Changing organizational culture, the TATA way

Raghunath Satpute*

Research Scholar, Institute of Management Studies Career Development and Research, Ahmednagar
raghunathsatpute101@gmail.com

Dr. M B Mehta

Director, Institute of Management Studies Career Development and Research, Ahmednagar

Abstract

Organizational culture is a complex phenomenon. Yet it is one of the powerful drivers of employee and organizational performance. This paper analyzes steps to being about a change in organizational culture. The analysis is based on views of Straker (2021) who has used a TATA culture model linking thinking to actions. While doing so Straker has taken into account the thoughts and actions of the Management and have shown that they impact employee thinking and action. In his review Straker has suggested some future possibilities which also form part of this paper. The analysis puts forward a simple but powerful proposition – thoughts are the antecedents of actions. Hence if employee actions are to be improved, lot of work needs to be done on the way they think. Actions are a reflection of thoughts. They are the ones that are visible, tangible, and measurable. But the key to behavior lies in the underlying thinking which stimulates a set of actions. Organizational culture is the sum total of management thoughts and actions and has a significant impact on employee behavior.

Keywords: Organizational culture, TATA culture, Thoughts, Actions

Introduction

Organizational culture is the collection of values, expectations, and practices that aide and impacts the actions of all team individuals. It is the assortment of traits that makes the organization what it is. A great organizational culture exemplifies positive attributes that lead to further developed performance, while a dysfunctional organization culture leads to qualities that can hinder even the best organizations. A work environment with an organizational culture is driven by clear expectations and purpose. This motivates and encourages employees to become more involved in their job responsibilities and in interacting with others. People who feel valued and respected in the organization are less willing to leave. That is why it is important for brands to develop a winning organization culture that underpins their core values and mission statement. Organizational culture contributes to the creation of a workplace in ways that unite people with similar skills. People who share the same backgrounds and skills can quickly work together when doing organization projects. The organization's corporate culture speaks volumes about its image and reputation. People make ideas about organizations based on their interactions outside and within the organization. Organizational culture creates a culture of high performance that enhances the work of the people in the organization, leading to a positive employee experience as a whole. Organizational culture improves work continuity and directs the decision-making process. It also helps teams by overcoming barriers to ambiguity.

In this paper, authors analyze the change process of organizational culture using the TATA culture process. The analysis is based on the review by Straker (2021) who has modeled TATA culture in a simple but powerful way. The analysis of the TATA culture has been done to show its impact on employee behavior. Thus, this article presents TATA culture as a case study for other organizations to idealize and adopt. The acronym TATA matches with India's leading business house whose current market capitalization is Rs.21,68,948 crores (Tata.com, 2021).

Literature review

Yip et al. (2021) examined that organizational culture significantly influences how employees think & behave. Established research recommends that the content, consensus, intensity, & fit of cultural norms act as a social control system for attitudes & behavior. Al Jehani et al. (2021) stated that administrative organizations, in general, have features & peculiarities that distinguish them from others. Organizational culture has been connected to the activities of organizations, including administrative innovation, as it is one of the crucial approaches to raise & improve efficiency & effectiveness in service & productive organizations. Akpamah et al. (2021) stated that this study establishes the relationship between organizational culture & organizational strategy. It likewise seeks to discover how a successful organization can rely on its culture as a strategy to endure unstable economic conditions. In this research paper, pragmatic articles on organizational culture & organizational strategy were exclusively reviewed. Eriksson et al. (2021) studied that organizational culture is a widely known concept & is something that has progressively turned into a subject of importance as many contend for its relation to an organization's overall performance & business. The idea for this investigation was born in the context of the worldwide covid-19 pandemic that broke out

during the year of 2020. Trushkina et al. (2020) presented the results of an survey as a means of empirical research to recognize current issues, features, barriers, trends, & directions of transformation of organizational culture, & applies the concept of "organizational culture" in assessing the case of Ukrainian enterprises. First, the authors present the methodological approach, utilizing the analytic hierarchy process, to assess the optimal scenario choice for developing the organizational culture of enterprises based on the 12 most important criteria & their systematization into 4 groups (mission, adaptability, consistency, & involvement). Second, a hypothesis is tested that the best direction of changing organizational culture relies upon digital transformation which includes introducing digital technologies, innovative business models, information-powered enterprise ecosystems, and efficiency in B2B & P2P communications. Third, they contend that the key barriers obstructing the effective development and growth of organizational culture could be classified into 7 groups: personnel, information, marketing, organization, technology, education, and investment-financial. Fourth, the authors assess the expediency of applying an integrated approach as a symbiosis & a constant inter-relation of influencing factors, digital competencies and skills, constituent elements, & information technologies. In conclusion, they summarize the findings of the investigation & discuss formulas to evaluate the effect of digital transformation on the organizational culture of enterprises in the information economy towards a people-oriented, customer-centric, innovative, & agile system in the case of Ukraine.

Similar studies have been carried by Olynick et al. (2020), Bayanova et al. (2019), Leviyev (2019), Aydin (2018), and Peprah et al. (2018). However, no work on the TATA culture model is found.

Methodology

This study is based on content analysis of views expressed by Straker (2021) who has used a 4-step TATA model to bring about a change in organizational culture. A case-study approach has been adopted wherein the TATA culture model has been analyzed along with its impact on employee behavior.

The TATA culture

'TATA' stands for 'managerial thinking and action that leads to employee thinking and action. It is a model of organizational culture that can be easily understood and can be used to change the culture into something stronger. The change process is presented in 4 steps.

1. Employee action

An easiest starting point for the top management while discussing organizational culture is, what they see and hear. When asked: What do they see and hear in this culture that they would like to change?

Then they step back and list all the things that have frustrated them about their employees over the past year or more. Typical moans include:
• People do not keep their commitments
• Lack of loyalty
• Misunderstanding of strategic needs
• Lack of genuine interest in customers

• Resistance to new ideas
• Lack of creativity

2. Employee thinking

Organizational culture is not just about how the employees act – it is also about values, attitudes, beliefs, mental notions, emotions and so on. Further on and how thinking leads to action and draw a basic cultural model:

Figure 1: Basic cultural model

(Source: Straker, 2021).

With this, one can discuss how the thinking employees manage what they do. This is a simple logic that is quite easy to understand and accept. Depending on how rational or open-minded the team is, one can also "and feel" after "thinking".

The top five actions under 'employee actions' must be listed and then the management team should be asked to indicate how they think employees are thinking in ways that lead to the identified action. This is a slightly more difficult task, but most managers will have little trouble making assumptions about what employees may be thinking. Remind them as needed that their employees are human and that the employees' thinking will make sense, at least to them.

Typical thinking may include:

• What's in it for me
• Do as I'm told
• No point in rocking the boat
• Do the least work for the maximum pay
• Keep your head down

3. Management Action

The primary principle is that what managers say and do is a significant driver of what employees think. Of course, there are other forces at work on employees, but the managerial communication and actions has a huge impact—sometimes more than managers might think (and if employees' thinking isn't influenced by what managerial communication and actions, then there would be more bigger problem).
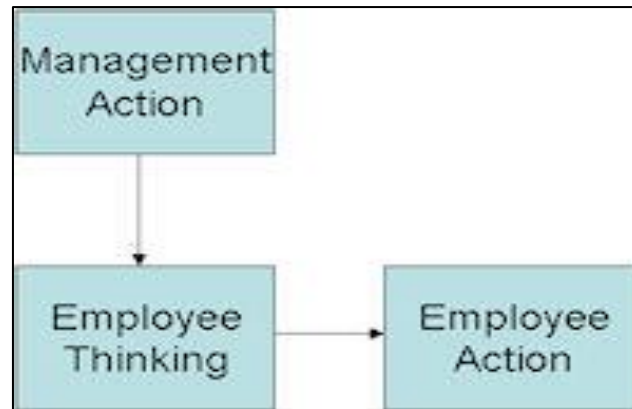
This can be shown below.

Figure 2: The antecedent of employee thinking and action

(Source: Straker, 2021).

Placing 'Management Action' above 'Employee Thinking', rather than to the left, is a subtle hint of superiority that can help managers more readily accept ideas.

At this point the managers can ask, "What do they say and do that leads to what employees think?" This can be a very tough moment for managers who do not wish to accept responsibility for what the employees think and do, and they may have to have a dialogue before they write something down. The top management may need to push them, asking things like, 'Do these actions really lead employees to think like this?' until realistic information is produced.

Discussions may include, for example, whether managers actually live up to the published "company values" and what employees think about this. One can change or expand the "Employee Thinking" box as needed.

Words and actions they tell about above the 'Management Action' box are written. If a longer list emerges, the top management should help them prioritize the three to five most important actions that have the greatest impact on employee mindsets.

If this segment were to work, there should be a significant amount of "aha" in recognizing that what managers say and do affects the culture and therefore how it needs to change.

4. Managerial thinking

Just as the thinking of employees guides the actions of employees, so the thinking of management guides the actions of management. So the question in this step is, 'What are your thoughts that lead to what you say and do?' This box is drawn as shown below. There should be no debate as to whether this applies, as the principle of "Thinking - Action" has already been established.
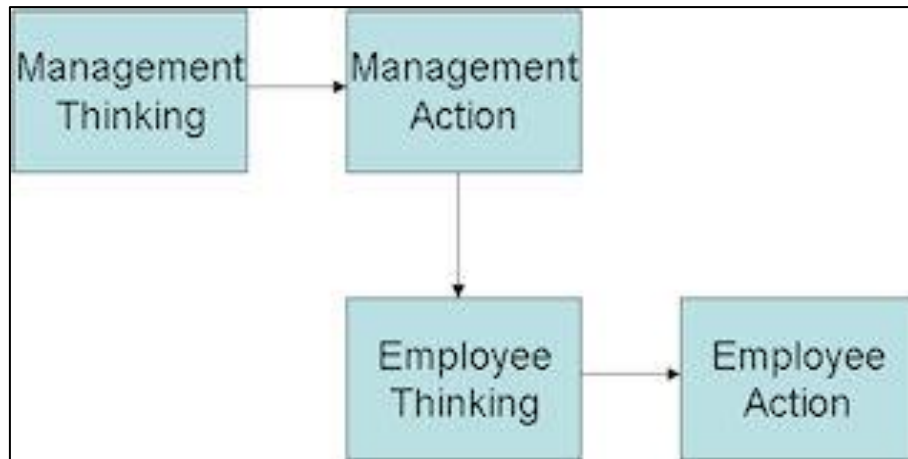
Figure 3: The antecedent of management action
(Source: Straker, 2021).

Again, this may require some dialogue before the management start writing things down (when it is done, they are placed above "Management Thinking"). The important message is that how the managers feel and think is at the base of a causal chain which leads directly to what employees say and do, so to change organizational culture, they must change what and how they think—which can be a very scary topic and therefore needs enough space and support for it.

Discussions can include questions about what they think of employees, what their values really are, and so on.

Other possibilities with the TATA model
Management and employee culture
Taking a simple model of "thinking and acting" culture, management culture and employee culture can be examined separately and the reasons for the differences discussed.

Influence and spirals
Management activity that changes the mindset of employees is essentially what leadership is. So by considering this connection, a powerful discussion about leadership can be had.

Additional links can be added between the employee actions and management thinking. In what way we think is driven by what others say and do. The way managers think is often heavily influenced by how employees act. This connection closes a causal circle, meaning that there can be spirals of thought and action that can both enhance and diminish organizational power.

An interesting part of this discussion may be how strong the Management Action - Employee Thinking connection is compared to the Employee Action - Management Thinking connection. Ideally, both exist, but leadership has the greatest influence toward employees. Sometimes management thinking is more heavily influenced by an arbitrary workforce and effectively "wags the dog's tail".

The balance of appropriate strengths between these two linkages depends on the industry, for instance in creative and intellectual businesses a strong upward linkage may be a good idea. The question is finding the best balance for the business in which the company operates.

Theory of mind

Another area of possible investigation is how we think others think. We all use "theory of mind" a lot in guessing what others are thinking, and we are often very wrong.

So one can discuss how managers think employees think and what employees think managers think. This is a ripe topic for you to realize that how you think others think is often far from how they really think.

A theory of mind session is best done as a facilitated dialogue between managers and employees. It is important to create an atmosphere of trust and openness for success.

Behavioral Action-only

Behavioral psychologists focus only on what can be objectively measured, which is visible action. This thinking has permeated management approaches that downplay what goes on in people's heads (especially the emotional stuff) and focus largely on what people say and do. This can be seen in management approaches that demand mindless obedience and only measure results.

While this narrow approach has proven insufficient, it still persists in a surprising number of companies, especially where there is a strong focus on "results". In such cases, the "Thinking" boxes can cause controversy, but when accepted as an essential part of the model, it can lead to much greater understanding.

Employee Only Thinking

Many managers are comfortable with the part of this model that deals with employee thinking and behavior, but are much less comfortable with the idea that management culture is different and certainly could be the cause of any problems. Thus, introducing a level of governance may add controversy, but again, when accepted, provides a much richer way of understanding, and therefore changing, any cultural system.

Conclusion

The TATA model of bringing a change in organizational culture is a simple but powerful and logical approach involving both the employees and the management. The model is based on a sound premise that thinking precedes and influences action or behavior. Therefore, it is important to understand the thoughts of the employees as antecedents to their behavior. Additionally managerial thinking and actions should also be scrutinized as these have a direct and major impact on employee thinking and actions. Straker has given a four step model starting from a basic version and later on building it progressively with more sophistication. Actions are a reflection of thoughts. They are the ones that are visible, tangible, and measurable. But the key to behavior lies in the underlying thinking which stimulates a set of actions. Organizational culture is the sum total of management thoughts and actions and has a significant impact on employee behavior. Bringing about a change in the organizational culture can be a systematic process based on models like the TATA culture.

References

1. Akpamah, P., Ernest, I. S., & Matkó, A. (2021). Organizational Culture as a Strategy. *Cross-Cultural Management Journal*, (1), 15-26.

2. Al Jehani, L. M., & Sherfudeen, N. (2021). Advancing organizational culture as a supporter of innovation processes in governmental entities. *International Journal of Entrepreneurship*, *25*, 1-17.

3. Aydin, B. (2018). The role of organizational culture on leadership styles. *MANAS Sosyal Araştırmalar Dergisi*, *7*(1), 267-280. https://dergipark.org.tr/en/pub/mjss/issue/40516/485849

4. Bayanova, A. R., Vodenko, K. V., Sizova, Z. M., Chistyakov, A. A., Prokopyev, A. I., & Vasbieva, D. G. (2019). A Philosophical view of organizational culture policy in contemporary universities. *European Journal of Science and Theology*, *15*(3), 121-131.

5. Eriksson, L., & Santesson, H. (2021). Organizational Culture in a Remote Setting: A Qualitative Study on Organizational Culture and the Effects of Remote Work. *Digitala Vetenskapliga Arkivet*. p. 48.

6. Leviyev, S. (2019). Organizational Culture: Leadership, Values, and Communication. *Arizona State University (ASU) Library*. 55 pages. https://repository.asu.edu/items/53030

7. Olynick, J., & Li, H. Z. (2020). Organizational culture and its relationship with employee stress, enjoyment of work and productivity. *International Journal of Psychological Studies,* Vol. 12, No. 2. pp. 14-30. DOI:10.5539/ijps.v12n2p14

8. Peprah, W. K., & Ganu, J. (2018). The convergence of organizational culture, structure and human capital performance: A conceptual analysis. *Archives of Business Research*, *6*(5), 212-221. DOI: 10.14738/abr.65.4626

9. Straker, D. (2021). TATA Culture. Retrieved 20 August 2021, from http://www.syque.com/articles/TATA_culture/tata_culture.htm

10. Tata.com. (2021). Tata Company Stock Data. Retrieved 21 August 2021, from https://www.tata.com/investors/stock-data

11. Trushkina, N., Abazov, R., Rynkevych, N., & Bakhautdinova, G. (2020). Digital transformation of organizational culture under conditions of the information economy. *Virtual Economics*, *3*(1), 7-38. https://www.ceeol.com/search/article-detail?id=895371

12. Yip, J. A., Levine, E. E., Brooks, A. W., & Schweitzer, M. E. (2021). Worry at work: How organizational culture promotes anxiety. *Research in Organizational Behavior*, 100124. https://doi.org/10.1016/j.riob.2020.100124