

**AN EMPIRICAL STUDY OF
OCTAPACE CULTURE AND ORGANIZATIONAL COMMITMENT**

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Abstract

Various cultural frameworks have been focused in relation to organizational commitment and its different types but OCTAPACE culture. The present research is an exploratory research designed to investigate the influence of OCTAPACE culture on organizational commitment and on the three dimensions (types) of organizational commitment (affective, normative and continuance commitment).

Data were gathered on a structured questionnaire covering all variables of interest from a total of 175 employees, taken randomly, working in public sector organizations in Andhra Pradesh. The result revealed that OCTAPACE Culture influences organizational commitment significantly. Results also showed that different dimensions of OCTAPACE Culture have varying effects on different types of organizational commitment. Further, the research has also implication in the sense that management can focus more on those aspects / dimensions of OCTAPACE Culture which results into the types of commitment management wants to emphasize upon.

Keywords: OCTAPACE Culture, Organizational Commitment, Employees, organization

Introduction

Role of organizational culture in organizational performance is gaining wide recognition across the globe especially in present volatile, uncertain, unpredictable and highly competitive business environment. Academicians and practitioners have realized that organizational culture influences employee performance. Organizational culture

influences and shapes employee attitude and behaviour which in turn influences employee and organizational performance. Employees are the currency of successful business especially in-service industry. Employee mindsets- their fundamental attitudes and behaviours matter to achieve and maintain high performance (Thomas, Harburg & Dutra, 2007). One of the attitudes that could lead to high

performance is employee's organizational commitment. That is why probably, organizational commitment has emerged as a promising area of research in recent time. Organizational culture has been the subject of exploration for academics and practitioners since long time. Various dimensions of organizational culture such as communication, training and development, rewards and recognition, risk taking, creativity and innovation, team and people oriented, result oriented etc. have been explored in relation to several relevant organizational outcomes including commitment. OCTAPACE culture is relevant and critical for business performance and success in the present business scenario (Academy of Human Resources Development, 2009). The present study is a modest attempt to fill this void. Thus, the present study is exploratory in nature and aimed at finding the influence of OCTAPACE Culture on organizational commitment. Also, the study intends to find out that how different dimensions of the OCTAPACE culture influences different types of organizational commitment.

Literature Review

A. Organizational Commitment

Building employee commitment is fundamental to sustained business success. Organisations that can successfully harness the commitment of their employees enjoy several distinct competitive advantages. Committed employees execute business strategies more successfully and are more flexible and adaptive to changing business conditions, can produce superior shareholder value through lower operating costs and higher revenues and profits. Committed employees demonstrate higher levels of integrity, support customers and colleagues more effectively and are more prepared to 'go the extra mile', beyond the call of duty, and all this can help in creating a winning organization.

Organizational commitment is a psychological state that binds an employee to an organization. Two approaches have

been used to define the commitment by researchers –One-dimensional and Multidimensional approach. Multidimensional approach also called as Three-component model of organizational commitment, has gained substantial popularity since its inception. In this study, we operationalized organizational commitment as a multi-dimensional construct. Multidimensional approaches view organizational commitment as a psychological state that consists of three components

- a) **Affective:** Affective commitment refers to the emotional attachment with the organization based on the match with the organizational values and goals to that of the employee's personal values and goals. It is the most desired form of commitment sought by organizations. Employees with high level of affective commitment possess a strong belief in and acceptance of organizational goal, objectives and values.
- b) **Continuance and:** Normative commitment refers to the sense of obligation and responsibility to remain with the organization. Employees with high normative commitment believe that they ought to continue working for their organization because it the "right and moral" thing to do.
- c) **Normative Commitment:** Continuance commitment is a form of psychological attachment to an employing organization that reflects the employee's perception of the loss he/ she would suffer if employees were to leave the organization.

Allen & Meyer (1990) proposed that continuance commitment develops based on two factors:

- (1) number of investments (side-bets) individuals make in their current organization and
- (2) perceived lack of alternatives. These investments can be anything that the individual considers valuable that would be lost by leaving the organization.

These various types of commitment will have varying effects on the organization's performance and a person can display aspects of all of them. Employees could at any point of time have a commitment profile that reflected high or low levels of all components (Meyer et al. 2002). These different profiles would lead to different effects on workplace behaviour.

B. Organizational Culture

Despite the great attention received by Organizational Culture (OC), there has no universal agreed upon definition for the construct (Lewis, 2002). Most of the definitions provided for the construct indicated that it is the shared system of values, beliefs, and attitudes that are common among the organizational individuals and influence their judgments. Different organizations have their own distinctive cultures. Through tradition, history and structure, organisations build up their own culture. Culture shapes employee's attitudes, values, motivation, and performance. Culture works as lens through which employees see organizational expectations and obligations. Organizational culture affects company's financial performance and also is critical in attracting and retaining talent, change management, creating energy and momentum, engaging employees, creating synergy between work behaviour and organizational goal.

C. OCTAPACE Culture

OCTAPACE culture is relevant and critical for business performance and success and brings higher efficiency and organizational effectiveness (Academy of Human Resources Development, 2009). Organizations such as Infosys, Wipro, Tata Steel etc. are successful and growing which can also be attributed to the tremendous impact of OCTAPACE culture (Academy of Human Resources Development, 2009). Empirical studies indicated that the culture of OCTAPACE values is imbibed in the

culture of the many organizations to a good or moderate degree.

OCTAPACE culture is represented by occurrence of values / ethos of Openness, Confrontation, Trust, Authenticity, Pro-action, Autonomy, Collaboration and Experimentation. It deals with the extent to which this values / ethos are promoted in organisation.

Openness & Risk Taking: The value deals with the extent employees in the organization feel free to express their ideas, willing to take risks and experiment with new ideas and new ways of doing things.

Confrontation The value deals with the extent employees in the organization takes challenges face and not shy away from the problems and work jointly with others concerned to find its solution.

Trust: The value deals with the extent employees have mutual faith and between employee and management with respects to work, information sharing, helping etc. and can be relied upon what other person says and do.

Authenticity: It is the value underlying trust. The value deals with the extent employees are willingness to acknowledge the feelings he/she has and accept him / her as well as others who relate to him/her as persons.

Pro-activity: The value deals with the extent employees are action – oriented, willing to take initiative and show a high degree of proactively. They anticipate issues and act or respond to the needs of the future.

Autonomy: The value deals with the extent employees are willingness to use power without fear and helping others to do the same. Employees have some freedom to act independently within the boundaries imposed by their role/job.

Collaboration The value deals with the extent employees work together and use one another's strength for a common cause. Involves strategies, workout plans of action and implement them together.

Experimenting: Experimenting as a value emphasizes the importance given to innovation and trying out new ways of dealing with problems in the organization.

Research Questions

1. Does OCTAPACE Culture influences organizational commitment?
2. Do different dimensions of OCTAPACE culture are significantly related to three dimensions of organizational commitment (affective, normative and continuance commitment)?

D. Research Methodology

The present study is an exploratory research based on primary data using cross-sectional designing Sample and Procedures The target population of this study was employees working in the different public-sector organizations in Bhutan. Data were collected randomly using a standard questionnaire covering variables of interests from a total of 175 employees working at different levels in their organization. Four public sector organizations were chosen for the study. Data were collected during working hours with permission from the competent authority of organizations. Demographic data were also taken from respondents. Approximately 32 years are the average age of respondents which consists of male and female in the ratio of 61 and 39 percent (approximately) respectively. All the necessary information regarding the study and ways to respond on questionnaire were shared with all respondents. Respondents were assured of confidentiality of their responses and were told that their responses shall be used for the research purpose only. In the present study following scales were used. These scales were not adopted rather used in its original form.

Organizational Commitment was measured through using Organizational Commitment Questionnaire (OCQ), developed by Allen & Meyer (1996). This scale measures commitment in three areas namely affective, normative and continuance commitment. There are six items each of

the three areas, making 18 items scale in all. Reliability of the scale was found to be .87 for affective, .75 for continuance, and .79 for normative commitment (alphas).

Organizational Culture (OCTAPACE Culture) was measured using scale developed by Pareek (2003). The scale is a 40 items instrument that gives the profile of the organization's ethos in eight values. These values are openness, confrontation, trust, authenticity, pro-action, autonomy, collaboration and experimentation. The questionnaire is divided into two parts. In the first part, there are twenty-four statements comprising three statements of each of the eight values. The respondents are required to check on a four-point scale how much each item is valued in the organization. The second part contains sixteen statements on beliefs and contains two statements on each of the eight values. The respondents check on a four-point scale how widely each of the value is shared in the organization. Cronbach alpha coefficient reliability of the scale was 0.83.

E. Analysis and Results

As the study aims to explore the influence of OCTAPACE culture on organizational commitment and also different dimensions of the culture on three dimensions of organizational commitment; correlation and regression analysis were carried out. Correlation was used to see how all the variables of interest were related to each other. Regression analysis was applied to ascertain how explanatory variables influence outcome variables. The data were analyzed with the help of Statistical Package for Social Sciences (SPSS). The result in the table below (table -1) shows relationship among variables used in the study. The table reveals that OCTAPACE Culture is positively and significantly related to organizational commitment. The table indicates that some of the dimensions of the OCTAPACE culture generate commitment among the employees in the organization of the study.

*Insert Table 1***OCTAPACE Culture and Organizational Commitment**

Table 2 reveals the relationship of OCTAPACE Culture and Organizational Commitment.

Insert Table 2

OCTAPACE culture was found to be significantly influencing ($\beta = .383$, $t = 3.523$; $p = .001$) organizational commitment. R^2 is .147 which indicates that approximately 15 percent variation is explained in organizational commitment by OCTAPACE values. F value found in this model is significant ($F = 12.143$, $p = .001$). In order to know that how much different dimensions of the OCTAPACE culture influences different dimensions organizational commitment, we need to focus on regression analysis presented in tables below:

Insert Table 3

Above table (table - 3) shows that two values of OCTAPACE (Collaboration and Autonomy) are explaining the variance in affective commitment in significant manner. In model 1, collaboration was regressed on affective commitment and was found to be significantly influencing ($\beta = .299$, $t = 2.655$; $p = .01$). R^2 is .089 which indicates that approximately 9 percent variation can be explained in the affective commitment by the values of collaboration. F value found in this model is significant ($F = 7.048$, $p = .010$). In model 2, Autonomy dimension of the OCTAPACE Culture, got added with the Collaboration ($\beta = .271$, $t = 2.424$; $p = .018$). This explains approximately 16 percent variation in the formation of affective commitment ($R^2 = .159$). F value in this model is also found significant ($F = 6.701$, $p = .002$).

Insert Table 4

In predicting continuance commitment, only Proaction of OCTAPACE culture was found to be significantly influencing ($\beta = .346$, $t = 3.126$; $p = .003$). R^2 is .119 which

indicates that approximately 12 percent variation can be explained in the continuance commitment by the value of proaction.

F value found in this model is significant ($F = 9.769$, $p = .003$).

Insert Table 5

Table - 4 shows that two values of OCTAPACE (Proaction and Trust) are explaining the variance in normative commitment in significant manner. In model 1, proaction was regressed on normative commitment and was found to be significantly influencing ($\beta = .472$, $t = 4.545$; $p = .000$). R^2 is .223 which indicates that approximately 22 percent variation can be explained in the normative commitment by the value of proaction. F value found in this model is significant ($F = 20.659$, $p = .000$). In model 2, Trust dimension of the OCTAPACE Culture, got added with the Proaction ($\beta = .256$, $t = 2.350$; $p = .022$). This explains approximately 28 percent variation in formation of normative commitment ($R^2 = .279$). F value in this model also found significant ($F = 13.740$, $p = .000$).

E. Conclusion

It can be argued that not only other cultural framework but also culture marked with OCTAPACE ethos and values generates employee's commitment towards their organization. The study also revealed that if not all but half of dimensions of OCTAPACE Culture namely Collaboration, Autonomy, Pro-action and Trust significantly influence different forms of employee's commitment. It reveals that organization should focus more on these aspects of OCTAPACE Culture to have effects on different types of commitment by their employees.

F. Implications

The findings obtained from this research seem to suggest that organizations that require their employees to develop

commitment should demonstrate their commitment towards OCTAPCE values. Employers concerned with developing different types of employee commitment need to focus their attention on teamwork and group efforts (collaboration), autonomy, proaction and mutual trust in their work environment that can foster positive perceptions of organizations. Fostering these cultural elements can act as a catalyst in enabling the employee to show commitment towards their job and organization which in turn can positively influence their performance.

Thus, the implications of this study are particularly significant when considering organizational development interventions designed to increase employee commitment.

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Table 1- Mean, SD and Correlation Coefficient among Variables (N= 175)

	Mean	SD	Openness	Confrontation	Authentication	Trust	Proaction	Autonomy	collaboration	Experimentation	Org.Culture	CC	Oc	NC	Organisation Commitment
Gender	1.40	0.49													
Age	32.50	3.80													
Qualification	1.52	0.50													
Openness	2.93	0.32	1												
Confrontation	2.84	0.37	.3666	1											
Authentication	2.79	0.36	.566	.365	1										
Trust	2.61	0.29	.241	.171	.137	1									
Proaction	2.90	0.42	.236	.170	.303	.379	1								
Autonomy	2.46	0.37	-0.29	.263	.355	-0.076	-0.218	1							
collaboration	2.71	0.30	1.46	.376	-1.36	.370	.113	.223	1						
Experimentation	2.73	0.28	.356	1.59	.415	.130	.210	1.97	0.67	1					
Org.Culture	2.74	0.18	.681	.704	.556	.539	.559	.163	.493	.476	1				
CC	2.00	.87	.59	1.89	0.212	.300	.346	-.153	0.80	.228	.307	1			
OC	2.03	0.76	0.62	1.42	0.212	0.115	0.093	0.191	0.299	0.272	0.224	0.437	1		
NC	2.71	0.82	.196	0.001	0.166	0.139	0.472	0.036	0.125	0.089	0.345	0.501	0.122	1	
Org.Commitment	2.25	0.62	1.35	0.152	0.302	0.131	0.392	0.171	0.220	0.263	0.383	0.869	0.666	0.072	1

Sources: Data Analysis.

Note: *Correlation is significant at the 0.05 level (2-tailed).

**Correlation is significant at the 0.01 level (2-tailed).

CC= Continuance Commitment.

AC = Affective Commitment.

NC = Normative Commitment

Table 2 - Organizational Commitment as Functions of OCTAPACE Culture

Independent Variable	Beta	t-Value	Significance	R ₂	Adjusted R ²	F	Level Of significance
OCTAPACE Culture	.383	3.523	.001	.147	.135	12.143	.001

Table 3 - Dimensions of OCTAPACE Culture as Function of Affective Commitment (Stepwise Method)

Independent Variable Entered	Beta	t-Value	Significance	R ₂	R ₂ Change	Adjusted R ²	F	F change	Level Of significance
Model 1 Collaboration	.299	2.655	.010	.089	0.89	0.77	7.048	7.048	.001
Model 2 Collaboration Autonomy	.359 .271	3.241 2.424	.002 .018	.159	.070	.135	6.701	5.877	.002

Table 4 - Dimensions of OCTAPACE Culture as Function of Continuance Commitment (Stepwise Method)

Independent Variable entered	Beta	t-Value	Significance	R ₂	Adjusted R ²	F	Level Of significance
OCTAPACE Culture	.346	3.126	.003	.119	.107	9.769	.003

Table 5 - Dimensions of OCTAPACE Culture as Function of Normative Commitment (Stepwise Method)

Independent Variable Entered	Beta	t-Value	Significance	R ₂	R ₂ Change	Adjusted R ²	F	F change	Level Of significance
Model 1 Pro-action	.472	4.545	.000	.223	.223	.212	20.659	20.659	.000
Model 2 Pro-action Trust	.375 .256	.444 2.350	.001 .022	.279	.056	.259	13.740	5.522	.000