

Embedding inclusion in cultivating positive organizational culture

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Abstract

In present research an attempt has been made to find out how inclusion can cultivate positive organizational culture. The study identified inclusion as independent variable, having sub variables as diversity, values, beliefs, sense of belongingness, and competitive advantage and organizational culture was considered as the dependent variable. The purpose of this study was to examine how diversity, values, beliefs, sense of belongingness and competitive advantage impact organizational culture. The study utilized both primary and secondary sources for conducting research. For the primary source, a questionnaire with 30 questions was administered to 200 employees in the IT sector. Out of 200 only 122 were found to be valid. The data was analyzed using statistical software SPSS. The findings showed that positive Organizational Culture was significantly affected by Diversity, Values and Sense of Belongingness, while Beliefs and Competitive Advantage did not have a significant impact on Organizational Culture. The variable, Values (VV) had the most significant impact ($\beta = 0.337$, $p < 0.05$), followed by Diversity (DD) ($\beta = 0.299$, $p < 0.05$), and Sense of belongingness (SB) ($\beta = 0.261$, $p < 0.05$) also made a notable contribution. The F value (186.992) indicated that the model was suitable. The study suggests that beliefs and competitive advantage may not have a significant impact on creating a positive organizational culture, but Diversity, Values and Sense of Belongingness have a significant impact on Positive. Organizational Culture in the IT sector. The findings have theoretical and managerial implications as the

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organizations must create and promote a positive, diverse, and inclusive workplace culture for the wellbeing of the employees.

Subject Classification: 62 Statistics (SPSS 62-04 and Multiple Regression 62J05).

Keywords: Organizational culture, Diversity, Competitive advantage, Values and beliefs, Sense of belongingness.

Introduction

Cultivating an inclusive organizational culture is of paramount importance for the success of any organization. A culture that is inclusive and diverse promotes creativity, innovation, and productivity and is not only morally and ethically right but also beneficial for business. However, creating an inclusive culture is not an easy task, and it requires a concerted effort from all members of the organization. The present research highlights the significance of cultivating an inclusive organizational culture and examines the role of diversity, values, and beliefs in doing so. An inclusive culture attracts diverse talent, fosters innovation, and improves overall performance, but it requires active efforts from leaders to promote open communication and values that support inclusivity. The research aims to explore the role of diversity, inclusion, values, beliefs, sense of belongingness, and competitive advantage in organizational behavior as creating a positive organizational culture through diversity, values, beliefs, sense of belongingness, and competitive advantage is crucial for success. It requires ongoing commitment, open communication, and diverse recruitment. Benefits include productivity, decision-making, and financial performance, while respect and inclusivity foster positivity and productivity.

Literature Review

Diversity and values impact organizational culture, with values having a stronger effect, and a positive relationship between diversity and values was found, suggesting that a diverse workforce with common values can lead to a stronger culture (Cheng, Liu, & Chi, 2020). Palmer et al. (2016) found that valuing diversity and inclusion is linked to better organizational performance, and recommend HR professionals prioritize these values using the framework proposed by Cox and Milani (2016).

Diversity can boost creativity, but mismanaged diversity leads to conflicts; shared values increase collaboration while conflicting values

increase turnover; cultural intelligence can improve communication, reduce prejudice, and enhance positive employee attitudes and well-being (Cox et. al., 2015). Cox et. al. (2021) found that leaders who demonstrate inclusive behaviors and implement diversity management practices are more likely to create inclusive cultures. Cox and Milani (2021) also discuss similar findings.

Current research on diversity and inclusion in sports organizations shows gaps. These include the need for clearer definitions, better use of social science, and balanced approaches. This calls for more comprehensive research (Næss, H. E. 2023).

Chaminda et. al. (2023) and Tripathi and Kalia (2022) found that a balanced organizational culture promotes sustainability in the garment industry and impacts innovation and performance in the IT industry, respectively. Leaders shape organizational culture through their inclusive attitudes and behaviors, and their commitment to diversity management practices can promote inclusive cultures (Jackson et. al., 2020). Selecting and developing inclusive leaders and implementing diversity programs are recommended to support inclusivity in organizations. Iqbal et. al. (2018) found that authentic leadership positively affects communal relationships and organizational citizenship behavior (OCB), with procedural justice playing a crucial role in facilitating OCB and communal relationships in the private banking sector of Pakistan.

Cox et. al. (2016) stress the importance of diversity and values in shaping positive organizational culture and the role of HRD in promoting diversity and inclusion through training programs. A diverse and inclusive culture positively impacts employee attitudes and organizational performance. Palmer et. al. (2015) find a strong relationship between diversity, values, and organizational culture, with each influencing the other. Their meta-analysis emphasizes the importance of values and culture in promoting diversity and vice versa.

Objectives of the research

The main objectives of the present research are as follows.

- To study the workplace culture of the organization.
- To find out the relationship between diversity and positive organizational culture.
- To examine the impact of values on the development of positive organizational culture.

- To explore the role of beliefs in promoting inclusivity in the workplace.
- To analyze the contribution of a sense of belongingness to the creation of an positive organizational culture.
- To assess the relationship between competitive advantage and positive organizational culture.
- To analyze the effect of diversity, values, beliefs, sense of belongingness and competitive advantage on organizational culture.

Research Design and Methodology

Research Design: Descriptive and exploratory

Sources of Data: primary and secondary

Sample Size:122

Method for Data Collection data was collected through self-constructed questionnaire

Analysis and Interpretation

Table 1

Descriptive summary of Organizational Culture and related factors

	N	Minimum	Maximum	Mean	Std. Deviation
Organizational Culture (Dependent variable)	122	20.00	50.00	43.1885	6.40936
Diversity (Independent variable)	122	12.00	25.00	21.4918	3.24546
Values (Independent variable)	122	9.00	25.00	21.0902	3.57679
Sense of belongingness (Independent variable)	122	8.00	20.00	16.9180	2.75918
Competitive advantage (Independent variable)	122	5.00	15.00	12.3525	2.35986

Contd...

Beliefs (Independent variable)	122	6.00	15.00	12.9016	2.00169
Valid N (listwise)	122				

Data provides descriptive statistics of 5 independent and 1 dependent variable based on participants (Table 1).

Participants perceived all independent variables positively, suggesting a favorable perception of Organizational Culture.

Interpretation of Data

Table 2

Multiple regression model for Cultivating Inclusive Organizational Culture

Independent variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Statistical inference	
	B	Std. Error					F value
Constant (Organizational Culture)	2.90	1.382		2.103	.038	R = 0.943 R ² = 0.890 Adjusted R ² = 0.885	186.992
DD-Diversity	.590	.161	.299	3.660	.000		
VV-Values	.604	.145	.337	4.169	.000		
BB-Beliefs	.264	.161	.114	1.645	.103		
SB-Sense of belongingness of belongingness	.836	.195	.261	4.285	.000		
CA-Competitive Advantage	-.033	.157	-.012	-.209	.835		

95.0% Confidence Interval

Based on the analysis, the F value (186.992) indicates that the model is suitable (Table 2). As per research findings, Inclusive Organizational Culture is significantly impacted by Diversity, Values and Sense of Belongingness, whereas Beliefs and Competitive Advantage do not show a significant impact on Organizational Culture.

Discussion

The present study aimed to identify predictors of positive organizational culture, and the results provide valuable insights into the factors that significantly impact inclusive organizational culture. The study utilized multiple regression analysis with five independent variables, including diversity, values, beliefs, sense of belongingness, and competitive advantage, and the dependent variable was organizational culture. The obtained results show that the combination of five factors together contributed to 94.3% effect on Inclusive organizational culture, indicating a significant impact of these factors on organizational culture. The R^2 value of 0.890 for the overall study suggests that the independent variables have a strong effect on inclusive organizational culture. However, the adjusted R square value of 0.885 indicates that these variables contribute 88.5% to the dependent variable, which means that 11.5% of the variance in organizational culture remains unexplained by these factors.

Based on the analysis, the F value of 186.992 indicates that the model is suitable which reflects inclusive organizational culture is significantly impacted by diversity, values, and sense of belongingness, whereas beliefs and competitive advantage do not show a significant impact on organizational culture. This highlights the importance of promoting diversity and fostering a sense of belongingness in the workplace, which can contribute to a positive organizational culture.

The impact of independent variables on the dependent variable is determined by their respective β values. The findings suggest that the variable VV ($\beta = 0.337$, $p < 0.05$) has the most significant impact, followed by DD ($\beta = 0.299$, $p < 0.05$), and then SB ($\beta = 0.261$, $p < 0.05$) also has a notable contribution. The standardized coefficients Beta column provides the coefficients of independent variables in the regression equation, which can be used to predict the impact of changes in these factors on organizational culture.

The inferences and insights on the findings suggest that organizations need to focus on promoting diversity, values, and a sense of belongingness to foster a positive organizational culture. Beliefs and competitive advantage, which did not show a significant impact on organizational culture, can be considered less critical factors in this regard. These findings can help organizations understand the key factors that impact organizational culture and can guide them in developing strategies to promote a positive work environment.

Theoretical and Managerial Implications

Theoretical Implications: The study highlights the significance of diversity, values, and sense of belongingness in fostering a culture of inclusivity and respect

Managerial Implications: The research suggests that promoting diversity, values, and sense of belongingness can help create a more positive and inclusive work environment. Therefore, organizations should prioritize developing effective strategies that promote inclusivity and support employees' well-being.

Conclusion

The purpose of the present research was to find out whether embedding inclusion through diversity, values, beliefs, sense of belongingness, and competitive advantage cultivate positive organizational culture in IT sector organization. The findings suggest that promoting a diverse workforce, with employees from different backgrounds, cultures, and experiences, can help create a more inclusive work environment that values and respects individual differences. This can lead to increased creativity, innovation, and problem-solving, as well as enhanced employee satisfaction and well-being. The variable of Values (VV) has the most significant impact on Positive Organizational Culture, with a β value of 0.337 ($p < 0.05$). This finding suggests that creating a values-driven work environment, where employees' beliefs and attitudes are aligned with the organization's mission, vision, and goals, can help promote a culture of inclusivity, respect, and trust. This can lead to increased employee engagement, motivation, and commitment, as well as improved organizational performance and reputation.

The variable of Beliefs (BB) does not have a significant impact on Positive Organizational Culture, with a β value of 0.114 ($p > 0.05$). This indicates that employees' beliefs, attitudes, and assumptions do not significantly contribute to creating an inclusive work environment. However, it is important to note that this finding does not necessarily mean that beliefs are irrelevant, but rather that they may not be as important as other factors in promoting inclusivity.

The variable of Sense of Belongingness (SB) also has a notable contribution in cultivating Positive Organizational Culture, with a β value of 0.261 ($p < 0.05$). This finding suggests that creating a sense of belongingness among employees, where they feel valued, supported, and

connected to the organization and their colleagues, can help promote a culture of inclusivity and collaboration. This can lead to increased employee satisfaction, loyalty, and retention, as well as improved teamwork and communication.

The variable of Competitive Advantage (CA) does not have a significant impact on Positive Organizational Culture, with a β value of -0.012 ($p > 0.05$). This indicates that focusing on competitive advantage, such as profitability, market share, or customer satisfaction, may not be sufficient to promote an inclusive work environment. However, it is important to note that this finding does not necessarily mean that competitive advantage is irrelevant, but rather that it may not be as important as other factors in creating a culture of inclusivity. Thus, promoting diversity, values, and a sense of belongingness can significantly impact Positive Organizational Culture in the IT sector, providing a roadmap for developing effective strategies that promote inclusivity and support employees' well-being.

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