



Current and Preferred Organizational Culture: An Empirical Study of Multinational Companies in Information Technology Sector

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ABSTRACT

India being the hub of global information technology services, Indian multinational companies need to provide consistent, cost-effective service on a large scale. This prompted the investigation of the current and preferred organizational culture of IT MNCs in India. The study deployed the Organization Culture Assessment Instrument (OCAI) to capture the perception of 450 technical and managerial staff members regarding the prevailing and preferred organizational culture. Data were analysed as per the scoring mechanism recommended for OCAI, resulting in four types of cultures: clan, adhocracy, market, and hierarchical culture. The analysis revealed that the technical staff of MNCs in the Indian IT sector perceived the prevailing organizational culture as hierarchical and preferred the same in the future. The results provide valuable insights for IT MNCs envisioning to compete globally. They value smooth operation through a transparent chain of command for project execution. The findings indicate the significance of hierarchical culture in developing a work environment that encourages efficiency, productivity, and teamwork while also fostering professional development of staff in IT sector.

Keywords: organizational culture; organizational culture typologies; organizational culture assessment instrument; multi-national companies; information technology

1. Introduction

India's information technology (IT) industry has become vital in positioning the country on the global level. It has changed the perception of India from a stodgy, bureaucratic society to one of the creative business owners and a significant participant offering top-notch technological solutions and corporate services on a global scale. By actively contributing directly or indirectly to many socio-economic factors, including employment and standard of life, this sector positively impacts people's lives. As a result, it helps the country to develop and grow. In addition to growing in terms of market size, the IT industry is reportedly steadily contributing a sizeable portion of India's Gross Domestic Product (GDP). The IT sector increased its GDP contribution from a minuscule 0.4% in 1991-1992 to 7.4% in FY 2021-2022 and is expected to reach 10% by 2025. After the economic reforms of 1991, foreign MNCs have become more dominant in this industry. According to the Hutchinson and Ilavarasan (2008) report, few large companies, particularly MNCs from abroad, heavily dominate the Indian IT services market. Therefore, to achieve business success in a world where globalization is the norm, organizations need to understand cultural differences and create a global mind-set. Managers need

to be familiar with the corporate culture since it influences strategic planning, productivity, and learning at every level of management (Schneider, 2000). The level of scientific knowledge and study in that area has greatly expanded due to the requirement for a global worldview and a better awareness of cultural differences (Gelfand et al., 2007).

Organizational culture can also shape members' behaviour though its interpretation is influenced by assumptions (Smircich, 1983). The IT industry had changed since around 1995 when US-based companies began outsourcing software and other services from India because of the country's low cost and accessibility to skilled labour in the 1990s. The government's various telecommunications and infrastructure policies have made running a business in offshore units easier. By 2005, the software industry had grown due to the government and NASSCOM's facilitating role. As more western businesses began utilizing their services, they expanded the range of their operations. According to previous studies, organizational culture substantially impacts an organization's ability to succeed (Schein, 1990) and encourages creativity (Tushman, 1997). Thus, understanding the current and preferred organizational culture in IT MNCs in India is essential.

2.1 Organizational Culture

A group of people's shared basic presumptions about how the world works and should work may be widely characterized as their culture. This shared set of presumptions shapes their perceptions, ideas, feelings, and, to some extent, their social behaviour (Schein, 1996). Hartnell et al. (2011) demonstrated that culture is a significant variable, and it shows how important it is to do quantitative research on how organizational culture works.

One of the critical aspects that encourages or inhibits creativity and innovation inside the firm is organizational culture. There are many ways to define organizational culture. According to Spreitzer and Martin (2003) organizational culture refers to the ways in which meanings are connected to various cultural expressions, including stories, formal and informal practices, jargon, rituals, and physical arrangements. Maitland et al. (2015) defined organization culture as the values and norms communicated within the organization amongst the associates. Organizational culture is created because of interactions between founders' ideologies and employee experiences. Sometimes interactions between an organization and its environment can influence changes in organizational culture. (Martins et al., 2003). In a broader sense, organizational culture is the foundation for developing corporate citizenship behaviour and it also has a favourable impact on employee performance (Setyowati et al., 2021).

Organizational culture has an impact on corporate entrepreneurship in IT sector. This is because culture provides a frame of reference for every individual. This frame of reference determines how an individual perceives, thinks about, and reacts to events in the environment (Mehta & Verma, 2023). The development of organizational culture that places emphasis on external outlook and encourages flexibility and adaptability can greatly benefit digital transformation in commercial enterprises (Ho Dai & Huynh Tan, 2023). Assessing the impact of organizational culture on Supply chain integration in the hospitality sector it was found that there is a direct link between organizational culture and supply chain integration, as cultural values should be consistent with the tactics used to increase performance and achieve organisational goals. Internal and customer integration are strongly linked to hierarchical and progressive cultures (Gebril Taha et al., 2021).

Organizational culture plays a crucial role in fostering organizational innovation. Upon investigating the organizational culture affects innovation in an organisation both directly and indirectly using the management control system (MCS) as a mediating factor it was found that organizational culture had a direct positive and significant effect on organizational innovation and management control system. This finding suggests that the management control system acts as a mechanism through which organizational culture influences innovation outcomes (Alharbi et al., 2022).

Considering organizational culture as a contextual variable, certain organizations provide their employees more resources than others based on the traits or characteristics of the culture already in place. To demonstrate this engagement research considers opportunities for innovation, assistance, and recognition as important employment resources (Bakker & Demerouti, 2007). As such, when organizational culture is perceived as supportive, appreciative, and innovative, the staff perceives fairness in the provision of job resources. Sok et al. (2014) found that the negative effects of work-home spill overs are reduced by supportive organizational cultures. Cultures that are supportive provide flexible work-from-home arrangements, attract, and retain more valuable, high-calibre workers. Positive organizational cultures also mitigate the negative effects of bad news, which is particularly useful during the change process (French & Holden, 2012). Although not all change will be seen that way by employees or staff, positive organizational change is referred to as any change that helps in the development of an organization while considering potential effects on employees' psychological resources, behavior, and performance (Avey et al., 2006). Employees are more likely to respond in a workplace that encourages change management by providing their time and effort, investing their abilities, and being psychologically attached to and committed in their work and their organization (Bakker et al., 2010; Bakker & Demerouti, 2007).

Organizational culture is a system of meanings that members of a group share and that makes one group different from another. Shared meaning is a group of important organizational features and values. The essence of an organization's culture could be summarized in seven key features. 1) Innovation and risk-taking: The level of employee motivation for innovation and taking risks must be taken into consideration while doing this. 2)

Attention to detail: Employees must demonstrate careful investigation and attention to detail. 3) Outcome orientation refers to how much management focuses on outcomes rather than the techniques and procedures used to get there. 4) People orientation: The extent to which management considers how outcomes may effect individuals within the company. 5) Team orientation: the extent to which work is delegated to teams as opposed to individuals. 6) Aggressiveness: The degree to which individuals are aggressive and competitive as opposed to laid-back. 7) Stability: How much sustaining the status quo as opposed to progress is prioritized in organizational activities. These qualities range from low to high on a continuum (Collins & Porras, 2002).

2.2 Organization Culture Typologies

Previous research studies described several methods to examine culture in the workplace, leading to typologies of organizational culture such as Handy (1978), Hofstede (1980), Deal & Kennedy (1983), Wallach (1983), Cameron and Quinn (1999).

The diversity of organizational structures and many forms of corporate culture were explored by Handy (1978), and classified organization culture into power culture, role culture, task culture, and person culture. **Power culture** emphasizes behavioral elements as indicators for incentives and remuneration. A few people own power, but its influence extends throughout the organization. In general, achievements rather than methods are used to evaluate employees. Organizations have a **role culture** and are governed by rules. Everyone in the organization knows what their roles and responsibilities are. Its emphasis is on growth and development opportunities. In **task culture**, Organizations are formed to deal with issues. Power in the team will keep changing depending on the size of the group and the stage of a project or challenge. This is because the task culture is important. Financial benefits are prioritized in this culture. The importance of the individual is emphasized in **person cultures**. People are employed by the company to work there. It is a group of people in an organization that all work for the same company. People have strong attachments to their values, which serve as the foundation of the business.

According to Hofstede (1980), cultures can be divided into five categories that impact organizational structure, employee behaviour, and social rules like wedding ceremonies, memorials, and religious events. Individualism vs collectivism, Power distance, Uncertainty avoidance, Masculinity versus Femininity, and short-term versus long-term orientation are the five aspects. Individual or collective action in the first dimension refers to how much people allow the group to interfere in decisions that affect their lives. It depends on how much society encourages and supports individual behaviour over group behaviour. The cultures of some organizations, including those in the USA and the UK, are geared toward individualism. Here, in a collectivistic society like that observed in Asian nations like Japan and Taiwan, people frequently emphasize their unique wants and interests. They are supposed to communicate with others in the group. The second dimension, power distance, measures how much the less powerful members of institutions and groups (such as the family) accept and anticipate that power is not divided fairly. This has to do with the disparities in power and position that are accepted within a society (Zenko, 1999). Uncertainty avoidance is a term used to describe how a specific culture views the future's inherent uncertainty in the third dimension. Organizations with a high degree of uncertainty avoidance prefer to follow the rules and operate in predictable circumstances compared to circumstances where the proper actions must be clearly stated. They prefer secure jobs, peaceful work environments, and an absence of conflict. The masculinity-femininity cultural dimension describes the extent to which values are related to authoritarian and violent masculinity stereotypes. Openness, empathy, and emotion are stressed in femininity. Short-term and long-term orientation represent values toward the present, the past, and the future in the last dimension.

Based on risk-taking ability and feedback, Deal & Kennedy (1983) divided organizational cultures into four categories: the tough guy/macho culture, the bet-your-company culture, the work hard/play complex culture, and the process culture. In workplaces where people often take significant risks and receive prompt feedback on whether their actions are appropriate or wrong, the **tough guy culture** is prevalent. In this culture, managers must respond quickly and accept risk; they receive feedback in the form of financial rewards. In the area of sales, there is a culture of **work hard/play hard** where people take few chances on their own but receive feedback on how well they are doing practically immediately. Employees in this atmosphere must remain energized and positive. Organizations engaged in lengthy, resource-intensive initiatives often exhibit the **"bet-your-company"** culture. a slow-feedback, high-risk setting. Although each of these projects has some risk, the company makes every effort to choose the best course of action. In a **process culture**, there is low risk and slow feedback, employees are therefore more concerned with the procedure than the actual task itself. These cultures tend to have extremely defensive workers.

According to Wallach (1983), organizational culture has three dimensions, and the combination of these dimensions might result in the core value of the firm. Three dimensions are innovative culture, bureaucratic culture, and supportive culture. A creative, goal-oriented, and demanding workplace are all characteristics of an **innovative culture**. It is described as risk-taking, enterprising, ambitious, motivating, and inspiring. A **bureaucratic culture** is characterized by clear lines of authority and responsibility, methodical organization of labour, and a foundation of power and control. This kind of organization is established, regulated, controlled, organized, structured, procedural, and hierarchical. It also has a strong focus on power. A **support culture** demonstrates collaboration in a setting that is people-oriented, encouraging, and trustworthy. In these welcoming environments, individuals are regularly kind, just, and cooperative with one another. Supportive

cultures are comparable to an extended family because they are welcoming, peaceful, trustworthy, safe, fair, gregarious, relationship-focused, humanistic, and collaborative.

Cameron and Quinn (1999) developed the organizational culture typologies, built upon the competing values framework that classified the organizational culture into four types based on six dimensions namely dominant characteristics; organizational leadership; management of employees; organizational glue; strategic focus and criteria for success. Hence Cameron and Quinn's (1999) organizational culture typology comprises of four quadrants namely Clan, Adhocracy, Market and Hierarchy. The **clan** form of organization culture provides an accommodating workplace wherein individuals behave like an extended family. Leaders are viewed as mentors who fulfil the role of caring parents. Loyalty and teamwork are the main values. The culture of **adhocracy** values creativity, change, and adventure. Leaders are willing to take risks and try something different. Adhocracy culture reveals a dynamic workplace with a creative atmosphere and a strong sense of entrepreneurship. The leaders have big ideas and are willing to take risks. People are ready to embrace change, new challenges and consider it necessary to remain updated in terms of knowledge so that the organization can offer innovative products and services. The long-term goal is to have fast growth and new resources. Success comes from making products and services that are unique and different. Efficiency is a big aspect of the **market culture**. The focus is on getting ahead of competitors and becoming the market leader. In general, leaders are authoritative, and employees are competitive, have high expectations, and encourage competition. In this type of culture internal control based on competitive market strategy. **Hierarchy culture** is founded on the basis formal regulations, rules and centralized decision-making body. Stability, predictability, and efficiency are the long-term concerns of the organization. Success is determined by the consistency of the supply, adherence to deadlines, and affordability. Each quadrant's distinct characteristics— Human relationships (Clan), creativity (Adhocracy), pragmatic goals (Market), and control (Hierarchy) are reflected in the type of organizational culture that it represents.

Dimensions	Description
Dominant Characteristics	This refers to the work and psychological environment encompassing the nature of teamwork, a sense of belonging, creative freedom, adaptability, competition, system dependence, and emphasis on efficiency.
Organizational leadership	This refers to the general perception of leadership style and approach.
Management of Employees	This refers to the process of involving staff in consultation, participatory decision-making, and consensus-building for important decisions. Additionally, it refers to the management techniques and managerial style used in the organization.
Organizational Glue	This refers to the use of methods to foster a sense of community. It is a bonding mechanism made possible by the team members' commitment to one another, flexibility, adherence to rules and policies. Loyalty, dedication, entrepreneurship, and competitiveness serve as indicators of the organizational glue.
Strategic Emphases	This refers to the factors that motivate an organization's long-term human capital development strategy and lead to innovation, stability, competitive advantage, goal achievement and organizational growth.
Criteria for Success	This refers to the way employees are compensated in organisations. It speaks as to what constitutes success and who is rewarded, elevated, and acknowledged.

Source: Adapted from Cameron & Quinn,2006

3. Research Methodology

The present study was carried out in 15 Multinational companies in the IT sector in India wherein the sample comprised of 450 staff members in which 138 (30.65%) were males and 312 (69.4%) were females. Demographic characteristics are presented in Table 2. Organizational culture was measured using the Organizational Culture Assessment Instrument (OCAI), developed by Cameron and Quinn (1999). The OCAI has been applied in multiple scientific investigations involving various organizations and over a thousand companies (Cameron & Quinn, 2006). The reliability of OCAI was tested by Belias et al. (2015), hence the present study retested the instrument reliability in the context of sample population by computing Cronbach's alpha. By allocating 100 points among four statements that represented the four different types of organizational culture. The respondents were asked to express their opinions on the current and preferred organizational cultures, based on how well the statements' descriptions matched those of their own companies. Scores for each of the four culture types of Clan (A), Adhocracy (B), Market (C) and Hierarchy (D) were added across the six dimensions. People were asked to say how much weight each of the four quadrants for each of the six dimensions should or does get from the organization. Each quadrant's average was computed.

Demographic features		Frequency	Percentage
Gender	Male	138	30.6
	Female	312	69.4
Positions	Technical	415	92.2
	Managerial	35	7.8

Experience	0-5 years	294	65.3
	6 years & above	156	34.7
Qualification	Graduate	294	65.3
	Postgraduate	151	33.5
	Doctorate	5	1.2

Source: Author's Calculation

4. Findings

On testing the reliability estimates of OCAI for the sample population it was found to be a robust measure of organizational culture as reported in Table 3. The reliability estimates of the scale dimensions were found to be acceptable with Cronbach's alpha nearing 0.7 as recommended by Hair et al. (2009). The findings of w.r.t the current and preferred organizational culture on the typologies are presented in Table 3.

Variable	Reliability Coefficients for Current Situation	Reliability Coefficients for Preferred Situation	Number of Items
Clan culture	0.7	0.77	6
Adhocracy culture	0.67	0.73	6
Market culture	0.72	0.84	6
Hierarchy culture	0.76	0.7	6

Source: Author's Calculation

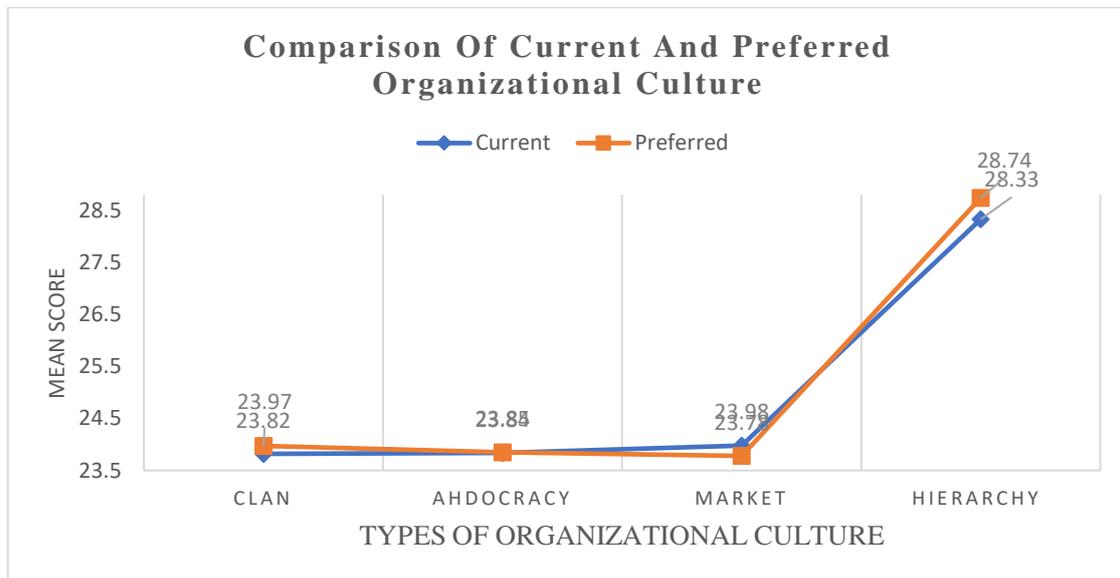
The organizational culture pattern was displayed in four main types: Clan, Adhocracy, Market, and Hierarchy. The current and preferred organizational culture pattern of multinational companies in IT sector in India was assessed as shown in Table 4. Staff members perceive the current culture type as predominantly Hierarchy ($M = 28.33$, $S.D = 3.03$), followed by Market ($M = 23.98$, $S.D = 1.54$), Adhocracy ($M = 23.84$, $SD = 1.75$), and Clan ($M = 23.82$, $SD = 1.67$). Staff members preferred culture remains Hierarchy ($M = 28.74$, $SD = 3.60$), then Clan ($M = 23.97$, $SD = 1.74$), Adhocracy ($M = 23.85$, $SD = 1.68$) and Market ($M = 23.78$, $SD = 1.88$) in MNCs in IT sector in India. The one type of culture that currently prevailed was Hierarchy marked by formalized rules and policies to guide how tasks are performed by staff members (Hartnell et al., 2011), where the organizations have an inward focus, a need for control and a stable environment. Such organizations have well-organized policies and tactics that provide guidance to the staff members regarding their work, which is a prerequisite for consistent service quality in IT sector. The next most noticeable type of current organizational culture is the market culture, which emphasizes efficiency and effectiveness, both being critical aspects of service quality in IT sector. In market culture, staff members are generally productive, decision makers are authoritative, focused on results, and they encourage competition. Clan and adhocracy cultures are the least prevalent in the current organizational culture mix. Clan being a family-like environment, where employees have a strong sense of loyalty to the company. On the flip side clan cultures tends to be afflicted by nepotism and favoritism. The other less prevalent form of organizational culture being adhocracy with an emphasis on adaptability, flexibility, creativity and innovation. This kind of culture can be advantageous in fields that demand constant modification and adaptation, but it can also result in confusion and a lack of order. In general, it's critical for organizations to strike a balance between various cultural perspectives that are consistent with their values and objectives.

In addition to examining the prevailing organizational culture in Indian IT MNCs, the preferred organizational culture was also examined and paired sample test was used to analyze whether there is a significant difference between the current and preferred organizational culture (refer Table 4). The results indicated no significant difference in the degree of preference for clan ($p=.159$), adhocracy ($p=.917$) and market ($p=.078$) culture. However, there was a significant difference in the degree of preference for hierarchical organizational culture ($p=.048$) in MNCs in IT sector indicating the staff member's preference for Hierarchy culture in future as well. The findings are consistent with previous study by Szabó and Csepregi (2015) in which hierarchical culture was found to be prevailing as well as preferred culture type.

Types	Group	N	Mean	S. D	r	z-value	p-value
Clan	Current	450	23.82	1.67	.163	1.412	.159
	Preferred	450	23.97	1.74			
Adhocracy	Current	450	23.84	1.72	.099	.104	.917
	Preferred	450	23.85	1.68			
Market	Current	450	23.98	1.54	.058	1.767	.078
	Preferred	450	23.78	1.88			

Hierarchy	Current	450	28.33	3.03	.158	1.981	.048*
	Preferred	450	28.74	3.60			
N=450							
Note: *p < .05							

Source: Author's Calculation



Source: Author's Analysis

The prevailing and preferred Organizational Culture was analysed on six dimensions given by Cameron and Quinn (1999) namely dominant characteristics, organizational leadership, management of employees, organization glue, strategic emphases, and criteria of success (refer Table 5).

When looking at each dimension separately, 'dominant characteristic' of organizational culture focussed on maintaining internal control, stability, and support, representing hierarchical culture (M = 27.85, SD = 6.82), which was the preferred scenario as well (M = 27.60, SD = 6.76). On the dimension of 'organizational leadership', respondents see their leadership to be cooperative, organized, and functional representing the hierarchical culture (M = 28.21, SD = 7.04), which was also the preferred scenario (M = 28.97, SD = 7.13). As far as the dimension of 'management of employees' is concerned, a sense of safety and routine-based stable interconnection between staff members was found, which represents hierarchical culture (M = 27.94, SD = 6.69), in the present and preferred scenario (M = 28.61, SD = 6.95). Respondents' perception on the dimension, 'organizational glue', revealed that staff members focused on adherence to formal rules and regulations for trouble-free operations of all administrative processes representing hierarchical culture (M = 28.26, SD = 7.05), in the present and preferred scenario (M = 28.60, SD = 6.76). Analysis on the dimension 'Strategic emphases' revealed that staff members in MNCs in the information technology sector emphasized stability in the functioning of the enterprise from a strategic perspective. The success of the strategic goals depends on aspects such as performance control and operational flexibility, which represent hierarchical culture (M = 29.03, SD = 6.51), in the present and preferred scenario (M = 28.46, SD = 6.59). On the last dimension, 'criteria of success', the respondents emphasized upon team spirit, open communication, and the growth of human resources, which are valued in hierarchical cultures (M = 28.74, SD = 6.75 in the present and preferred scenario (M = 28.75, SD = 7.47).

Dimensions	Types	Current		Preferred	
		Mean	S. D	Mean	S. D
Dominant Characteristics	Clan	24.21	4.08	23.8	3.9
	Adhocracy	23.88	4.22	23.66	4.01
	Market	24.06	4.09	23.94	4.26
	Hierarchy	27.85	6.82	28.6	6.76
Organizational Leadership	Clan	23.82	3.98	23.74	3.87
	Adhocracy	24.02	4.02	23.58	4.01
	Market	23.95	3.93	23.71	4.04
	Hierarchy	28.21	7.04	28.97	7.13
Management of Employees	Clan	24.13	3.77	24.14	4.08
	Adhocracy	23.79	4.11	23.43	3.91
	Market	24.14	3.72	23.83	4.02
	Hierarchy	27.94	6.69	28.61	6.95
Organizational Glue	Clan	23.91	3.96	23.65	3.94
	Adhocracy	24.13	3.87	24.2	3.89

	Market	23.71	4.03	23.55	3.85
	Hierarchy	28.26	7.08	28.6	6.76
Strategic Emphases	Clan	23.6	3.89	24.1	4.01
	Adhocracy	23.42	3.78	23.82	4.03
	Market	23.95	3.77	23.62	3.92
	Hierarchy	29.03	6.51	28.46	6.59
Criteria of Success	Clan	23.3	3.87	23.75	3.95
	Adhocracy	23.85	4.25	23.91	4.2
	Market	24.11	3.65	23.59	3.84
	Hierarchy	28.74	6.75	28.75	7.47

Source: Author's calculation

5. Discussion

Based on the results of the sample survey of staff members, it is inferred that hierarchical culture prevails in Multinational Companies in Information Technology Sector in India, and the same is preferred for future as well. Organizations with a hierarchical culture are described as being formalized, structured, with written down rules, regulations, and standard operating procedures, which is the cornerstone of service quality in Information technology sector wherein efficiency-minded leaders place a high priority on coordination, efficient organization, and job security (Cameron & Quinn, 1999). Twati and Gammack (2007) established a direct connection between the social culture of organizations and the organizational hierarchy. Hierarchical cultures provide staff with a variety of positive and useful job resources such as clear directions, creating stability and control, further leading to employee engagement (Reis et al., 2016; Khadar, 2018). Employees in hierarchical culture feel obligated to work diligently due to the importance of efficiency and conformity, which is the key to client satisfaction in IT sector. Hierarchical culture places a strong emphasis on structure and order, with distinct roles and responsibilities and established lines of authority. It places a high value on consistency and efficiency in practises, which encourages the routinization of tasks. This strategy is especially pertinent in the complex and fast-paced world of information technology, where standardisation can help to lower mistakes and boost output. Therefore, it's critical for businesses to strike a balance between rigidity and adaptability while also fostering a culture that respects difference in opinion and fosters experimentation. In the end, a company's success depends on its capacity to adjust to shifting conditions while upholding its core principles and values. Employees working in Information technology sector are competitive, goal-oriented, while rigorous and transparent procedures govern what they do. The leaders see themselves as effective planners and organizers, as well as efficient professionals. The management approach emphasizes results while adhering to procedures that make things predictable. The current study found that hierarchical culture facilitates technical staff in IT sector to deliver consistent services to the customers at a large scale with continuous improvement in a systematic and efficient manner.

Organisational culture has a significant impact on financial and operational performance of the organization (Chatman and O'Reilly, 2016). Hierarchical cultures place a strong emphasis on performance evaluations and accountability, which can help assure that staff members perform relatively high standards, which is likely to improve the organization's financial performance. The findings of the present study are corroborated by Cameron and Quinn (2011) who reported that high-tech IT companies such as Microsoft tended to move towards putting more focus on hierarchy cultures in their maturity stage. The findings of the present study regarding the prevailing of hierarchical culture in the IT MNCs have significant implications for economic sustainability incoherence with previous studies in ecotourism sector (Medina-Álvarez & Sánchez-Medina 2023), hotel industry (K Elnagar et al., 2022), transportation industry (Linnenluecke et al., 2009) and service and production industries (Reino et al., 2020).

According to Prajogo and McDermott (2011), hierarchical culture has a contribution to improving the quality of services and goods since it has a high degree of control. According to Gupta (2011), hierarchy culture predominates in organisations that use the defender strategy. Defenders are internal-focused businesses. They place an emphasis on efficiency and are well-run businesses with a narrow focus on a particular market (Kimberly et al., 1978). Defender strategy places emphasis on cost-effectiveness, along with close monitoring of operational details for increased productivity through standardisation of components and processes and the integration of functional operations across business units (Walker & Ruekert, 1987). According to Kumar and Sankaran (2007), hierarchy operationalized through the boss and subordinate's teacher-student relationship can foster a learning orientation among the organisational staff and aid in the implementation of Total Quality Management in the Indian context. Companies that place a strong emphasis on a hierarchical culture are more likely to adhere to six sigma problem-solving techniques for continuous improvement. Additionally, the results advise using tools like the Pareto chart, fish bone diagram, affinity charts, and variance plots for better measurement, process control, and systematic problem-solving in order for organisations to reach the highest quality levels (Cameron & Quinn, 2006). According to Sanner et al. (2018), hierarchical culture will improve organizational performance by helping to structure workgroups and coordinate tasks. There is a hierarchical culture in the service sector, according to Mozaffari (2008), Acar & Acar (2014), Lapina et al. (2015), and Tsiring & Ya (2018). This culture places an emphasis on stability and the efficient conduct of business. Furthermore, Ližbetinová et al. (2016) pointed out that performance is more directly correlated with

organizational culture's adherence to hierarchy. According to Calciolari and Lega (2018), hierarchical culture is linked to greater competitiveness and improved performance. The current study discovered that these factors are crucial in the IT sector. At organisations with a hierarchy culture type, the administration of knowledge is governed by a codification knowledge management strategy. Since information is saved in papers, databases, manuals, etc., this technique focuses on codified knowledge that is made independent of the individual who generated or developed it and can thus be accessed and shared without having to contact others (Hansen et al. 1999). Since this culture type has a controlling attitude and is founded on formal norms and procedures, information exchange is typically coerced. The compulsory information sharing can be completed with features that provide free knowledge sharing as well if these rules and regulations are established properly. Additionally, Sanner et al. (2018) said that more and more studies showed that the hierarchy structure helps employees be creative and capable of learning which according to the present studies are prerequisites for technical staff to undertake challenging assignments involving software development, testing and delivery to the client. According to Lapina et al. (2015), showed that an organization's culture creates the basis for process improvement and is directly connected to development. Koberg and Hood (1991) found the organization culture to be related to hierarchical level and job profile of the respondents. Christine and Jacqueline (1991) investigated that the highest management level in accounting businesses perceived the organisational culture as much more inventive and supportive than medium-level management or lower-level accountants, indicating a significant relationship between organisational culture and hierarchical level. Organisational software development is governed by hierarchical cultures. According to Muller and Ulrich (2013), Ngwenyama and Nielsen (2003), Shih and Huang (2010), and other researchers, the improvement of software processes is dominated by control and stability which are the characteristic features of hierarchical culture as supported by recent research which established the relationship between organisational culture and innovation, directly as well as indirectly, with the management control system (MCS) acting as a mediating factor (Alharbi et al., 2022). Innovation being and instrumental outcome for the IT sector the findings of the present study have significance implications for the industry.

Since the present study was conducted on technical staff employed in the IT sector they perceived formal rules, policies, and procedures to play a significant role in rendering efficient services to the client. The study has also shown that MNCs operating in the IT sector need to be especially careful to maintain consistent quality standards because this sector is constantly changing and needs employees who can adapt. MNCs can make sure that their staff can keep up with these changes and remain on the cutting edge by maintaining a clear hierarchy. The finding is synchronising with previous research by Patyal et al. (2020) who found the organisational culture profile of Indian construction organisations was dominated by internal focus, which was characterised by aspects of both group and hierarchical cultures. The success of MNCs operating in the IT sector depends, in large part, on consistency and hierarchy, which is emphasised in this study. They favoured efficient structure and coordination, with stability, reliability, and predictability as the fundamental elements of an effective organizational culture.

6. Practical Implications

Hence the findings of the present study answer a pertinent question regarding the organizational culture that prevails currently in IT MNCs enabling them to meet the demands of high-quality consistent service across the globe in the cost effective and in efficient manner all of which is catalysed by hierarchical organization culture. The respondents of the survey preferred this type of organizational culture for the future as well, indicating their satisfaction with the prevailing organizational culture.

7. Limitations

The scope of the present study was limited to technical staff employed in MNCs in the IT sector. Hence the results of the study can be generalized to the same category of staff in this sector. Further studies might explore a comparison of organizational culture across the hierarchical levels, covering top and middle management as well.

8. Conclusion

In conclusion, it can be said that multinational companies in India's information technology sector have demonstrated a strong prevalence and preference for an organisational culture that is hierarchical. The importance of maintaining a hierarchical culture within MNCs in the IT sector is highlighted by this finding in order to guarantee long-term success and employee satisfaction. These organisations must acknowledge and comprehend the importance of such a culture, as well as work to incorporate it into their daily operations. By doing this, they can develop a work environment that encourages staff members' efficiency, productivity, and teamwork while also fostering their professional development. Overall, it is evident that hierarchical organisational culture is important in determining the success of MNCs in India's IT sector and should be given priority going forward.

9. References

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