The impact of organisational culture on occupational stress: Comparison of the SME IT sectors in India and the UK

Örgüt kültürünün mesleki stres üzerindeki etkisi: Hindistan ve İngiltere’deki KOBİ BT sektörlerinin karşılaştırılması

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Abstract

The study's main aim is to examine the impact of organisational culture on occupational stress by comparing the IT sectors in India and the UK. The paper adopts the application of Denison's model for studying the organisational culture, whereas role conflict, role ambiguity, role overload and role stress are considered to discuss occupational stress. Through snowball, convenience, purposive and quota sampling techniques, 62 respondents (31 from India and 31 from the UK) were targeted to attain a qualitative perspective through a semi-structured questionnaire. Results showed that there is an impact of organisational culture on occupational stress. Moreover, the impact is mainly evident in the Indian IT sector than the UK IT sector. Moreover, considering the impact of organisational culture on occupational stress, overall employees experience occupational stress, role overload, role conflict, role ambiguity and role stress. In contrasting economies, Indian IT sector employee's experience role conflict, role overload, role ambiguity and role stress, whereas UK IT sector employees' experience scenario role ambiguity.

Keywords: Organisational culture, occupational stress, gender, contrasting economies, IT workforce, SMEs

Jel Codes: L20, L29, M10, M15

Öz


Anahtar Kelimeler: Örgüt Kültürü, Mesleki Stres, Cinsiyet, Zıt Ekonomiler, BT İşgücü, KOBİler

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Introduction

Organisational culture is mainly defined as the social norms, roles, values in the organisation and the organisational climate (Van Tonder & Williams, 2009). The organisational culture is the primary binding force transferred to new employees and decides their performance (Schein, 2009). The organisation's growth depends on the members within the organisation through which the culture of the organisation and its values are shared (Kotter & Heskett, 1992). Moreover, organisational culture exhibits how the values, norms and attitudes are perceived within the organisation (Tomic, Evers & Brouwers, 2004). Organisational culture can easily recognise by observing employees at work. However, there is no clear definition of organisational culture, which was accepted by researchers worldwide.

Different disciplines such as management, sociology and psychology are interested in researching occupational stress (Tsarenko & Tojib, 2011; Blackhart, Nelson, Knowles & Baumeister, 2009). Stress is mainly impacting the productivity and performance of the employees. Therefore, there needs to be awareness of the employees about occupational stress and its adverse effects that will result in the employer and employee’s quality of life. Occupational stress is mainly defined as having unpleasant and negative impacts resulting from the individual perception that their work atmosphere results in their self-esteem and well-being (Coetzee & Schreuder, 2008). Therefore, stress is considered an event that is harmful to individuals (Khoza & Milner, 2008). Furthermore, when considering the global perspective, the studies confirmed that stress affects the employees’ commitment (Haque, Nair & Kucukaltan, 2019).

This study mainly concentrated on different economies, India and the UK, which included the fact that India is a developing economy and UK is a developed economy. However, both the economies have significantly contributed to the growth and GDP of both economies over the decades. Therefore, there can be similar trends and constraints within these two economies (Nair, Aston & Kozlovski, 2019). The research aims to examine the impact of organisational culture on occupational stress among the employees at IT sectors in contrasting economies.

Literature review

Culture mainly combines the values, opinions, and attitudes within the organisation and how it occurs (Nayak & Barik, 2013). Organisational culture is the central aspect of organisational behaviour, and it is considered an important research topic (Manetje & Martins, 2009; Martins & Martins, 2003; Van der Post, De Coning & Smit, 1998; Van Stuyvesant Meijen, 2007). Organisational culture has an essential impact on organisational performance and commitment (Lok & Crawford, 2003). However, culture is considered the functions outside of the people’s awareness, and they need to understand it because it helps to clear the different phenomena within an organisation. The primary responsibility of the management in the organisation is to make decisions about their cultural policy (Armstrong, 2006). Nair et al. (2019) revealed that the relationship between organisational culture and job satisfaction is more robust in India to demonstrate a solid organisational culture. The study by Sabri, Ilyas & Amjad (2011) concluded that organisational culture could be divided into culture related to managers and leaders and culture connected with employees. Both of these cultures have a positive effect on job satisfaction. There are different studies carried out to compare the IT sector in two contrasting economies. The earlier studies have considered the differences in organisational culture and job satisfaction (Nair & Sommerville, 2017).

The current study incorporates Denison’s cultural model to measure the organisational culture and its effectiveness (Denison, 1990). The reason for choosing this model depends upon the cultural relations, management practices and its efficiency. Also, this model reflects the connection between management practices and beliefs about organisational culture and its effectiveness. Denison's cultural model considers the four behaviours of culture: involvement, consistency, adaptability, and mission (Denison, 1990). Involvement trait considers the extent to which the employees need to work towards achieving the mission to attain the organisational objectives. In the consistency trait, all the employees, including senior level, are committed to their work and accept the decisions that positively affect their work. Finally, the adaptability trait considers the organisation's external environment and responds to the changing needs of customers and stakeholders.

In contrast, the mission trait reflects how the employees will attain their goals and how they will contribute to the organisation's success. The Denison model is different from other models as this model concentrates on how culture influences the organisation's performance and the cultural traits have the primary influence on the business performance. This model considers the various aspects of beliefs and assumptions that are difficult to generalise (Denison, 2000).
Spector (2006) argued that occupational stress is the situation that needs a positive response from the employees, and job strain is the negative effect of the employee on the stressor. Spector identified these stressors as role ambiguity, role conflict, workload, social stressors and work control. In other words, researchers identified that stress is a complex pattern of the state of emotions and physiological reactions, which is linked with the responses to external demands referred to as stressors. Muchinsky (2000) argued that role conflict arises when people disagree on the job expectations. However, role overload is considered as the feeling by the employees that they have too much responsibility compared to their limitations (Rizzo, House & Lirtzman, 1970). Hence, role ambiguity is the anticipation related to the role, the way to complete role expectations and consequences of the role performance (Graen, 1976; Kahn, Wolfe, Quinn, Snoek & Rosenthal, 1964). Van Sell, Brief & Schuler (1981) argued that role conflict, role ambiguity, role conflict and occupational stress could affect the employee’s productivity which causes tension, dissatisfaction and withdrawal from the workgroup. The study by Miles (1974) revealed that role conflict and role ambiguity are linked with job dissatisfaction, and this supports the study by Rosenheim (1976).

Role overload and role ambiguity can hurt the employees with the increase of occupational stress. However, researchers consider role conflict a significant occupational stressor for employees (Jex & Blisse, 1999). Also, Dobreva-Martinova, Villeneuve, Strickland & Matheson (2002) consider that role conflict negatively correlates with job satisfaction and affective commitment, but it positively correlates with tension and mental health. Furthermore, Senol-Durak, Durak & Gencoz (2006) argued that internal consistency between role conflict, role ambiguity, role overload and occupational stress is positively linked with depression, anxiety and hopelessness. The occupational stress framework by Glazer & Beehr (2005) revealed that role ambiguity, role overload and role conflict were related to anxiety and commitment and negatively related to turnover.

The cultural values within an organisation need to apply in each employee's actual behaviour (Schein, 1992). Ogbonna (1993) argued that organisational culture has a moderate relation with occupational stress when the culture adopts organisational norms. Organisational culture helps increase performance through increased motivation, favourable opinions of the organisation, and increased staff retention, leading to lower stress levels (Ogbonna & Harris, 2000). Organisational culture is linked with job satisfaction and a positive relation with leadership, and this helps to decrease the occupational stress of employees (ibid). Job stress can decrease by favourable organisational culture in the Free State Province of South Africa (Kott & Ramarumo, 2015). Therefore, organisational culture and occupational stress are considered linked variables that need more attention from the management within an organisation.

The literature related to occupational stress revealed that role stressors and the different tasks performed by the employees, such as role conflict, role ambiguity and role overload, are linked with employee turnover (Kazue & Stephen, 2011). The effect of organisational culture on role conflict leads to role stress, usually experienced by Japanese staff in role overload. Different work culture contexts affect employees' stress levels (Monga, Monga, Mahajan & Monga, 2015). However, there is no evidence to support this for the IT sector in the UK and India. The study by Nair, Aston & Kozlovski (2017) revealed that organisational factors like work-life balance practices, supervisory support, and technical assistance support the increased performance of female employees of the IT sector in India even if they are under stress. The study by Haque, Aston & Kozlovski (2016) revealed that organisational commitment and performance of the employees in Pakistan is impacted by stress than the UK workforce because of the low social support at the workplace and the role of an occupational therapist. Also, the level of work commitment increases, and depression and burnout decrease among health workers (Tanverdi & Sarihan, 2014). Hence, the research question can be formulated as “does organisational culture have any impact on occupational stress in the IT industries of India and the UK?”. The conceptual framework has been developed after reviewing the literature, which is depicted in Figure 1.
Research Methodology

The present study concentrated on a qualitative approach, and the responses were collected through interviews using a semi-structured questionnaire. The questionnaire included 15 items containing organisational culture, different traits, occupational stress, and different variables. The study considered objective ontological assumption (Easterby-Smith, Thorpe & Lowe, 2004) followed by critical realistic epistemology (Saunders, Lewis, & Thornhill, 2012). There was a total of 62 responses received and the responses collected through networks and connections. The researcher made sure to keep the sample size equal from both countries. The sample size included the male and female employees working in the different management layers of IT companies in India and the UK. The sample size determination was considered through Point-of-Saturation (Creswell, 2013) strategy and covering of significant strata. Also, in Denison cultural model, a minimum of 250 respondents from the population is needed to continue with the study (Denison, 1990). However, any sample size between 30 and 500 is considered suitable for research (Crimp & Wright, 1995). Snowball, convenience, purposive (Louangrath, 2013) and Quota sampling techniques were administered to collect the responses through one-to-one interviews. The current study used a cross-sectional research design. For avoiding ambiguity, questions were formulated in English. A pilot study was used before conducting the interviews. The data were analysed through coding, percentage and tabulations. Also, the funnel approach of Haque & Aston (2016) was considered to conclude the findings of the variables. To ensure credibility and validity, the HR department considered the demographic check to ensure that the right participants were approached. Also, the participation was voluntary, and they can leave at any time during the process. In addition, confidentiality was maintained throughout the study.

Results

When considering the demographic variables in India, the primary responses came from female (54%) within the age group of 31-35 years (32%) having education level of Masters (46%) with 6-8 year’s work experience (36%). On the other hand, from the UK, the primary respondents were male (64%), having the age group of 26-30 years (43%) with the education of Bachelor’s (47%) and having work experience of 8-10 years (45%).

Figure 1: Conceptual Framework

Source: Own elaboration

Organisational culture

- Adaptable
- Consistency
- Involvement
- Mission

Occupational stress

- Role stress
- Role ambiguity
- Role overload
- Role conflict
Table 1: Descriptive Statistics

<table>
<thead>
<tr>
<th>Demographic variables</th>
<th>Country</th>
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<tr>
<td>Gender</td>
<td>India</td>
<td>UK</td>
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<tr>
<td>Male</td>
<td>46%</td>
<td>64%</td>
</tr>
<tr>
<td>Female</td>
<td>54%</td>
<td>36%</td>
</tr>
<tr>
<td>Age</td>
<td>31-35 years</td>
<td>26-30 years</td>
</tr>
<tr>
<td></td>
<td>32%</td>
<td>43%</td>
</tr>
<tr>
<td>Qualifications</td>
<td>Masters</td>
<td>Bachelors</td>
</tr>
<tr>
<td></td>
<td>46%</td>
<td>47%</td>
</tr>
<tr>
<td>Experience</td>
<td>6-8 years</td>
<td>8-10 years</td>
</tr>
<tr>
<td></td>
<td>36%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Source: Own elaboration

The question was asked to understand whether the organisation follows particular management styles and practices under organisational culture. 52% of the employees from both economies have the same opinion about their organisation's management styles and practices. Also, Indian middle-level IT employees understand the management style and practices, whereas lower-level employees disagree that they understand the management styles and practices within the organisation in the UK. When asked about the management styles and practices, Indian employees confirmed that they experience decentralisation, leadership, authority delegation and motivation (19%), but UK employees confirmed that they experience decentralisation (25%), communication (25%) and leadership (25%).

To understand the agreement about right and wrong ways of doing things within the organisation, Indian IT employees feel that their companies promote good working relationships (26%) to understand doing right and wrong things. On the other hand, UK employees confirmed that resource implementation and leadership (23% each) considered the best way of doing right and wrong things. Furthermore, regarding how different departments within the organisation coordinate the projects, Indian employees confirmed that they have strategies and a clear understanding of goals and objectives (26% each). In contrast, UK employees confirmed that they clearly understood the goals and objectives (29%).

When the question asked about how to deal with the competitors and other changes in the business environment, Indian employees responded that they use leadership (19%) and better leadership (16%), whereas, in the UK, the employees responded that they consider benchmarking (19%) and strategies (16%). The next question was asked about the customer focus; Indian IT employees responded that they focus on customers (44%) and UK employees also consider their employees (42%).

The responses received about how the comments and recommendations from the customers affected the organisation to make changes in the business, Indian employees responded that customer feedback helped their business increase production efficiency (43%). UK employees responded that customer feedback improved the confidence of the employees (35%). Furthermore, regarding the preference of long-term vision through short-term thinking, the responses received from India is that they prefer long-term vision (68%), and UK employees prefer the same (65%).

The questions were asked to understand the occupational stress in contrasting economies; Indian employees feel that they have given more responsibilities with proper explanation (45%), whereas UK employees agree that they have not been given a proper explanation for the job assigned to them (20%). Multiple jobs are assigned to the employees without clarity (20%). Also, when comparing the two different economies, Indian employees feel that their goals and objectives were clear and objectives have been predetermined by the management (52%), whereas UK employees consider the goals and objectives of their organisation depend on how much work they need to complete (36%).

The support received for completing the project was that 39% of Indian employees experience role conflict at the workplace not to finish their projects. From this, it can conclude that they do not receive...
enough support to complete the work assigned to them. On the other hand, UK employees have agreed that communication within their organisation is suitable so there is no confusion about their jobs (48%). The next question was asked to identify when the employees experience stress at their workplace to meet the deadline of the projects. Indian employees confirmed that there is more stress at their workplace as they need to work quickly during the day before deadlines are due (74%), whereas UK employees consider that there is no stress as they do not need to work fast to meet their project deadline (74%).

Indian employees consider that they feel stressed when trying to meet the project (97%) whereas UK employees consider that they did not feel any stress while completing their projects. When asked about the feel about working in the organisation makes it hard to spend enough time with their families, Indian employees responded that they do not get enough time to spend with their families (97%), whereas UK employees consider that they do not feel that their organisation have this difficulty as they get enough time to spend with their families (74%). When considering the responses about the question asked about their job, whether they have a tight feeling in the chest, Indian employees consider that they feel job stress at their workplace (42%) whereas 74% of UK employees do not feel stress.

Findings and discussions

Considering the organisational culture prevalent in both the contrasting economies, the responses demonstrate that half of the Indian and UK employees consider the organisation’s transparent management practices and styles consistently. From this, it can understand that both the economies demonstrate consistency within their organisation. Thus, the managers of both the economies performing better, which supports the study by Armstrong (2006). Also, the employees are aware of the organisation’s core values; through this, they are aware of the management styles and practices. The organisation’s core value supports a solid organisational culture for the employees. This supports Denison’s cultural model (1990). The organisational culture of the companies in the IT sector is connected with the management of those organisation. This supports the study by Sabri, Ilyas & Amjad (2011). From this, it can understand that both the economies have consistency within their organisation, and this is connected with the leadership, which reveals strong organisational culture.

The responses can understand that both the economies follow decentralisation and leadership traits within their organisation, but the Indian IT sector lacks communication. Hence, both the economies attained consistency which helps to create a better governance system. Both the economies follow better management styles and practices, supporting the study by Lok & Crawford (2003). Indian IT sector employees are more motivated than UK employees. This supports the study by Ogbonna & Harris (2000). To understand the agreement about the right and wrong ways of doing workplace duties, employees in the Indian IT sector are more aware of this, and there is strong self-consensus in both economies. In team orientation, UK employees experience team orientation through a clear understanding of the different departments’ goals and objectives. Through this, the employees are getting an idea about the objectives of different departments, and team orientation is clear. Indian employees also experience team orientation, but which is different from what UK companies employ. Thus, both the economies experience team orientation of involvement trait in Denison’s model. Indian IT sector mainly considers the organisation’s strategies and goals, and thus it supports the study by Nair & Sommerville (2017).

The response about how the employees feel when their organisation deals with competitors and other changes in their business, Indian employees confirmed that their organisation shows leadership style to deal with their competitors to adjust with the changes in the business environment. However, UK employees confirmed that benchmarking is the factor that allows their organisation to deal with competitors. Thus, it can conclude that both the IT sectors of contrasting economies follow distinct models, but both can create change within their organisation, and they are showing the same adaptability. Both the contrasting economies confirmed that their organisations are committed to customer focus as they consider customers important for their business. From this, and it can understand that both the economies follow customer focus under the adaptability trait. Also, Indian IT sector employees confirmed that they experience more change in business because of the customer feedback, and thus it is more adaptable about customer focus. This supports the study by Denison (1990) as the culture within the organisation impacts their customers.

In the case of organisations considering the comments and recommendations of the customers and how they helped to change their business, Indian IT sector employees confirmed that customer feedback helped increase their productivity. However, UK employees revealed that customer feedback increased their confidence. Thus, it supports the customer focus of adaptability trait in the Denison cultural model.
(1990). However, it is more visible in the Indian IT sector regarding the mission trait, and the UK IT sector does not have that much visibility than the Indian IT sector.

Regarding occupational stress in both the contrasting economies, Indian IT sector employees consider that they have given many responsibilities at their workplace that have given clear explanation to finish the tasks on time. In UK IT employees, they have experience stress as they have allocated with unclear responsibilities. From this, it can understand that UK employees experience more stress than Indian employees. Thus, role ambiguity negatively affects job satisfaction, supporting the studies by Miles (1974) & Rosenheim (1976). Also, Indian employees consider they have clear planned goals and objectives that their managers decided to have no worries about their tasks, whereas UK employees’ goals depend on how much work they need to complete. Thus, it is clear that UK employees lack clear goals and objectives, and role ambiguity can be evident. The research has confirmed that Indian employees experience role conflict whereas UK employees do not feel the same as their communication is clear from their supervisors. From this, it is evident that role conflict in the Indian IT sector leads to emotional exhaustion and staff turnover, supporting the study by Kazue & Stephen (2011). Also, the organisational culture in the Indian IT sector impacts the stress levels of the employees, and this supports the study by Monga et al. (2015).

Indian IT sector employees experience role overload, and the organisation’s objectives are not developed so that the employees are not sure about the communication from their management. Also, they do not have their work-life balance as they were not getting enough time to spend with their families when there is a project deadline, whereas the UK employees have a work-life balance and are not feeling any stress about this. It is also evident that UK employees do not have any job stress but Indian employees experiencing it. From this, it can understand that the UK IT sector has favourable culture within their organisation. Because of this, they are not experiencing any stress. This supports the study by Kokt & Ramarumo (2015).

Conclusion

The present study revealed that the behaviour of the employees in both of the economies could enhance by the organisational culture, which affects the commitment and job satisfaction of the employees. In both the contrasting economies, positive organisational culture reduces their stressors not to feel any tension. So, from this, it can conclude that organisational culture impacts occupational stress in the IT sectors of both India and the UK. Also, this study revealed that UK employees are getting enough support from their management which is considered significant for the attributes of organisational culture and occupational stress. In the case of occupational stress, IT sector employees’ experience role overload, and thus it impacts their performance. Also, Indian IT sector employees’ experience role conflict and this leads to their role overload. Employees in the IT sector experience job stress because of the organisational structure and their career advancement. They are considering role ambiguity, employees in the UK IT sector experiences because they are unsure about their duties. However, they are not experiencing role overload, role conflict or role stress. It can see that the Indian IT sector does not experience delegation when the authority becomes powerful, and this results in them feeling more stress. It can understand the relationship between organisational culture and occupational stress in India’s IT sector and the UK. Both Indian and UK economies leadership is evident, and they are getting enough support from senior staff, which reduces the chances of their occupational stress.

Recommendations

This study put forward the recommendation to the organisation to prepare their employees to deal with stressful situations. This can be done by using role-play and identify how the employees can react to stressful situations. Also, management can consider different strategies such as workshops and seminars to create awareness about occupational stress, which can develop with mentoring and coaching. In addition to this, management can provide sessions with professional occupational therapists, particularly for the Indian IT sector. The organisations can monitor their employees using periodic self-evaluation, and this helps to improve their knowledge and deal with complex situations. This study provides implication for HR to create strategies for retention. The occupational stress policies can improve the commitment of employees through the Work-Life Balance program.

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Literature Review: S. L. S. N.
Writing the Article: S. L. S. N.
Approval: J. A., E. K.

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