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# Demographical Characteristics and Organizational Culture as Antecedents of Managerial Effectiveness: A Perspective in Indian Banking Sector

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### ABSTRACT

The purpose of this paper is to investigate the role of demographical characteristics and organizational culture in predicting managerial effectiveness. For the study, demographical factors like age and gender, and organizational factor like types of Organizational culture were analyzed. The study was confined to the banking sector in India. 315 managerial employees participated in the survey. No significant difference was found in Managerial effectiveness for the male and female managers. For the combined sample, it was found that age has a significant main effect in predicting managerial effectiveness. The main effect of gender on managerial effectiveness was statistically insignificant. However, gender moderated the relationship between market culture and managerial effectiveness and between adhocracy culture and managerial effectiveness. This study provides useful insights by demonstrating the importance of Organizational Culture in improving the effectiveness of managers in the context of Indian banking industry. The results revealed that creating a work environment that emphasizes the particular dimensions of innovation, creativity and competitiveness and at the same time, limits the facets of formalization and centralization of decision making, appear to be an important way to enhancing managerial effectiveness.

**Keywords:** Banking sector, Gender, India, Managerial effectiveness, Organizational Culture.

## 1. INTRODUCTION

Managerial effectiveness refers to “handling managerial functions with competence, which reflects the smooth working operations over a period of time, obtained within the laid down parameters of cost,

time and productivity” (Azeem, 2015). The construct has been widely investigated because of its crucial role for organizational success. (Labbaaf, Analoui and Cusworth, 1996; Willcocks, 1997; Analoui, 1998; Abraham, Karns, Shaw & Mena, 2001; Fraser & Fraser, 2002; Page, Wilson, Meyer & Inkson, 2003; Rosete & Ciaroochi, 2005; Chanzi, 2009; Wang, 2011; Tonidandel, Braddy & Fleenor, 2012). The higher is the manager’s effectiveness, the more likely are the chances that the organization will be successful. In these studies, the researchers have mainly focused on the antecedents of managerial effectiveness. However, Organizational culture has received considerably less attention as one of the possible antecedents.

Organizational culture is well established in past research (Ogbonna and Harris, 2002). It basically deals with how well an organization meets customer requirements. O’Reilly (1989) viewed culture as the extent to which organizational members “fit” within a particular organization. Earlier, culture has been defined as “a pattern of basic assumptions invented, discovered or developed by a given group as it learns to cope with its problem of external adaptation and internal integration. These values are then shared with the new entrants in the organization as the appropriate way to think and feel in relation to those problems” (Schein, 1992). Even though this construct is widely researched, there is no consensus among researchers and practitioners about its definition and measurement (Deshpande and Webster, 1993). However, there is an agreement that the construct is the crucial element that can be used as a source of competitive advantage.

The paper intends to study the effect of individual demography and organizational culture on managerial effectiveness. Past research has shown that culture influences other outcomes like organizational commitment, job satisfaction and organizational performance. (Ogbonna and Harris, 2002; Lok and Crawford, 2003). These outcomes are directly or indirectly related to managerial performance; thus, there is likelihood that managerial performance will be influenced by organizational culture.

Further, numerous studies have been conducted which show the possible relationship between demographic variables and other constructs like job satisfaction and organizational commitment (Sommer *et. al.*, 1996; Chen and Francesco, 2000; Lok and Crawford, 2003). For example, Sommer *et. al.*, (1996) conducted a study in which they observed that position, tenure and age were significantly related to employee commitment. They established that employees who were older and had been in the same job for longer had a greater level of commitment. Chen and Francesco (2000) conducted a study on a sample of 333 respondents from China. Their findings show that position is positively correlated with employee commitment, but age and tenure are not correlated with commitment. Lok and Crawford (2003) conducted a study to investigate the effects of demographic variables, leadership style and organizational culture on job satisfaction and organizational commitment on a sample of 337 participants who were pursuing their MBA from Hong Kong & and Sydney. Their findings revealed no significant difference between the two samples in the effects of demographic variables of age, education levels, sex and tenure on organizational commitment. However, findings revealed that there were significant differences in the effects of age and sex on job satisfaction. It was observed that age had a more positive effect on job satisfaction in the Hong Kong sample than in the Australian sample. The present paper is based on the above perspective to study these variables.

### **Rationale of the Study**

According to an IBEF report, 2015, the banking sector in India is growing at an exponential rate. All the banks, irrespective of the fact that whether they are domestic players or foreign players, are facing competition

in every respect (Gaubha and Mishra, 2013). In order to survive in this competition, it has become imperative on the part of banks to pay more attention to customer service. Since all the banks are offering more or less the same products with minor variations in nomenclature, it is only the best customer service that can give the bank a competitive advantage.

Further, customer satisfaction depends immensely on the skills, abilities and performance of managers. In this context, it would be appropriate to study the construct of organizational culture which plays a pivotal role in influencing organizational outcomes such as job satisfaction, organizational commitment and organizational performance (Lok and Crawford, 2003; Ogbonna and Harris, 2002). It is also quite likely that these outcomes have a direct or indirect effect on the performance of managers. However, there is a paucity of research in the Indian context which explores the influence of demographic variables on managerial effectiveness.

In the above context, the objective of the study is to examine the role of demography and organizational culture in determining managerial effectiveness.

## **2. LITERATURE REVIEW**

### **2.1. Managerial Effectiveness**

Chauhan, Dhar and Pathak (2005) made an attempt to analyze the impact of Cultural differences in managerial effectiveness by using a scale developed and standardized in the western conditions. Rosette and Ciarrochi (2005) conducted a study in order to investigate the relationship between emotional intelligence, personality, cognitive intelligence and leadership effectiveness. Self-reported measures were used to measure emotional intelligence, personality and cognitive ability. Leadership effectiveness was assessed using an objective measure of performance and 360 degree assessment method. The results revealed that executives who scored higher in emotional intelligence were considered as effective leaders. Further, Tonidandel *et. al.*, (2012) conducted a study to examine the relative importance of four managerial skill dimensions (technical skill, administrative skill, human skill, and citizenship behavior) for predicting managerial effectiveness. Managerial skills were rated by peers of managers using a 360-degree assessment instrument, while managerial effectiveness' ratings were provided by supervisors. Using ratings provided by multiple sources, their results showed that the four managerial skill dimensions were significantly important predictors of managerial effectiveness.

### **2.2. Organizational Culture**

Organizational culture has been defined in different ways. Schein (1992) defined organizational culture as a pattern of basic assumptions invented, discovered or developed by a given group as it learns to cope with its problem of external adaptation and internal integration. These values are then taught to the new entrants in the organization as the appropriate way to think and feel in relation to those problems.

According to Pheysey (1993), organizational culture is a pattern of beliefs, symbols, rituals, myths, and practices that have evolved over time in an organization. Likewise, Van der Post *et. al.*, (1998) opined, culture is to the organization, as personality is to the individual. Ott in 1989, cited by Liu *et. al.*, 2006, claimed that "organizational culture provides an emotional sense of involvement and commitment to organizational values and moral codes, and strongly affects employee performance. Upon close investigation of these

definitions, it can be assumed that there is a general consensus amongst the researchers that organizational culture comprises of beliefs, attitudes and values.

Koberg and Chusmir (1987) conducted a study using the three types of culture mentioned by Wallach i.e. innovative, supportive and bureaucratic and related these to organizational outcomes. They came up with the findings that different types of culture produce different outcomes such as different levels of performance and degrees of achievement of organizational goals. This study is relevant to the study of the relationship between organizational culture and performance of the employees.

Lok and Crawford (2004) studied the effects of organizational culture and leadership styles on job satisfaction and organizational commitment in Hong Kong and Australian managers. They observed that innovative and supportive cultures, and a consideration leadership style, had positive effects on both job satisfaction and commitment. In a similar study, Ogbonna and Harris (2002) suggested that the relationship between leadership style and performance is mediated by the form of organizational culture. Pathardikar and Sahu (2011) also examined the role of various cultural variables on organizational commitment. Their findings revealed that there is a strong relationship between organizational culture and commitment of employees.

Zavyalova and Kucherov (2010) examined the relationship between organizational culture and job satisfaction. They suggested that organizations with different types of culture differ in the level of job satisfaction of employees. According to them, market culture mainly creates the conditions for the satisfaction of self-affirmation needs; hierarchical culture, for the satisfaction of cooperation and safety needs; clan culture, for the satisfaction of respect needs; adhocracy culture, for the satisfaction of self-actualization needs.

Chuttipattana and Shamsudin (2011) conducted a survey to examine the moderating or contingent effect of organizational culture on the relationship between the personality and managerial competencies. They found that managers seemed to be demonstrating the highest level of competencies when they scored high on conscientiousness and worked in an environment that emphasizes a high humanistic culture, high leadership culture, and low prescriptive culture.

The above literature review indicates that management research has good reasons to focus on how culture affects organizational outcomes such as turnover, performance, job satisfaction organizational commitment and goal achievement. However, there is a need for a research study that will thoroughly and empirically determine the direct relationship between organizational culture and managerial effectiveness.

### **2.3. Hypotheses Development**

#### **2.3.1. Demographic Variables and Managerial Effectiveness**

Although specific managerial effectiveness studies investigating the influence of individual and contextual factors on managerial effectiveness is rare, studies focused on competency have shown that managerial competency levels are influenced by individual and contextual factors. For instance, Saeed and Mahmood (2002) in their study observed gender differences in competency levels of Pakistani primary school teachers. Agut and Grau (2003) in their study identified that job tenure is positively linked to competency levels while age and number of subordinates do not show any significant relation to competency needs of managers in

Spanish hotel industry. Wickramasinghe and De zoyza (2008) found that marital status, age and gender have significant main effects in predicting competency needs. Their study also revealed significant interaction effects among the variables of marital status and the number of subordinates, and marital status and gender in predicting competency needs.

Further, studies have shown that competencies are positively related to performance (Abraham *et. al.*, 2001, Heijke, 2003; Cheng *et. al.*, 2005, Spencer and Spencer, 2008; Jena & Sahoo, 2014). Hence, it is plausible to assume that individual factors will also relate to managerial effectiveness.

Based on the above discussions, the following hypotheses are postulated:

**H1:** Age will have a significant effect on managerial effectiveness.

**H2:** There will be a significant difference in effectiveness, among managers of different age categories.

**H3:** Gender will have a significant effect on managerial effectiveness.

**H4:** There will be significant differences between male and female managers on managerial effectiveness.

### **2.3.2. Organizational Culture and Managerial Effectiveness**

A key objective of this study is to analyze the relationship between organizational culture and managerial effectiveness. Earlier studies have emphasized the importance of factors such as personal characteristics and job related characteristics in predicting the performance of managers (Petty *et. al.*, 1984; Tett *et. al.*, 1991; Barrick & Mount, 1993; Judge *et. al.*, 2001). However, among the possible antecedents of managerial effectiveness, organizational culture has received low levels of empirical investigation. Earlier researches investigating culture suggest that the construct has a significant and positive influence on employee attitudes towards job satisfaction, organizational commitment, turnover intentions and morale (Rashid *et. al.*, 2003, Lok and Crawford, 2004, Richard *et. al.*, 2009). Prior researches on organizational literature have also established that organizational culture is associated with organizational performance (Denison, 1990; Gerowitz *et. al.*, 1996; Flamholtz, 2001; Rashid *et. al.*, 2003; Scott *et. al.*, 2003; Davies *et. al.*, 2007).

In line with the above discussions, the following hypotheses can be framed:

**H5:** There will be a significant effect of various types of organizational culture on managerial effectiveness

**H6:** Gender will moderate the relationship between organizational culture and managerial effectiveness.

## **3. RESEARCH METHODS**

### **3.1. Sample and Data Collection**

The study is confined to two public and two private sector banks in the National Capital Region, India. As per Reserve bank of India report, 2014, these banks have been reported as high performing banks. Middle level employees of these banks were considered as the sampling frame of the study. 422 questionnaires were distributed randomly through printed form. These subjects were told about the purpose of the study and were assured that their responses will be kept anonymous.

### 3.2. Measures

The questionnaire had three sections. The first section catered to the demographic profile of the respondents. The second section dealt with the construct of Organizational culture. It had 16 items which were based on the work of Deshpande and Farley (1993). Four content dimensions served as the basis for the Organizational Culture Instrument:

1. The dominant characteristics of the organization
2. The leadership style that permeates the organization
3. The glue that holds the organization together
4. The strategic emphases of the organization.

These four dimensions, consisting of four descriptive statements each, cater to the four quadrants of the Competing Values Framework developed by Cameron, Quinn and Freeman (1991), namely the *hierarchy, market, clan and adhocracy cultures*. All the items in the questionnaire required the respondents to respond on a five point Likert-type scale, where (1) indicates strongly disagree and (5) indicates strongly agree. The last section dealt with the construct of Managerial effectiveness. It had 13 items which were based on the work of Pablo Hernandez Marrero (2006). Here the respondents were asked to compare themselves to an ideal manager of their choice in the banking industry and rate themselves in a five-point interval scale ranging from not very well (1) to extremely well (5).

### 3.3. Data Analysis

All statistical analyses were carried out using SPSS version 21. Responses to the items measuring organizational culture and managerial effectiveness were factor analyzed, and factor scores were used for subsequent analyses. To identify the main and interaction effects of the individual variables, i.e. age and gender, ANOVA (General linear model) was conducted. First, the variables were tested for main effects, and thereafter, two way interactions were performed. Independent sample *t*-test was used to test the hypotheses. Pearson correlation analysis was run to identify the relationships among variables. Hierarchical regression analysis was used to identify the main effect of contextual variable i.e. organizational culture. The moderating effect of gender on the relationship between organizational culture and managerial effectiveness was also examined by including interactions with gender in the regression equations.

## 4. RESULTS AND DISCUSSION

The final sample comprised of 315 managers. Of the samples, 61.7 per cent were males and 38.3 per cent were females. The mean age of the respondents was 37.14 years. 38.6 per cent of the sample reported having a graduate degree and 61.4 percent of the sample were post graduates.

### 4.1. Reliability Analysis

Reliability test was ascertained by computing the Cronbach's alpha coefficient, which was found to be 0.87 and 0.89 for organizational culture and managerial effectiveness scale respectively. Thus, both the scales exhibited a good reliability score.

### 4.2. Factor Analyses

Factor analysis of the organizational culture items yielded four factors that were easily interpreted in terms of the original subscales that measure a clan, adhocracy, market and hierarchical culture. These four factors explained 61% of the variance. Hence, the factor scores derived from these analyses were labelled as *clan*, *adhocracy*, *market* and *hierarchical culture* as it was used in the original scale.

Factor analysis of the managerial effectiveness scale yielded a strong first principal factor; with the Eigenvalues of the first two factors being 5.95 and 1.47. For the current paper, it was decided to extract a single global measure of managerial effectiveness.

### 4.3. Inter-correlations Among Study Variables

A Pearson correlation analysis was performed to analyze the relationships among the various study variables. The correlations among all research variables are presented in Table 1. From the Pearson's *r* analysis, it can be inferred that managerial effectiveness is significant and positively related to four types of culture: clan culture ( $r = 0.42, p < 0.01$ ), adhocracy culture ( $r = 0.49, p < 0.01$ ), market culture ( $r = 0.34, p < 0.01$ ) and hierarchical culture ( $r = 0.46, p < 0.01$ ). Regarding the demographic variables, i.e. age and gender, it was observed that correlation was relatively low. The correlation between age and managerial effectiveness was positive and significant ( $r = 0.21, p < 0.01$ ). It was also interesting to note that the correlation between gender and managerial effectiveness was almost zero and non significant ( $r = 0.00, p > 0.05$ ). The strongest correlations can be seen between adhocracy culture and clan culture ( $r = 0.71$ ).

**Table 1**  
Correlations between the study variables

	ME	Age	Gender	Clan	Adhocracy	Hierarchical	Market
ME	1						
Age	0.21**	1					
Gender	0.00	-0.11*	1				
Clan	0.42**	0.12*	0.09	1			
Adhocracy	0.49**	0.10	0.01	0.71**	1		
Hierarchical	0.46**	0.15**	-0.01	0.63**	0.61**	1	
Market	0.34**	0.06	-0.11*	0.53**	0.58	0.61**	1

Notes: \*  $p < 0.05$  and \*\*  $p < 0.01$

### 4.4. Two-way ANOVA

A two way ANOVA was conducted to examine the effects of gender and age categories on the managerial effectiveness score. Participants were classified into three groups: young ( $n = 200$ ), middle aged ( $n = 61$ ) and old ( $n = 55$ ). There were no outliers as assessed by box plot; data were normally distributed to each group, as assessed by Shapiro-Wilk test ( $p > 0.05$ ) and there was a homogeneity of variances, as assessed by Levene's test of homogeneity of variances. ( $p = 0.33$ ).

Table 2 reports the results of ANOVA. It can be seen that there was no statistically significant interaction between gender and age categories on managerial effectiveness,  $F(2, 310) = 1.79, p = 0.17$ , partial

$\eta^2 = 0.01$ . An analysis of single main effects for gender and different age categories was performed. There was no statistical significant difference in mean managerial effectiveness scores between male and female respondents  $F(1, 310) = 0.063, p = 0.80$ , partial  $\eta^2 = 0.00$ . However, the mean difference in managerial effectiveness scores for respondents of different age categories was statistically significant,  $F(2, 310) = 5.54, p = 0.00$ , partial  $\eta^2 = 0.034$ .

**Table 2**  
**Two way ANOVA**

Factors	Sum of squares	Mean square	F-value	Sig.
Age	3.12	1.56	5.54	0.00
Gender	0.02	0.02	0.06	0.80
Age x Gender	1.01	0.50	1.79	0.17

Dependent variable: Managerial effectiveness

Mean managerial effectiveness scores for respondents of different age categories, i.e. young, middle-aged and old were 3.66 (SD = 0.54), 4.01 (SD = 0.46) and 3.89 (SD = 0.53) respectively. Tukey post hoc analysis revealed that the mean increase from young to old (0.22, 95% CI [0.07, 0.38]) was statistically significant ( $p = 0.002$ ), but the other group differences were not statistically significant.

#### 4.5. Organizational Culture Profiles of Male and Female Managers

Regarding organizational culture, male managers considered hierarchy (Mean = 4.08) as the most dominant type of culture and female managers also ranked hierarchy (Mean = 4.07) as the dominant one. The instrument of Deshpande *et. al.*, (1993) is a diagnostic tool and it indicates that the banks used in the study are slightly deficient in innovativeness, creativity and risk taking, and imposes order, uniformity, certainty, stability and control, and reflects the inward orientation and formalized structure. Rules and regulations, definitions of responsibilities, centralization of decision making and standardization of procedures are typical characteristics of hierarchy culture (Cameron and Freeman, 1991; Deshpande *et. al.*, 1993). Further, *t*-test analysis was used to investigate the statistical significance of the differences between male and female managers. Results reported in Table 3 indicate the mean value of each group and level of significance of each paired comparison.

**Table 3**  
**Comparison of mean factor scores for the Male and Female samples**

	Male N = 194		Female N = 122		t-value (df= 314)
	M	SD	M	SD	
<i>Organizational culture factors</i>					
Clan culture	3.94	0.67	4.07	0.60	-1.59
Adhocracy culture	3.89	0.66	3.90	0.57	-0.22
Market culture	3.96	0.53	3.83	0.58	2.02*
Hierarchical culture	4.08	0.55	4.07	0.59	-0.09
<i>Managerial effectiveness</i>	3.75	0.56	3.75	0.50	-0.02

Notes: \* $p < 0.05$



No significant difference between the two samples was found in clan culture, adhocracy culture and hierarchical culture. However a significant difference between the two samples was observed in market culture, indicating that the female managers lack goal achievement, productivity, task accomplishment, profitability, planning and setting objectives as compared to the male managers.

Surprisingly the results of the *t*-test revealed no significant difference in effectiveness between the male and female managers.

#### 4.6. Regression Analyses

A hierarchical multiple regression analysis was run to assess the prediction of managerial effectiveness on the basis of organizational culture variables, and to investigate whether gender moderates the relationships between these variables. In these analyses, the respondents' age and level of education was entered into the equation as control variables.

Table 4 shows the results of the hierarchical multiple regressions for the prediction of managerial effectiveness. In the first step, the respondents' age and level of education was entered as control variables. In the second step, the organizational culture variables were entered into the equation. A statistically significant increase in  $R^2$  was produced ( $\Delta R^2 = 0.30, p < 0.01$ ). Inspection of this model shows that adhocracy ( $\beta = 0.31, p < 0.01$ ) and hierarchical culture ( $\beta = 0.23, p < 0.01$ ) had a significant and positive effect on managerial effectiveness. In the third model, the dummy variable "Gender" (coded as 1 for male respondents and 0 for female respondents) was entered. The introduction of the dummy variable did not produce any significant

**Table 4**  
**Hierarchical regression analyses: effects of demographic variables and organizational culture on Managerial effectiveness**

Variable	Managerial effectiveness			
	1	2	3	4
Age	0.22**	0.15**	0.15**	0.96
Education	0.10	0.09	0.09	0.24**
Clan culture	–	0.05	0.05	0.06
Adhocracy culture	–	0.31**	0.31**	–0.13
Market culture	–	–0.02	–0.02	0.26*
Hierarchical culture	–	0.23**	0.23**	0.26**
Gender	–	–	–0.00	0.12
Gender X Clan culture	–	–	–	–0.02
Gender X Adhocracy culture	–	–	–	0.50**
Gender X Market culture	–	–	–	–0.25*
Gender X Hierarchical culture	–	–	–	–0.06
Gender X Age	–	–	–0.22	
Gender X Education	–	–	–	–0.38*
$R^2$	0.05**	0.31**	0.31**	0.36**
$\Delta R^2$	–	0.26**	0.00	0.05**

Notes: \* $p < 0.05$  and \*\* $p < 0.01$

increase in  $R^2$ . Finally, in the last step (model 4), interaction terms between gender and organizational culture variables, and gender and other demographic variables were entered into the equation. As a result, a small but statistically significant increase in  $R^2$  was produced ( $\Delta R^2 = 0.05, p < 0.01$ ). A careful examination of the final model (model 4) revealed statistically significant positive effects of hierarchical culture ( $\beta = 0.259, p < 0.05$ ) and market culture ( $\beta = 0.258, p < 0.05$ ) on managerial effectiveness. It can also be observed that education had a statistically significant positive  $\beta$  of 0.24 ( $p < 0.01$ ), indicating that more educated respondents tended to be more effective, after controlling for the effects of other variables in the equation.

The variable, gender, has no significant direct effect on managerial effectiveness. However, statistically significant interaction terms show that gender has significant moderating effects of the influence of market culture and adhocracy culture on managerial effectiveness. The negative  $\beta$  for the gender X market culture interaction term ( $\beta = -0.25$ ) indicates that the effect of market culture on managerial effectiveness is stronger within the female sample as compared to the male sample.

Interaction between the gender and the respondents' qualification were also statistically significant.  $\beta = -0.38$  for the gender X education term indicates that female respondents having higher educational qualification are more effective as compared to the males.

## 5. CONCLUSION

The purpose of the study was to investigate the relationships between demographic variables, organizational culture and managerial effectiveness in banking sector in the Indian context. The results reveal the importance of organizational culture and demographic variables in the banking sector and highlight their impact on managerial effectiveness.

Regarding the effect of demographic variables on managerial effectiveness, it was seen that age and gender jointly were able to predict 5% of the variation in managerial effectiveness. The results of the ANOVA revealed that the interaction effect of age and gender was not significant. Also, it was noteworthy that the main effect of gender on managerial effectiveness was statistically insignificant whereas, the main effect of age on managerial effectiveness was statistically significant. The results of the post hoc test revealed that the older employees were more effective as compared to the younger employees. Thus H1 and H2 are supported, but H3 is rejected. It was an interesting observation that the male and the female managers were equally effective. No significant difference between the two samples was found, as far as the variable managerial effectiveness was concerned. Hence H4 is rejected.

It is normally believed that organizational culture is directly related to performance (Denison, 1990) and that changes to cultural traits will have an immediate effect on the effectiveness and efficiency (Kotter and Heskett, 1992). The conclusions of this study yield a mixed support for this view. Previous researches to measure strength of the relationship between organizational culture and success, suggest that cultures which are strong, are positively linked with company success (Deal and Kennedy, 1982). However the results of the current study indicate that the two forms of culture, i.e. clan culture and market culture did not have a significant effect on effectiveness. Also, it was revealed that the impact of adhocracy and hierarchical culture was statistically significant. Thus, H5 is partially supported. The results in Table IV revealed that the impact of market culture on managerial effectiveness is stronger with the female managers than the male managers. However, the impact of adhocracy culture on managerial effectiveness is stronger with the male managers as compared to the female managers. No significant difference was observed with the impact of

clan culture and hierarchical culture between male and female managers. Hence H6 is partially supported (H6 is supported for the prediction of Market culture and adhocracy culture, but not for clan culture and hierarchical culture). The findings of this study are broadly consistent with a range of earlier studies which suggest that organizations with externally oriented culture are positively linked to performance (Slater and Narver, 1994; Greenley, 1995).

To sum up, this paper has made an attempt to determine the effects of demographic variables and organizational culture on managerial effectiveness and how this might differ between males and females. This paper confirms that organizational culture is an important antecedent of managerial effectiveness. However, the most significant contribution of this paper was the illustration that gender can produce statistically significant moderating effects on the impact of education and certain types of organizational culture on managerial effectiveness.

The results of this study have relevance for both organizational theory and practice. From a theoretical viewpoint, the current study adds to the body of knowledge in the organizational and management literature. First, the study contributes to the literature by integrating organizational culture, demographic variables and managerial effectiveness in a single model. Second, managers need to know the type of culture which exists in their organizations and should try to strengthen their specific characteristics to enhance the role of other organizational dimensions (Rashid *et. al.*, 2003). Third, managers in the banking sector can use these findings to motivate and reinforce managerial effectiveness. In line with Rashid *et. al.*, (2003) if the bureaucratic culture dominates, managers should make an effort to change the culture of the organization, in order to fit the objectives in a better way. Fourth, the findings of the study reinforce the fact that organizational culture is an important driver for superior performance irrespective of the sector. (Gallagher *et. al.*, 2008)

From a practitioner perspective, the insights can be used for developing organizational culture which is in sync with organizational goals. This will ensure managerial effectiveness and ultimately lead to customer satisfaction. Specifically, managers need to understand the dynamic role played by the existing culture in their organization so that they can develop the type of culture that fosters' managerial effectiveness. Therefore, creating a work environment that emphasizes the particular dimensions of innovation, creativity and competitiveness and at the same time, limits the facets of formalization and centralization of decision making, appear to be an important way to enhancing managerial effectiveness.

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