Studies. The field places significant emphasis on work-related issues, including jobs, work conditions, time off, employee turnover, productivity, human performance, and management. Additionally, organizational behavior encompasses crucial topics such as motivation, leadership actions and authority, interpersonal communication, group structures and processes, learning attitudes and perceptions, conflicts, job design, and workplace stress. In the "Organizational Conduct" course, you will encounter a diverse range of concepts and theories.

This is because the field deals with numerous widely accepted 'facts' about human behavior and organizations accumulated over time. One objective of organizational behavior is to challenge and invalidate commonly held beliefs, fostering innovation in the process. The field presents managers with both challenges and opportunities for advancement. It focuses on strategies and methods to enhance productivity, reduce absenteeism, increase employee job satisfaction, and address similar issues. Organizational behavior, a subfield of organizational psychology, offers management insights into creating more ethical workplaces. This is because understanding organizational behavior can improve the accuracy of predicting employee behavior.

**The Value of Organizational Culture and Behaviour :** The study of organizational behavior is an applied topic within the field of behavioral science. It draws on findings from various behavioral disciplines, including sociology, anthropology, political science, and psychology, to develop its assumptions. For managers, acquiring a solid understanding of organizational behavior is increasingly essential, especially with the rising level of global competition necessitating greater employee flexibility to manage rapid changes effectively. Developing and implementing concepts related to organizational behavior is becoming a more complex task for managers. In today's interconnected world, the traditional barriers between companies and national authorities have diminished. For example, both McDonald's and Burger King operate outlets in Moscow, Russia, with Burger King being owned by a UK-based company. Additionally, a significant portion of ExxonMobil's revenue comes from customers outside the United States.

All of the world's most renowned vehicle manufacturers build their cars in countries other than their own. For instance, Honda cars are assembled in Ohio, USA; Ford cars are assembled in Brazil; and Mercedes-Benz and BMW cars are assembled in South Africa. This illustrates how the world has become interconnected like a small town. Consequently, managers must ensure their workforce is diverse. "Workforce diversity" refers to the process of organizations becoming more varied in terms of the gender, race, and ethnicity of their employees.

When managed effectively, an organization's diversity can encourage innovative thinking and out-of-the-box solutions. It can also enhance decision-making by incorporating a variety of perspectives on pre-existing plans, leading to more effective outcomes. The fundamental goal of quality management is to ensure customer satisfaction by consistently improving all aspects of an organization's operations. These aspects include productivity, absenteeism, turnover, job satisfaction, and a newer concept known as organizational citizenship. These improvements are made possible through the implementation of a quality management system, which facilitates ongoing enhancements in these areas.

**Variations at the Individual Level :-** Each person possesses a unique and distinctive set of qualities, such as intelligence, appearance, personality, and diction, that sets them apart from others. Management can achieve the highest possible level of motivation from the workforce by treating employees in various ways, recognizing their individuality. Since every worker is unique, it is essential to tailor approaches to suit each individual rather than applying a uniform, company-wide strategy. If everyone were the same, a standard approach requiring minimal discretion would suffice. The study of organizational behavior (OB) begins with the individual because the significant diversity among people underscores the importance of researching OB.

Individuals alone possess the ability to recognize responsibility and make decisions; collectives, as entities, lack this capacity. It is through the actions of individual members that a group can have any impact at all. When individuals are employed, they bring not just their skills, but also their personal history, preferences, pride, and biases to their roles. Their complete individuality is thus reflected in their work. Personal and professional lives are deeply interconnected; one cannot exist without influencing the other. Therefore, managers have a responsibility to create a workplace where employees feel at home. They invest in training not only to enhance employees' professional skills but also to foster personal growth and a sense of accomplishment. Both these objectives are crucial for the company's success.

## **OBJECTIVES:**

1. To conduct a study on organizational behavior within Indian retail companies and foreign multinational retailers operating in India.
2. To identify, analyze, and compare the hierarchical behaviors within Indian and multinational retail organizations.

## **Employee's Dissatisfaction**

An employee's actions are not random but can be attributed to underlying causes. This mindset often arises when an employee perceives, whether accurately or not, that someone is acting in their best interests but is dissatisfied with the outcome. Managers are responsible for understanding these underlying perceptions, making necessary adjustments to behavior, and addressing issues at their core. Every behavior, whether it's arriving late to work, expressing frustration, or even more extreme actions like throwing stones at a bus or verbally confronting a boss, has a reason behind it. For instance, being late to work may simply be due to traffic or other unforeseen circumstances.

## **Human Dignity**

This underscores the importance of individuals seeking to be treated with respect and dignity in their interactions with others. Every individual executing a task, no matter how small, should be valued and appreciated for their unique talents and contributions. This recognition and acknowledgment should be extended across all types of tasks and roles within an organization, reflecting a fundamental respect for human dignity. The outdated practice of treating employees merely as economic tools contradicts this principle. People are integral to organizational operations, and ethical considerations permeate every aspect of business activities. It would be unethical to evaluate individuals without considering their personal perspectives and values.

## **The social structures allow organizations to function effectively and continue to exist.**

Because companies and other organizations are social systems, their activities are governed not only by psychological norms but also by the social norms that define the institutions they belong to. Each member of these communities holds a specific social position and set of responsibilities within the group. Thus, individual behavior within these organizations is shaped by both the collective dynamics of their environment and the personal motives of its members. The organizational environment, influenced by existing social systems, tends to experience dynamic rather than static change. This is due to the functioning social structures within the environment, which interconnect every component of the system and allow each to influence the others' operations.

## **Continued Participation in Something of Mutual Interest**

Organizations are formed and sustained by members who work toward a shared vision and uphold common values. In essence, individuals rely on organizations as integral parts of their communities, while organizations depend on people for their operations. Individuals seek organizations to help achieve their goals, and organizations, in turn, rely on individuals to successfully accomplish their objectives. When individuals share a common interest in a specific topic, their diverse needs can be harmonized into a unified purpose that benefits both individuals and organizations alike.

## **A Holistic Approach to Health and Wellness**

This approach examines the connections between individuals and organizations by considering the complete individual, the entire group, the organization, and the broader social system. It seeks to understand the multitude of factors that influence the behavior of individuals within organizations by adopting a comprehensive perspective. This approach aims to gain insights into as many of these factors as possible, viewing individuals within companies holistically. Its goal is to understand these aspects comprehensively, rather than viewing issues through the narrow lens of isolated events or challenges.

## **An Indian organization tasked with overseeing retail sales**

The evolution of consumer shopping habits in India over recent decades has significantly driven the surge in retail advertising. This shift is influenced by several factors, including rising incomes, changing lifestyles, a sizable young population, increased education and skills, a burgeoning middle class, urbanization, growing awareness in rural areas, and expanded media penetration. However, the retail sector faces numerous challenges, such as inadequate infrastructure, limited educational programs focusing on retail as a career choice, insufficient managerial skills in retail, and inadequate support for traditional retail formats. Despite these challenges, the retail industry in India continues to grow amidst complexities like pricing fluctuations, quality control issues, and narrow profit margins. While the sector shows unprecedented growth, investors may perceive it as less attractive compared to other opportunities.

The retail sector is confronted with numerous challenges that serve as obstacles to its growth. While there is substantial potential for development within the industry, progress has been notably slow. This research sought to delve into the financial conditions of retail dealers in the Saurashtra region of Gujarat state, examining not only their economic situations but also the various monetary hurdles, advertising problems, governmental challenges, and administrative issues they face. The aim was to gain a comprehensive understanding of these obstacles and the impact they have on the retail sector's ability to expand and thrive. By investigating these aspects, the study intended to highlight both the existing problems and the opportunities for improvement within the retail industry.

This was done in an effort to have a deeper comprehension of the challenges that are faced by these retail dealers. The commercial activities that are involved in pitching goods and companies to the customer for the purchaser for the purchaser's personal requirements, as well as the needs of their family, family unit, relative, or friend, are referred to as "retailing." The word "retailing" refers to the commercial operations that are engaged in pitching products and businesses to the customer. The term "retail" refers to all of these different types of business. This term encompasses all kind of items that a customer could purchase. To cite a few instances of the breadth of its reach, it includes a wide variety of items and services, such as ready-made garments, automobiles, travel agencies, and computer training courses, to name just a few of these examples. The final step in the distribution process is retailing, which has an impact on every aspect of human existence.

Retailers play a crucial role in fulfilling nearly every daily need of their customers, which is essential for maintaining their business. The term "retail" is derived from the French verb "retailer," meaning "to cut up." This refers to the commercial practice of purchasing products in large quantities and then selling them to individual customers in smaller amounts. For instance, a convenience store may buy cans of beans and other goods by the dozen but choose to sell them one can at a time.

Retailing is a set of commercial operations that, when combined, raise the value of the goods and services that are supplied for sale to consumers for the personal use of the customers themselves or the customers' families. These customers may purchase these goods and services for their own use or for the use of their families. These consumers could purchase these products and services for their personal use or for the use of their family members. People frequently have the misconception that retailing entails nothing more than the sale of goods to clients inside the confines of physical stores; nevertheless, this line of work also include the sale of services to end users. There are a variety of organizations that participate in retailing activities, despite the fact that they have not been specifically identified as retailers themselves. These organizations are known as grey market retailers. There are a great number of organizations like this one. In order to compete with traditional retailers, a processing company, for example, may choose to enter the retailing movement by selling "seconds" (also known as quality items) at the shop that is adjacent to its assembling activities. This may be done in order to join the retailing movement.

## CONCLUSION

As a consequence, a win-win situation emerges, benefiting both parties involved. Some of the most well-known companies in India are either collaborating to expand their operations within the country or planning to extend their presence. These companies are widely regarded as some of the most successful and prominent in India. This information came from an entirely unexpected source. Consequently, there is less incentive for employers to enhance educational methods to contribute to higher employee productivity, which may account for many of the attitude challenges encountered by some workers.

As a consequence, a win-win situation emerges, benefiting both parties involved. This mutual benefit scenario is advantageous for everyone affected. Several of the most well-known companies in India are either collaborating to expand their operations within the country or planning to extend their presence. These companies are widely regarded as some of the most successful and prominent in India. This information was obtained from an entirely unexpected source, adding an element of surprise to the findings.

Due to this situation, employers have less motivation to develop and expand educational methods aimed at boosting employee productivity. This lack of incentive may explain many of the attitude challenges faced by certain workers. Without a strong drive to enhance education and training techniques, employers miss opportunities to improve overall productivity and employee performance. Addressing this issue could lead to significant advancements in both worker satisfaction and organizational efficiency, ultimately benefiting the entire industry.

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