Final Project

"A Study On Cross Cultural Issues in IT Sector."

DMSR- G. S. College of Commerce & Economics, Nagpur Affiliated to Rashtrasant Tukadoji Maharaj Nagpur University Nagpur

In partial fulfilment for the award of the degree of

Master of Business Administration

Submitted by

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Academic Year 2021-22

G.S. College of Commerce & Economics, Nagpur

CERTIFICATE

This is to certify that "Anushree Jibhkate" has submitted the project synopsis titled "A Study On Cross Cultural Issues In IT Sector", towards partial fulfillment of MASTER OF BUSINESS ADMINISTRATION degree examination. This has not been submitted for any other examination and does not form part of any other course undergone by the candidate.

It is further certified that he/she has ingeniously completed his/her project as prescribed by DMSR -G. S. COLLEGE OF COMMERCE & ECONOMICS, NAGPUR (NAAC Reaccredited "A" Grade Autonomous Institution) affiliated to Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur.

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Place: Nagpur Date: 3/08/2022

<u>G. S. College Of Commerce & Economics, Nagpur</u> DECLARATION

I here-by declare that the project with title "A Study On The Cross Cultural Issues In IT Sector" has been completed by me in partial fulfillment of MASTER OF BUSINESS ADMINISTRATION degree examination as prescribed by DMSR - G. S. COLLEGE OF COMMERCE & ECONOMICS, NAGPUR (NAAC Reaccredited "A" Grade Autonomous Institution) affiliated to Rashtrasant Tukadoji Maharaj Nagpur University, Nagpur and this has not been submitted for any other examination and does not form the part of any other course undertaken by me.

"Anushree Jibhkate"

Place: Nagpur

Date: 3/08/2022

G. S. College Of Commerce & Economics, Nagpur

ACKNOWLEDGEMENT

With immense pride and sense of gratitude, I take this golden opportunity to express my sincere regards to **Dr. N.Y. Khandait**, Principal, G.S. College of Commerce & Economics, Nagpur.

I am extremely thankful to my Project Guide **Dr. "Sonali Gadekar**" for his/her guideline throughout the project. I tender my sincere regards to Co-ordinator, **Dr. Sonali Gadekar** for giving me guidance, suggestions and invaluable encouragement which helped me in the completion of the project. I am also thankful to prof. Anand Kale sir for his continuous guidance.

I will fail in my duty if I do not thank the Non-Teaching staff of the college for their Cooperation.

I would like to thank all those who helped me in making this project complete and successful...

"Anushree Jibhkate"

Place: Nagpur

Date: 3/08/2022

INDEX

SR. NO.	CHAPTER NAME	PAGE NO.
1	Introduction	6
2	Company Profile	29
3	Need of the study	33
4	Problem Definition	35
5	Limitation	37
6	Objectives	39
7	Hypothesis	41
8	Research Methodology	43
9	Research Design	46
10	Data Analysis & Interpretation	48
11	Findings	62
12	Conclusion	64
13	Bibliography	66
14	Annexure	68

INTRODUCTION

INTRODUCTION

Cross-Cultural Issues

Culture is the character and personality of your organization. It's what makes your business unique and is the sum of its values, traditions, beliefs, interactions, behaviours, and attitudes. Culture creates the type of people who become members of an organization. Culture trains people along particular lines, tending to put a personality stamp on them. It is also not necessary that all people are alike in a particular culture. There are sub-cultures within a culture. People from different cultures often have different skills, experiences and perspectives. These differences challenge team members to be more open-minded about problems and how to solve them. So, intercultural business environments tend to promote higher levels of creativity and innovation. This is great for businesses because increased innovation leads to increased revenue. Cross-cultural interactions help to develop some important interpersonal skills. Working with people from other cultures develops empathy, acceptance and tolerance. In any organization, individuals represent different cultural backgrounds depending upon the language they speak at home, the religion they practice or the country they belong to and so on. Culture has a strong influence on people as it dictates how we perceive, understand and communicate ideas. Engaging across national and cultural boundaries also improves communication skills because people from different cultures sometimes require us to explain things differently, be more explicit and understand different languages or accents. Learning to communicate well in cross-cultural settings enables better communication with people from our own culture and the same language. Great benefit of cross-cultural business is increased opportunities for more people. Globalization and access to technology have helped break down cultural barriers and facilitated diversity in the workplace.

Concept of Culture

To define culture more simplistically, it can be described as how we live, how we are expected to behave and how we do things every day. Cultures are developed over a time when people in the same community spend time together and are tied by common beliefs, goals, routines, ideas and values. Humans as tribal animals adapting their behaviour according to the needs that require them to fit in their particular tribe. This process of adaptation is referred to as survival or existence strategy. Those who fail to do so either have to leave the tribe or are rejected by the other members of the group. As the members try to fit into the tribal environment, they strengthen the norms and accepted behaviours of the tribe, and in turn strengthen the culture. The process is further strengthened by peer pressure from the threat of newcomers to the tribe. This will allow the existing members to come together and find the weaknesses of their tribe. Some aspects of culture are clearly visible and noticeable while other aspects can only be imagined or ideated. The part which we can see is only a small part of the entire culture. A relationship exists between the invisible and visible aspects of culture and in several cases; the invisible aspect of culture tends to influence the visible part. An example to understand this is that the religious beliefs (invisible aspect) can be easily recognized by holiday customs and style of dress (visible aspect). Several authors have interpreted the meaning of the word culture differently. An American anthropologists Kroeber and Kluckhohn (1952) have given many definitions for culture. In regard with these definitions we can say that cross culture brings together people from their vivid culture, religions, regions, languages, customs, traditions, food, ideology, behaviour and the like. Cross culture cannot be linked with a particular community, it is omnipresent; notably visible in much articles, scholarly matters, cinemas, arts and theatres, music or cuisine, marriage or communication, education or career, history or science and the list continues.

Though in the present world cross culture is much noticed in the business world where the success of international cross border trade rests on the smooth synchronization of the cross culture, participants from different nations unite together that bring different values, viewpoints and business practices. Simultaneously this also laid a growing concern on the companies that engaged their substantial resources towards the training and development of their employees for a better, enhanced and positive cross cultural experience. The result is that cross culture familiarity and empathy is expected from the employees who are recruited in multinational or transnational organizations. At the same time cross culture can be experienced by an employee who is transferred to a location in a host or another country. The employee is expected to learn the language and adaptability to the culture of those around him, and vice-versa. This becomes more challenging if the person is acting in an executive or managerial capacity; someone in this position who cannot effectively communicate with or understand their employees' actions can lose their credibility. Hence it can be said that in an ever-expanding global economy, cross culture and adaptability will continue to be important factors in the business world. Indian IT companies do face the same cross culture issues in day to day business life, though might be possible our cross culture issues may not be as same as the West. But still some cross culture issues in Indian IT companies may be like, managing the relationship with the different ethnic groups, work culture differences, vivid perspectives over knowledge sharing and team performance, difficulties in project handling management, etc. It is also true that cross culture at one side of the coin bring issues and differences among the members but simultaneously some opportunities and strengths are also crept in. Hence altogether cross culture greatly affects the human resources and vice versa. The following study by the researcher is to know and analyse some of the cross culture issues in the Indian IT companies.

Types of Culture

The concept of culture is as vivid as one move from one country to other and even within the country. The culture can be distinguished between nonmaterial culture which includes values, beliefs, symbols and language of that society. The other type is material culture which includes physical objects such as tools and technology, clothing, eating utensils and means of transportation etc. There are many authors who have described different types of culture, here I have mentioned few types of culture relevant to the present study. There are several different types of cultures, to mention some are as follows-

- National cultures- These cultures are about more than geography and may include different communication styles, outlook, and assumptions.
- **Subcultures** These cultures often exist under the umbrella of a national culture. They are formed by small groups in the societies.
- Organizational or corporate cultures- These cultures may be intentionally fostered and developed, or may simply develop over time. For longer33 standing companies, the culture may include underwritten or even unspoken rituals and roles.
- **Industry cultures** These cultures generally grow over time and can be based on factors like the type of work, educational requirements, and customer expectations.
- Professional and functional cultures- These cultures may be based on types of responsibilities and educational requirements. The culture of the industry is often serious, efficient, and focused on numbers and metric with low risk tolerance.

Cultural Layers

Every culture has multiple layers. Edgar Schein created a model to demonstrate a culture's multiple layers. This model helps us to understand the concept of organizational culture and why people behave differently in different organization.

There are three basic layers:

Artefacts and products- These are part of the outer or explicit layer. This layer includes the more obvious facets, like dress, food, music, and humour.

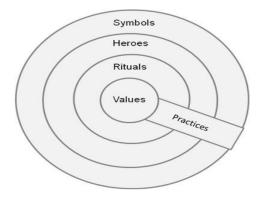
Norms and values- These are contained in the middle layer and refer to acceptable behaviours and a sense of what is right and wrong.

Basic assumption- These are contained in the innermost or implicit layer and refer to the core and deeply- held beliefs of the culture. Members may or may not consciously recognize them, and cultures with similar norms can have very different core beliefs. This is often the basic for miscommunication and conflict.

Productive cross-cultural communication involves navigating the explicit cultural artifacts and products in order to appreciate the inner core of norms and values. However, the ultimate goal here is to have an understanding of the core beliefs that shape feelings, perceptions, thoughts, and actions, all within the culture.

Hofstede's approach to culture

Hofstede is one of the Pioneers who delicately studied culture. His study was made by a combination of interviews, surveys, and direct observation. He did his research in IBM inspired by why different subsidiaries of the same company perform differently in different countries and why some subsidiaries have superior achievements than others while the subsidiaries belong to the same organizational culture. He defined national culture as a collective programming of the mind, which distinguishes members of one human group from those of another. He has explained why he has labelled it collective, for the reasons that it is shared by people who live together in the small social environment. He believed that culture is learned, not inherited (Hofstede, 2006). He also expresses it as "it derives from one's social environment, not from one's genes" Hofstede has put certain points as to how culture manifests itself, those are -symbols, heroes, rituals, and values. The following diagram of Hofstede presents the points.



THE 'ONION DIAGRAM': SOURCE (HOFSETED, 2001)

According to Hofstede, **Symbols** are words, object, pictures and tangible things which can make sense or give meaning for the members of the group who share the same culture, for example, dressing, and hairstyle. **Heroes** are persons who are famous among the people of the same culture and are taken as a model or to build up a characteristic for good purposes of the culture. **Rituals** are collective activities, which members of a group perform together. It can be a religious activity or an annual public festival. Hofstede generalizes Symbols, heroes, rituals under the term practices and emphasizes the core of culture to be values. **Values** are broad tendencies to prefer certain states of affairs over others. Hofstede has presented his widely known dimensions, which are known as "Dimensions of culture," power distance, individualism, masculinity/femininity, and uncertainty avoidance. (Hofstede, 1991). Different researchers use Hofstede's study of culture as a template. They also believe he has done an extensive study. Hofstede's masterful capacity to explain the complex conditions of culture in simpler and quantifiable terms defines his popularity in the studies of culture.

Power Distance

Describes how different societies handle the fact that people are unequal. The focus is on the gap that exists between the different ranks of individuals, for example, boss and subordinates. Power distance is mainly the extent to which the individual with lesser power or voice must address the more powerful member of the society. It shows how the power is distributed among the society. This represents inequality (more versus less), mainly from the perspective of the less powerful. Even though there are different ranks of individuals in every society. Some are unequal than the others; this dimension of Hofstede explains the extent of the difference.

Individualism/Collectivism

Describes the difference between cultures where ties are loose and in collectivist societies, people are integrated and acting in groups. This dimension describes the difference between cultures where ties in between the members of the society are loose or tight. In collective societies, people are integrated into each other and act in a group. Individuals in collectivist society protect each other and rely on one another. While in Individual society, members take care of themselves and their immediate family, so the bond in the larger society is loose in these kinds of society.

Masculinity/femininity

This dimension is about the emphasis on workload, on each gender of the society. It refers to the distribution of roles between the genders. Hofstede, in his studies in IBM, has found out that woman's values differ less among societies than men's values. Men value from one country to another contains a dimension from very confident and dominant to modest and caring. Woman in feminist countries carry values which is like the man. On the other hand, men in masculine countries are dominant, and women also are competitive.

Uncertainty avoidance

This dimension shows the extent to which members of a culture feel threatened by new situations or uncertainty, or unknown conditions. It is mainly about the tolerance for uncertainty and unclear situations; it is a measure to what extent does a culture prepares or encourages its members to face uncertain or unknown situations, by unknown meant like surprising, different from the usual. Uncertainty avoiding cultures try as much as possible to avoid new or unstructured situations by strict laws and rules, safety and security measures.

Long-term orientation

This is relatively a newer dimension of Hofstede studies it was found in a study among students in 23 countries around the world. The values related to the long-term orientation are studied in terms of economy or the ability to save money for future needs and persistence or determination. Other values related to respect for tradition, fulfilling social responsibilities, and protecting one face.

Time Perception

In search of building a common understanding, organizations who invest overseas are realizing more culture-related issues, as discussed above by different researchers like Hofstede, Trompenars, and others. There are many dimensions of culture to be studied when a company decides to invest overseas. The other factor that bond and his friends added are time perspective in their book, they have stressed that time perception influence the way members of a culture tend to approach decision making in business activities and even as simple events as attending seminar or presentations. They have also stressed that the difference in the perception of the employees leads to the difference in the perspective of employees towards work and people.

Cross-cultural Management

After understanding the concept of culture clearly, now we have to understand the term management. There are many definitions given by as many authors, it can be concluded from these definitions that management is the process of achieving organizational goals through planning, organizing, directing, coordinating, and controlling of the organizational resources in an environment. Thus it can be said that the cross cultural management is a process of achieving organizational goals through planning, organizing, coordinating and controlling the organizational resources in the cross cultural environment. Since management differs in different environment, thus for cross cultural management the managers should have clear understanding of culture of home country and the host country. This help to overcome the conflicts generated due to cultural differences. The managers need to learn and promote the ways of management according to the new knowledge learned from the cross culture management experiences. The concept of cross cultural management was prevalent in ancient international trade and business exchanges too, when early civilizations began overseas trade and they knew how to do business with people with different cultural backgrounds. The only difference then and now is that the world has become a very small place now, due to advancement in the technology; on the other hand the complexities of cultural understanding have also increased and the need to study the different cultures has become important.

International HRM and Cross Cultural Issues

The spectrum of HRM has been extended from performing the traditional HRM functions to playing as a strategic business partner in the organization. In the present time where people from diverse culture work together, for HR it is important to retain the talent for the organization's good apart from looking into attrition of employees. The performance of HRM in the organization is measured by its direct contribution to the success of the organization. From the management viewpoint, the concept of culture can be explained as a set of shared mental descriptions that shape the way in which managers interact with the world. For the organization it is important to understand the way to behave and act in their roles and how cultural diversity influences the other members of the organization. Today successful organizations prepare their leaders to fully understand their culturally diverse work atmosphere and work effectively with people from different cultural backgrounds having different ethics, values and business rules (Society for Human Resource Management, 2008). Procuring cross-cultural skills requires considerable time, training, teaching, experience, knowledge, susceptibility and awareness. The ignorance of such intercultural expertise results in miscommunication, mismanagement and relationship disasters, thereby having serious implications on business services, project failures and increased competition (Society for Human Resource Management, 2008). The unawareness of cultural differences on the international level may results in dominance by powerful countries and corporations and they appear not to value cultural diversity. As a result, it increases confusion and resentment and directly impacts trade relationships. Authors define this stage of deficit and threat as a negative spiral starting to evolve in the business environment and then having serious implication on its functioning. The role of HR professionals is to look for ways to reverse the effect of this spiral, leverage cultural diversity as a powerful resource to increase productivity, and develop means which meet the needs of the global business

Human Resource Management in India

The role of HRM has become very crucial in Indian IT industry, due to advancement in technology and need of improved HRM practices. The HR department need to adapt to new changes and live up to the organization's expectations. The sustainability of the organization is in preparing its workforce for the future competition, for this HR has major role to play. HRM is being recognized as a source of competitive advantage in the organization which helps in building an excellent workforce which can globally compete. The major challenge for the HRM is to balance between domestic and international approach of management, which requires strategic human resource management approach. In India due to foreign direct investment policy, more MNC's are entering in Indian economy; the role of HRM is not only human resource activities but also involving effective and appropriate management for the welfare and prosperity of humanity. The HRM has to look for better option for the employees to work and life balance, as there is lot of pressure to complete the project deadlines due to global competition. Indian companies have modified their bureaucratic business methods from labour intensive to capital intensive system and developed the workforce according to international standards. The implication of global competition faced by Indian companies from multinational can be understood with this that they have to stand up to the technological advancement but also develop and maintain a highly diverse workforce in a skilled, impelling and productive work environment. The stress on HRM has increased, as it has to deal with cultural implications caused by fusion of distinct belief and notions of both domestic and foreign employees. Thus the role of HRM in India has become more strategic in approach to deal with cross cultural issues.

Cross cultural differences and issues in Indian IT company's HRM practices

With the increase phenomenon of globalization, the companies are expanding business across national border, which has raised the need to emphasize on study of cultural diversity. Cross-cultural misunderstandings can be seen among people working across MNC's with diverse cultural backgrounds. The misunderstandings often tend to create repetitive phenomena involving cross-cultural conflicts, dissatisfaction and provocation leading to communication problems, and reduced employee performance.

National factor- The management techniques learned and developed by a manager in home culture do not apply equally in other cultures and thus produce several clashes and ambiguities. This problem is even more critical with HR practices as they have to deal with people from different cultures, develop HR policies and practices to manage individuals, and resolve their problems and maintain cross border relationships.

According to Budhwar and Debrah, in developing countries the national factors have great impact on cross cultural management in the organizations. Further the authors have identified few aspects of national culture which influences the HRM policies; they are common values, beliefs, customs, socializing process, power of pressure groups, management perceptions, type of management system, personality, temperament, attitude towards work, attitude towards cultural diversity and correlation to the organization culture etc. All these aspects help in understanding the challenges faced by HRM due to variation in culture of home and host country, and the increasing diversification of workforce in terms of multiculturalism. Motivational factor- Indian society views perquisites and titles as status symbols.

A number of mid-level management and executive positions provide company housing, cars, and other basic amenities. Other perquisites that employees expect out of their positions include company loans at low interest rates for purchasing houses, transportation facilities, and other consumer durables. People are inclined to save for their future needs. Terminations are regarded with social stigma and employees facing termination find it difficult to carry on in society and find another job with a better or similar reputation. Many employees tend to prefer voluntary retirement schemes with a good salary incentive. Varying trends of promotions and incentives can be seen in both the public and private sectors. Employees believe in loyalty and trust for many public sector companies but this tendency is different in private companies. Employees are tempted to make frequent shifts in MNC's to boost their salary packages and gain promotions. Promotions and pay increase with seniority rather than performance in the public sector whereas in the private sector, promotions and variable incentives are based on performance and accomplishments.

Communication style- In India the communication style has an impact, as a candid and straightforward style of communication is not appreciated in Indian society. Acts of flattery and commendation are quite common among Indians and they expect these pursuits as a symbol of motivation, respect and appreciation. People expect to have things explained to them without assuming them on their own or taking them for granted. An indirect style of communication is preferred as Indians find it hard to say no to anything. Communication styles are oriented toward relationship and vary with the age and seniority of the person in both professional and personal contexts. The manner of communication varies according to gender orientations as well. Women are expected to be more polite, considerate and submissive in their language as compared to masculine communication styles. Careful

questioning and understanding of body language are expected out of a courteous, mannerly and modest Indian.

Gender differences- There has been noticed huge gap in the gender ratio in Indian organization. The Indian constitution has recognized the equal status of women in society. Women in India have been increasingly taking up significant positions in professional roles. Many sectors experiencing the rise of female professionals include the IT and software industries making up nearly one third of the total employees. Further, the rise in women managerial roles and entrepreneurship in the corporate sector has been boosted by globalization and the increase in MNC's in India. Seen from the perspective of international managers, recruiting, training, and retaining women staff is not seen as a difficult task anymore. However, the conservative nature of the citizens poses some restrictions on foreign businesswomen, who have to be conscious of their dressing styles and be careful with the unwanted attention they can attract due to their strikingly different attire. Initiating a handshake by a woman employer is seen as somewhat inappropriate but the trends are changing with Indian women becoming more familiar with education and international customs and regard acts of handshaking as an act of courtesy and social conduct. In other cases, a woman might wait for a male colleague to extend his hand for a handshake. Other displays of affection such as hugging, kissing or touching members of the opposite gender are strictly considered inept and unsuitable.

Leadership style- In India, as per the study by Hofstede, high power distance is prevalent and its effect is very much observant in the managerial and leadership style. There has been observed wide gaps in education between and among different managerial levels which results in different style of management at workplace. The following section will present the nature of Indian managers in accordance with their cultural values and the differences these aspects can create when interacting with other cultures. There has been observed impact of national culture aspects on Indian managers as discussed in above section, though with the increased number of multinational companies entering in India has brought the cultural diversity at work place which has brought into focus the need of diversity and inclusion. The human resource department in each organization has introduced new and more effective human resource policies which is gradually changing the attitude of the Indian managers.

Management style- The other factors which has impact on Indian managers are caste system, gender inequality, motivational factors and highly heterogeneous culture, have created an environment where authoritarian management is superior.

Apart this a wide gap between management and employees has also acted like a roadblock to participative management. Participative management style is very effective for the success of the business, as it reduces the loopholes and gaps in management and employees and enhances more transparency at workplace, which in turn wins the trust and loyalty of employees. Despite of various human resource policies the attitude of managers in India has been noticed indifferent. With the growing number of multi-national companies it has become vital for the top and middle management to act accordingly to achieve business goals and global competitive edge.

Conceptual Study of Cultural Diversity in Organization

Culture diversity is a subject getting growing attention nationally and internationally, the major factor contributing to it are the globalization of economies and involvement of international teams. Cultural diversity is a form of accepting the differences in individuals. The difference can be based on gender, age, sexual orientation, ethnic groups and social status and so on. Companies have realized the importance of acquiring a diverse workforce. Cultural diversity known as multiculturalism is a group of diverse individuals from different cultures or societies. Cultural diversity includes language, religion, race, sexual orientation, gender, age and ethnicity. Companies have started to embrace corporate diversity in the early 2000s. This was due to globalization, many trends in demographic and changing workforce. The critical impacts of migration and globalization are the increase in the opportunities and need to interact with people who are from different culture. Due to globalization of economies and the migration of people have increased opportunities to all. On the other hand affecting organizations in a manner that it requires to be more open and accommodative towards heterogeneous working environment. Companies have started seeing the advantages that cultural diversity could bring and how a well-managed cultural diversity could help in achieving competitive edge in the market.

Types of Cultural Diversity in the Workplace

There have been various types of cultural diversity identified in the workplace. To understand the impact of cultural diversity on employees in the multi-national companies, types of diversity has to be studied first. The following type of diversity has been identified in the multi-national organizations-

Ethnicity or race diversity- Ethnic diversity is related to having people from different historical, cultural, geographical background working together in the organization. The purpose of such diversity is one of the D & I strategies of the organization. It creates learning and more interacting environment in the organization.

Age diversity- This type of diversity is related to having workforce of different age group. As the young workers infuses new ideas and the experienced workers helps in formulating it effectively with their long experience.

Gender diversity- Gender diversity is an issue as well as advantage to the organization. There has been noticed wide gap in the ratio of male and female employees in the organizations despite several efforts made by the organizations.

Having gender diversity at work provides the opportunity to utilize the skills of females in the organization as well as in the economy of that country.

Lesbian, Gay, Bisexual and Transgender (LGBT) diversity- The most discriminated section of the society are LGBT. The community of LGBT need to be utilized because they have many distinct groups of people with unique experiences and challenges. They can help in making workplace and society a better place with their contribution.

Ability diversity- This comprises of inclusion of people in the organization with different abilities. There is huge of talent in differently able people, which can be effectively utilized by the organization.

Cognitive diversity- This include workforce with different thinking style. These people have ability to bring different perspectives in the organization. The diversity of thought has wider aspect and it can be seen in the formal or informal groups, mostly noticed in the millennial. It has many advantages to the organization, as it removes biasness and enables employees to put forward their unique views and perspectives. This type of diversity has the potential to lead and redefine the process of diversity and inclusion.

Impact Of Cross Culture on Some Aspects in Order of Importance to Employee

Hiring and promoting people from different culture can be advantageous to the company, to think out of the box, to get innovative ideas, to get competitive advantages. Getting these benefits depends on how a company deals with diversity. Important aspects on which a major impact of cross culture is studied are-

Employee training- Training has a visible effect on the employees in the multi-culture environment. It helps the employee to learn and develop new skills.

Employee performance- It has been observed that employees working in multi-cultural environment perform better as they get exposure to new ideas and innovation.

Expatriate adjustments- The organization need to focus on the diverse workforce and how well they are able to adjust in the workplace. By adopting universal culture an organization can help its employees to adjust effectively.

Expatriate adoption- Often seen that, employees find it difficult to adopt and adjust in the new culture. In such case with the help of cross-cultural training an organization can support employees to adopt the new culture and perform their best to achieve organizational goal.

Employee compensation- There has been noticed a difference in the compensation of international and national employees, it is one of the effect of cross-culture. The organization must try to pay as per the norms followed in that nation or it should follow generalised form to provide equality in the pay to the employees. Higher level of attrition takes place due to the effect of insufficient compensation.

Communication in the organization- Communication plays a major role in developing interpersonal relationship among the employees and it also helps in building trust among them. Without this it is difficult to have harmonious working relationship among employees at workplace.

All the IT companies who have been studied in this research have diverse work force. Having diverse workforce at work place is more than just compliance; it's about driving the organization towards success, through pulling often the best individuals from different walks of life, with most innovation solution, experiences and ideas. And this of course, why we have to learn about diversity at work place. Here we should focus on approaches towards diversity and inclusion. We also have to consider how to overcome the barriers of diversity, in order to accept the diversity and what all it has to offer.

In today's global environment for all the IT companies, diversity is a priority and has to act on it. A company has to focus on the following-

- What percentage of revenue is generated by the other cultural groups?
- How many woman representatives are involved for the leadership positions?
- What measures are taken by the company to foster diversity and inclusions in the organization?
- At what level the multi-cultural groups are participating in the organizational activities?

Such type of questions helps the company to explore new competitive advantages and resources. Diversity apart from gender and races, is a much wider terms, in respect of-Thoughts, Values, Social backgrounds, Education. When people from different social backgrounds and educational level come together, they bring diverse ways of looking at things, they contribute to diverse ideas, experiences, and this makes a perspective of business, and makes ways for positive changes in the organization. If the companies can embrace diversity, they foster the ability of the people from different culture to work together. They create an inclusive culture that can add value to the contribution of diverse workforce. They work to avoid a monoculture, and they embrace otherness. Diversity in composition, means the entire mix of workforce with unique ideas, experience, share some similarities and differences. In all MNC everyone has something unique to contribute, they can't be a mix of bunch, and their clients come from all walks of life. In these companies they share common values, training and sense of humour. Diversity is not an issue of organization, but it starts with the individual, being exposed to diversity can enhance the creativity and problem solving skills of the workforce and broaden the perspective. Diversity can have concrete business advantages, and companies emphasize and encourage differences rather than suppressing them, fresh ideas can emerge, companies can get innovative ideas that make them more competitive.

COMPANY PROFILE

COMPANY PROFILE

Tata Consultancy Services (TCS)

Tata Consultancy Services (TCS) is an Indian IT firm, which is a part of most respected 144 year old Tata group and along with India TCS is operating in 46 countries. The subsidiaries of TCS are TCS china (In 2017 was associated as a joint venture with the Chinese govt.) and TRDDC. It was founded By JRD Tata and F.C. Kohli in the year 1968. TCS is headquartered in Mumbai. The chairman of TCS is Natarajan Chandrasekaran, CEO is Rajesh Gopinathan. TCS offers IT services, Business consulting and Outsourcing services. TCS is one of largest Indian companies by market capitalization. TCS has been placed among the most valuable IT services brands worldwide. TCS ranked 64th in 19 Forbes for world's most innovative companies. TCS has further expanded its market captivity through acquisitions of many national and international companies like- CMC limited in 2001, Airline Financial Support Services India (AFSI) in 2004, Aviation Software Development Consultancy India (ASDC) in2004, Phoenix Global Solutions in 2004 and Swedish Indian IT resources AB (SITAR) in 2005, Pear Group in 2005, Citigroup Global Services in 2008, Alti SA in 2013 and more. TCS and its subsidiaries provides a wide range of information technology related products and services which include application development, business process outsourcing, capacity planning, consulting, enterprise software, hardware sizing, software management, payment processing and technology education services. The established products of TCS are TCS BaNCS and TCS Mastercraft. TCS established first software research centre, the Tata Research Development Design Centre (TRDDC) in Pune, India, in 1981. TRDDC undertakes research in software engineering, Process engineering and system research. Mastercraft was developed at TRDDC which is a digitization and optimization tool.

The company portfolio is as follows-

Industry group- This includes Banking and financial service, Manufacturing, Media and information services, Chemical and Natural resources, Energy, Government, Healthcare, Retail and consumer products, Telecom, Travel, Transportation and Utilities.

Service segment- It includes Business process services, Consulting, Digital enterprise, Ecosustainability services, Enterprise security and risk management, Enterprise solutions, IT infrastructure services, Platform solutions, Supply chain management and Industrial services.

Software or product segment- This segment includes Digital software and solutions, TCS Cloud plus, TCS BaNCS, TCS Technology product and TCS Master Craft.

In April 2018 TCS has become first Indian IT Company to breach USD 100 billon market capitalization. The revenue generated by TCS in FY2018 is USD 19.08 billion. Total number of employees in FY 2018 is 400,875 in which 31% are women. Tata Consultancy Services is named as one of the best company for diversity and inclusion. TCS is recognized for promoting women, addressing gender imbalances. TCS is one of the leading global IT services, consulting and business solution organization. In 2018 in United Kingdom TCS has been recognized foe promoting and celebrating outstanding contribution made by Women in Technology and Data Awards, hosted by Waters Technology, in London 2018. TCS has more than 400,000 employees representing more than 129 nationalities and out of which more than a third are women. TCS has invested a lot in training to help women at all levels excel in their roles, including one to one coaching when they take up senior position. A rising star programed for those with three to five years of experience and the path ways to success workshops, a leadership programed for women with five to eight years of experience.

The following are the diversity and inclusion initiatives are taken by TCS-

- **IT future programme-** TCS has emphasised on generation balances through this programme which emphasises on including more young blood in mainstream. This programme promotes youngsters to not only use technology but also to create technology.
- **Culture Meter-** It is launched in 2008 on TCS's intranet. It tells about the country, its culture, dos and don'ts and TCS's businesses information about that country.
- **Maitree** (**Friendship**) It is a global platform for employees and their family members to join the 'caring and sharing culture' of TCS. This includes various activities such as dance, music, hobby club, books, photography, nature walk and trekking.
- Foreign language initiatives- It focuses on cultural integration and language training.
- **Diversity and women's network (DAWN)** To encourage gender diversity, TCS has launched this programme to sensitise employees and make them cultural aware. The aim is to increase the number of women employees.
- **Induction programme-** It helps the new employees to get acquainted with Tata group ethics and culture. It builds a common culture on the Tata code of conduct.
- **Relocation training for expatriates-** This training is designed for the employees who work outside the home country. This training briefs the employees about the new location and its culture. This helps the employee to adjust better in host country.

NEED OF THE STUDY

NEED OF THE STUDY

In the present era of globalization where economies of the world are expanding all around the world to expand the business horizons, the companies are striving to achieve success despite cultural differences. The role of HRM becomes more complicated and challenging to meet the global requirement of the organizations. Today's workplace presents a world of challenges. Globalization is creating new markets, unprecedented opportunities and endless sources of competition. Revolutionary technologies promise superior products and services that require organizations to make choices that work for both customers and employees. Organizations are expanding at a fast pace in order to meet the growing list of challenges which include: producing results that enable the organization to grow or survive in an environment where customers as well as their needs are changing, competition is rising, and need is felt for attracting and retaining qualified and committed employees. As we know that each and every organization has its own characteristic culture and climate which determines its productivity as well as efficiency. In a nut shell we can say that human resource is the major fuel for running any organization which in turn determines the culture and climate of the organization. The study focus on developing a conceptual understanding of cultural dimensions, cultural diversity, organizational culture, organizational climate and human resource management that constitutes any organization.

PROBLEM DEFINITION

PROBLEM DEFINITION

The rise of globalization has forced companies to do business internationally. International workforce means teams of Individuals from different cultural background. This team of people from the diverse cultural background are what we call Cross-Cultural teams. Managing a cross-cultural team can be very challenging as it means people from different cultures perceive things differently, their perception of time, their communication style, their motivating factor, their values, and their outlook on Authority.

Proper Cross-Cultural management is crucial in overcoming the above obstacles and create a successful team. Cross-cultural management is the combination of knowledge, insights, and skills which are necessary for adequately dealing with national and regional cultures and differences between cultures within and between organizations. The rise of doing business globally makes appropriate Cross-cultural management essential, and managers need some guidelines to manage a cross-cultural team and address cultural differences.

LIMITATION

LIMITATION

- 1. It is restricted to only one company of IT.
- 2. Time and cost is the major constraint of this research.
- 3. The accuracy of data largely depends on the correctness of information provided by an employee.
- 4. Some of the respondents give more than one answer of the questions.
- 5. Analysis of the researcher is based on response given by respondent.

OBJECTIVES

OBJECTIVES

- 1. To understand cross-cultural human resource management deeply and comprehensively and further build a clear picture of it.
- 2. To examine impact of cross-culture on HR activities with special reference to core values of concerned organizations of I.T. industry.
- 3. To study working environment which will lead to increase in productivity, innovation and brand identity?
- 4. To analyse the influence of culture on employees and their performance.

HYPOTHESIS

HYPOTHESIS

Multi-linguistic IT organization relies on the superior performance of the employees to meet their customer needs and other expectations. The ever changing job requirement of the IT industry casts undue pressure over the employees to come and meet up to the standards. For this organization that has cross culture association has a very vital role to play in providing a cordial and friendly atmosphere of working for the employees. IT industry is such organization where rapidly changing sophisticated technology, excellent skills necessitate and human oriented approach is prime requisite to complete the job.

Thus, for this employee need constraint free environment and appropriate promotable standards; In the light of such situation, cross culture issues may have problems and prospects simultaneously. As cross culture environment, also try helps to bridge the gap between the organizational infrastructural standards and human resource skills full utilization. In addition, in IT organization, a favourable cross culture may increase the job performance and vice-versa or even neutral. In the view of the above-mentioned statement, the following hypothesis is formulated for testing the course of the study:

Major Hypothesis:

"The impact of cross culture consciousness is overall significant in employee's contribution towards organization".

Minor Hypothesis:

H1: There is a significant impact of cross-culture on training.

H2: The cross-culture has significant impact on employee performance.

RESEARCH METHODOLOGY

RESEARCH METHODOLOGY

Research methodology is a systematic way to solve any research problems. Research is a science which helps in determining, the research done by the researcher. In it we study the steps that are generally adopted by a researcher in studying his research problem along with the logic behind them. The researcher needs to know not only the Research methods or techniques but also the methodology. It is necessary for researchers to know how to develop certain indices and tests, how to calculate the mean, the mode, the median, the standard deviation or the chi square and how to apply particular research techniques, but they also need to know, which of these methods or techniques, are relevant and which are not, and what would they mean and indicate and why. Research methodology helps the researchers to understand the assumptions underlying various techniques and to know the criteria by which they can decide that certain techniques and procedures will be applicable to some problems and others will not. All this means that it is necessary for the researcher to design his methodology for their problem as the solution may differ from problem to problem. (Kothari, 2018) Research as an academic activity should be used in a technical sense. Research helps to defining and redefining problems. It also helps in formulating hypothesis, suggesting solution. Research determines the collection, organization and evaluation of data collected through various research methods. Finally research helps in making deductions, and reaching to some conclusions. Research if performed by carefully testing the conclusions to determine whether they fit the formulating hypothesis or not (Clifford Woody). Research is an original contribution to the existing stock of knowledge making for its achievement. It is the detection of truth with the help of study, observation, comparison and experiment. Broadly speaking, it is the search for knowledge through objective and systematic method of finding solution to a problem is research. It is a systematic approach which is concerned with the generalization

and formulation of a theory. Thus it can be said that research refers to the systematic method consisting of articulating the problem, formulating a hypothesis, collecting the data or facts, analysing these collected data or facts and reaching to certain conclusions towards the concerned problem or in certain generalizations for some theoretical formulation.

Data collection:

1) Primary data – The primary data was collected through the following:

(i) Questionnaire

After framing the questionnaire the same will be distributed to some selected respondents who are actively working in the I.T. industry.

(ii) Interview

A well-structured questionnaire based interviews is conducted to get meaningful information from respondents; this may enable to collect data for further interpretation.

2) Secondary data – The sources of collecting secondary data for research study will be following:

- 1. Published books on advertising and consumer behaviour
- 2. Published journals, reports and magazines
- 3. Newspapers
- 4. Research papers
- 5. Concerned websites
- 6. Published and unpublished research projects, surveys and reports

RESEARCH DESIGN

RESEARCH DESIGN

Research Design/ Nature of research work

A research design is a framework or blueprint for conducting research that details the procedure necessary for obtaining information needed to structure or solve research problem. The proposed research work used by the researcher is exploratory in nature and shall include surveys and fact findings and inquiries from different groups that are employed in the I.T. industry.

Sample size

The sample size of proposed research work will be of 400 respondents that will be chosen utilizing stratified random sampling technique i.e. members and executives from the I.T. industry that comprises:

- I. 400 respondents
- a. 100 respondents from the Top level management
- b. 100 respondents from the Middle level management
- c. 200 respondents from the Bottom level management

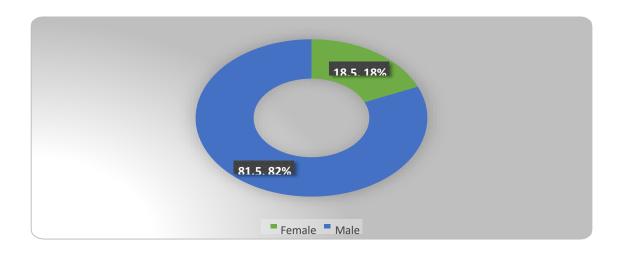
DATA ANALYSIS AND INTERPRETATION

DATA ANALYSIS AND INTERPRETATION

Table 1 : Gender wise distribution		
Gender	Frequency	Percent
Female	74	18.5
Male	326	81.5
Total	400	100.0

1. Gender wise distribution

Gender distribution



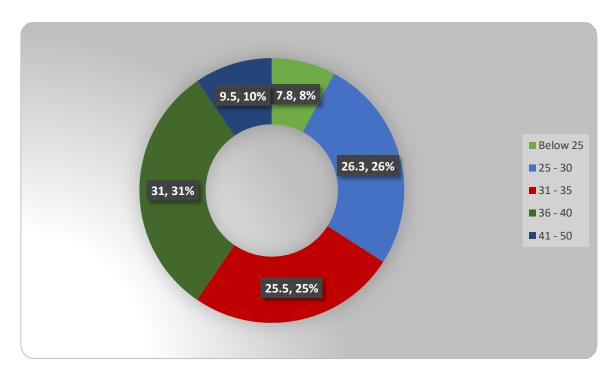
Analysis and Interpretation

The ratio of gender distribution as per the table shows that there are 81.5% Males and 18.5% are females. The IT companies are trying to reduce the gender gap by employing more female employees through various initiatives to increase the ratio of women employees. Several efforts are being made by IT companies for diversity and inclusion.

Table 2: Age wise distribution of respondents		
Age (in years)	Frequency	Percent
Below 25	31	7.8
25 - 30	105	26.3
31 – 35	102	25.5
36 - 40	124	31.0
41 - 50	38	9.5
Total	400	100.0

2. Age wise distribution of respondents.

Age wise distribution of respondents



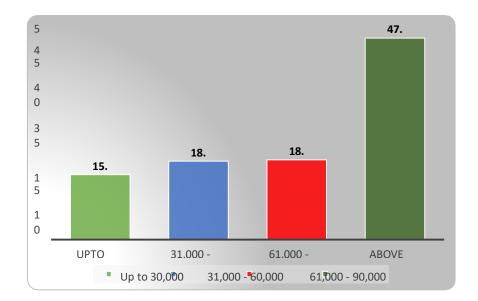
Analysis and Interpretation

The age wise distribution is based on respondents selected from different levels of management. The above table shows that there are 7.8% below 25, 26.3% in 25-30, 25.5% in 31-35 group, 31% in 36-40 and 9.5% in 41-50 age group. The age group 31 to 50 is the employees who have frequently encountered the effect of cross cultural diversity.

3. Income distribution

Table 3 : Income distribution			
Monthly Income (in INR)	Frequency	Percent	
Up to 30,000	61	15.3	
31,000 - 60,000	74	18.5	
61,000 - 90,000	75	18.8	
Above 91,000	190	47.5	
Total	400	100.0	

Income distribution

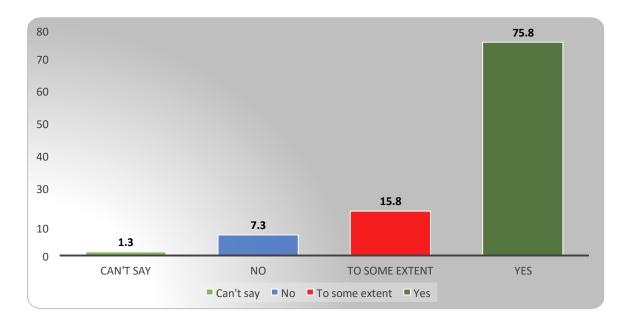


Analysis and Interpretation

The above table shows the income distribution of respondents from all the levels of management. The table shows that compensation level in IT industry very good. Major respondents i.e. 47.5% falls in above 91000 of income group.

1. Do you understand the expression 'Cultural Diversity' in Human resources?

Table 4 : Understanding the expression of Cultural Diversity			
Options	Frequency	Percent	
Can't say	5	1.3	
No	29	7.3	
To some extent	63	15.8	
Yes	303	75.8	
Total	400	100.0	



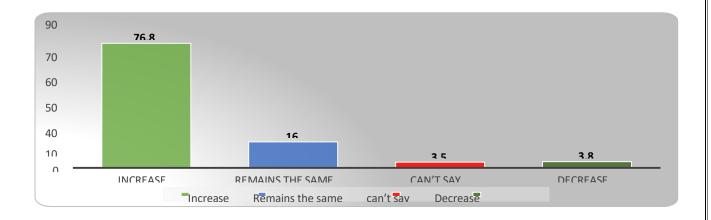
Analysis

The employees as per the above table understand the expression of cultural **doxy**. As the above table shows that 75.8% employees understands what cultural diversity is, where as 15.8% says that to some extent they understand but not completely. The 75.8% are the employees from upper management level who have encountered the impact of cross culture. 7.3% says they do not the cultural diversity and 1.3% is not clear about the concept of cultural diversity. The employee from lower management do not have very clear picture of cultural diversity.

2. What is the impact over interpersonal communication during cross

culture training?

Table 5 : Impact over interpersonal communication during			
cross culture training			
Options	Frequency	Percent	
Increase	307	76.8	
Remains the same	64	16.0	
Can't say	14	3.5	
Decrease	15	3.8	
Total	400	100.0	

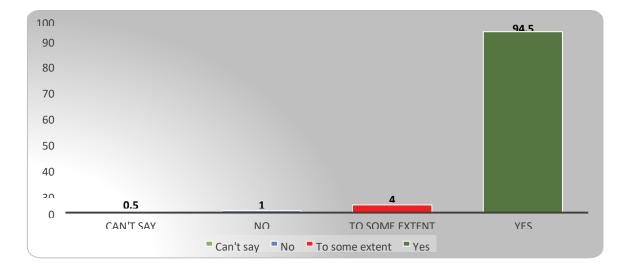


Analysis

As per the above table 76.8% says that interpersonal communication increases during training, 16% says that it remains the same, 3.5% are not sure and 3.8% says that it decreases. The overall impact of training on interpersonal communication is significant.

3. Do you enjoy working with people from different cultural background?

Table .6 : Enjoy working with multi-cultured people			
Options	Frequency	Percent	
Can't say	2	.5	
No	4	1.0	
To some extent	16	4.0	
Yes	378	94.5	
Total	400	100.0	

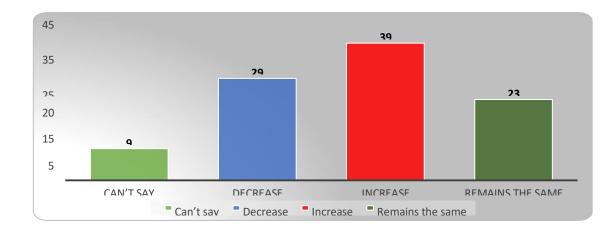


Analysis

As shown in the above table that 94.5 % of respondents have shown interest in working with people from different cultural background. This indicates the interactive and learning nature of respondents. It also shows that respondents understand the importance increasing global competencies.

4. While working in multi-cultural organization, what changes do you notice in cultural differences?

Table 7 : Changes noticed in cultural differences in multi-cultural organization		
Options	Frequency	Percent
Can't say	36	9.0
Decrease	116	29.0
Increase	156	39.0
Remains the same	92	23.0
Total	400	100.0

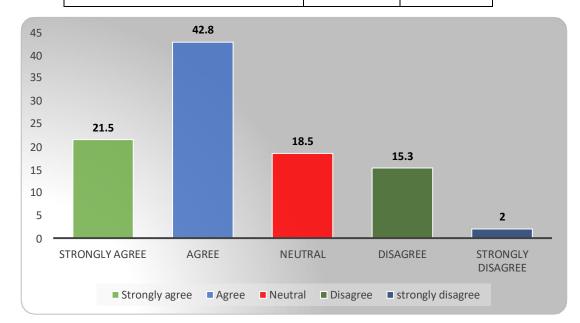


Analysis

The impact of cultural diversity can be noticed. As per the above table we can see that respondents have noticed that cultural differences increase in multi-cultural organizations. As per the table 39% says the cultural differences increase, 29% says decreases, 23% says remains the same and 9% are not sure.

5. Employee's knowledge and expertise is affected due to working in multicultural organization.

Table 8 : Effect on employee's knowledge and expertise in multi-cultural organization			
Options	Frequency	Percent	
Strongly agree	86	21.5	
Agree	171	42.8	
Neutral	74	18.5	
Disagree	61	15.3	
Strongly disagree 8 2.0			
Total	400	100.0	

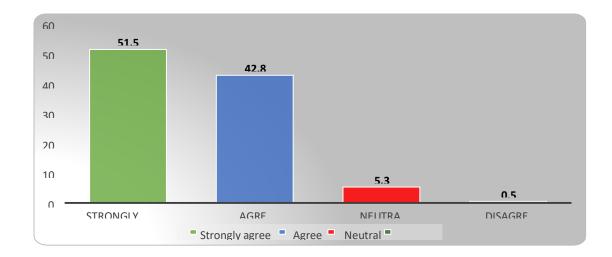


Analysis

As per the above table 21.5% strongly agrees that their knowledge and expertise is affected in multi-cultural organization, 42.8% agrees to this, 18.5% remains neutral, 15.3% disagree and only 2% strongly disagree to this. We can see a significant impact of cultural diversity on respondents.

6. Overall cultural diversity helps you in learning new things.

Table 9 : Overall cultural diversity helps you in learning new things		
Options	Frequency	Percent
Strongly agree	206	51.5
Agree	171	42.8
Neutral	21	5.3
Disagree	2	.5
Total	400	100.0

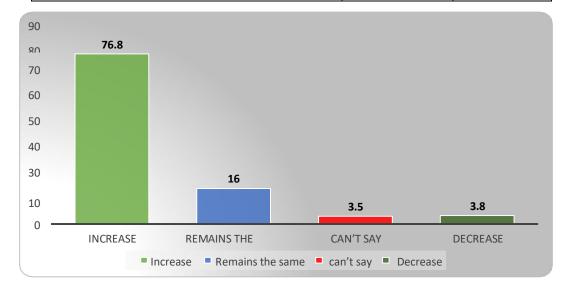


Analysis

Cultural diversity gives exposure to employees globally. As per the above table 51.5% strongly agree to this, 42.8% agree and 5.3% are neutral. This is an important effect felt by the respondents which make them become globally competent.

7. What is the impact over interpersonal communication during crossculture training?

Impact over interpersonal communication during cross culture training			
Options	Frequency	Percent	
Increase	307	76.8	
Remains the same	64	16.0	
Can't say	14	3.5	
Decrease	15	3.8	
Total	400	100.0	

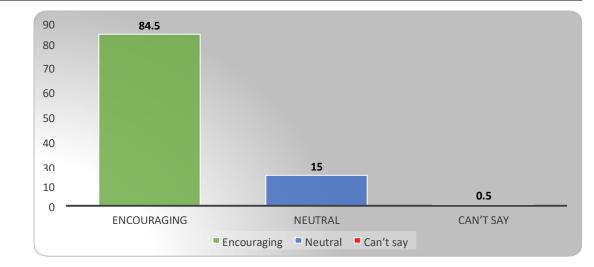


Analysis

As per the above table 76.8% says that interpersonal communication increases during training, 16% says that it remains the same, 3.5% are not sure and 3.8% says that it decreases. The overall impact of training on interpersonal communication is significant.

8. What is the impact or your opinion on training when participantsfrom different cultural background meet?

Table 10 : Your opinion on training when participants fromdifferent cultural background meet			
Options Frequency Percent			
Encouraging	338	84.5	
Neutral	60	15.0	
Can't say	2	.5	
Total	400	100.0	

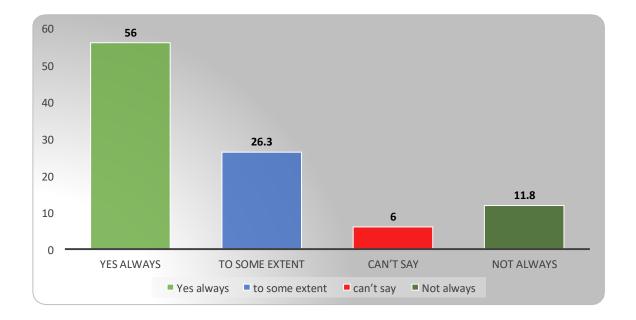


Analysis

As per the above table the training plays important role in bridging the gap of cultural differences, 84.5% says impact of training is encouraging, 15% are neutralon this.

Table 11 : Cross culture training makes you to adjust according to emerging issues		
Options	Frequency	Percent
Yes always	224	56.0
To some extent	105	26.3
Can't say	24	6.0
Not always	47	11.8
Total	400	100.0

9. Cross culture training makes you to adjust according to emerging issues?

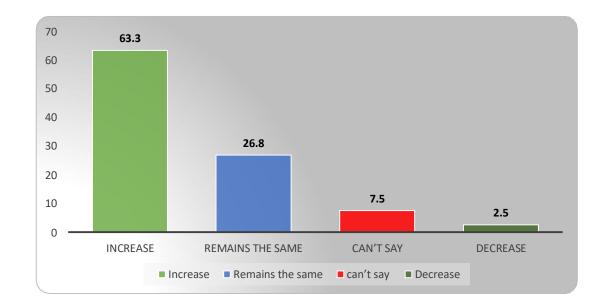


Analysis

As per the above table 56% says that training helps them to adjust according to emerging issues, 26.3% says to some extent, 6% are not sure and 11.8% says not always. Overall training is an important tool to make the employees acquainted with issues and help them in adjusting and handling it.

10. While working in diverse culture environment, what is the effect noticed over employee's productivity / performance?

Table 12 : Effect noticed over employee's productivity / performance in diverse culture environment		
Options	Frequency	Percent
Increase	253	63.3
Remains the same	107	26.8
Can't say	30	7.5
Decrease	10	2.5
Total	400	100.0



Analysis

Cultural diversity as we say, gives global competitiveness to employees. The above table shows that 63.3% of respondents feels that due to diverse cultural environment their performance is enhanced, 26.8% says that it remains the same, 7.5% are not sure and only 2.5% says that it decreases.

FINDINGS

FINDINGS

- 1. The study shows that if the organization adopts a universal culture, it helps in making supportive environment for employees and also helps in reducing cultural differences among employees.
- 2. It is found that in multi-cultural organization training plays a vital role in reducing the cultural drifts among employees. Training helps them in improving interpersonal communication, helps in adjusting in new cultural environment, helps in overcoming the challenges of cultural diversity.
- 3. Cultural diversity inculcates global competencies among employees. This study shows that employees accept that working in culturally diverse environment helps in learning new things. Cultural diversity gives global exposure to employee through diversity.

CONCLUSION

CONCLUSION

The increased phenomenon of globalization and expansion of businesses across national borders have emphasized on the implication of cultural diversity and its widespread impact. In the present world, cross culture is much noticed in the business world where the success of international cross border trade rests on the smooth synchronization of the cross culture, participants from different nations unite together that bring different values, viewpoints and business practices. Cross culture familiarity and empathy is expected from the employees who are recruited in multinational or transnational organizations. At the same time cross culture can be experienced by an employee who is transferred to a location in a host or another country. The employee is expected to learn the language and adaptability to the Culture of those around him, and vice-versa.

This study has brought in light different parameters of employees which have effect of cross culture. The study confirms the impact of cross culture in selected IT companies. The study serves as a guideline for future research to firms and others researcher as it gives evidences of impact of cross culture on employees. As we know that the IT industry has a great contribution in Indian economy and India is a big attraction for multi-national companies to expand their businesses.

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ANNEXURE

1. Do you understand the expression 'Cultural Diversity' in Human resources?		
a) Yes b) No c) To some extent d) Can't say		
2. What is the impact over interpersonal communication during crossculture training?		
a) Increase b) Decrease c) Remains the same d) Can't say		
3. Do you enjoy working with people from different cultural background?		
a) Yes b) No c) To some extent d) Can't say		
4. While working in multi-cultural organization, what changes do you notice in cultural differences?		
a) Increase b) Decrease c) Remains the same d) Can't say		
5. Employee's knowledge and expertise is affected due to working in multicultural organization.		
a) Strongly agree b) Agree c) Neutral d) Disagree		
e) Strongly disagree		
6. Overall cultural diversity helps you in learning new things.		
a) Yes always b) No always c) To some extent d) Can't say		
7. What is the impact over interpersonal communication during cross culture training?		
a) Increase b) Decrease c) Remains the same d) Can't say		

8. What is the impact or your opinion on training when participants from different cultural background meet?

a) Encouraging b) Neutral c) Can't say

- 9. Cross culture training makes you to adjust according to emerging issues?
 - a) Yes always b) No always c) To some extent d) Can't say
- 10. While working in diverse culture environment, what is the effect noticed over employee's productivity / performance?

a) Increase b) Decrease c) Remains the same d) Can't say