

A STUDY ON ORGANIZATIONAL CULTURE AND ITS IMPACT ON EMPLOYEES' BEHAVIOUR

MS. R. ACKSHI. BBA..., MBA.,

School of Management Studies, Satyabama Institute of Science and Technology Chennai, Tamil Nadu,
South India.

Dr. K. SANTHANALAXMI. MBA., Ph.D

Assistant professor, sathyabama Institute of Science and Technology Chennai, Tamil Nadu, South India

ABSTRACT

Organizational culture involves various beliefs and norms within an organization. These have a definite impact on employee performance. This is overall influences their performance level that augments the productivity. The primary objective of this paper is to determine the impact of organizational culture on the employees' performance in the healthcare sector in Thoothukudi. Literature review was used to conduct the study; hence, detail reviews of relevant literatures were made. The findings of this study revealed conclusive evidence in the sense that the reviewed literatures all indicated organizational culture as having very important effect on employee job performance. It was also identified that organizational culture determines the productivity level of organizations. Certain dimension of cultures actually identified to affect employee performance in particular ways in the sense that strong culture of an organization helps in improving level of employee performance more than others. Managers relate organizational culture to employee performance as they help in providing competitive advantage to their firms.

INTRODUCTION

Culture is one of the most prevalent topics that exist within an organisation and this guides the values as well as beliefs of employees within their working premises. Furthermore, this sort of culture also allows the employees to perform better for improving and fulfilling the goals and objectives of an organization. Furthermore, this culture also guides employee behaviour thereby affecting their performance. Employee behaviour is essential that allows employees to perform better within an organisation. This research study will discuss the impact of this organisational culture on employee behaviour as well as their performance rate.

REVIEW OF LITERATURE

❖ **Mohammed and Mohsin (2020)**

The effectiveness of the organizational culture and how the organizational culture helps to achieve management requirements.

❖ **Rashid & Bin Yeop (2020)**

Organizational culture also influences the managerial performance and knowledge management in various organizations.

➤ **Nwakoby, Okoye, & Anugwu (2019)**

A crucial dimension of organizational culture, namely innovative culture exerts a significant and beneficial influence on the employee performance

➤ **Titiev (1959)**

The learning process taken from organized part of possession developed the idea of culture.

➤ **Pettigrew (1979)**

The organizational culture as beliefs, a set of philosophies, attitude, approaches, expectations, anticipation, opinions, standards and values. Organization culture comes from the set of assumptions that employees have achieved during the learning process of managing problems.

➤ **Kenney et.al (1992)**

The performance is indicated to be well, if the assigned task is performed with accordance to standards.

➤ **Schein E (1995)**

The organizations set standards and then the employees' performance is measured accordingly.

➤ **Robbins (2000)**

The study on organizational culture as a system of common meaning apprehended by employees which differentiate one company from another.

➤ **Penrose (1995)**

Core and network are considered two key capable organizational paradigms. She states that companies and researchers need to focus on these factors because they form the conduct or behaviour of markets along with the impact of free-market rivalry. Therefore, companies which can adjust to their core values and can also acquire the network have the bright future in the existing market. From this argument it is obvious that the development of organizational culture founded by core values and given theoretical argument establishes a link between the organizational culture and its components with the performance of this company. Casico (2006)

When an employee puts effort, and consequently achieves organizational objectives at the workplace, this is called performance.

OBJECTIVES OF THE STUDY

This research study has a **primary objective** that has been discussed as follows-

- To study organizational culture and understand its impact on employee behaviour

The **secondary objectives** that this concerned research study has undertaken are as follows-

- To identify the organizational culture and its importance in employee performance.
- To critically assess factors affecting employee behaviour.
- To critically evaluate impact of organizational culture and environment on the behaviour of employees.
- To recommend ways by which organizational culture can be flexible to improve employee relationship.

RESEARCH DESIGN

A research design is an arrangement of condition for collection and analysis of the data in a manner that aims to combine relevance to the research purpose with economy in procedure. The study is descriptive in nature i.e., descriptive research. Descriptive research is concerned with describing the characteristics of a particular individual or group. This includes surveys and fact-finding enquiries of different kinds. The main characteristic of this method is that the researcher has no control over the variables; one can only report what has happened or what is happening. Thus, the research design in case of descriptive study is a comparative design throwing light on all the areas and must be prepared keeping the objectives of the study and the resources available. This study involves collection of data from Junior level Executives.

SOURCE OF DATA

Data collection is the term used to describe a process of preparing and collecting data.

- **Primary data**- Questionnaire given to 150 employees.
- **Secondary data**- websites and online journals.

SAMPLE SIZE

Information has been collected from 150 employees from genesis vellum.

SAMPLING METHOD

Convenience and simple random sampling method: Simple random sampling method is the most common type of probability sampling, which focuses on gaining information from participants (the sample) who are 'convenient' for the researcher to access the data.

STATISTICAL TECHNIQUES TO BE USED

The analysis of the data helps the researcher to reach conclusion and findings of the study. Appropriate statistical techniques will be used in the study to analyse data. However, the researcher proposes following statistical techniques for data analysis.

(i) Simple Percentage

(ii) Chi Square

For this research study, above mentioned statistical techniques will be used to identify competencies and measure its impact on employee's behaviour.

(i) SIMPLE PERCENTAGE

One of the simplest methods of analysis is the percentage method. It is one of the traditional statistical tools. Through the use of percentage, the data are reduced in the standard form with base equal to 100, which facilitates comparison.

$$\text{Percentage of the Respondents} = \frac{\text{No. of Respondents}}{\text{Total No. of Respondents}} \times 100$$

(ii) CHI-SQUARE TEST

The chi-square test is defined for the hypothesis:

H0: There is no significant in two variables. H1: There is significant in two variables.

There may be situation in which it is not possible to make any rigid assumption about distribution of the population from which samples being drawn. This limitation has led to the development of group of alternative techniques known as non-parametric tests. chi-square describes the magnitude of the discrepancy between theory and observation. It is a measure to study the divergence of actual and expected frequencies. The Greek letter "Chi" describes the discrepancy represent by the symbol theory and observation. The formula used is,

$$\chi^2 = \frac{\sum(O - E)^2}{E}$$

Where "O" is the observed Frequency "E" is the expected Frequency.

PERCENTAGE ANALYSIS OF THE DATA

TABLE NO 4.1.1 AGE WISE CLASSIFICATION OF THE RESPONDENTS

Age	No. Of Respondents	Percentage
18 -24 years	81	54%
24-32 years	36	24%
32-45 years	32	21%
45 and above	1	1%
Total	150	100%

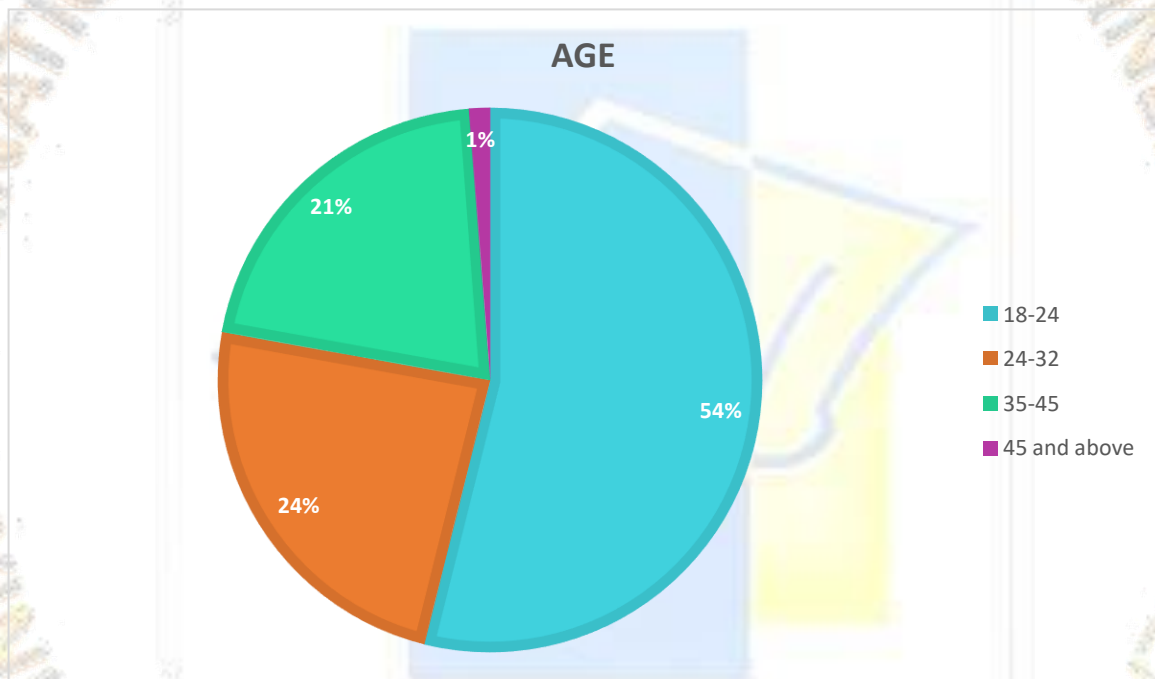


CHART4.1.1 Age of respondent

INTREPRETATION

It is founded that the 54% of the respondents fall under the age category of 18-24 years, 24% of the respondents fall under the age category of 24-32 years, 21% of the respondents fall under the age category of 32-45 years, 1% of the respondents fall under the age of 45 and above.

INFERENCE

Majority (54%) of respondents are from the experience category of 18-24 years.

TABLE 4.1.2 GENDER WISE CLASSIFICATION OF THE PERCENTAGE

Gender	No. Of. Respondents	Percentage
Male	72	48%
Female	78	52%
Total	150	100%

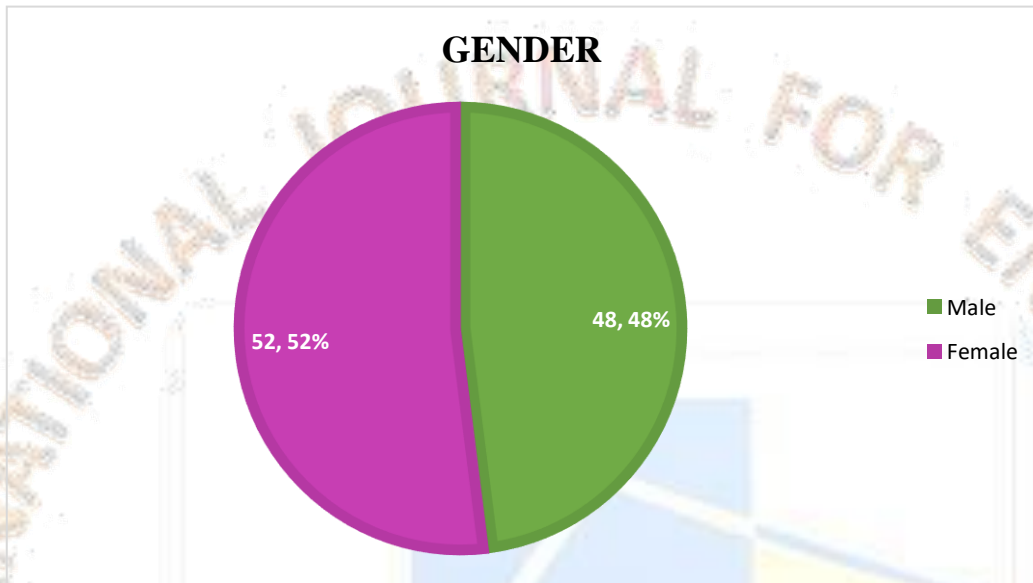


CHART 4.1.2 Gender of the respondents.

INTERPRETATION

From the above table it is interpreted that the male respondents are 48% and the female respondents are 54%.

INFERENCE

Majority (54%) of respondents are Female.

TABLE 4.1.3 YEARS OF EXPERINCE

Years Of Experience	No. Of. Respondents	Percentage
0-2 years	71	47%
2-5 years	31	21%
5-10 years	18	12%
10 and above	30	20%
Total	150	100%

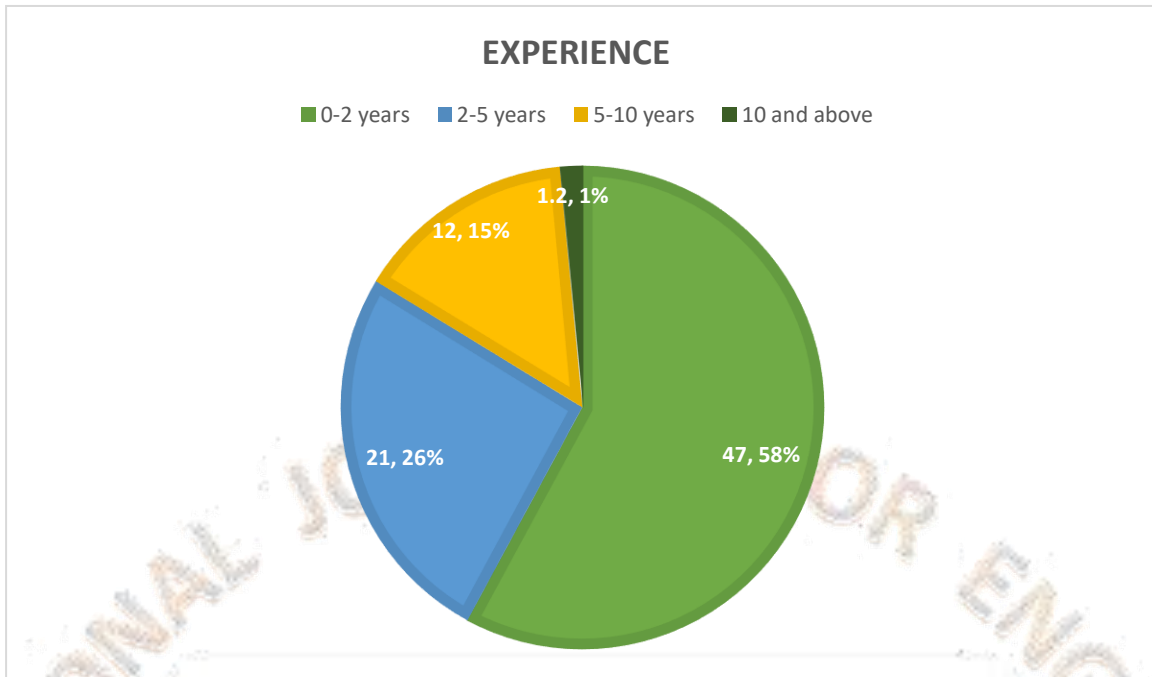


CHART 4.1.3 Years of experience

INTERPRETATION

It is founded that the 47% of the respondents fall under the experience category of 0-2 years, 21% of the respondents fall under the experience category of 2-5 years, 12% of the respondents fall under the experience category of 5-10 years, 1.2% of the respondents fall under the experience category of 10 and above years.

INFERENCE

Majority (47%) of respondents are from the experience category of 0-2 years.

TABLE 4.1.4 CLASSIFICATION BASED ON THE PROCEDURE IN OUR ORGANIZATION

We follow our own procedure in our organization	No. of. Respondents	Percentage
Strongly Agree	57	38%
Agree	66	44%
Neutral	17	11%
Disagree	10	8%
Strongly Disagree	0	0%
Total	150	100%

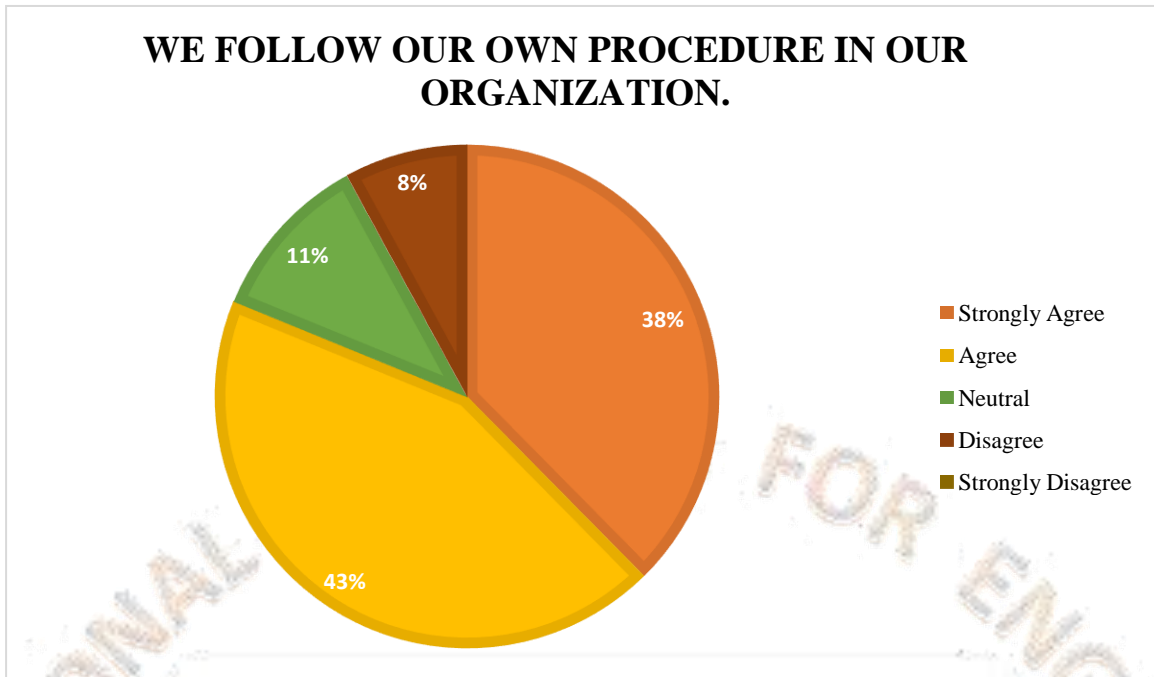


CHART 4.1.4 Our own procedure in our organization

INTERPREATION.

From the above table it is clear that 38% of the respondents have strongly agreed about following our own procedure in our organization, followed by 43% of the respondents who agreed, 11% of the respondents are neutral, and 8% of the respondents disagreed.

INFERENCE

Majority (43%) of the respondents have agreed.

TABLE 4.1.5 CLASSIFICATION BASED ON THE OUR ORGANIZATION’S HIERARCHICAL STRUCTURE

Our organization has a hierarchical structure.	No. of. Respondents	Percentage
Strongly Agree	47	31%
Agree	61	41%
Neutral	32	21%
Disagree	10	7%
Strongly Disagree	0	0%
Total	150	100%

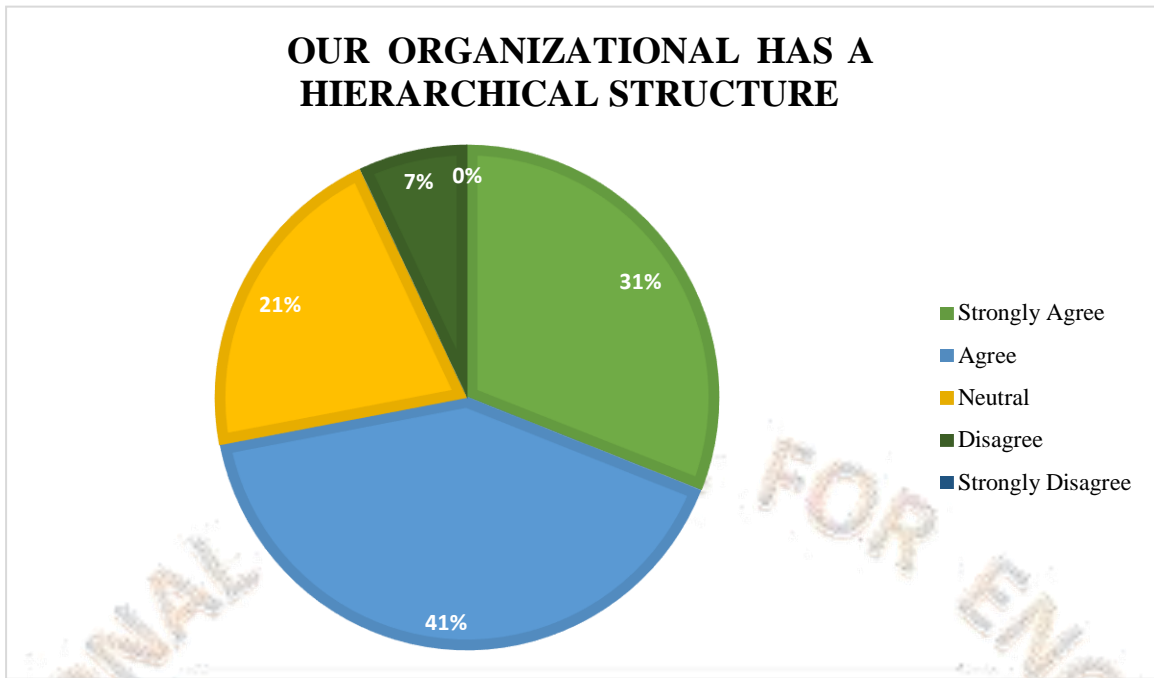


CHART 4.1.5 Our organizational has a hierarchical structure

INTERPREATION

From the above table it is clear that 31% of the respondents strongly agree that our organizational has a hierarchical structure, 41% of the respondents agree, 21% of the respondents neutral and 7% of them neutral.

INFERENCE

Majority (41%) of the respondents have agreed.

TABLE 4.1.6 CLASSIFICATION BASED ON POLICES, WAYS AND METHODS

Our organization have police, ways and methods.	No. of. Respondents	Percentage
Strongly Agree	78	52%
Agree	21	14%
Neutral	51	34%
Disagree	0	0%
Strongly Disagree	0	0%
Total	150	100%

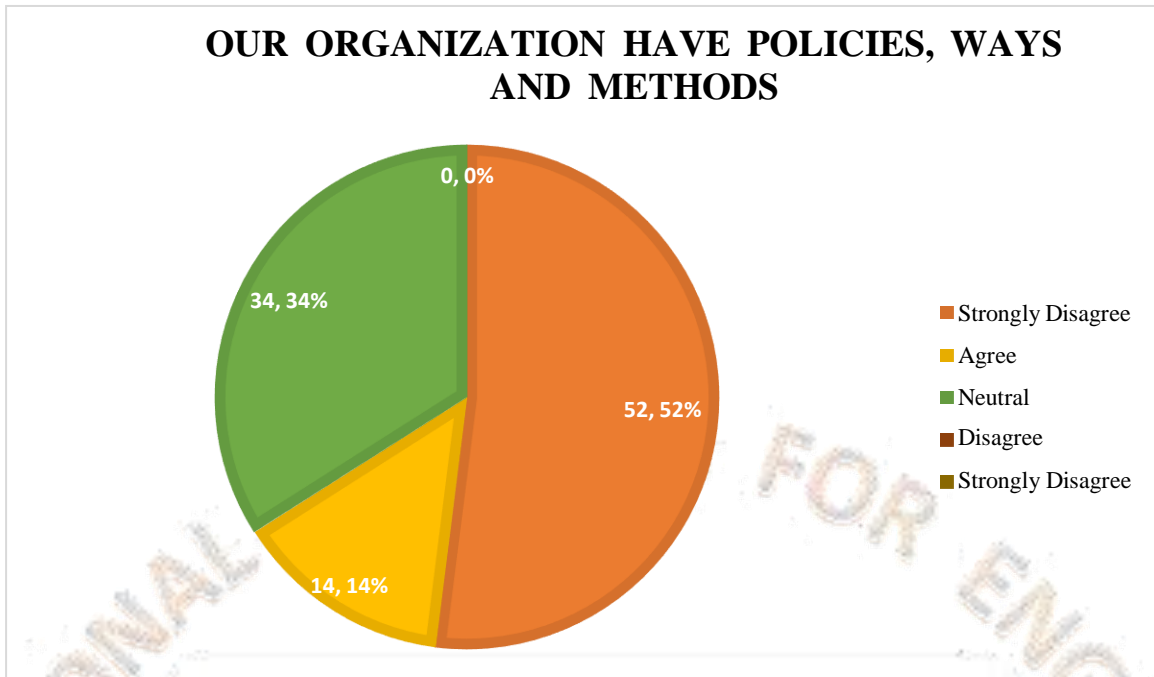


CHART 4.1.6 Our organization have polices

INTERPREATION

From the above table it is clear that 52% of the respondents are strongly agree that their organization have polices ways and methods, 14% of the respondents are agreed, 34% of the respondents are neutral.

INFERENCE

Majority (52%) of the respondents have Strongly agreed.

TABLE 4.1.7 CLASSIFICATION BASED ON EQUALLITY

Our employees are treated equally	No. of. Respondents	Percentage
Strongly Agree	40	27%
Agree	65	43%
Neutral	35	23%
Disagree	9	6%
Strongly Disagree	0	0%
Total	150	100%

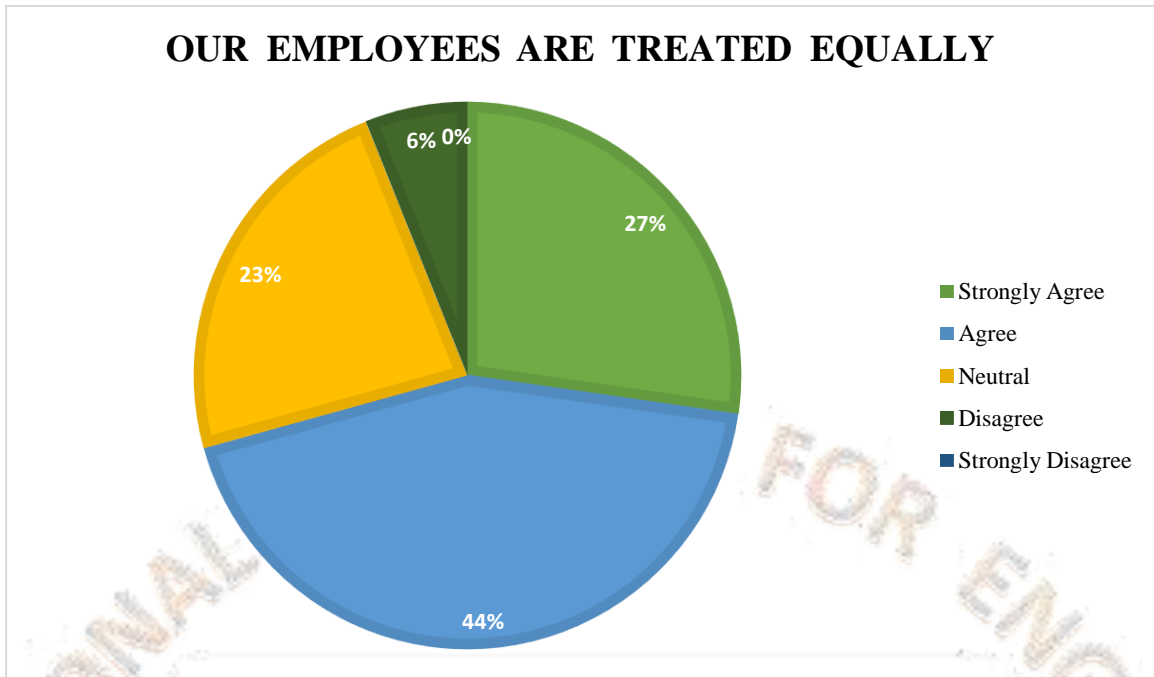


CHART 4.1.7 Our employees treated equally in our organization

INTERPRETATION

From the above table it is clear that 6% of the respondents have strongly agreed about following employees are treated equally in our organization, followed by 44% of the respondents who agreed, 23% of the respondents are neutral, and 6% of the respondents disagreed.

INFERENCE

Majority (44%) of the respondents have agreed.

TABLE 4.1.8 CLASSIFICATION BASED ON OUR ORGANIZATIONS’ CREATIVITY.

Our organization is creative	No. of. Respondents	Percentage
Strongly Agree	57	38%
Agree	39	26%
Neutral	43	29%
Disagree	11	7%
Strongly Disagree	0	0%
Total	150	100%

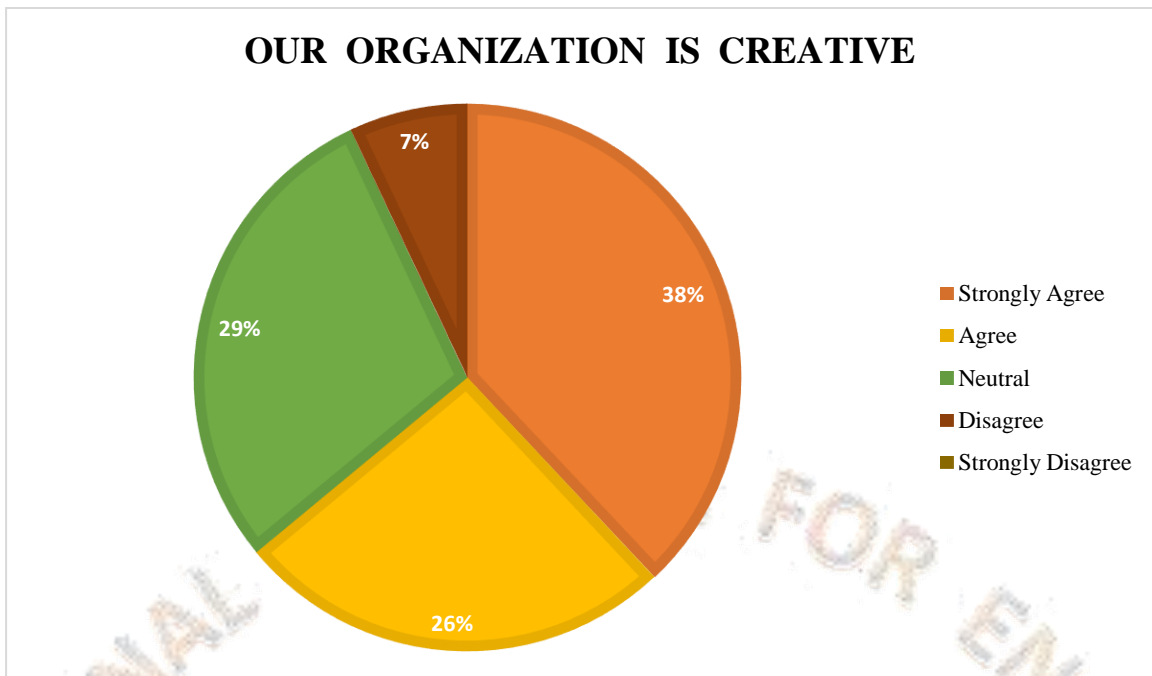


CHART 4.1.8 Our organization is creativity

INTERPRETATION

From the above table it is clear that 38% of the respondents have strongly agreed about following our organization is creative, followed by 26% of the respondents who agreed, 29% of the respondents are neutral, and 7% of the respondents disagreed.

INFERENCE

Majority (38%) of the respondents have strongly agreed.

CHI-SQUARE ANALYSIS

➤ **NULL HYPOTHESIS (H0):**

There is no significant relationship between gender and our employees treated equally.

➤ **ALTERNATE HYPOTHESIS (H1):**

There is a significant relationship between gender and our employees treated equally.

4.2.1 CROSSTABULATION OF GENDER AND EMPLOYEES TREATED EQUALLY

Gender * Our organization’s safe in every respect Crosstabulation						
Expected Count						
		Our organization’s safe in every respect				Total
		Agree	Disagree	Neutral	Strongly Agree	
Gender	Female	30.0	4.7	34.2	10.0	79.0
	Male	27.0	4.3	30.8	9.0	71.0
Total		57.0	9.0	65.0	19.0	150.0

CHI-SQUARE TEST

Chi-Square Tests			
	Value	Df	Asymptotic Significance (2-sided)
Pearson Chi-Square	1.848 ^a	3	.605
Likelihood Ratio	1.849	3	.604
N of Valid Cases	150		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 4.26.

INFERENCE

Since p value is (0.605) is higher than 0.05 we accept the null hypothesis and reject alternate hypothesis. Therefore; There is no significant difference between gender of the respondent and employees treated in equally in our organization.

FINDING OF THE STUDY DEMOGRAPHIC FINDINGS

- Majority (54%) of the respondents are from the age category of 18 – 24 years.
- Majority (54%) of respondents are Female.
- Majority (47.3%) of respondents are from the experience category of 0-2 years.

ANALYTICAL FINDINGS

- Majority (43.6%) of the respondents agree that the organization followed our own procedure.
- Majority (40.6%) of the respondents agree that has a hierarchical structure in our organization.
- Majority (52%) of the respondents strongly agree that the policies, ways and methods in our organization.
- Majority (28.6%) of the respondents agree that our employees are treated equally in our organization.
- Majority (38%) of the respondents agree that our organization is creative.

CONCLUSION

This study tried to look at the impact of organizational culture on employee job performance using review of literature. The study was able to find out that organizational culture is very important in every organization and that it has positive impact on employee job

performance. The study further showed that there is a positive relationship between organizational culture and employee job performance. It can be concluded from the study that organizational culture helps in internalizing joint relationship that leads to manage effective organization processes that contribute to success. The culture of organization helps in improving performance. Literatures suggest that small business units and companies' performance which is the result of employee performance is positively related with organizational culture. Based on the literature the researcher further concludes that organizational culture has a direct impact on performance. It was also concluded that the job performance of employees is the result of strong impact of strong organizational culture as it leads to enhance productivity. The norms and values of organization based

upon different cultures influence on work. force management to expend effort to create common path for employees in order to make perfect use of resources in an organization. In this manner, organizational culture is helpful in improving and providing competitive edge as the nature and power of organizational culture influence upon sustainability and effectiveness of organization. A strong organizational culture is the set of values and beliefs that are strongly adhered to and shared widely within the organizational goals, but such a culture requires organizations to do more culture specific investments, and such a culture is unlikely to change. The strength of the organizational culture is determined by the level of shared meaning of principles, norms and values; and the more universal the meaning is shared among the organization's members, the stronger the culture. Therefore, managers should take serious actions to instil and spread its norms and values to its employees in manner employees' goals are aligned to the organization's goals in order to develop successful cultures as was suggested by Karlsen (2011). This study concentrated on the impacts of organizational culture on employee performance. The limitation of this research is the use of secondary data alone. The research result would help policy makers, business and non-business institutions in giving due emphasis to organizational cultures in order to improve their employee performance.

REFERENCE

- Afshan Sultana, Sobia Irum, kamran Ahmed and Nasir Mahmood (2012). "Impact of Training on Employee Performance: A Study of Telecommunication Sector in Pakistan", *Interdisciplinary Journal of Contemporary Research in Business*, vol 4, no 6, pp. 646-661.
- Abu-Jarad, I.Y., Yusof, N.A. and Nikbin, D. (2010), A review paper on organizational culture and organizational performance. *International Journal of Business and Social Science*, 1(3): 26-46.
- Mohammedhussen 42 Adewunmi O., I. Omotuyole I., A., and John O.A(2011). Job satisfaction and turnover among workers of small scale angro allied firms in Southwest Nigeria. *Asian Journal of Business and Management Sciences*, 1 (4), 54- 62.
- Adkins, B. and Caldwell, D. (2004). "Firm or subgroup culture: Where does fitting in matter most?" *Journal of Organizational Behaviour*, 25(8) pp. 969–978
- Ahmad, M.S. (2012), Impact of organizational culture on performance management practices. *Business Intelligence Journal*, 5(1): 50-55.
- Ahmed, M., Shafi q, S. (2014), The impact of organizational culture on organizational performance: A case study of telecom sector. *Global Journal of Management and Business Research: Administration and Management*, 4(3): 21-29.
- Al-Qutob, M.A.Y. and Harrim, H. (2014), Spiritual organization: A path to organizational sustainable excellence. *International Business Research*, 7(8): 168-178.
- Aluko, M. A. (2013). *The Impact of Culture on Organizational Performance*, Delhi: Prentice Hall of India private Limited.
- Armstrong, Michael. (2010). *A Handbook of Performance Management* 4th edition. New Delhi: Kogan Page.
- Lunenburg, F. C. (2011). Organizational Culture Performance Relationships: Views of proposing and testing a model. *Organization science*, 4(2), 209-225.