

STRONGER THE ORGANIZATIONAL CULTURE, HIGHER WILL BE THE EMPLOYEE PERFORMANCE

Dr. Surabhi Sharma*
Manish Kumar Sharma**

ABSTRACT

A strong culture has been defined as “a set of norms and values that are widely shared and strongly held throughout the organization”. Researchers have shown that organizational culture has a considerable influence on employee’s performance. So, the study of relationship between these two variables in context of organizational success has become essential. For the purpose of this study, data is collected from 110 employees of Kores India Pvt. Ltd., Jaipur. Random sampling technique was chosen for study. The instruments used in the study were ‘Organizational Culture Questionnaire’ and ‘Employee Job Performance’ Questionnaire was administered to 110 respondents. The results revealed that there was a significant positive relationship between the two variables ($r = 0.78, p < .01$). So, stronger the organizational culture, higher will be the level of performance of employee.

Keywords: *Organizational Culture, Job Performance, Values and Beliefs, Pearson Correlation.*

Introduction

Research Methodology

- **Objectives**

- To identify the range of organization culture and level of employee performance.
- To determine the relation between organization culture and employee performance.

- **Data collection procedure**

For this study primary data was collected from 110 employees. Questionnaires were distributed in the form of Google form of both the tools used in the study. All the respondents were asked to return the Google form within 4 days of distribution. Data has been analyzed by using SPSS 20.

- **Sample Size:** 110 respondents.

- **Sampling Technique:** In this study, survey research design is adopted. In the present study random sampling technique has been employed for sampling. Finally 110 respondents were taken as sample for the study. The participants were thanked for their co-operation.

- **Hypotheses**

H₀₁: There is no significant relation between the organization culture and level of employee performance.

- **Tools Used:** In this study two instruments are used to determine the correlation between organizational culture and employee performance.

* Assistant Professor, Department of Business Administration, Kanoria P.G. Mahila Mahavidyalaya, Jaipur, Rajasthan, India.

** Head of Department, Department of Business Administration, Agrawal P.G. College, Jaipur, Rajasthan, India.

- **Measurement of Performance:** The questionnaire titled “Employee Job Performance” was used developed by Dr. Kaila. 34 items were used to assess the level of performance of employee on five point likert scale. Respondents were simply asked to indicate their feelings with the above items on a scale ranging from “strongly agree” to “strongly disagree”. If the subjects score is lies between 34-90 then high on performance and if between 91-170 then low on performance.
- **Measurement of Organizational Culture:** The questionnaire titled ‘organizational culture questionnaire’ developed by Dr.G. Revathi was used for the present study. 25 items were taken to assess the organizational culture on five point likert scale. Respondents were simply asked to indicate their feeling with the 25 items on a scale ranging from “strongly disagree to strongly agree”. The score range lies between 25-70 then organization is said to possess “weak culture” and if between 71 -125 then organization is said to possess “strong culture”.
- **Statistical Technique Used for Analysis:** The statistical technique used for the study is **correlation**. This method has been used where there is an attempt to search the relationship between two variables or to find out the extent to which two variables are related to each other.

Limitations

- The reluctance of respondents to fill the questionnaire was felt the major difficulty. As 120 questionnaires were distributed and only 115 filled questionnaires were received. Among them 5 questionnaires didn’t furnish the required information, so they were rejected and rest 110 questionnaires were considered for the study.
- The study is limited to employees working in Kores India Pvt. Ltd. Jaipur branches only.
- The study is confined to Jaipur city only because of limited resources.

Analysis of Data

To measure organizational culture of the company questionnaire titled ‘organizational culture questionnaire’ was administered to a sample of 110 employees and to measure performance a questionnaire titled “Employee Job Performance “was also administered to the same sample. After that the correlation was calculated using the Pearson’s Correlation Coefficient.

- **Analyzing the Range of Organizational Culture and Employee Performance**

Initially respondents were provided with the ‘Organization Culture’ questionnaire, for which out of 110, the percentage of employees showing stronger and weak culture was also calculated. The following range was used to interpret scores:

- 25-70 weak culture
- 71-125 strong culture.

Table 1

Organizational Culture Questionnaire		
Score range	Percentage of sample (100%)	N (110)
25-70(weak)	11	12
71-125(strong)	89	98

The above given table clearly depicts that only 11% of their employees reported weak culture while 89 % of their employees reported strong culture (refer table 1).

After this employees were given ‘employee performance questionnaire’ again for which out of the 110 the percentage of employees showing high and low level of performance was calculated.

The questionnaire consists of ranges which can be interpreted as follows:

- 34-90 - high performance
- 91-170 - low performance.

Table 2

Employee Performance Questionnaire		
Score range	Percentage of Sample (100%)	N (110)
34-90(high)	82	90
91-170(low)	18	20

In the above table 2, it is clearly visible that most of the employee's lies between the range of (34-90) high performance and very few lies between the range of (91-170) low performance. Therefore, 82% respondents showed high performance whereas only 18 % showed low performance.

- **Analyzing Relationship of Organizational Culture and Employee Job Performance**

Now evaluation of the relation between organizational culture and employee job performance is applied. Two continuous variables are needed for this, which are: organizational culture and employee job performance

Table 2 Pearson Correlation Product Moment between organizational culture and level employee job performance Table 3

(N=110)

Two variables	r
organizational culture employee job performance	0.7825

** . Correlation is significant at the 0.01 level

In H_{01} , it was predicted that there is no significant relation between organizational culture and employee job performance. This hypothesis was also tested by correlation. The above table 3 clearly shows that there was a **strong significant positive relationship** between the two variables taken for the study viz. organizational culture and employee performance resulting the value of $r=+.78$. On the basis of this analysis we **REJECT** the null hypothesis and accept that organizational culture and employee performance have mutually reciprocating relationship. Therefore, if one increases the other will also increase. The findings of this study are supported by Gordon et.al and Kaila stating that the stronger the organizational culture the better will be the employee performance.

Results and Findings

The findings of the research study revealed that there is a positive relationship between organizational culture and employee performance. Based on data analysis the findings in this study are as follows:

- On the scale of organizational culture most of the employees responded between the range of (71-125) and some responded between the ranges of (25-70). Therefore, 89 % of the employee reported strong culture and 11% reported weak culture.
- A large number of employees lies between the range of 34-90 and very few lies between the range of 91- 170. Therefore, 82% showed high performance level and only 18% showed low performance level on performance scale.
- This study reveals that there is strong, significant positive relationship between organizational culture and employee performance. Correlation coefficient (r) for the 2 variables which are organizational culture and employee performance is $+.78$.

Conclusion

Two standardized questionnaire were taken as a tool for the study, both of them were likert scale questionnaires. The objectives of the study were supported by the data collected and earlier researches, a positive correlation was found between the two variables. Revealing of this study stated that companies that know the process and techniques of developing their strong organizational culture in an effective way will most probably have the benefit of advancements in employee performance and their quality of work life as well as work life balance.

Recommendations

Since the organization is found to have strong culture, and since most of the respondents have positive feeling about it, the management should take care to maintain the current way of working. This type of culture enriches one 'efficiency and productivity leading to organizational growth and success with congenial work environment. From the lowest level to the highest level, strong culture paves the ways for development and it helps everyone to enjoy work with integrity. On the basis of responses following recommendations are formed:

- Workforce must soak up the organizational culture at the maximum strength.
- Since respondents have given fair rating to training programmes held in the company, the focus on training should continue.

- An employee should be provided an environment wherein he can manifest himself at first with the organizational culture to know whether he can adopt it or not because workforce diversity nowadays has increased and very common.

References

- ✧ Akhar Shahzad, 2012, Impact of Organizational Culture on Organizational Performance: An Overview, Interdisciplinary Journal of Contemporary Research in Business, Vol 3, no.9.
- ✧ Black, R. (2003). Organizational Culture: Creating the Influence Needed for Strategic Success. London UK: Pearson publishers.
- ✧ Cascio, W. (2006). Managing Human resources: productivity, quality of life, profits. London: McGraw Hill publishers.
- ✧ Dasanayake, S. W. S. B and Mahakalanda, I. (2008). A Literature Survey on Organizational Culture and Innovation. Global Business and Management Research, Boca Raton, Florida.
- ✧ Durgadevi, R & Shanmugam, Vasantha. (2017). Organisational Culture and its Impact on Employee Performance (A Study with Reference to IT Sector Chennai). Indian Journal of Public Health Research & Development. 8. 315. 10.5958/0976-5506.2017.00133.4.
- ✧ Schein, E. (2004). Organizational culture and Leadership, 3rd (ed.). San Francisco: Wiley Imprint.
- ✧ Shu-mei, T. (2009 July).The correlation between organizational culture and knowledge conversion on corporate performance. 14(2) 269-284. Retrieved November, 2010, from <http://www.emeraldinsight.com>.

