

Analytical View on the Cultural Intelligence among Bank Employees in Coimbatore City

Mrs. Vinotha. J

Assistant Professor in Management,

Dr.SNS Rajalakshmi College of Arts and Science, Coimbatore - 49

Abstract

One of the most challenging issues facing organizations today is that of managing cultural diversity in the workplace be it at a national level, organizational level, occupational or individual level. Trompenaars (1993) observes that international managers must operate on premises that arise from their culture of origin, the culture in which they are working and the culture of the organization which employs them. Recognizing and valuing cultural diversity is imperative in order to enhance productivity, effectiveness, and sustained competitiveness. In today's global environment, professionals working in multicultural international organizations or educational institutions, face several cultural glitches and challenges which can have bearing on the success or failures of the same. It has been found that cross-cultural skills have become important elements of modern job profiles. Yet multiculturalism in international as well as national in large and small educational institutions is a reality which is a necessity as well as a well equipped practice to ensure higher level of performance.

Key words: cultural diversity, productivity, effectiveness, and sustained competitiveness

Introduction

The term "Diversity" broadly pertains to the extent of differences between groups of people, properly between the faculties of the institution. Many diversity researchers conceptualized it as the differences among groups of individuals that are reflected in a variety of forms, such as gender, age, race, ethnicity, socioeconomic status, social class, religion, education, sexual orientation, language, disability, national origin, language preference and use,

learning style, lifestyle, politics, and geographical location, which also denotes as a “state of dissimilarity”.

For an approach - ‘relationship of people among faculty, two main frameworks of understanding cultural differences have been identified. First, Hofstede has identified dimension called ‘individualism versus collectivism’. And secondly, Trompenaars explains this distinction through its own two dimensions – ‘individualism versus communitarians’ and ‘universalism versus particularism’. These two approaches give important insights into the understanding of how faculty members with different cultural backgrounds are likely to interact with each other. However current study attempts to study the enquiry into cultural diversity and emotional intelligence from a more direct perspective by identifying the underlying observed and latent variables affecting their adaptability and performance. While more literature is available on cross cultural comparison and societal culture’s impact on workplaces, the same may not directly deal with the core problem of understanding the level of comfort of local cultures with foreign cultures and to quantify such level of differences among different nations.

The success of effective diversity lies in defining it in a broad and inclusive way. Organizations that define it broadly, involving all dimensions of similarity and difference around which there are inclusions and exclusions that affect the business. The Diversity, arises from the interaction of diverse people’s thought comes out of their demographic characteristics, experiences, conceptions and ideas of working . The global economy takes the diversity criteria to the top of the agenda. Today the organizations are dramatically changing their workforce according to the required composition of the organization, which is of no exception to an educational institution. Diversity breaks the action framework and goes beyond race and gender of the co-faculties and the students. The new diversity dimensions are not only focuses on age, race or gender but also go beyond the demographical criteria¹. Today a more relational approach

¹ Thomas (1990), “*Tips for teaching culture: Practical approaches to Intercultural Communication*”, NY: Pearson Longman.

is followed to highlight the dimensions of diversity, it now talks about the personal, interpersonal and inter group dynamics that influence how people interpret and act on their differences.

The significance and impact of cultural diversity increase markedly, and therefore it becomes very important to manage cultural differences for getting competitive advantage. The educational culture is established by the values, attitudes, behavior and belief; these all are responsible for social information processing. In today's diverse workforce like India, English is a first language for all the faculties. This affects the verbal and non verbal communication in between the cultural networks and hence affects the ethical paradigm of the workplace. The institution's ethical paradigm defines formal and informal moral standards that dictate acceptable behavior of people in striving towards educational goals that are in line with the mission and vision of the institutions.

The institutions require effective teachers in the faculty as they contribute in the success. Every institution need people whose attempts to correlate various function of management for achieving effectiveness. A faculty should have aggressive, innovative, productive, well informed, determined, energetic, creative, intelligent, responsible, enterprising, clear-thinking, cheerful, formal, courteous and modest. The above characteristics suggest that various qualities contribute to the effectiveness directly. The concept of effectiveness is a wide area of inputs it is crucial to teacher's self development, institutional development, fulfillment and viability of modern society. The purpose of educational institution is to achieve the objectives effectively and efficiently while ensuring harmonious system among the faculties, which is internal efficiency. This can be driven via synergy between competent teachers and responsive students in the use of resources available while managing the cross cultural diversity.

Review of literature

Cox (1991) refers to management of cultural diversity as a variety of management issues and activities related to hiring and effective utilization of personnel from different cultural backgrounds. In his view, the activities include proper management of organization culture, mind-sets about diversity, cultural differences, education programs, HR management systems, higher career involvement of women and heterogeneity in race, ethnicity and nationality (Cox

1991). However, according to Grobler (2003), diversity management programmes have not had great success in firms as top management view diversity as a human resource issue that does not contribute to the organization's long term success, while line management often see diversity management as another activity that complicates their current role.

Awino, Muchemi and Ogutu 2011; Hambrick et al., 1996). Awino, Muchemi and Ogutu, (2011), posit that heterogeneous groups may have the advantage of being more creative and effective in their decision making processes if conflict resolution is well managed. Diversity on the other hand can be disadvantageous to organizational performance (Hambrick et al., 1996), in which homogenous top management tends to produce better results than heterogeneous top management.

Larner (2007) concurs that firms with diverse cultural connections may have better access to international markets; national governments have increasingly used high-skill diaspora communities in development strategies, so that the wide membership is constituted by identity and governmental action. Fernandez (1993) argued that good workforce diversity practices in the area of human resources are believed to enhance employee and organizational performance.

Statement of the Problem

In today's economies, faculty defines as a specific relationship between the institution and a student. An individual become the faculty member after an interview with an institution. After interview if the individual is perceived as a satisfactory fit for the place; he or she is given an official offer of employment within that institution. These individuals in the work place exhibit not only similar behavior patterns and characteristics to a certain degree but they also show much dissimilarity. Banks are now focusing on high performance effectiveness and results and are always searching new ways to maximize their shares. In this competitive era, the main emphasis is given on high quality workforce and the eminent leaders who are really valuable resource in achieving institutional success. Employees are now recognizes as a valuable resource and their suggestions are always welcome in day to day strategic management of the company.

The need of effective employees are began a top priority as in last two decades , global competition, harsh economic conditions, continuous innovation and new technology brings

restructuring of organizations, which leads to change in nature and structure of work². The success of an educational institution depends upon how an organization understands the employees and identifies the specific actionable levers that can improve professional levels. Engagement can be a complex to measure, high level of satisfied employees can be measured but how much should be the engagement is a matter of thought. The factors for engagement should be unique and carefully planned, which will include all the elements that work together. There is always a mix of opinions about employee engagement. HR professionals and management consultant's gives a strong emphasis engagement with organization whereas academician tends to place more emphasis on roles and tasks to be performed. It is a widely accepted saying that high level of employee engagement brings assured positive results. In doing so, the banks must understand the multicultural impact that could possibly brought together with the faculty engaged. This phenomenon in view, the present study tends to make an outlook on the cultural diversity of banks in the city of Coimbatore. On the basis of above settings, the present study is made as an attempt to find solution for the following research question.

- What are the factors influencing the Cultural Intelligence among the bank employees?

Objectives of the study

- To analyse the factors influencing the Cultural Intelligence among the bank employees.

Scope of the study

One of the outstanding features of Indian environment is that it is exposed to multiculturalism and the widespread of opportunities subjected to various dynamic situations. The challenges of managing multicultural human resources are of considerable importance, which means that the challenges are being in the increasingly dynamic circumstances. To cope up the dynamic environment the management and the employee has to give his/her full potential as their performance, effectiveness, technical competence that

² Towers Watson 2012, Fairhurst and O'Connor 2010, "*Cultural intelligence: A competitive capability for strategic alliances in the international construction industry*", Project Management Journal, 44(4), 5-25.

outcomes as an institutional success. The present study is an analytical research on the cultural diversity among employees of banks in Coimbatore city. In today's competitive environment, dealing with the cultural diversity is a difficult task. Hence, it aims to focus on identifying the impact of cultural diversity on employee effectiveness. The study evaluates the various factors that influence the Cultural Intelligence among the bank employees.

Research Design Adapted

The study uses descriptive research design. The main aim descriptive research design is to obtain complete and accurate information of teachers of business schools in the study. It is a structured pre planned design. The descriptive research design relies on the source of data like quantitative analysis, journals, observations and questionnaire etc. The researcher has used questionnaire technique to collect required data from the bank employees.

Sample design

The population targeted for this study consisted of bank employees from the Coimbatore city. The simple random sampling method has been adopted for the study since the bank employees are being selected for the study as respondents, which counts to 55 from both public and private sector banks. The data required for the study is collected from the respondents through the structured questionnaire.

Analysis and Discussion

Table 4.1: Demographic Classification of Respondents

Demographic Variables	Classification	No. of Respondents	Percentage
Age	Below 25 years	12	22
	26-40 years	23	42

	Above 40 years	20	36
Marital Status	Married	36	65
	Unmarried	19	35
	Divorced/Widowed	00	0
Education	Post graduation	11	20
	Pre doctoral	19	35
	Doctorate	25	45
Experience	Less than 3 yrs	18	33
	Between 3 & 5 Yrs	19	34
	More than 5 Yrs	18	33
Annual compensation	Less than 3 lakhs	22	40
	Between 3 & 5 lakhs	26	47
	More than 5 lakhs	07	13
State of birth	Tamilnadu	38	69
	Other parts of South India	11	20
	North India	06	11

Source: Primary data

The table1 depicts the demographic classification of respondents. It can be inferred from the table that most of the respondents age category of between 26-40 years about 23 in quantity constituting 42 per cent of total sample. Majority of the respondents belonged to the married category, stands for about 36 samples at the rate of 65 per cent. Most of the respondent's Experience between 3 & 5 Yrs that counts about 19 at the rate of 34 per cent. Majority of the respondents at about 28 samples are Grade/ Post of Assistant Professor constituting 51 per cent.

26 respondents' highest of Annual income are between 3 & 5 lakhs at the rate of 47 per cent. Most of the respondents are resided at urban places of the district at the count of 23 constituting 42 per cent and 38 respondent's state of birth were Tamilnadu at the rate of 69 per cent.

Factors Influencing the Cultural Intelligence among the Teachers of Business Schools

The various factors influencing the cultural intelligence that are considered to be the independent variables have consequences on the dependent variable. The present section analyses the various factors that have influence on the cultural intelligence among the teachers of business schools. After deliberations, the following factors have been chosen for the study.

Table 2: Factors Influencing the Cultural Intelligence among the Teachers

Factors
I am unable to deal with the stresses of adjusting to a culture that is new to me
I enjoy living in culture that are unfamiliar to me
I know the beliefs and values of other cultures
I change my verbal behaviour during a cross cultural interaction
I use silence differently to suit different cross cultural situations
I vary my non verbal behaviour when a cross cultural situation requires it
I alter my facial expressions when a cross cultural situation requires it
I am conscious of cultural diversity when I speak with people of varied cultures

I am aware of the legal and economic systems of other cultures
I am confident that I can get used to the shopping conditions in a different culture
I know the non verbal behaviors of other cultures
I rarely know the arts and crafts of other cultures
I vary the rate of my speaking when a cross cultural situation requires it
I enjoy interacting with people from different cultures
I am confident that I can socialize with locals in culture that is unfamiliar to me
I am conscious of cultural knowledge I apply to cross cultural interactions

Table - 3 : KMO and Bartlett's test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.729
Bartlett's Test of Sphericity	Approx. Chi-Square	369.825
	df	55
	Sig.	.002

KMO Measure of Sampling Adequacy value is 0.729 which means that all the variables are positively correlated. Bartlett's test of Sphericity significance value is less than 0.05 and hence it is concluded that Factor Analysis can be performed for these variable.

Communalities

Communalities of all variables are extracted by following the method of Principal Component Analysis. The Communalities of all variables are as follows.

Table 4: Communalities

Factors	Initial	Extraction
I am unable to deal with the stresses of adjusting to a culture that is new to me	1.000	.632
I enjoy living in culture that are unfamiliar to me	1.000	.625
I know the beliefs and values of other cultures	1.000	.624
I change my verbal behaviour during a cross cultural interaction	1.000	.620
I use silence differently to suit different cross cultural situations	1.000	.562
I vary my non verbal behaviour when a cross cultural situation requires it	1.000	.610
I alter my facial expressions when a cross cultural situation requires it	1.000	.720
I am conscious of cultural diversity when I speak with people of varied cultures	1.000	.794

I am aware of the legal and economic systems of other cultures	1.000	.668
I am confident that I can get used to the shopping conditions in a different culture	1.000	.683
I know the non verbal behaviors of other cultures	1.000	.562
I rarely know the arts and crafts of other cultures	1.000	.781
I vary the rate of my speaking when a cross cultural situation requires it	1.000	.796
I enjoy interacting with people from different cultures	1.000	.693
I am confident that I can socialize with locals in culture that is unfamiliar to me	1.000	.622
I am conscious of cultural knowledge I apply to cross cultural interactions	1.000	.710

Extraction Method: Principal

Table 5: Rotated Component Matrix

Factors	Component		
	1	2	4
I am unable to deal with the stresses of adjusting to a culture that is new to me	.780	-.295	-.353
I enjoy living in culture that are unfamiliar to me	.564	.667	.000

I know the beliefs and values of other cultures	.140	-.418	.677
I change my verbal behaviour during a cross cultural interaction	-.136	.730	-.073
I use silence differently to suit different cross cultural situations	.428	.674	.128
I vary my non verbal behaviour when a cross cultural situation requires it	.501	.629	-.325
I alter my facial expressions when a cross cultural situation requires it	.728	-.629	-.127
I am conscious of cultural diversity when I speak with people of varied cultures	.273	.649	107
I am aware of the legal and economic systems of other cultures	.270	-.051	.643
I am confident that I can get used to the shopping conditions in a different culture	.197	.217	.624
I know the non verbal behaviors of other cultures	.450	.679	-.116
I rarely know the arts and crafts of other cultures	.487	-.223	.659
I vary the rate of my speaking when a cross cultural situation requires it	.701	.101	.588
I enjoy interacting with people from different cultures	.618	.225	.258

I am confident that I can socialize with locals in culture that is unfamiliar to me	.356	.094	.630
I am conscious of cultural knowledge I apply to cross cultural interactions	.321	.629	.236

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 6 iterations.

From the above table only those factor loadings which are greater than or equal to 0.5 are considered and they are tabulated as;

Table 6: Factors Loaded

S. No	Variables Loaded	Name of Factors	Sig. Value
First set of Factors	I am unable to deal with the stresses of adjusting to a culture that is new to me	Lexis	0.721
	I alter my facial expressions when a cross cultural situation requires it		
	I vary the rate of my speaking when a cross cultural situation requires it		
	I enjoy interacting with people from different cultures		
Second set of Factors	I enjoy living in culture that are unfamiliar to me	Attitude	0.654

	I change my verbal behaviour during a cross cultural interaction		
	I use silence differently to suit different cross cultural situations		
	I vary my non verbal behavior when a cross cultural situation requires it		
	I am conscious of cultural diversity when I speak with people of varied cultures		
	I know the non verbal behaviors of other cultures		
	I am conscious of cultural knowledge I apply to cross cultural interactions		
Third set of factors	I know the beliefs and values of other cultures	Outlook	0.591
	I am aware of the legal and economic systems of other cultures		
	I am confident that I can get used to the shopping conditions in a different culture		
	I rarely know the arts and crafts of other cultures		
	I am confident that I can socialize with locals in culture that is unfamiliar to me		

From the above table only those factor loadings which are greater than or equal to 0.5 are considered. It can be seen in the above table that four variables are loaded as First Factor and named as lexis. On the Second Factor, seven variables are loaded. Based on their underlying relationships, this Factor is named as attitude. On the Third Factor, five factors are loaded. This factor is named as outlook.

Suggestions

- As diversity in workforce is increasing day by day, there is a need to understand how an institution can achieve effectiveness with a diverse workforce. Hence, it becomes a prerequisite for the management to understand diversity and complexity arising.
- Management should give emphasis on interconnection among employees of diverse culture by taking initiatives like networking, teaming, social events, mentoring, etc.
- Cultural training programs should be organised in which they are given knowledge about the various cultures prevailing in the region or the country of which their customers belong.

Conclusion

Culture is an object of empirical knowledge and cultural diversity is an epistemological object. Cultural diversity refers to the variety of human society on cultures in the world, it also called as multiculturalism of a group or organization or region. It includes the various different social structures, belief systems, and strategies for adapting to life situations in various parts of the world. The difference in race, language, ethnicity, values systems, religion, and local cultures that make up various groups in a community also account for the diversity. In today's global business environment, professionals working in multicultural business schools, face several cultural glitches and challenges which can have bearing on the success or failures of such teams. Efficient management of cross cultural teams can generate useful experience and innovative thinking for institutions to remain competitive in the society. However current study attempts to study the enquiry into cultural diversity and emotional intelligence from a more direct perspective by identifying the underlying observed and latent variables affecting their

adaptability and performance. The banks must find out all the possible ways to deal with the cultural diversity among the employees to bring the best out of them for their effective work performance.

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