

A STUDY ON THE EFFECT OF ORGANISATIONAL CULTURE ON EMPLOYEE PERFORMANCE

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ABSTRACT: This study is to examine the impact of organisational culture on employee performance. It also aims at the determining of employee performance on the basis of the type of organisational culture. It is very much essential in order to improve the organisational culture have the right impact on employees. The results of the study indicate the organisational culture mainly impacts motivation, promotes individual learning, affects communication, improves organisational values and solving conflicts.

KEYWORDS: Organisational culture, organisational behaviour, employee performance.

DEFINITION OF ORGANISATIONAL CULTURE :

It is defined as the way in which the organisation members relate to each other, their work and the outside world in comparison to other organisations.

CONCEPTUAL DEFINITIONS :

According to Geertetal ,”It is the collective programming of the mind that distinguishes the members of one group or category of people from others.”

Kotter and Heskett noted that culture is ,” A set of beliefs, values and behaviours commonly held by a society, being derived from social anthropology as a framework for understanding primitive societies. Finally, Deal and Kennedy defined culture in short as “The way we do things around here .”

OBJECTIVES OF THE STUDY:

- To study the employee performance with respect to the organisational culture.
- To explore how organisational culture influences the employee performance .
- To formulate recommendations regarding organisational culture which will help in tackling the human resource related issues in the organisation.

ORGANISATIONAL CULTURE AND ITS DIMENSIONS:

1. MEANS ORIENTED VS GOAL ORIENTED

In means oriented culture , the key feature is the way in which the work has to be carried out , people identify with the “How”.

In goal oriented culture , employees are primarily out to achieve specific internal goals or results , even if this involve substantial risks , people identify with the “What”.

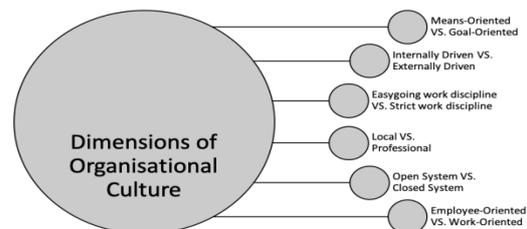
2. INTERNALLY DRIVEN VS EXTERNALLY DRIVEN:

In internally driven culture, employees perceive the task towards the outside world as given , based on the idea that business ethics and honesty matters most and that they know best what is good for the customer and the world at large .In externally driven culture ,the only emphasis is on meeting the customers requirements ; results are most important and a pragmatic rather than an ethical attitude prevails .

3. EASY GOING WORK DISCIPLINE VS STRICT WORK DISCIPLINE:

A easy going culture reveals a fluid internal culture , a lack of predictability and little control and discipline ; there is a lot of improvisation and surprises. A strict work discipline reveals the reverse. People are very cost conscious , punctual and serious.

4. LOCAL VS PROFESSIONAL: In a local company , employees identify with the boss and /or the unit in which one works .In a professional organisation, the identity of an employee is



determined by his profession and /or the content of the job.

5. OPEN SYSTEM VS CLOSED SYSTEM :

In open culture , new comers are made immediately welcome , one is open both to insiders and outsiders , and it is believed that almost anyone would fit in the organisation.

In closed culture , it is reverse.

6. EMPLOYEE ORIENTED VS WORK ORIENTED:

In employee oriented organisations, members of staff feel that personal problems are taken into account and that the organisation takes responsibility for the welfare of its employees , even if this is at the expense of the work .

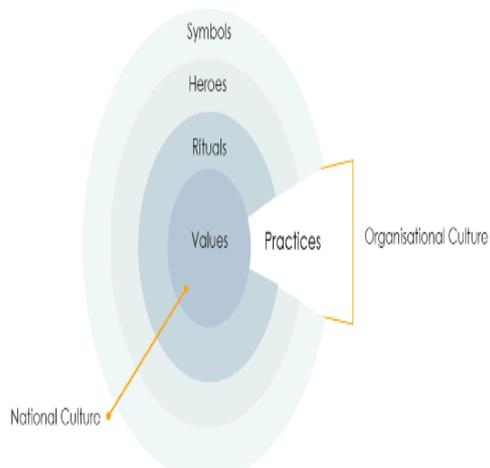
In work oriented organisations , there is heavy pressure to perform the task even if this is at the expense of work .

LEVELS OF ORGANISATIONAL CULTURE :

- Symbols :It is the most superficial level which includes words , pictures, architecture , service models or other objects .
- Heroes: These are persons who carry characteristics that are highly recognised , immortal and they can serve as models for showing the correct values .
- Rituals: It includes social behaviour, discourse and the way language is used. These are the collective activities that are used to express kinds of emotions such as respect and it is considered as socially essential .
- Values: These mainly refer to fundamental beliefs , ethics and spirits of an organisation .

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The different levels of culture



EMPLOYEE PERFORMANCE :

Employee performance refers to the ability of employees to achieve organisational goals more

efficiently and effectively . It involves all the aspects which directly or indirectly effect and relate to the work of the employees .It can be seen as an aggregate value to an organisation's set of behaviours that employees contribute to the organisational goals.

Grinzberg et al has used the term employee performance to refer to an employee response to demands that are made on him by the employer or organisation which he is part of .

EFFECT OF ORGANISATIONAL CULTURE ON EMPLOYEE PERFORMANCE:

The type of organisational culture created in an organisation determines the impact it can have on employee performance . It can have an either negative or positive impact. This is so because employees align their goals and objectives with those of the organisation and feel responsible for overall well being of the organisation .

As their efforts are in turn appreciated and suitable rewards are given ,they perform effectively and efficiently . In such organisational culture, employees are committed to achieve the goals of the organisation .Therefore , it is in the interest of the organisations to eliminate negative factors that slow down employee performance in order to foster a positive work place environment or a positive organisational culture.

FINDINGS:

The case study found that organisational culture shows significant impact on employees performance .However , we get to know that every employee performance will not be affected by organisational culture. But some part of employees has a strong correlation with it.The three levels of organisational has unique impact on every individual performance in the organisation. Thedimensions of organisational culture promotes individual learning, communication, and improves organisational values; group decision making and conflict solving.

SUGGESTIONS:

Thestudies about the organisational culture which show effect on employees performance could be further investigated. Therefore further studies could pay much attention on the aspects that influence the cultures of the organisation.

CONCLUSION:

The issue of organisational culture cannot be over emphasised in every organisation . It has been observed that organisational culture is important in

any organisational culture ; this is so because it is powerful and helps the organisation to achieve higher productivity .

Even in advanced countries , organisational culture cannot be over looked because it plays a significant role in the organisation . It determines kind of working environment and how employees interact and all these affects performance .

It is therefore important that every organisation should develop a culture that will be well understood by it's employees .

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