

# An Analytical Study of Impact of Experience and Education on Management Style in Multicultural Organizations

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## Abstract

Managers today do not merely perform the duty of giving instructions and work done but they have to act as a facilitator which requires a complete understanding of their own culture and that of others. Multicultural issues are the most important problem of today's management. The multiculturalism includes the co-existence of people from many backgrounds like religion, age, ethnicity, experience, social background etc. The present study aims at finding out the relationship between educational background and experience of a manager and his management style in Multicultural Organizations.

**Keywords:** Management, Multiculturalism, MCOs.

## INTRODUCTION:

It is now widely accepted that one of the primary challenges that leaders, managers and even average citizen can expect to face now and in the future is the increased diversity of people with whom they will have to interact. This is especially true within the business sector. Thus, everyone working on managing in today's business world will have to engage with culture and values. However, such challenges are not limited to global marketplace. Even if one were to never leave his or her hometown, the increasing mobilization of societies and change in immigration patterns are changing the complexion of many countries. Hence, while certain population may have never been completely homogenous, culturally distinct peoples are now increasingly living side by side. Managers, now, in the workplace are facing the task of managing people from different cultures. For this purpose, they need to understand the culture of that place and have to adjust their management style and approach according to the requirement Culture once portrayed ethnic or nationality groups now include race, gender, sexual orientation, age or disability. It is the practice of giving equal attention and participation to many diverse workforces in a

specific organizational setting. The Collins Dictionary (2019) defines multiculturalism as the policy of giving overt acknowledgement to the cultural needs and contributions of all the relevant groups in a society. For the sake of all this, we have to understand the meaning of Management, Management Approaches, Multiculturalism.

- **Management:** Management means ensuring that work activities are completed efficiently and effectively by the people responsible for doing them- or at least that's what managers aspire to do.

- **Management Approaches:** Management approaches are basically, the management thoughts, views and style used by managers in the organization. Mainly, there are four major approaches to management theory: Classical, Quantitative, behavioral and contemporary approaches which provide guidance to managers while doing management. Classical theory includes the Scientific Management (F.W. Taylor), General Administrative Management (Henry Fayol) and Bureaucracy Theory (Max Weber). Quantitative Approach involves application of statistics, information models, computer simulation etc. Behavioral approach is contributed by Robert

Owen, Hugo Munstenberg, Mary Parker Follet and Chester Bernard, Abraham Maslow (Need Hierarchy theory), Elton Mayo (Hawthorne Studies) and Douglas Mc Gregor (Theory X and Theory Y). Contemporary approaches include Systems Theory (Chester I. Bernard) and Contingency approach. On the basis of extensive study of management approaches, we can say, basically there are 4 management styles (given by Professor Rensis Likert)

- **System 1 Management:** This is called 'exploitative authoritative' style. This shows dictatorial behavior of managers as they have no confidence among their subordinates. They are highly autocratic and use negative motivation to their subordinates to make them work.

- **System 2 Management:** This management style is also, called 'benevolent authoritative' style. This style indicates the authoritative behavior of managers with little confidence among the subordinates. They invite subordinates for giving suggestions but all decisions are taken by themselves (managers) only.

- **System 3 Management:** This management style is called 'consultative style'. In this style, managers do not have complete confidence and faith in their subordinates. They invite subordinates to participate in decision making; however, final decision is taken by them (managers) only.

- **System 4 Management:** This style is also called 'participative style'. In this style, managers have complete confidence among their subordinates and subordinates are allowed to participate actively in decision making.

Likert found that system 3 and system 4 are associated with high productivity and the leaders who adopt these styles will be successful leaders. System 1 and 2 are associated with low productivity.

#### REVIEW OF LITERATURE:

**Garfield, Charles A (2005)** commented that without an understanding and appreciation of the needs, backgrounds and unique contributions of diverse groups, communication is difficult and misunderstanding is inevitable-even with the best of intentions.

**Patrick A. Edewor, Yetunde A Aluko (2007)** specifies the strategies for managing multiculturalism in organizations. Among them are- setting a good example, written communication, time to time training programs, recognition of individual differences, actively participation from minority groups, redesigning of reward system, provision for social programs, flexible timings and continuous monitoring are specifically important.

**Anita Ollapolly and Jyotsna Bhatnagar (2009)** are of the view that the success of management practices largely depends on the existing culture of the organization and the prejudices people have. If the management is successful in creating a culture of inclusion to manage multiculturalism, it will not only enhance employees' involvement but also employer's branding, helping to retain as well as attract competent employees.

**Ms. Neetu Munjal and Ms. Madhvi Sharma (2011)** opined that those multicultural organizations will be more successful which diversify its workforce not by force but by choice i.e. In short, management approaches and policies should be according to requirement i.e. culturally sensitive;. By doing this, management will gain a lot with minimum cost.

**Laura Ann Migliore (2011)** claimed that kledge of multiculturalism and its effects is an essential quality for successful global leaders. The process of learning is started with the recognition of cultural diversity and continues with managers' willingness to learn. As such, global leadership development is significant to improve interpersonal skills, creating trust and consent, specifically in the modern internet and networked environment.

**A.Somalingam and Dr. R Shanthakumar (2013)** found that the ancient Indian society had strict work norms but modern india has been converted in to western development model which is based on science and technology

**Wiebren S. Jansen, Sabine Otten and Karen I Vanderzee (2015)** explored all Inclusive Multicultural (AIM) approach. It is an efficient method to achieve majority support for diversity efforts done by organization.

**Erikson(2018)** found that to get maximum productivity and profitability, workforce diversity standards should be met

**Zubair Hassan(2019)** recommended that organization can gather information by conducting interview and surveys for various projects to improve organizational multicultural environment..

#### **OBJECTIVE OF STUDY:**

- To examine the diversity existing in relation to educational background and experience of managers in the organizations, under study.

- To find out relationship between educational levels, longevity of experience and management style of managers of the units, under study.

#### **RESEARCH METHODOLOGY:**

For the purpose of research, 6 organizations were chosen including Indian Organizations and MNCs. These were from two sectors: Automobile and Electronics and Communication.

**Table 1 showing profile of MCOs selected for study**

Sr. No.	Organization's name	Collaboration with	Nature of work
1	Maruti Suzuki India Ltd.	Japan	Automobile
2	Hyundai Motor India Ltd.	South Korea	Automobile
3	Tata Motors	Marco Polo (Brazil)	Automobile
4	BSNL	Govt. Company	Communication
5	Nokia India Pvt. Ltd.	Finland	Electronics and Communication
6	Samsung India Electronics Pvt. Ltd.	Korea	Electronics and Communication

Source: Secondary Data

The study is basically primary data based and information is collected by preparing two sets of Questionnaires; one is meant for managers (Form A) and other for subordinates (Form B). There were two types of Questionnaires - Form A & Form B. Each Questionnaire comprises two parts- Personal background and Feedback Form. The Personal Background Form includes the information about Name, Designation, Religion, Age, Education, Gender, Background, Income, Experience etc. In Feedback Form, the feedback from the respondents is asked about the relationship of boss and subordinates and the different management approaches adopted by the managers in the organization. The researcher, as discussed before, has selected 6 companies in total, selecting 5 managers and 45 subordinates from each company. In this way, the total number of respondents is 300, out of which 50 were of managers' level and 270 were of subordinate level. These Questionnaires were answered

through personal interviews, telephone calls, through internet and through mailing.

The research instrument was developed on the basis of scaling. The technique used for this purpose was Rating Scale. It was 10 point Rating Scale. The respondent selected the number which was considered to reflect the perceived quality of the manager. Each response was given a numerical score, indicating its favoring and unfavoring attitude and the scores were totaled to measure the respondents' attitude. And, the overall score represented the respondents' position on the continuum of favorable unfavorable approach towards the problem. The scale used in the Questionnaire range from lowest to highest. Each point on the scale carries a score. Response indicating the least favorable is given least score i.e. (1), and the most favorable is given the highest score i.e. (10). The question no. 1 to question no. 19 evaluates the attitude of boss

towards their subordinates in both the questionnaires. Highest rating was 10 and lowest was 1. So, the total highest score was 190(19\*10) and lowest score was 19(19\*1). The mean scores given by different category managers and subordinates were calculated and analyzed on the basis of 4 style of management (given by Professor Rensis Likert) i.e. if mean score is (less than 38)-exploitative-authoritative style, (38-95)-benevolent authoritative, (95-133)- consultative style and (more than 133)-participative style of management. The tools used were mean, S.D., variance and t- test.

### ANALYSIS AND INTERPRETATION:

**Table 2 showing Texture of Employees from different Educational backgrounds (company wise)**

Sector Co.	Automobile						Electronics & communication					
	I		II		III		IV		V		VI	
Designation Education	Ma	Su	Ma	Su	Ma	Su	Ma	Su	Ma	Su	Ma	Su
U.G.	01	15	--	19	--	16	01	17	01	03	03	09
G	01	13	02	24	03	12	01	08	03	24	01	20
P.G.	01	09	--	03	--	03	--	02	--	06	01	10
Prof.	02	08	03	01	02	14	03	18	01	12	02	06
<b>Total</b>	05	45	05	45	05	45	05	45	05	45	05	45

Source: Primary Data

**Table 3 showing Texture of employees from different Educational Background (sector wise)**

Sector	Automobile		E & C		Grand Total	
Designation Education background	Ma	Su	Ma	Su	Ma	Su
U.G.	01	50	02	29	03	79
G	06	49	06	52	12	101
P.G.	01	13	01	18	02	31
Prof.	07	23	06	36	13	59
<b>Total</b>	15	135	15	135	30	270

Source: Primary Data

**Note:** Ma-Managers, Su- Subordinates, U.G. - Under Graduation, G- Graduation, P.G. - Post Graduation, Prof. - Professional degree.

Managers as well as subordinates were found lying in the different educational levels and were definitely having graduation or beyond degrees in different areas. Professional qualification holders were found more in position of managerial ranks than graduates and post graduates in Automobile entities. About 48% managers in Automobile

- 1<sup>st</sup> Objective: To examine the diversity existing in relation to educational background and experience of managers in the organizations, under study

- Educational Background: - Education plays a great role in the life of everyone. It develops personality of the people, provides physical, mental standard & transforms people's living status. The educational level (one of the important components of culturalism as well as multiculturalism) of the employees of both levels was examined after asking from the respondents. Four categories for educational degree are made namely: Under graduation, Graduation, Post Graduation, Professionals.

units (7 out of 15) and 40% in Electronics and Communication units were having the professional (Masters in Mechanics, computer science and electronics and communication) qualifications. However, it appeared from the classification according to educational qualifications that the lower education degree

holder employees were also promoted to the managerial level post after a particular span of experience and performance for a long period continuously. Specifically, it was observed in Maruti Suzuki Ltd. and BSNL (refer Table). Further, it was found that more qualified persons were appointed in Electronics and communication sector (particularly in Company V and VI) which had a small no. of employees (not having bachelor degree) and had highest no. of employees having P.G. degrees. Thus,

managers as well as subordinates were found lying in different educational levels and were definitely having graduation degrees or beyond in different areas. Majority of managers were having professional (43%) or graduation (40%) degrees. (Table 3)

- **Experience:** Three categories for experience range were made namely i.e. employees having experience less than 10 years, between 10 to 20 years and more than 20 years.

**Table 4 showing Configuration of Employees in terms of longevity of Experience (company wise)**

Sector	Automobile						Electronics & communication					
	I		II		III		IV		V		VI	
Company	Ma	Su	Ma	Su	Ma	Su	Ma	Su	Ma	Su	Ma	Su
Designation Experience	Ma	Su	Ma	Su	Ma	Su	Ma	Su	Ma	Su	Ma	Su
< 10 years	03	42	02	37	03	40	01	20	03	40	03	39
10-20 years	02	03	02	08	02	04	01	11	02	03	02	06
> 20 years	--	--	01	--	--	01	03	14	--	02	--	--
<b>Total</b>	05	45	05	45	05	45	05	45	05	45	05	45

Source: Primary Data

**Table 5 showing Configuration of Employees in terms of longevity of Experience (sector wise)**

Sector	Automobile		E & C		Grand Total	
Designation Experience	Ma	Su	Ma	Su	Ma	Su
< 10 years	08	119	07	99	15	218
10-20 years	06	15	05	20	11	35
> 20 years	01	01	03	16	04	09
<b>Total</b>	15	135	15	135	30	270

Source: Primary Data

At Managerial level, more than 60% managerial level employees in I, III, V and VI units were found with experience holders of 10 or less years. At Subordinate Level, Company IV was found with more experienced staff as it was found with 14(24%) subordinates with experience between 10 to 20 years. All the other five companies were found with comparatively new staff with 42(93%), 37(89%), 40(89%) and 39(87%) employees respectively, who had experience of less than 10 years and only 3(7%), 8(18%), 4(9%), 3(7%) and 6(7%) subordinates respectively were found having experience between 10 to 20 years and only 1(2%) and 2(4%) employees were found with very high experience in company III and company V

respectively. Thus, on the basis of experience, it was found that nearly 60% managers in Co. I, III, V and VI were with less than 10 years of experience. At subordinates' level also, majority (approx. 81%) of subordinates were found having experience of less than 10 years in all the companies.

On the basis of these results, it became evident that the cultural texture of the units under study was more or less identical in both the sectors of Automobile and Electronics and Communication. Though, the ratios of male-females, educated-less educated and urban-non urban backgrounds showed the differences in these respects unit wise as well as sector wise, yet the texture was same in

nature but definitely not in quantitative form. The same kinds of results were found by Ms Shilpa Kulkarni (2015). According to her, people from various cultures including different religion, languages etc. co-exist in Indian organizations. Therefore, it may be said that cultural diversity in the country like India will always exist i.e. multiplicity of religions, caste and creed are

present every time and everywhere in India as compared to other countries.

- II Objective: To find out relationship between educational levels, longevity of experience and management style of managers of the units, under study.

**Table 6 showing Management approaches adopted by Managers (belonging to different educational background) towards Employees**

Education	No. of respondents	Mean	S.D.	Variance
Under Graduate	3	141.67	33.29	1108.33
Graduate	12	147.50	22.4	501.91
Post Graduate	2	143.50	23.33	544.5
Professional	13	152.92	18.35	336.91

Source: Primary Data

**Table 7 showing analysis of views of subordinates (belonging to different educational background) regarding Management approaches adopted by Managers towards them**

Education	No. of respondents	Mean	S.D.	Variance
U.Graduate	79	151.57	27.12	735.50
Graduate	101	148.67	22.55	508.52
Post Graduate	31	142.33	22.38	500.83
Professional	59	148.57	27.29	745.21

Source: Primary Data

**Table 8 showing results of t-test to show significance of difference between Means of independent samples of Managers and Subordinates (belonging to different educational backgrounds)**

Category	Manager	Subordinate
Under Graduate and Graduate	-.37	.78
Under Graduate and Post Graduate	-.07	1.68
Under Graduate and Professional	-.83	.640
Graduate and Post Graduate	-.23	1.37
Graduate and Professional	.66	.03

<b>Post Graduate and Professional</b>	.66	1.09
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Source: Primary Data

**Hypothesis (H0: 1a)** - There is no significant difference between views of managers (belonging to different educational backgrounds).

**Hypothesis (H0: 1b)** - There is no significant difference between views of subordinates (having different educational backgrounds) regarding Managers' approach.

Table 6 represents the analysis of management approach followed by managers with different educational background. The number of managers corresponding to these 4 categories was 3, 12, 02, and 13 covering 30 managers in all. The Mean scores indicating the management approach were 141.67, 147.50, 143.50 and 152.92 respectively. The Mean scores were above 133 which indicate that all the managers followed the participative or democratic style of management. Analyzing Table 6 further proves generalization. Table 6 shows the t values of Mean differences given by managers of different educational backgrounds which were -.37, -.07, -.83, -.23, .66, .66, indicate that there was no significant difference between different categories. So, we can again generalize the statement that educational background does not

affect management approach adopted by managers.

Table 7 represents the number, Mean scores, S.D. and variance of management approach followed by managers from the point of view of subordinates from different educational background.. The Mean scores were 151.57, 148.67, 142.33 & 148.57 which confirmed the results shown by table 6 i.e. all managers were very positive in their approach and had a democratic outlook. Table 8 indicates t values of Mean differences between scores given by subordinates belonging to different educational backgrounds. Their corresponding t values were .78, 1.68, .64, 1.37, .03 and 1.09 which were again less than table value. This showed that there was no significant difference between the management approaches adopted by managers according to subordinates with different educational backgrounds.

As t-values are much less than table value of T at 95% level of confidence, both null hypothesis (H0 :1a and H0 :1b) are accepted and it may be concluded that there is no significant difference in the views of managers and subordinates belonging to different educational backgrounds.

**Table 9 showing Management approaches adopted by Managers (having varied experience in terms of longevity of years) towards Employees**

Experience	No. of respondents	Mean	S.D.	Variance
<10 years	15	143.61	22.21	493.4
10-20 years	11	151.36	20.50	420.65
>20 years	04	162.75	11.62	134.92

Source: Primary Data

**Table 10 showing analysis of views of subordinates (having varied experience in terms of longevity of years) regarding Management approaches adopted by Managers towards them**

Experience	No. of respondents	Mean	S.D.	Variance
<10 years	217	148.23	24.95	622.54
10-20 years	35	157.08	18.27	333.73

>20 years	18	139.5	32.46	1054.03
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Source: Primary Data

**Table 11 showing results of t-test to show significance of difference between Means of independent samples of Managers and Subordinates (having varied experience in terms of longevity of years)**

Categories	Managers	Subordinates
<10 yrs & 10-20 yrs.	-.904	<b>-2.01*</b>
<10 yrs & >20 yrs.	-1.639	1.39
10-20 yrs & >20 yrs.	-1.036	<b>2.52*</b>

Source: Primary Data

\*Represents the significant difference in the views of respondents at 95% level of confidence.

### Hypothesis:

**H0: 2a-** There is no significant difference between views of managers (having varied experience in terms of longevity of years).

**H0: 2b -** There is no significant difference between views of subordinates (having varied experience in terms of longevity of years) about Managers' approach.

In Table 9, experience wise analysis of the managers has been done to check the management approach followed by the managers having difference in terms of longevity of service. Along with this table, table 11 should be studied which analyses the significance of the difference of Mean scores of management approaches followed by different managers. The no. of respondents was 15, 11 and 4 respectively. Their corresponding Mean scores were 143.61, 151.36 and 162.75 respectively. All the Mean scores were above 133 which mean that all the managers having different experience followed same management approach i.e. participative approach or democratic approach. In table 11, t values were calculated to know the significance of Mean difference which was -.904, -1.639 and -1.036. All were within limits, which showed that there was no significant difference between the management approaches used by managers.

Table 10 analyses the subordinates' views about the management approaches used by their managers. Mean scores of management approaches used by managers (in view of subordinates) are given which were 148.23, 157.08 & 139.5. It showed some difference

between the scores. To know the significance of difference between Mean scores, table 11 was also consulted. It was found out that there was a significant difference between Mean scores of subordinates having experience <10 years & between 10-20 years and between 10-20 years & >20 years which were -2.01 and 2.52 (more than table value). As t-values of views of Managers are much less than table value of t at 95% level of confidence, the null hypothesis (H0:1a) is accepted and it may be concluded that there is no significant difference in the views of managers (having varied experience in terms of longevity of years). However, t-values of views of subordinates (Exp.<10 yrs & 10-20 yrs. and 10-20 yrs & >20 yrs.) are more than table value at 95% level of confidence, the null hypothesis (H0 :1b) is partially rejected and it may be concluded that there is significant difference in the views of subordinates (Exp.<10 yrs & 10-20 yrs. and 10-20 yrs & >20 yrs.) about their Managers' approach.

### FINDINGS AND RESULTS:

On overall basis, no significant relation is found between educational background and experience of managers and management approaches/styles used by them. Majority of managers (90%) were, irrespective of educational background and experience they have, adopted democratic/participative approach in management. This was verified by the subordinates also. Thus, null hypothesis is accepted. Perhaps, it is because of multicultural nature of Indian society. The researcher is of the view that it is not the personal aspects which affect the management approach/style of the



manager but the organizational culture, national culture, political and economic environment of a country which forces a manager to adopt one style or other. The same views were given by Anita Ollapally and Jyotsna Bhatnagar(2009) while saying that the success of management practices depends on the organizational culture and the prejudices the people have. If the management could create a culture of inclusion to manage multiculturalism, it will not only improve employees' commitment but also employers' branding, helping to retain as well as to attract the best employees for the organization. Similarly, Erikson(2018) commented that to get the required potentials vital for productivity and profitability, organizations should meet the standards of the modern workforce diversity. But, the findings do not match with the findings of Mr. Zdenka Konecna (2007) who said that culture and cultural differences play an important role in international companies.

#### LIMITATION OF THE STUDY:

The limitation with the present work was as follows:

1. The respondents were not research friendly in the sense that some used to say, "I do not have time", "come after some days" etc. So it was very difficult to find out the accurate responses from the respondents.
  2. The study area covered under the present study is from northern India only i.e. it covered the organizations in north only.
  3. The top-level managers never gave time to discuss their management approach. That's why most of the information is collected from the managers from middle and junior level.
  4. The Questionnaire method used also suffers from certain limitations i.e. false reporting by some respondents.
- It is a vast subject and still needs a lot of attention from the management researchers. The present study has tried its best to fulfill its objective.

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