In the context of rapid changes taking place in the economic and business environment in the country, organizations need to transform themselves radically in order to seize new opportunities. Arguing that organizational culture is a crucial organizational variable that can facilitate or impede the change process, this paper by Deepti Bhatnagar and Leena Bhandari presents results of an empirical study.

The use of competing values framework showed hierarchy to be dominant and market culture to be weak in our organizations, although there appeared to be interesting differences between the private sector, the public sector, and a government department. Implications of these findings are presented.

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In the wake of increasing liberalization of the economy, Indian organizations are facing unprecedented challenges. The familiar world of continuity is fast giving way to changes in task technology and the nature of doing business. The dismantling of trade and geographic barriers, wide ranging economic reforms combined with revolution in communication and information technology is bringing about a distinct shift in the nature of competition, customer profiles and preferences. The heightened impact of global trends and events on organizational performance is offering a plethora of opportunities as well as risks. For responding effectively to these multiple discontinuities in the environment, organizations cannot depend on the competencies and energy of the CEO or members of the top management team alone. As the challenges are broad-based, so should the organizational readiness be. Since the wisdom and resources of a handful of members, no matter how committed, is simply not adequate to deal with the enormity of change, the involvement of a large number of members has to be ensured. Organizational culture can be a powerful vehicle for enlisting suitable member response. An important question in today’s fast-changing environment is what kinds of signals do managers in contemporary Indian organizations receive about relative organizational priorities, shared beliefs and perceptions, valued goals, and organizationally-preferred methods of achieving them. In other words, a key issue is: what are the perceptions of managers today about salient dimensions of organizational culture in which they operate? An equally important question is whether organizations need to review the suitability of their culture to emerging organizational challenges, and if need be, to work towards affecting changes in the culture, so as to ensure congruence between organizational culture and changing organizational tasks. Since culture and related corporate realities interact to influence performance (Sathe, 1985), organizations need to be aware of these shared perceptions, and examine if these perceptions are consistent with the objectives, strategies, and tasks they have outlined for themselves. The present study is addressed to the first of these issues, namely, the diagnosis of organizational culture.
In the Indian context, an important question is whether organizations in the public sector and government departments have an organizational culture similar to the culture obtaining in organizations in the private sector, or whether there are major differences across sectors. Historically, since the start of the national planning process in the post-independent India, the debate about the relative performance and contribution of public versus private sector has attracted a lot of attention. In the recent past, with the opening up of the Indian economy and concurrent shift towards privatization, the interest in the economic performance of the public sector has intensified. Without diluting their social objectives, the public sector organizations are increasingly expected to perform well commercially also. As economic performance and market orientation become buzz words for Indian organizations irrespective of the kind of ownership, and since organizational culture tends to influence organizational performance, two important research issues are: Do organizational cultures of Indian organizations reflect these shifting concerns and challenges, and whether there are any differences between organizations in the government, public, and private sector along this significant organizational variable. The present study explores these issues.

Organizational Culture

Although the concept of organizational culture has attracted the attention of the management scholars for over two decades (dark, 1972; Pettigrew, 1973), of late there has been a surge of studies exploring the relation between organizational culture and other corporate variables including performance (Louis, 1981; Sathe, 1985; Martin, 1992). Given the nebulous nature of the concept of organizational culture, different scholars have tried to define it differently. Schein (1990, p 111) defined organizational culture as: "(a) a pattern of basic assumptions (b) invented, discovered, or developed by a given group (c) as it learns to cope with its problems of external adaptation and integration (d) that has worked well enough to be considered valid and, therefore, (e) is to be taught to new members as the (f) correct way to perceive, think, and feel in relation to those problems." What is interesting is Schein's emphasis on, inter alia, the basic assumptions held by a group in the process of the group trying to cope with "external adaptation," which is the main trigger for our study. According to Schein (1985), culture manifests itself at three fundamental levels. At the observable level are artifacts; underneath artifacts lie values; and underlying the values at the core are basic assumptions. Arguing that Schein's model did not adequately capture the importance of symbols and processes. Hatch (1993) extended Schein's conceptualization to include the processes of manifestation, realization, symbolization, and interpretation as a part of cultural dynamics. In an article presenting his views on how culture should be defined and analysed, Schein (1990, p 117) emphasized the importance of cultural analysis in managing change: "Without such a concept we cannot really understand change or resistance to change. The more we get involved with helping organizations to design their fundamental strategies, particularly in the human resource area, the more important it will be to be able to help organizations to decipher their own cultures... Many organizational change programs that failed probably did so because they ignored cultural forces in the organizations in which they were to be installed." Thus, an examination of organizational culture appears fundamental to organizational change efforts.

Another approach to studying culture derives primarily from cognitive organization theory (Weick, 1985). It regards organizations as knowledge systems and views organizational culture in terms of managerial information processing. Quinn and his colleagues (Quinn and McGrath, 1985; Quinn and Rohrbaugh, 1983) proposed a Competing Values Approach (CVA) to understand values individuals hold for organizational performance. Proposing CVA as a meta theory emerging out of empirical studies and conceptual research, Quinn and McGrath (1985, p 317) observed that CVA "assumes that all abstract knowledge is organized around a consistent framework of perceptual values and that the articulation of these values can do much to further human understanding." Just as information processing takes place at the individual level, so does it occur at the level of groups. In organizations, over a period of time, groups of people develop collective belief systems about social arrangements and the "appropriate" nature of transactions. These transactions determine organizational members' identity, power, and satisfaction. Incorporating beliefs about organizational purpose, criteria of performance, location of authority, base of power, leadership style, etc., Quinn and McGrath (1985) proposed four types of transactional systems or cultural forms, namely, rational, ideological, consensual, and hierarchical cultures with market, adhocracy, clan, and hierarchy respectively as the dominant organizational forms. Positing the concept of congruence, CVA suggests that when environmental uncertainty and intensity are high, "adhocracy" or developmental culture is the most congruent form and idealistic prime mover is the congruent leader. Figure 1 presents the four types of congruence.
The major strength of this framework is that it combines two dominant theoretical perspectives, namely, the systems structural perspective with the transaction cost perspective. The CVA analyses organizational cultures along two dimensions of a grid framework (Quinn, 1988). The first dimension reflects the extent to which an organization focuses its attention and energy on internal versus external functioning. Thus, the X-axis represents relative organizational emphasis on internal focus (including smoothing activities and integration) at one end and an external orientation (including concern for competition and differentiation) on the other. The second dimension represents control orientation in an organization and runs from control to flexibility. Thus, the Y-axis represents the range from organic processes (with emphasis on flexibility, spontaneity, and individuality), to mechanistic processes (emphasizing control, stability, and order). These two dimensions are combined to form four quadrants representing four different organizational culture, namely, the clan, adhocracy, hierarchy, and market. The Competing Values Framework (CVF) is presented in Figure 2. The four kinds of organizational culture as conceptualized in the CVF are briefly outlined below.

**Figure 2: Competing Values Framework**

<table>
<thead>
<tr>
<th>Flexibility and Individuality</th>
<th>Internal Orientation</th>
<th>External Orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Clan Culture</td>
<td>Adhocracy Culture</td>
<td></td>
</tr>
<tr>
<td>Hierarchy Culture</td>
<td>Market Culture</td>
<td></td>
</tr>
</tbody>
</table>

**Stability and Control**

**Clan Culture:** The upper left quadrant labelled as "clan" combines high internal cohesion with concern for people. This culture emphasizes teamwork, sensitivity, and consensus. In this culture, workplace is regarded as one big family. Participation of members is valued. Organizational loyalty and tradition are the hallmarks of this culture. Concern for people and personal satisfaction are regarded as more important values than financial and market related objectives.

**Market Culture:** The lower right quadrant labelled as "market" is directly opposite to the clan culture, justifying the terminology "competing values." The market culture is characterized by external orientation and stability. The organization has a high result orientation. Goal achievement is important. Leaders demand performance, competitive stances, and achievement of objectives. In other words, "winning" is an important organizational value. Productivity is obtained through market mechanisms such as competitive advantage and market leadership.

**Adhocracy Culture:** The upper right quadrant which combines flexibility and spontaneity with external orientation is termed as "adhocracy." The accent is on risk taking, adaptability, and innovation. The organization is characterized by dynamism and experimentation so as to keep pace with external challenges. Individual creativity and initiative is valued. Initiative towards new markets, new resources, and growth is encouraged.

**Hierarchy Culture:** Representing values competing with the adhocracy culture is the hierarchy culture. The dominant values are control, predictability, and consistency. Formal rules and regulation, policy, direction, and surveillance are used to maintain stability.

It is useful to remember that the term "adhocracy culture" connotes a special meaning in this framework which is akin to our understanding of "entrepreneurial culture" in the Indian context. Since the term 'adhocracy' is sometimes used in India to connote a 'laissez faire' culture lacking consistency and long-term orientation, to eliminate confusion, we have used the term "entrepreneurial culture" interchangeably with adhocracy culture in our study.

The above archetypes represent four possible types of cultures in an organization. Two or more cultures can exist simultaneously within the same organization. But, the key question is which of them is more characteristic of an organization than the others.
The CVF has been used to serve a variety of objectives from helping organizations to assess their existing and desired cultures so as to bring about major changes (Hooijberg and Petrock, 1993), to exploring the relationship between corporate culture, customer orientation, and innovativeness (Deshpande et al., 1993). In the latter study, researchers probed the relationship between business performance and organizational culture in a competitive marketplace. It was hypothesized that business performance would be ranked from highest to lowest according to the following sequence: market culture, adhocracy culture, clan culture, and hierarchical culture (Deshpande et al., 1993, p 26). A study of 50 quadrads (double dyads) in Japanese firms lent support to the above hypothesis: market cultures were found to be associated with the best performance, followed by adhocracy. Hierarchical culture was associated with the lowest performance, followed by clan. Thus, organizational preferences for external positioning compared to internal positioning seemed to be associated with superior performance.

Given the importance of organizational culture, particularly in the context of increasing turbulence in the environment, we decided to study the perceptions of organizational cultures in three kinds of Indian organizations: the private sector, the public sector, and a central government department offering a basic public service. We followed the CVF to identify dominant organizational cultures in these organizations.

Methodology
Sample
Our sample consisted of 169 respondents drawn from six organizations, three from the private sector, two from the public sector, and a government department which we refer to as Organization ABC. The breakup of respondents between the private sector, the public sector, and Organization ABC was 68, 51, and 50 respectively. Respondents were senior managers who attended in-company programmes in which one of the researchers was involved as faculty. Data were collected over seven in-company programmes in the course of six months (two programmes were for Organization ABC). Organizations were predominantly from the service sector including financial services (Two-one each from the public and the private sector) and transport (Two-one each from the public and the private sector). One out of six organizations was engaged in manufacturing and one organization (a government department) represented a public service offered across the length and breadth of the country.

Though their designations varied, participants broadly represented positions equivalent to general managers and the next 'lower level. As data on organizational culture includes sensitive soft information about the organization, the study was confined to programmes where rapport had been built between participants and researchers. Participants were asked to fill out a cultural diagnosis questionnaire to reflect their authentic perceptions.

Respondents were promised that aggregate analysis would be presented back to the group for a discussion of their organization's culture in a subsequent session in the programme. To allay respondents' misgivings about possible identification, no information was sought about the respondents' demographic profile. In each programme, participants were asked to fill out the instrument in the classroom without consulting others. As they were assured that the exercise would be used for academic purposes such as teaching and research, and that they could also get useful insights into their organization's culture, the participants appeared enthusiastic about giving their thoughtful responses. In each participant group, the presentation of the results back to participants in a subsequent session on organizational culture evoked serious discussions, details of which are outside the scope of this paper.

Instrument
A scale developed to diagnose the organizational culture (Deshpande et al., 1993) was used. The scale was adapted from Cameron and Freeman (1991) and Quinn (1988). The scale contained four categories of descriptions including dominant attributes of the organization, leadership styles, bonding, and strategic emphasis. In each category, there were four descriptions labelled A, B, C, and D, each representing one of the four organizational cultures discussed above (viz. clan, adhocracy/ etc.). For each category, respondents were asked to distribute 100 points across the four descriptions to indicate the similarity of the description to their organizational reality as it existed, and NOT as they would like it to be. Respondents were asked to use all the 100 points. However, in order to force them to choose from competing descriptions, respondents were told not to give identical points to two statements within the same category. Addition of all four values for A items across the four categories gave the score for clan culture; likewise, the addition of all B, C, and D items separately across the categories rendered the score for adhocracy, hierarchy, and market respectively. The psychometric properties of the instrument were satisfactory and are reported elsewhere (Deshpande et al., 1993). In our study for
testing the scale reliability in the Indian context, Cronbach Alpha Reliability Analysis was performed among the items to provide a rationale for building the scale for further statistical analysis.

The analysis showed that three culture dimensions, namely, adhocracy, hierarchy, and market (with reliability scores of .7185, .6530, .5549 respectively) adequately met the standards for such research (Nunnally, 1967). Only one culture dimension (clan) had a reliability score of less than .50. Though clan culture (reliability score of .2818) has a lower reliability coefficient, it has been retained in the analysis for theoretical purposes because it is part of the broader conceptual framework described previously (Cameron and Freeman, 1991; Quinn, 1988).

**Results and Discussion**

At the first level of analysis, we wanted to know aggregated ranks of the four organizational cultures. As we did not have exactly comparable number of respondents from the public and the private sector, weighted average was computed to "Uminate the possibility of bias. Results are presented in Table 1. As evident, the self-report measure indicated the presence of all the four cultures. Hierarchy emerged as the most dominant culture way ahead of others in strength. Considerably weaker, but enjoying rank 2, was clan. Market and adhocracy, with almost comparable scores, had ranks 3 and 4 respectively. A surprising result was the weak mean value for market culture. At a time when expressions like "market orientation" and "customer focus" seem to represent dominant themes or popular corporate mantras echoed alike in CEO speeches and executive seminars, our study revealed that the market culture occupied a low organizational priority, across the sectors!

At the next level, we explored the differences between perceived culture in the private sector, the public sector, and ABC. Tables 2a and 2b present the results. We found sharp sectoral differences.

<table>
<thead>
<tr>
<th>Type of Organizational Culture</th>
<th>Mean Values</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clan</td>
<td>229.8</td>
<td>2</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>211.9</td>
<td>4</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>334.23</td>
<td>1</td>
</tr>
<tr>
<td>Market</td>
<td>215.62</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Organizational Culture</th>
<th>Between Private Sector and Public Sector</th>
<th>Between Public Sector and ABC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clan</td>
<td>2.14*</td>
<td>1.08</td>
</tr>
<tr>
<td>Adhocracy</td>
<td>3.78*</td>
<td>2.9*</td>
</tr>
<tr>
<td>Hierarchy</td>
<td>5.9*</td>
<td>3.32*</td>
</tr>
<tr>
<td>Market</td>
<td>.55</td>
<td>3.23*</td>
</tr>
</tbody>
</table>

* Significant at .01.

public sector included in our study operated in comparable industries and environment, there were major differences in their most dominant (rank 1) and least dominant (rank 4) cultures. Adhocracy or entrepreneurial culture signifying high initiative, experimentation, and risk-taking emerged as the most dominant culture in the private organizations. In the public sector organizations and the ABC, adhocracy was indeed the least dominant culture (rank 4)!

In the public sector organization and ABC, the most dominant culture was hierarchy which, significantly enough, was the weakest culture (rank 4) in organizations in the private sector. As Table 2 shows, the private sector organizations on the one hand, and the public sector organizations and ABC on the other, presented a picture of stark contrast so far as the strongest and the weakest cultures were concerned: they were diametrically-opposite in terms of the perceived importance of adhocracy and hierarchy. For the other two cultures also, namely, clan and market, there were differences though not as pronounced. Clan was the second dominant culture in the private sector and ABC, and was third in the public sector. Market
orientation enjoyed second rank in the public sector, but third rank in the private sector and ABC. Thus, whereas for adhocracy and hierarchy there were sharp differences across sectors, for market orientation, the differences were negligible: it enjoyed a low priority across the board. Our results showed standard deviations to be on the higher side. Large standard deviations have been reported in other studies of organizational cultures also. For example, Deshpande et al., (1993) using the same instrument as used in our study, found considerable standard deviations. Such standard deviations indicate a certain dispersion of response, and means need to be interpreted accordingly.

Organizational Culture: A Closer Look

In order to understand which factors led to sector-wise differences in organizational culture, we carried out further analysis. As the above results showed, for adhocracy and hierarchy cultures, there was significant difference across sectors. A pertinent next question was, organizational culture being a broad concept, whether the above differences could be explored further to determine which dimension/s of culture contributed significantly to the sectoral differences. The four subcategories namely, organizational attributes, leadership styles, bonding, and strategic emphasis were analysed separately for adhocracy and hierarchy — the two subcultures which presented the maximum across-sector differences.

Adhocracy or Entrepreneurial Culture

Results of dimension-wise analysis for adhocracy culture for the respondents from the private sector, the public sector, and ABC are presented in Tables 3a and 3b.

An interesting result was that the respondents across the board reported considerable strategic emphasis on adhocracy. This suggests that irrespective of sector, their organizations were perceived by the respondents to be emphasizing growth and acquiring new resources. Readiness to meet new challenges was treated as being important. Thus, the respondents seemed to have perceived an unmistakable signal in their respective organizations about the need to gear up internal resources so as to meet environmental changes from a position of strength. However, beyond this similarity, the other notable feature was differences. It is evident from the table that differences between the sectors in the dominant attributes of adhocracy were statistically significant. This meant that respondents from the private sector organizations perceived their organizations to be much more dynamic and entrepreneurial than respondents from the public sector organizations. Compared to their public sector counterparts, the respondents from the private sector organizations reported a lot more willingness among people to stick their necks out and take risks, and the differences were statistically significant at .01 level. Likewise, for leader style, differences across the private and the public sector were significant at .01 level. Compared to the public sector, private sector respondents believed much more strongly that the head of their organization was considered to be an entrepreneur, an innovator or a risk taker — in other words, a role model in dynamism whom they could emulate. Incidentally, among four cultural dimensions for adhocracy, the leader style ranked as the strongest dimension for the private sector respondents which meant that leadership was seen as playing a pivotal role in invoking the entrepreneurial culture in organizations in the private sector. Bonding was another dimension in which the two sectors differed significantly: private sector respondents indicated a visible organizational commitment in their companies to innovation and development, which was perceived as being much less by the respondents from public sector organizations.

<table>
<thead>
<tr>
<th>Table 3a: Type of Organizational Culture: Adhocracy</th>
<th>Prh Sector</th>
<th>Mte Sector</th>
<th>Public Sector</th>
<th>ABC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>Rank</td>
<td>Mean</td>
<td>Rank</td>
<td>Mean</td>
</tr>
<tr>
<td>Dominant Attributes</td>
<td>24.87 (13.4)</td>
<td>3</td>
<td>14.5 (12.5)</td>
<td>4</td>
</tr>
<tr>
<td>Leader Style</td>
<td>31.42 (16.6)</td>
<td>1</td>
<td>25.92 (18.3)</td>
<td>1</td>
</tr>
<tr>
<td>Bonding</td>
<td>23.5 (13.5)</td>
<td>4</td>
<td>14.7 (8.7)</td>
<td>3</td>
</tr>
<tr>
<td>Strategic Emphasis</td>
<td>28.36 (12.9)</td>
<td>2</td>
<td>25.8 (14.8)</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 3b: Mean Differences between the Three Sectors</th>
<th>Between Private and Public Sectors (t Value)</th>
<th>Between Public Sector and ABC (t Value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominant Attributes</td>
<td>4.5*</td>
<td>1.9*</td>
</tr>
<tr>
<td>Leader Style</td>
<td>2.2*</td>
<td>2.8*</td>
</tr>
<tr>
<td>Bonding</td>
<td>7.4*</td>
<td>2.2*</td>
</tr>
<tr>
<td>Strategic Emphasis</td>
<td>1</td>
<td>1.6</td>
</tr>
</tbody>
</table>

* Significant at .01.
Comparing these dimensions between the public sector and ABC, we found statistically significant differences for dominant attributes, leader style, and bonding which were perceived as being markedly low by respondents from ABC. Thus, in a sense, the public sector can be seen as presenting a distinct midpoint in adhocracy or entrepreneurial culture, particularly with regard to dominant attributes, leader style, and bonding; the private sector and ABC marked the high and the low ends of the adhocracy continuum.

Hierarchy
The second type of culture in which across-sector differences were significant was hierarchy. Results of our analysis are presented in Tables 4a and 4b.

It is clear from these tables that, for all the dimensions of organizational culture, namely, dominant attributes, leader style, bonding, and strategic emphasis, respondents from the public sector organizations reported a much stronger hierarchy-dominated culture than respondents from the private sector organizations. With the exception of leader style, the same was true between respondents from ABC and the public sector. The above differences were statistically significant at .01 level. To paraphrase these results, in terms of dominant attributes, respondents from the public sector organizations indicated much more strongly than their counterparts from private organizations that their organization was a very formalized and structured place where established procedures generally governed what people did. Regarding the dimension of bonding—responding to the issue of what held the organization together—participants from the public sector organizations expressed a much stronger sentiment than the private sector participants. According to them, what held the organization together was formal rules and policies; and, maintaining a smooth running institution was important. Coming to strategic emphasis, again, respondents from the public sector organizations indicated a much stronger hierarchy orientation than their private sector counterparts. The former group expressed a strong agreement with the view that their organizations emphasized permanence and stability, and efficient, smooth operation was considered to be important.

There were significant differences in dominant attributes, bonding, and strategic emphasis between respondents from ABC and those from the public sector organizations. The former reported a much stronger emphasis on hierarchy in their organizational culture than their counterparts from the public sector organizations.

Thus, the three kinds of organizations can be seen as representing three distinct points on the hierarchy continuum: ABC appeared to represent the highest and the private sector organizations the lowest emphasis on hierarchy with the public sector organizations falling in between.

Discussion
Though all the four types of culture are present in organizations, there are marked differences in their relative strength. When data from all six organizations were pooled together, hierarchy emerged as the predominant culture form. Our study was focused on culture within organizations, yet the overall dominance of hierarchy suggests possible influence of larger societal culture on organizational culture. In a broad sense, the hierarchy culture with its emphasis on control, power distance, and consistency approximates some attributes of the larger societal culture. Scholarly studies as well as popular literature highlight the hierarchical nature of Indian society where noticeable power distance characterizes formal and informal relationships. Earlier studies of organizational culture in Indian organizations have reported significant
authority patterns influencing subordinate behaviour (Kakar, 1971), and high power distance between different employees (Hofstede, 1980). Despite the passage of several decades since the above trends were reported and the fact that the past few years have witnessed an accelerated rate of technological, economic, and social change, more so in the immediate environment of commercial organizations where our respondents were situated, it seems that the influence of societal culture persists. This dominance of hierarchical culture in Indian organizations embedded as they are in the hierarchical national culture can be compared with clan emerging as the dominant organizational culture in Japanese firms whose national culture also upholds clan as an important social unit (Deshpande et al., 1993). Though the impact of national culture on organizational culture was not the principal interest of our study, our results at the first level of analysis coupled with the results of the study of Japanese firms indicate such a possibility which needs to be studied in future research.

Another striking finding we want to highlight is the relatively weak market culture in organizations in the public sector, the private sector, and government department alike. High result orientation, competitive spirit, and strong market orientation is not seen as a strong and pervasive concern in our organizations. When we compare the low organizational emphasis on market culture in our study of Indian organizations with a study of Japanese firms, we find that, in the latter, market culture enjoyed the second rank (Deshpande et al., 1993, p 3). The relatively weak market orientation in Indian organizations as brought out by our study should be a cause for worry and a major area for culture change initiatives in our organizations. If our findings could be generalized, then, in the context of Indian industry’s aspirations to become dominant global players, the relatively low concern for market and customers becomes particularly worrisome. Our study underscores the need to ask at the organization level the tough question as to whether the company culture with particular regard to market orientation is congruent with the global business environment in terms of understanding markets and responding to customers’ needs.

Regarding the differences in organizational culture between a government organization, the public, and the private sector organizations, to some extent, the results reported by us could be anticipated. However, it is the magnitude of differences that is striking. Thus, the relatively high importance of adhocracy signifying dynamism, initiative, and risk-taking could be expected in the private sector organizations as its relatively low importance in the public sector and in the government. But our results show adhocracy or entrepreneurial culture to be the most dominant culture in the private and the weakest in the public sector! This is a significant pointer towards the desired direction for culture change at a time when there is strong concern in some quarters to instil private sector-like dynamism in the public sector organizations. In addition to downsizing, reorganization, and other structural approaches currently in vogue to lend competitive edge to organizations, our results suggest that cultural interventions can be used as a vehicle to communicate dominant organizational priorities. Likewise, although at the aggregate level, hierarchy emerged as the most dominant culture, it appears to have its strongest hold in government departments, followed by organizations in the public sector, and is reported to be relatively weak in the private sector. The debilitating effect of excessive hierarchy can be easily seen in numerous Indian organizations. It saps managers of their initiative and energy, stifles their drive for excellence, and results in organizational inertia, inflexibility, and plethora of missed opportunities. Clearly, excessive hierarchy is inconsistent with today’s business environment which expects organizations to respond fast and dynamically to latest market challenges.

An interesting issue in examining organization culture is the possible existence of different subcultures in different parts of the same organization. For example, the marketing department may need much greater emphasis on the ‘market’ culture than the production department where routinization can lead to operational efficiencies. Such function-specific cultural differences can be explored in future studies.

**Concluding Remarks**

Admittedly, the relatively small sample size was a limitation of the study which can lead to questions about the generalizability of our specific findings. However, if the cultural patterns reported in this paper could be taken as broadly indicative of the contemporary cultural realities of organizations in the private sector, the public sector, and government departments, it seems that there is an urgent need to look into this important organizational variable. In case organizational culture seems to be out of step with the requirements of today’s business environment, as our study appears to suggest, then this reality needs to be addressed. Changing organizational culture is not easy, but as some recent successful experiences (Hooijberg and Petrock, 1993; Kilmann, Saxton,
Serpa/1986) show, it is not impossible either. The use of CVF can take managers beyond a single focus to emphasize simultaneously greater member involvement, more dynamism, more efficiency, and greater market orientation. Studies documenting the use of CVF in organizations to execute a transformational strategy for changing organizational culture are beginning to appear. The amenability of organizational culture to change depends *inter alia* upon the pervasiveness and strength of cultures: more pervasive and deep-rooted organizational cultures may need that much stronger leadership commitment, broad-based social energy, shared willingness among members, and sustained effort for change. But, the important point is the appreciation at the corporate level that an examination of organizational culture and its congruence with organizational mission and business environment needs to be included in the corporate agenda for analysis, reflection, and active management. It is hoped that the present study would spur organizations in the private sector, the public sector, and government departments alike to discuss and evolve consensus about the optimum combinations of clan, hierarchy, adhocracy, and market cultures suitable for their unique business requirements. Moving the organizational culture towards that optimum combination would be the next major challenge.

**References**


