

Chapter-7

Organisational Environment and Culture as Discriminators to Employees' Subjective Well-Being

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Objective:-

4. To examine the organisational environment (OE) and organisational culture (OC) as a discriminator to subjective well-being (SWB), thereby, to develop an empirical model of SWB based on the study in NEEPCO.

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7.1 Introduction:

The organisational environment and culture are the complex phenomenon which accumulates many interpretations as because employees' behaviour is based on their subjective judgement of what reality is and not on reality itself (*Aquinas & Sombala, 2006*). As a social system an organisation develops through time and forms with external and internal environment and culture. This environment and culture, represents shared perception of reality and helps its members assign meaning to the various activities undertaken by them. Both environment and culture remain implicit in the minds of organisational members, among them some are controllable and some cannot be controlled by the organisation. Organisation as a system accumulates various dimensions as rituals, role models (Organisational Heroes), stories, language, managerial decisions, shareholders, suppliers, competitors, and employees themselves as a reinforcement to stand on (*Srivastava, 2011*).

Together, both organisational environment and culture includes written, un-written and often non-negotiable code of conduct which reflects the workplace well-being. This, reflection draws attention to employees' individual perception during their performance, as they express and develop their potential and progress towards in achieving their life goals and organisational goals at large. With globalisation becoming reality, new environmental and cultural trends and discontinuous changes are making profound impact upon the cognitive evaluation of work life as a whole. The subjective well-being is so structured that the components from the global factor or interrelated variables as emergence, of new alliances. The sizeable presence of multinationals and access to human capital demonstrates positive emotion. Such a

positive emotion of employees' working within an organisation leads to positively evaluation of their life as a whole (*Santos, et al, www.cieo.pt*).

An organisational environment and culture produce a unique working climate in the sense that the degree of combination of different dimensions such as management philosophy, management practices, relationship and the approach of coping with changes. Such coping approaches is reflected in employees subjective opinion of their employers' policies and practices in terms of health, wellness, well-being, productivity, retention, engagement etc., which needs to improve their competitiveness and economic viability (*Dindoff*). Therefore, aspirations and values amongst the employees in general have risen as employees have become older, more culturally diverse globally connected through the internet and wireless technology. Thus, employees are expecting from employers to make health and wellness offerings available as a quid pro quo and are demanding more flexibility and control over their working life, a key element in the employee wellbeing mix (*Pruyne, 2011*).

7.2 Analysis of Antecedent Factors of NEEPCO

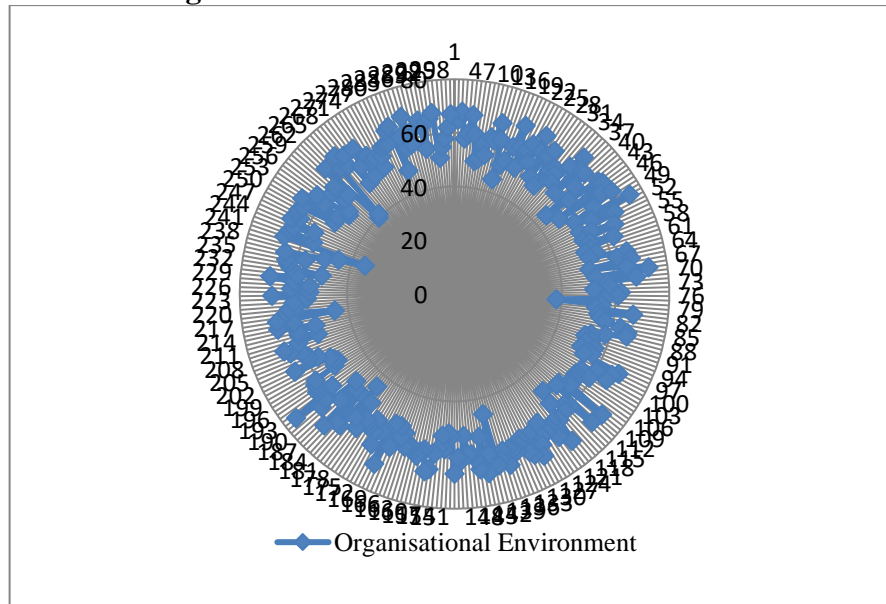
Antecedent factors (*as discussed in chapters- 6*) are the composition of organisational environment and culture. These factors have the strongest impact or the backbone of any organisation and acts as blueprint for the design of organisational management practices. This management practices mainly reflects the vision, mission, original ideas of founders, core working group or top management, behaviour patterns, working style and most importantly employees' feelings and thinking direction. Therefore, it is necessary to analyse the existing antecedent factors within the workplace called NEEPCO.

(a) Effect Contrast of Organisational Environment (OE) upon SWB of the Employees of NEEPCO

Below, the figure 7.1 shows the organisational environment operating within NEEPCO. The figure presents the surroundings, external - internal factors, and circumstances influencing the working climate of NEEPCO. It seems that the organisational environment has moderate to high level of influence upon employees' subjective well-being, as the point ranges from 20-60. Therefore,

NEEPCO has very complex environmental surroundings which is multi-faceted and far reaching impact changing over time.

Figure - 7.1: OE Influence on SWB



(b) Effect Contrast of Organisational Culture (OC) upon SWB of Employees

Figure - 7.2: OC Influence on SWB

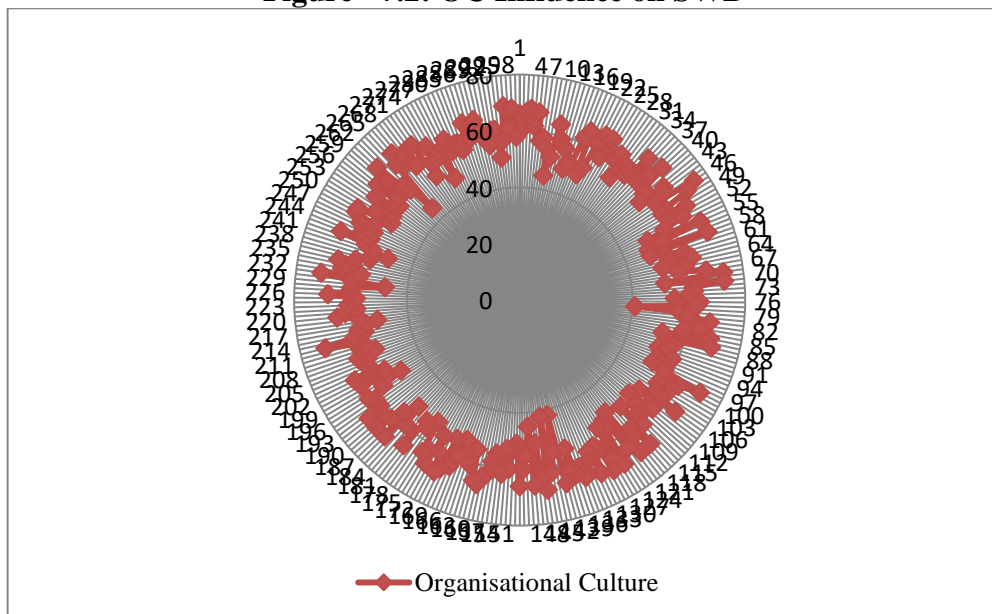


Figure 7.2 provides a graphical representation of the level of influence of organisational culture in NEEPCO. It represents a strong foundation of culture as the value resides within 40-60. The diagram reveals that how the on-going cultural ideologies results in proper coordination of work and well-being within the workplace.

(c) Effect Contrast of OE and OC upon SWB of Employees of NEEPCO

Figure - 7.3: Comparative Effect of OE and OC on SWB

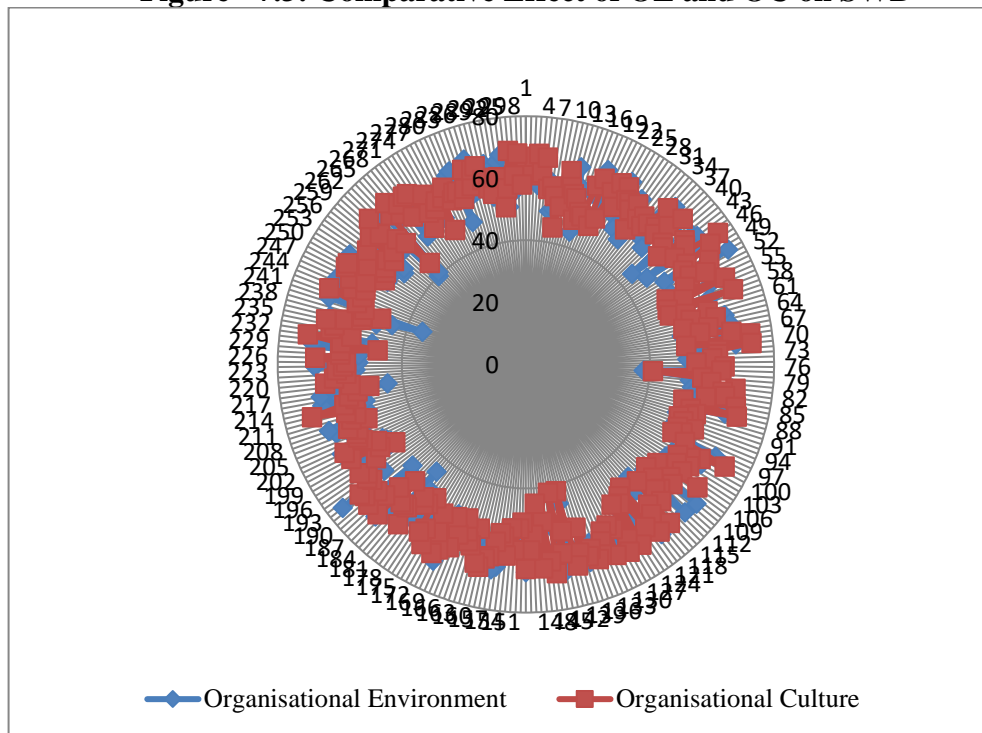


Figure 7.3 illustrates the comparison of influence from the organisational environment and culture within NEEPCO. It can be interpreted that, both OE & OC more or less have similar effects upon the employees' SWB with the points raging from (40-60). Therefore, the relation between the working environment and culture is not a one way affair. Both equally influences the business process and in return influence the employees' motivation and behaviour to maintain the process. Thus, NEEPCO successfully predicted the changes within OE & OC and reacted accordingly to maintain its image of number one within the North-Eastern Region of India.

The above graphical chart(s) i.e., 7.1, 7.2 and 7.3, attempts to interpret the organisational culture and environment and its decisive role on influencing subjective well-being of the employees NEEPCO. The study also highlights the existing managerial system of NEEPCO which includes both structure and process. Thus, antecedent factors contribute significantly towards employees' job satisfaction, engagement, loyalty, team work and overall life satisfaction.

7.3 Organisational Environment (OE) and Organisational Culture (OC) as Discriminators to Components of SWB in relevance to NEEPCO

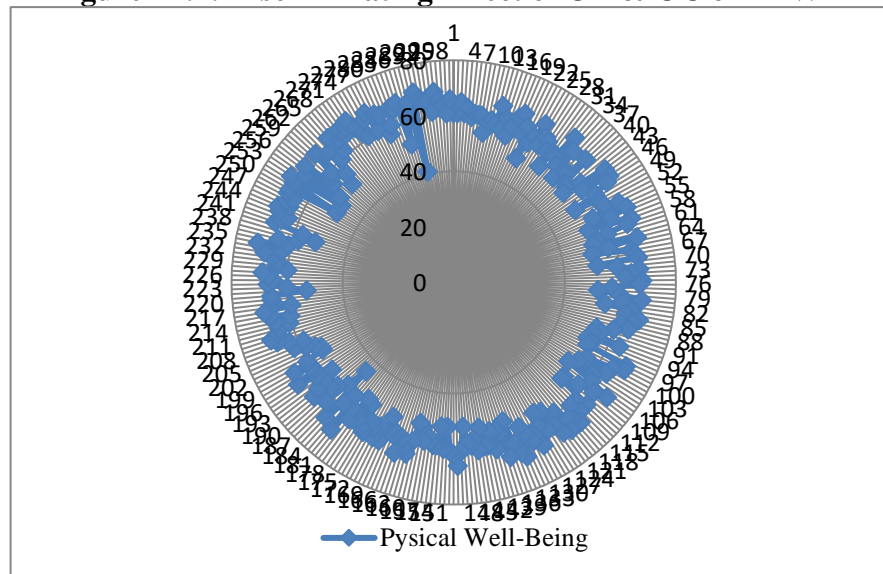
The efforts of NEEPCO and its managerial decision to promote employee well-being are being abetted by increasing organisational belongingness to the issue of employees' well-being. This organisational belongingness is a new paradigm or a step towards the direction of making a new workplace setup. This setup enables to create happiness to the already working employees of all the grades and as well as the upcoming future employees' of NEEPCO. Effective workplace climate helps to understand that such climate is not only the best; rather it is the journey from 'Best to Great' that makes the difference. It is not the competing with others that matters rather it is competing with self that sets apart 'Good from Great'.

The NEEPCO workshop held at Shillong during 23rd - 25th July, 2012 states that the NEEPCO should build a collective commitment to compete with the other power sectors to maintain a place in the market. Such commitment compels the NEEPCO employees to join hands to travel through the 360 degree organisational scanning processed system and approach. Thus, dwelling upon improving the interpersonal skills, interpersonal communication attributes, decision making ability and nurturing self as well as subordinates/members/follower/team mates aimed to "*Sarve bhawantu sukhinam*". Therefore employees are expected to evaluate and reflect on respective leadership style in relation to self which acts as a catalyst in building a cohesive team so as to address responsibility for their own health and well-being (*NEEPCO Workshop, 2012*).

Consequently, organisational variables which consist of employees' inter-personal trust, team work etc., impacts on employees' subjective well-being, which is possible to judge under the components of holistic model of subjective well-being (*Roy Choudhury & Barman, 2014*). The study is conducted on the basis of data collected from the four power units of NEEPCO (*as explained in chapter-2*). Here, in this part of the chapter four broad components are taken from 2P+2S model (*figure- 1.1, depicted in chapter-1*), to show the discriminating nature of antecedent factors i.e., Organisational Environment (OE) & Organisational Culture (OC) and its effect upon the well-being components.

(a) Discriminating Effect of OE & OC upon Physical Well-Being (PhWB)

Figure - 7.4: Discriminating Effect of OE & OC on PhWB



The figure 7.4 shows the discriminating effect of antecedent factors upon PhWB of employees of NEEPCO. It shows the physical well-being ranges higher than the level 60 indicating, very high level of discriminating effect of OE & OC. This uncover a notable fact that, NEEPCO is able to take the advantage by upgrading technology for large scale production with minimum time, providing comfortable working condition, protection of employees' health at organisational expense etc (*source- employee interview*).

(b) Discriminating Effect of OE & OC upon Psychological Well-Being (PsyWB)

Figure - 7.5: Discriminating Effect of OE & OC on PsyWB

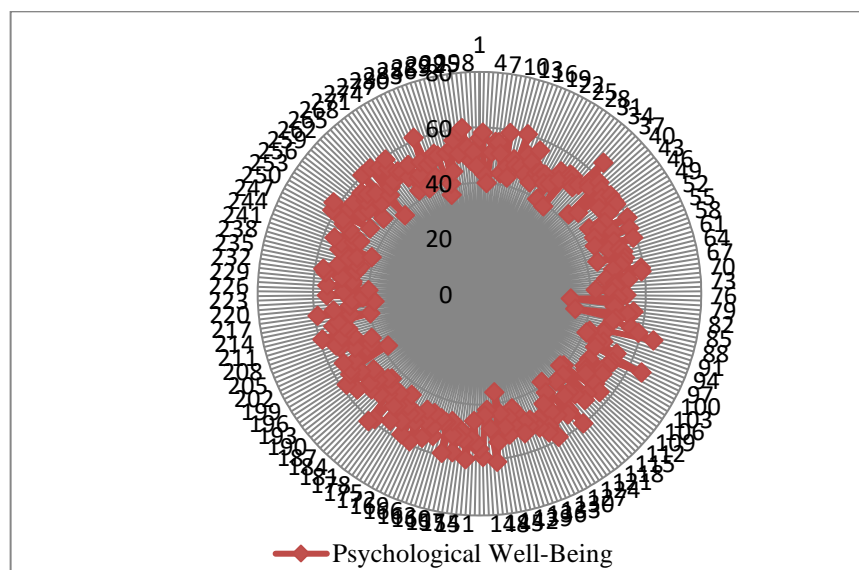
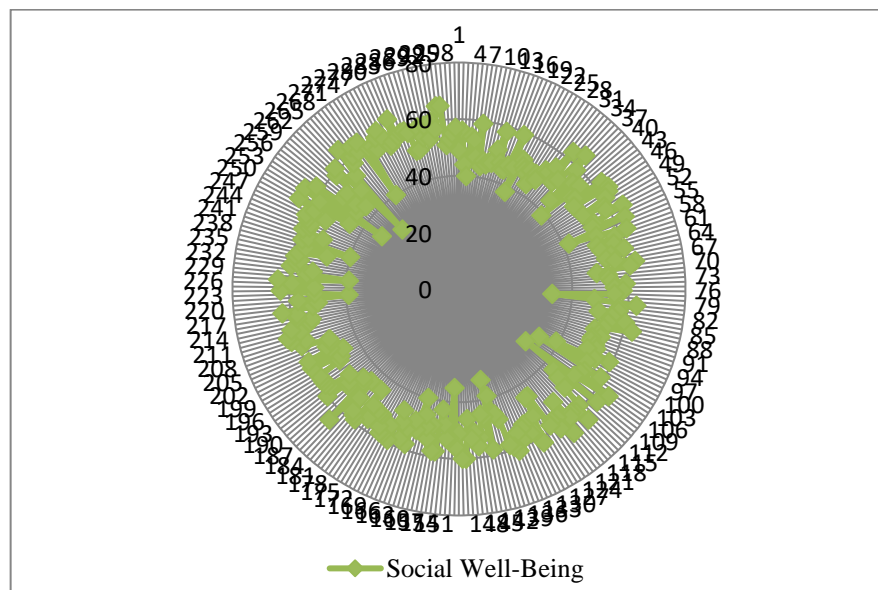


Figure 7.5 focuses upon the discriminating effect of antecedent factors upon PsyWB of the employees of NEEPCO. Figure reveals that the psychological well-being level ranges within 40-60. Accordingly, NEEPCO employees are directed towards positivity in terms of job security, sympathetic help with personal problems, promotion and growth prospect, appreciation and recognition etc (*source- employee interview*).

(c) Discriminating Effect of OE & OC upon Social Well-being (SoWB)

Figure - 7.6: Discriminating Effect of OE & OC on SoWB



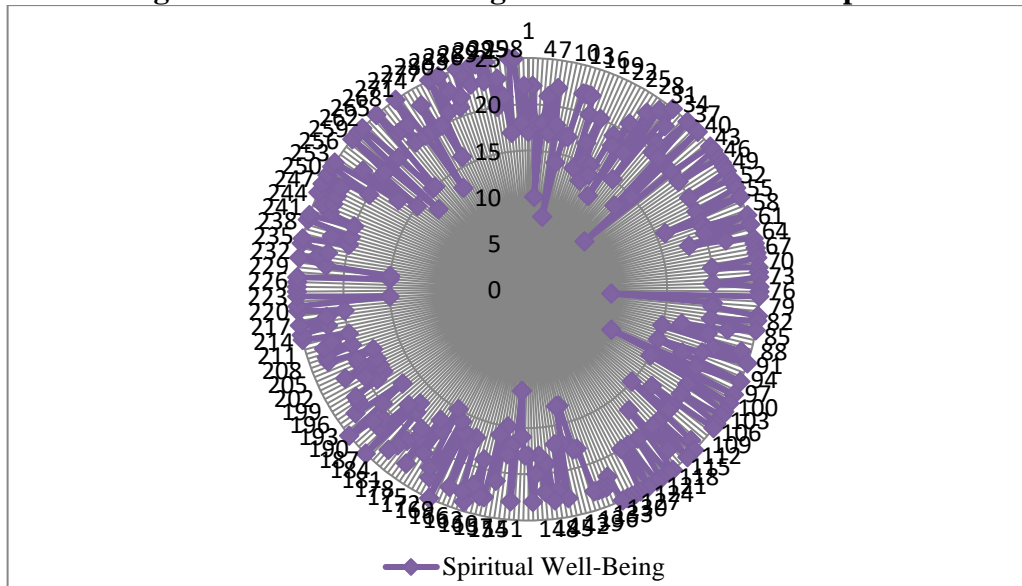
The figure 7.6 shows the discriminating effect of antecedent factors upon SoWB of the employees of NEEPCO. It illustrates, that the SoWB level is posited within the range of 20-60. This range signifies the effect of OE & OC on social well-being is lower with compared PhWB and PsyWB. It expresses that, even though NEEPCO provides mentally stimulating work environment e.g., large scale CSR activities, maintaining sustainable development, quality supervision but at large these are influenced by the societal norms and topographical nature of North-Eastern Region States of India (*source- employee interview*).

(d) Discriminating Effect of OE & OC upon Spiritual Well-being (SpWB)

Below, the figure 7.7 depicts the discriminating effect of antecedent factors upon SpWB of the employees of NEEPCO. This figure articulates that the SpWB ranges from 10-20 at maximum, which corroborates the employees' comment 'the core

ethical values, morality, basic human rights as; right to life, right to privacy, freedom of speech etc in NEEPCO' (source- employee interview).

Figure - 7.7: Discriminating Effect of OE & OC on SpWB



(e) Discriminating Effect of OE & OC on the Four Components of Subjective Well-Being (SWB)

Figure - 7.8: Discriminating Effect of OE & OC on SWB

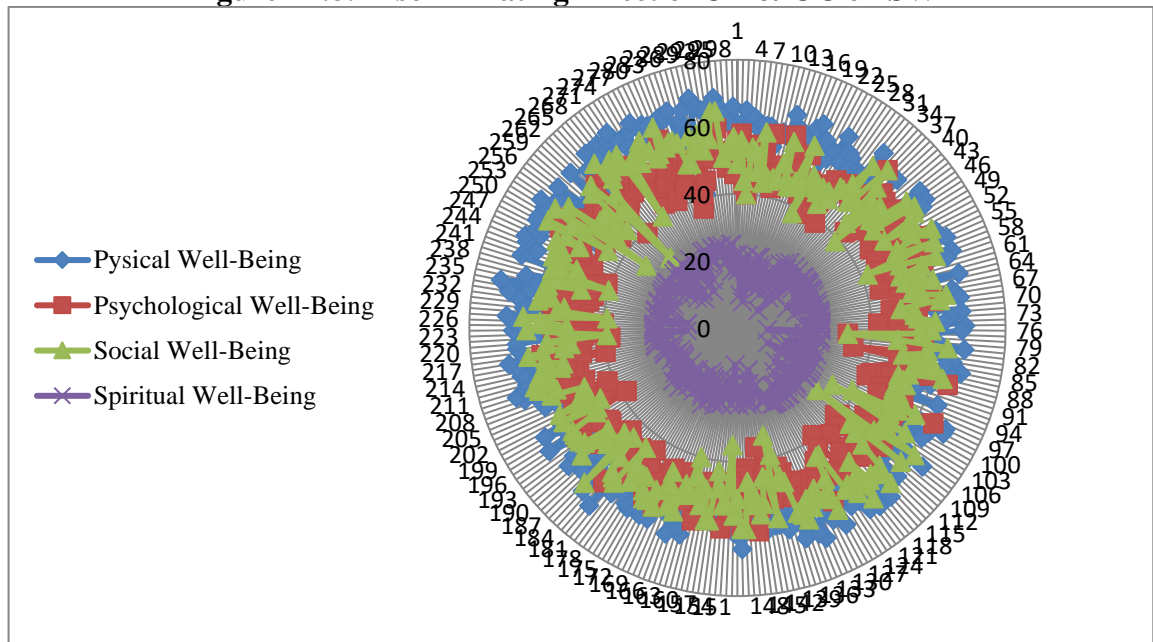


Figure 7.8 illustrates the discriminating effects of OE & OC upon the all the components i.e. physical, psychological, social and spiritual well-being of holistic model of subjective well-being. The figure represents the variation of effect on as

the physical well-being is at maximum with the value ranging above 60. The other parameters as psychological well-being and social well-being are simultaneously related to each other as the value ranges from 20-60. Looking at the level of spiritual well-being, it can be said that the points are much closer to the centre indicating low degree of effect status compared to other three parameters.

Accordingly, to explore and to test the practicability of the above effects of OE & OC as the discriminators to SWB, in the statistical term the Discriminant Analysis is taken to measure the equal variance of organisational environment and culture in relation to the components of subjective well-being.

7.4 Discriminant Analysis: - The discriminant analysis is divided into three parts- (1) Group statistics, (2) Test of equality of group means, (3) Wilk's Lambda and (4) Canonical discriminant functions.

- **Group Statistics:-**

The tables 7.1 and 7.4 (in appendix-V) represent the equal variance of the groups in relation to total sample. The Mean values are the average values of each of the well-being parameters. Standard Deviation (SD) depicts the variability or the spread of the values. It is evident from the tables that the SD values are not varying greatly in relation to both the independent variables (organisational environment and culture). Therefore from the group statistics the groups are well classified as PhWB, PsyWB, SoWB and SpWB as grouping variable and OE and OC are predictor variables.

- **Test of Equality of Group Means**

Tables 7.2 and 7.5 (in appendix-V) illustrate the test of equality of the group means. From the tables it can be stated that the p-value for all the grouping variables are lower than 0.05 and hence OE & OC are significant predictor of PsyWB, SoWB and SpWB. Whereas the variable PhWB depicts higher significant value with respect to the predictor variable OE and therefore OE does not possess much discriminating effect.

- **Wilk's Lambda**

The tables 7.3 and 7.6 (in appendix-V) represent the test function(s) called Wilk's Lambda, which is the proportion of the total variance in the discriminant scores. The tables present the test of hypothesis that the means of the functions listed are equal across the groups. The table reveals 4 grouping variable and therefore number of

functions are 4. In both the tables 7.3 and 7.6 (in appendix-V) the first function row (1 through 4) the Wilk's Lamda is significant as $(0.05 > .000)$. But the function row second (2 through 4), third (3 through 4) and fourth (4) is having significant value greater than p-value and which, signifies over and above the first function in relation to other three functions does not contribute much. Thus the first function row well establishes the membership between grouping variable and predictor variable.

- **Canonical Discriminat Functions of Organisational Environment (OE) and Organisational Culture (OC) in NEEPCO**

Figure - 7.9: Canonical Discriminant Functions of OE in NEEPCO

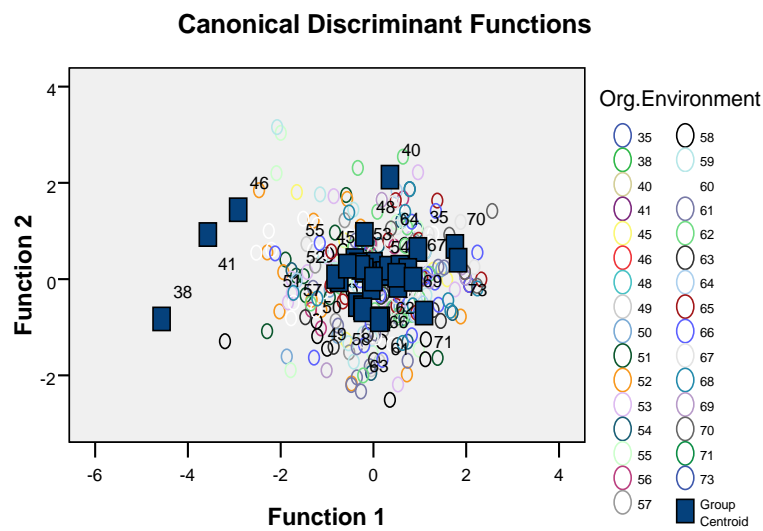


Figure - 7.10: Canonical Discriminant Functions of OC in NEEPCO

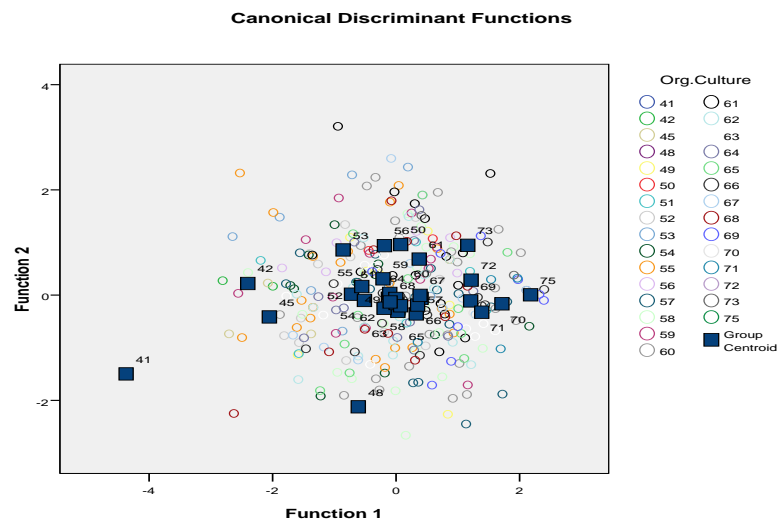


Figure 7.9 and 7.10 provides the canonical discriminant function with relevance to OE and OC of NEEPCO respectively.

- ✓ From the figure 7.9, from function 2 the three groups -38, 41, and 46 are distinctly visible, whereas, from the function 1, the other groups are intermingled with each other as centroids are nearly closer. The given loadings show that, there is not much variance and this group of the variable are having strong discriminant power of organizational environment (OE).
- ✓ The figure 7.10, shows that, group 41 is clearly noticeable and the other three groups -42, 45, 48 are little scattered and far away from the rest of the group. The function- 1 reveals that, some of group's form 50-67 fuse with each other as centroids is nearly closer to one another. Other group's from 68-75 are scattered and hence, organisational culture with the given loadings show there is much far reaching variance and hence grouping variables are strong discriminant of OC.

Levels of Discriminating Effects of OE & OC on SWB of Employees of NEEPCO

To assess the effects of discriminants on the subjective well-being of employees of NEEPCO, the study attempts through dividing points of discriminant functions into four levels responses, they are - Very Low, Low, High and Very High.

Table 7.1 Levels of Discrimination by Organisational Environment of NEEPCO

Ranges	Levels	Group Centroids
15-30	Very Low	46, 52, 56, 60, 65
31-45	Low	38, 40, 45, 49, 55, 57, 63, 71
46-60	High	48, 50, 59, 64, 67
61-75	Very High	35, 41, 51, 53, 54, 58, 61, 63, 66, 68, 69, 70, 73

To examine the effects of discriminants or distinguishing factors i.e. perceptual response on organisational environment of respondents' on the levels of subjective well-being, the response scores on organisational environment are applied to operate the Canonical Discriminant Analysis Function. These discriminant analysis operations confirms that, the average score points between the ranges locates in three layers, they are score between 31 to 45 (at low level), score within 46 to 60 (at high level), and finally, score between 61 to 75 (at very high level) of score on

aspect of organisational environment have come into view as discriminators in case of subjective well-being premeditated 298 numbers of employees. Canonical Discriminant Analysis (CDA) function results are revealing that the low level of perception on organisational environment between 15-30 is not having impact on perception formation in the line of SWB. Only higher level of perception on organisational environment could constitute the centroids of the groups showing significant and discriminated response score of subjective well-being in analysis.

Table 7.2 Levels of Discrimination by Organisational Culture of NEEPCO

Ranges	Levels	Group Centroids
15-30	Very Low	50, 55, 59, 63, 68, 70
31-45	Low	42, 45, 49, 58, 60, 65, 75
46-60	High	51, 52, 53, 56, 62, 67
61-75	Very High	41, 48, 54, 57, 61, 64, 66, 69, 71, 73

The table 7.2 presents the levels of discriminating effects of OC upon the subjective well-being of employees of NEEPCO. The scores as applied from Canonical Discriminant Analysis (CDA) Function states that the points between the ranges 61-75 show high discriminating impacts. The ranges having high levels could be taken as actual discriminators of the employees. Whereas, the scores between the ranges locates in three layers, they are score between 31 to 45 (at low level), score within 46 to 60 (at high level), core between 61 to 75 (at very high level) on aspect of organisational culture exhibiting discriminators in case of subjective well-being for the selected sample of employees. Whereas, on the other hand, the CDA finalises that the score of 15-30 cannot be implemented due to very low level. Therefore, the only higher level of perceptions are farming the group centroids and are working as the discriminator response scores on subjective well-being in relation to organisational culture.

7.5 Summary of Findings

This chapter explains the OE and OC embedded since long in NEEPCO and its varying effects upon the subjective well-being of selected employees belonging to the four different power units NEEPCO. The analysis conducted under the chapter and the outcomes of it can be summarised as:-

- The employee's level of well-being under the component of PhWB, PsyWB, SoWB and SpWB, are very high, indicating a strong domain environment of NEEPCO. The domain environment for the present organisation includes- government policies, regulatory agencies, technological development, state government regulations, societal rules and regulation, corporate strategies, corporate social responsibilities etc. All these factors of domain environment have direct or indirect effect upon the functioning of the environment and leading to variation within employees' subjective well-being.
- The domination of organisational culture over the organisational environment as portrayed in the figure 7.8, illustrates the Behavioural System (verbal & non-verbal language, ritual & ceremonies etc.), Ideational System (ethical standards, code of conduct etc.) and Cultural Paradigm (assumption, system of beliefs, norms, customs and values).
- The group statistics provide components of SWB as categorical dependent variable and antecedent factors as categorical independent variables. This division of independent variables i.e., OE & OC and dependent variables (PhWB, PsyWB, SoWB & SpWB), reveals the management practices, management philosophy, relationships, organisational surviving strategy can persuade the employees' thought process, feeling, action, perception and socialization process within the organisation.
- From the statistical calculation it is also evident that, antecedent factors as OE & OC are the important interpreter of the components of PhWB, PsyWB, SoWB and SpWB. The following test result, clearly states the system of performance appraisal of an employee and the organisation as a whole is based upon distributive justice. Which provides each and every employee basic liberty in terms of authority, cultural relativism (respecting the values and practices of local culture) and ethical imperialism (a single moral standard of ethical behaviour is determined, irrespective of the employees' cultural background).

Thus, the chapter- VII facilitates, to revisit the effects of organisational environment and culture on subjective well-being of employee's holistically in the context of project based organisational units and leadership of NEEPCO.