

Cultural Dimensions and Its Influence on Employee Engagement Multinational Organizations: Credit Card Industry

Dr. Priyanka Shrivastava¹, Dr. Dharmendra Mehta²

¹Asst. Professor, Prashanti Institute of Management, Ujjain

²Prof. & Director-FMS, Pt. JNIBMV.U. Ujjain

Abstract

Cultural dimensions are critical factors in the engagement of employees in multinational organizations, which affect the dynamics of interactions in the workplace, motivation, and productivity. Credit Card Industry in India is growing at CAGR of 20% crossing 70 million cards in India. It is enabled by the emergence of technological innovations such as; instant onboarding and issuance, virtual cards, tokenization and personalized rewards offering to the customers. Additionally, post COVID-19, growth of e-commerce platforms helped accelerating the credit card spends and acquisitions. International issues like American Express, HSBC are targeting affluent customers more aggressively and driving the spend growth. Similarly National Cards like HDFC Card, Axis Card etc. already command a significant market share in this industry and keep on launching new cards periodically with lucrative offers and rewards, zero joining fees and 0% intro APR which entices customers to take multiple cards from different issuers. This paper explores how cultural factors such power distance, uncertainty avoidance, and long-term orientation affect the levels of employee engagement in various cultural settings. For the study Credit Companies are; American Express, HSBC and HDFC Card because employees are from diverse geographical locations and backgrounds. Total 180 employees have been selected on various designations as; technology Analyst, portfolio Risk Analyst, Product Manager and Data Science Analyst. The headquarters of these businesses are located in Mumbai, Delhi, and Bangalore. Their answers were requested using Google Forms using a self-made questionnaire. It investigates how employees view leadership, communication, acknowledgment, and organizational commitment in relation to these characteristics. Results Highlighted The necessity of engagement tactics that are culturally sensitive: A diversified strategy is required to accommodate each employee's specific needs in today's varied workforce.

Keywords: Cultural dimensions, leadership, communication, recognition, and organizational commitment, sustainable engagement and competitive advantage.

Introduction

Employee engagement is able to sustain cordial culture in the Multinational Credit Companies where customer interaction with employees exist and even among the employees also there is a interpersonal coordination is necessary for the success of organizations. In diverse cultural profiles, appropriate communication, transparency and values such as uncertainties, power and time are always facilitated.

These factors influence the motivation of employees, their trust in leadership, and their commitment to organizational goals. The importance of knowing and responding to cultural nuances in shaping an engagement-, productivity-, and retention-promoting work environment will be explored by this study to find the extent of the cultural dimensions that might interplay to employee engagement for multinational organizations' strategic adjustment toward an effectively engaged culturally diverse workforce. Hofstede et al. (2010) conducted research that yielded the nation culture dimension scores for uncertainty avoidance, power distance, and temporal orientation. In order to use their data in the current study, permission was obtained. Each dimension has a score between 0 and 100. For definition, for example, a score of 100 on the power distance scale would imply that the country has a high-power distance and operates in a strongly hierarchical manner.

Uncertainty avoidance. Uncertainty avoidance looks into the comfort level of a culture with change, especially in relation to uncertainty and ambiguity (Hofstede, 1983). For instance, are people in a particular culture comfortable with tradition and stability, or are they always changing? High uncertainty avoidance cultures are never tolerant of new ideas or deviant people (Hofstede, 1984). Contrarily, cultures that have a low uncertainty avoidance have employees that are usually more relaxed on the job, more tolerant of breaking established norms, and enjoy innovation (Hofstede, 1984; Hofstede, 1997). In Uncertainty avoidance, employees prefer more ease and comfortable in expression their ideas and participated in the decision taking process. Hence, it is provided that employees have been given clear instructions and transparent policies so that they can have trust in the job and more safe and secure. In this way, they increase their enthusiasm and more actively engaged in the task execution. This increases trust in organizational structures, decreases anxiety, and boosts engagement. On the other hand, low uncertainty avoidance cultures favor the most flexible and innovative environments where flexibility and adaptation are appreciated the most. In light of these cultural preferences, the organization can gear its engagement approach to align the workplace practices to the comfort levels of employees regarding uncertainty, leading to increased motivation and commitment and enhanced productivity.

Power distance. This dimension looks at the extent to which a culture perceives that power, whether that is in the workplace, family structure, etc., should be equal or unequal (Hofstede, 1983). According to Hofstede, the less powerful a person is in a system, the more they are likely to accept unequal distribution of power if in a high power distance culture. Contrarily, those of low status in a low-power distance culture are likely to be unsatisfied with a rigid, hierarchical power system. The underlying core concern within this dimension is how those within a culture deal with established power inequalities among one another (1983). Employees are expected to be treated fairly and given authority to do the task in their own way. In such situations, Leaders of their companies provide training to their employees and promote open communication to utilize their knowledge and skills. In such culture, it perceives the success and goodwill of the organizations and timely employees take strategic decisions in favour of their organizations. As in Credit companies, more trust and more clarity in functioning of work required. It is also noted that if there is a distance in power and procedures, lack of clarity lead to disengagement and Leaders are not retain their employees which may affect the profit of any organization. Hence, focusing on the long term goal is profitable rather than short term goals. According to Hofstede (1991), the cultural element focus on the long term vision and proper plan out the future and only possible through long term plan.

Time orientation. More to the point, this dimension focuses on how a culture views past actions as predictive of current challenges. It would be easy to believe that because of its emphasis on short-term orientation, these people hold fast to tradition and the status quo simply because it's reliable and won't budge. In such companies, employees have been committed to fulfil their long term plan and vision focusing on the planning not on the present. This is because, short term plan has no value in itself, when employee works for the future definitely he or she is able to meet its requirements and are recognized in the organization and liable to achieve rewards, promotions and appreciation. These employees have their career growth and that's why they want to engage in the activities for long term incentives. Personal goals are always aligned with the professional development and this lead to their engagement. In short-term-oriented cultures, it is immediate results, recognition, and short-term benefits that drive engagement. Employees of such settings are likely to desire clear, attainable objectives and frequent feedback or rewards. To balance these orientations, multinational organizations should develop engagement strategies that respect and integrate cultural preferences for time horizons to promote a productive and motivated workforce.

Rationale of the Study

With such a background and rationale, growing cultural dimensions create an increasing aspect of employee engagement in credit card multinational companies operating across different diversified cultural contexts wherein the variations occur in values across individualism, power distance, and uncertainty avoidance, which immediately affect employees in terms of motivating, satisfying them, and contributing to commitment and productivity. A strategic design needs to adapt to these different expectations, as a result. For improving a more inclusive, flexible, and productive workforce in order to offer practical insights in the cutthroat credit card sector, the study challenges the understated cultural factors influencing employee behavior and organizational alignment.

Review of Literature

Bui & Le (2023) mentioned that Employee engagement is not only a temporary attractive topic but gradually becomes the focus of attention of managers and scholars, especially in the travel industry in the face of shocks due to Covid-19. This study, under the guidance of social exchange theory, has proposed a meta-analytic framework examining the relationship between two dimensions of engagement, namely job and organizational engagement, and organizational culture. The results of data analysis from 338 employees of travel agencies in Hanoi, a major tourism center of Vietnam, have enriched the literature on the role of organizational culture in fostering organizational engagement through job engagement by providing perspective from a developing country during the pandemic. The paper also gives recommendations to scholars in the investigation of the promoters of engagement and implications for managers in developing organizational culture to achieve the dual benefits related to job and organizational engagement.

Rai & Maheshwari (2021) studied the relationship between job characteristics and two consequences that is engagement and job satisfaction mediated by the work engagement. The study focuses on freedom, task variety and feedback that affect work engagement so that the turn over may be reduced as they will have no time to think over other issues which in turn lead to job satisfaction. The authors have identified through a critical analysis that work engagement is the most important mediator that increases positive effects of job characteristics on both organizational engagement and job satisfaction. This

research helps organizations understand and improve employee engagement and satisfaction by using job design and work engagement strategies..

Atadil and Green (2021) conducted research about attitudes towards management during periods of cultural changes within organizational contexts . Their investigation looks at whether changes to an organization's culture affect an individual's thoughts, feelings, or behaviors around employees and leadership specifically in hospitality companies. Based on a mixed-methods strategy, the present work identifies central reasons that account for employee attitude about leadership through time-related transformations in cultural variables. Findings suggest that effective communication, congruence of management practices with cultural values, and involvement of employees in the change process are important to encourage positive attitudes. The study is very valuable for managers working with cultural changes as it calls for flexibility and participative leadership in ensuring the employees remain engaged and satisfied throughout the transition in an organization. This study by Cardon, Feng, Ma, and Ma (2021) explores the impact of employee voice, communication formality, on employee engagement at the context level of internal communications in China. The authors take into account two aspects: communication formality might influence employee engagement, and as a result of the new coronavirus, a 'new normal' in communication could have emerged that is different for Chinese organizations. Employee voice, defined as the expression of ideas, suggestions, and concerns, positively affects engagement through communication with the formal sources. The findings discuss how the structure of communication in a workplace is evolving in China, from the traditional hierarchical sources of communication towards more opened and inclusive forms, taking employees to become increasingly involved and engaged. The results provide insight into the ability of multinational organizations to improve their internal communication strategy in culturally diverse environments such as China..

Kwon and Kim (2020) carry out an integrative literature review in which they reexamine the relationship between employee engagement and innovative behavior, in the light of the Job Demands-Resources (JD-R) model. The study aggregates previous research in order to see how job demands and resources can affect employee engagement, which leads to innovative behavior at work. The authors emphasized personal and organizational resources as vital in creating a conducive environment for engagement and creativity. The review of findings from a variety of contexts integrates the mechanisms linking engagement to innovation, where the balance of job demands and resources is shown to be the key to maximizing both employee well-being and organizational outcomes..

A large number of factors, such as socio-economic, demographic, cultural, environmental, and organizational ones, influence expatriates' engagement and commitment. Most of these challenges at the duty station, as observed in the United Nations Mission in Darfur (UNAMID), affect their work. This study mainly attempted to assess the impact of the working environment on foreign job commitment in UNAMID. A mixed-method research approach was used, combining both qualitative and quantitative strategies, with 100 respondents from UNAMID in Northern Sudan. Questionnaires and in-depth interviews were the main tools.

Meng & Berger (2019) investigates the influence of organizational culture and leadership performance on the job satisfaction of public relations practitioners using the joint mediating effects of employee engagement and trust. Based on empirical study, the paper concludes that positive organizational culture and effective leadership result in higher job satisfaction through

engagement and trust with employees. The research sets up a very good point that psychological factors work as intermediaries, it is analyzed that when PR professionals consider their work environment to be supportive and their leaders as competent, their engagement levels go up, thus enhancing their job satisfaction. These implications could provide important knowledge for organizations targeting the increases in employee satisfaction and retention in PR roles.

Research Gap

The study is based on the explored factors related to cultural dimensions for employee engagement. Past studies have been focused on organizational commitment, job satisfaction, retention but the present study is undertaken the Credit Companies where power, uncertainties shape the dynamics of environment of organization. The study offers a clear picture of relationship of cultural components with employee engagement. No study is conducted on Credit Card Industry as far but here the researcher has identified the relationship and also perceived the time orientation in the execution of task.

Objective: To study the significant impact of cultural dimensions on employee engagement in Credit card Industry.

Research Methodology

The study is descriptive in nature and convenient sampling method, 180 employees have been selected and 60 from each Company American Express, HSBC and HDFC Card. Through self-structured questionnaire, the data was collected and analyzed. These employees are on various designations as; technology Analyst, portfolio Risk Analyst, Product Manager and Data Science Analyst. The headquarters of these businesses are located in Mumbai, Delhi, and Bangalore.

Results

H₀(1): There is no significant impact of e cultural dimensions on employee engagement in Credit card Industry.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. Change
1	.619 ^a	.383	.382	2.984	.383	30.7	1	180	.000

a. Predictors: (Constant), cultural dimensions
b. Dependent Variable: employee engagement

The analysis indicates a very strong relationship between the cultural dimensions and employee engagement in credit card companies, which can be proven through the results obtained. With an R value of 0.619, this relationship is seen to be positively correlated, implying that as cultural dimensions improve or are aligned closer to the employees' expectations, the levels of their engagement rise remarkably. Such a positive relationship gives importance to considering cultural aspects when developing strategies for enhancing workplace engagement.

The R Square value of 0.383 indicates that about 38.3% of the variance in employee engagement levels can be explained by cultural dimensions. This means that though cultural dimensions are very influential

in shaping engagement, other factors like organizational policies, leadership styles, job design, and personal motivations also contribute to the engagement levels. Still, the amount explained by cultural dimensions is significant, showing them to be impactful in defining how employees interact with and commit to their working environment.

From these results, the null hypothesis of having no significant relation between cultural dimensions and employee engagement is rejected. The findings obviously indicate that there is a direct and positive association between cultural dimensions and employee engagement in credit card companies. In other words, it underscores the need for organizational considerations to encompass cultural dimensions, especially in multicultural environments.

Thus, the statistical evidence underlines that cultural dimensions do play an important role in influencing employee engagement. Organizations in the credit card industry should exploit this knowledge in terms of developing culture-sensitive policies and practices to relate to the people working in that organization so as to boost productivity, satisfaction, and general performance of the organization.

Table 2: Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error	Beta			Lower Bound	Upper Bound
1	(Constant)	10.33	.669		5.46	.000	9.010	11.650
	cultural dimensions	.590	.026	.619	9.25	.000	.440	.550

a. Dependent Variable: Employee Engagement

The coefficients table presents the results of coefficient of 10.33 with a standard error of 0.669, indicating a highly significant t-value of 5.46 ($p < 0.001$), which suggests that improvements in cultural dimensions significantly enhance the employee engagement.

Conclusion

The study shows that high power-distance cultures, employees rely on clear hierarchical structures and value authoritative leadership, which, when aligned with culturally sensitive management practices, enhances engagement. In low power-distance settings, participatory decision-making and transparent communication are critical for fostering a sense of inclusion and motivation.

Uncertainty avoidance affects the behavior of employees toward organizational policy and change. In a culture with high uncertainty avoidance, employees depend on stability, clear guidelines, and processes that serve to reduce stress and maximize commitment. On the other hand, flexibility and adaptability are inherent for low uncertainty avoidance cultures, where it helps employees to be more effective in dynamic and innovative environments.

The credit card industry, which is very competitive and fast-paced, must consider the cultural dimensions while tailoring the engagement strategies. By aligning organizational practices with the cultural values and preferences of their workforce, companies can enhance employee satisfaction, reduce turnover, and drive productivity, thus ultimately contributing to sustained success in the global market. Organizations

need to implement culturally sensitive tactics that complement the diverse beliefs and expectations of their workforce if they are to maintain engagement. By fostering an inclusive culture that respects and integrates these dimensions, multinational organizations can enhance employee satisfaction, productivity, and overall performance. Cultural factors influence employee motivation, job satisfaction, and organizational commitment, which are all important for productivity and innovation in a competitive market.

Understanding these dimensions helps credit card companies tailor the engagement strategies developed to meet cultural expectations and values. For example, in highly power-distance cultures, clear hierarchy and structured communication would be an important point; in individualistic cultures, personal accomplishments and independence will be the need. Similarly, uncertainty avoidance, by clear policy and effective change management, builds a lot of trust and improves engagement. The study underlines the need for credit card companies to adopt a culturally inclusive approach. This creates a respectful and diversity-friendly environment aligned with organizational goals. The acknowledgment of cultural dimensions through leaders creates an engagement plan that not only provides satisfaction but further helps in maintaining the success of the organization for a long period within the global financial market.

Suggestions

- In optimizing the engagement process, organizations have to: Understand and appreciate their workforce's divergent cultural framework.
- Implement policies on the spectrum of autonomy and collaborative preferences on communications and reward structure.
- Lead as a response in the prevailing team culture Facilitate inclusiveness in every aspect as to enhance employee feeling of belonging to the firm.

A multicultural workforce can be developed by an international organization with engagement strategies adapted to cultural dimensions. This leads to a high level of employee engagement and, most importantly, commitment to organizational goals. Besides boosting employee satisfaction, this practice also fosters innovation, productivity, and ultimately, long-term success in the global marketplace.

Future Research Scope

The rapid rise of remote and hybrid work has introduced unique challenges and opportunities for engagement, requiring deeper understanding of cultural adaptability and digital inclusivity in fostering connection and commitment among employees. In addition, the influence of emerging cultural trends, including hybrid work cultures and digital transformation, on engagement will be essential for adapting to future workplace scenarios. Longitudinal studies would also be able to explain how cultural dimensions affect employee engagement over time, especially during organizational change, such as mergers and acquisitions or technological changes. These studies will help organizations design more inclusive and culturally adaptive engagement strategies, thus enhancing productivity and employee satisfaction.

References

1. Atadil, H. A., & Green, A. J. (2021). An analysis of attitudes towards management during culture shifts. *International Journal of Hospitality Management*, 92,102699.
2. Cardon, P. W., Feng, M., Ma, H., & Ma, Q. (2021). Employee voice, communication formality, and employee engagement: Is there a new normal for internal communication in China? *Business Communication Research and Practice*, 4(2), 82–91

3. Clarisse Blazi, Olawumi D. Awolusi (2020) Employee Engagement in Multinational Diverse Organization in Difficult Terrain: A Study of Non-Family Station Organization. *Information Management and Business Review*. Vol. 12, No. 1, pp. 45-62.
4. Duc Huu Buil and Anh Thi Tu Le (2023) Improving employee engagement through organizational culture in the travel industry: Perspective from a developing country during Covid-19 pandemic. *Cogent Business & Management*. 10 pp. 1-23.
5. Hofstede, G. (1980). Culture's consequences: International differences in work-related values. *Beverly Hills, CA: Sage*.
6. Hofstede, G. (1983). National cultures in four dimensions. *International Studies of Management & Organization*, 13, 46-74.
7. Hofstede, G. (1984). Cultural dimensions in management and planning. *Asia Pacific Journal of Management*, 1, 81-99.
8. <https://doi.org/10.1007/BF01733682>
9. Hofstede, G. (1991). *Cultures and organizations: Software of the mind*. Berkshire, CA: McGraw-Hill. Hofstede, G. (1997). *Cultures and organizations: Software of the mind*. *New York, NY: McGraw-Hill*.
10. Hofstede, G., Hofstede G. J., & Minkov, M. (2010). *Cultures and organizations: Software of the mind*. Revised and expanded 3rd edition. *New York, NY: McGraw-Hill*.
11. Hijry, H. & Haleem, A. (2017). Study the Factors That Influence Employees Performance in the Steel Factory, Proceedings of the 2017 International Conference on Industrial Engineering and Operations Management, *Saudi Arabia: the Tabuk University of Mechanical and Industrial Engineering Department*, 899-916
12. Kang, M. (2014). Understanding Public Engagement: Conceptualizing and Measuring its Influence on Supportive Behavioral Intentions, *Journal of Public Relations Research*, 26(5), 399-416
13. Khodakarami, N., & Dirani, K. (2020). Drivers of employee engagement: Differences by work area and gender. *Industrial and Commercial Training*, 52(1), 81-91
14. Kwon, K., & Kim, T. (2020). An integrative literature review of employee engagement and innovative behavior: Revisiting the JD-R model. *Human Resource Management Review*, 30(2), 100704
15. Latta, G. F. (2020). A complexity analysis of organizational culture, leadership and engagement: Integration, differentiation and fragmentation. *International Journal of Leadership in Education*, 23(3), 274-299
16. Mawritz, M., Dust, S. & Resick, C. (2014). Hostile Climate, Abusive Supervision, and Employee Coping: Does Conscientiousness Matter? *Journal of Applied Psychology*, 99(4), 737-747.
17. Meng, J., & Berger, B. K. (2019). The impact of organizational culture and leadership performance on PR professionals' job satisfaction: Testing the joint mediating effects of engagement and trust. *Public Relations Review*, 45(1), 64-75.
18. Nunes, I., Felix, B. & Prates, L. (2016). Cultural Intelligence, Cross-Cultural Adaptation and Expatriate Performance: A Study with Expatriates Living in Brazil, *Revista de Administração*, 52(3), 219-232.

19. Rai, A., & Maheshwari, S. (2021). Exploring the mediating role of work engagement between the linkages of job characteristics with organizational engagement and job satisfaction. *Management Research Review*, 44(1),133–157.
20. Rashid, H. A., Asad, A. & Ashraf, M. M. (2011). Factors Persuading Employee Engagement and Linkage of EE to Personal and Organizational Performance, *Interdisciplinary Journal of Contemporary Research in Business*, 3(5), 98-108.