

A Study of Organizational Culture and Organizational Performance

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I INTRODUCTION

Culture has been defined in many different ways and by many different theorists. For instance, according to Geert et al (2010) It is a way to differentiate one group of people with the other Kotter and Heskett (1992) pointed out in their study that it is something that develops and evolves continuously and this can be assessed through various scientific studies conducted on human behavior over a period of time. It involves the beliefs, value systems and behaviors in practice in a society. Moreover, Deal and Kennedy (1982) also tried to define culture in short as the ways and means in which people conduct themselves in the society. In fact whenever there are a set of a few people, there emerges certain internal culture which is quite complex and also unique at the same time. This culture leads to augment the cohesiveness among the members and develop bond amongst them so that they work well in a team. Definitely, this culture is developed and nurtured through leadership, organizational history and workforce. Culture in general and Organizational cultures in specific are complex in nature. Organizational cultures have a strong impact during the evolution of any organization. A right culture improves the cohesion among employees and also enhances the creativity within the employee. This in a long run improves the economic efficiency of any organization. Hence it is imperative to understand how organizational culture affects the employee's behaviors.

A good organizational culture improves the efficiency of the people working in the organization by giving each other the right direction and a sense of duty, accountability and responsibility towards each other and brings out development of an enterprise where its employees are motivated and lead towards improved work performance and thereby to work towards the strategic goals of the company. This positive environment in the workplace then becomes the culture in the organization and such organizations reap benefits of the same.

II LITERATURE REVIEW

Important issues or factors as brought out by various authors and researchers on the topic which have helped are discussed as follows:-

- (a) Stewart (2007) in his paper talked about how it is extremely important to access and assesses the beliefs and attitudes the employees of the organization and how this has to be matched with the profitability goals of the organization. It

is this which according to the authors generally defines the work culture of any organization.

- (b) Gallagher and Brown (2007) stated that. A company's culture goes a long way in deciding what and how a company handles its operations. How it treats and respects its clients, personnel and the stockholders.
- (c) Porter (2008) and Gallagher and Brown (2007), Kotter et.al., (1992) emphasized on the fact that by adopting positive cultural practices the net income of the organizations grew 75% during the period of 1977 to 1988.
- (d) Nash (2008) Brought out that it is the profitability of any organization that decides whether the organization is doing things in the right manner or not and it is this profitability which measures the organizational success. Thus he talked about culture in terms of profitability that measures the success.
- (e) Doyle in his research article in (2009) also opined that lucrativeness in terms of productivity and profitability is the most common measure or indicator of performance, particularly among companies of the western world. Profit margin, return on assets, return on equity, and return on sales are considered to be the common measures of financial profitability.
- (f) Geert, et al., (2010); was of the opinion that the values and norms adopted by the employees actually lead to an effective culture within an organization and this is the actual factor which thereby brings success to its organization.
- (g) Hofstede in his article in 2010 presented an onion model to understand the notion of organizational culture. The model primarily talked about importance of symbols, heroes, rituals and values that formulate belief and value system among the people of an organization thereby leading to formulation of organizational culture.
- (h) Rosenbusch et al., (2010) stated that when firms apply resources to innovative processes and are not able to generate innovative offerings to its customers then the resources go waste and eventually the performance suffers.

III OBJECTIVES AND METHODOLOGY

(a) Objectives

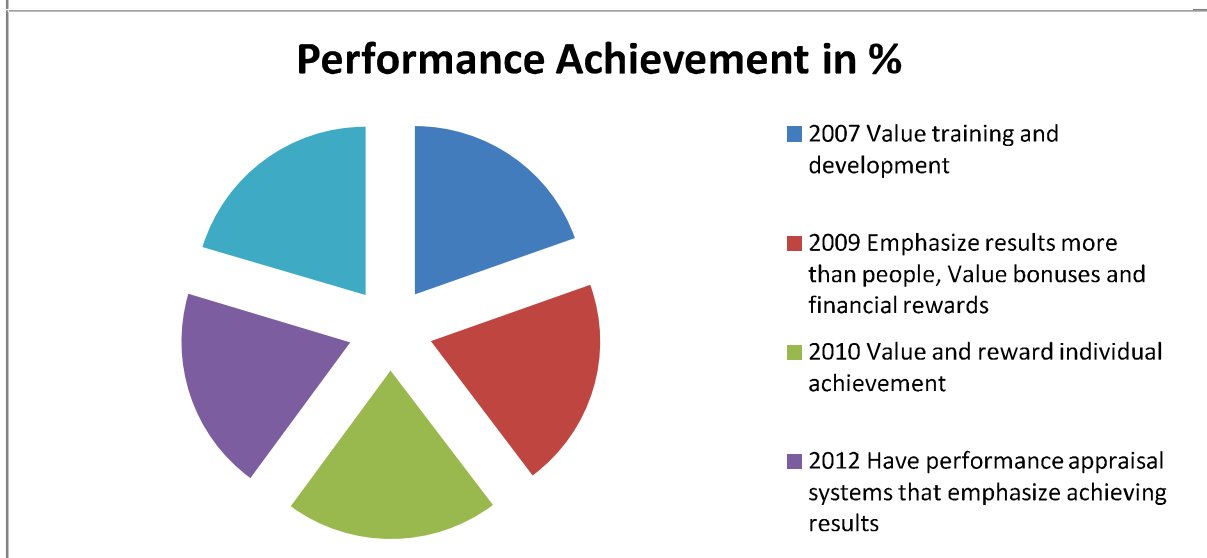
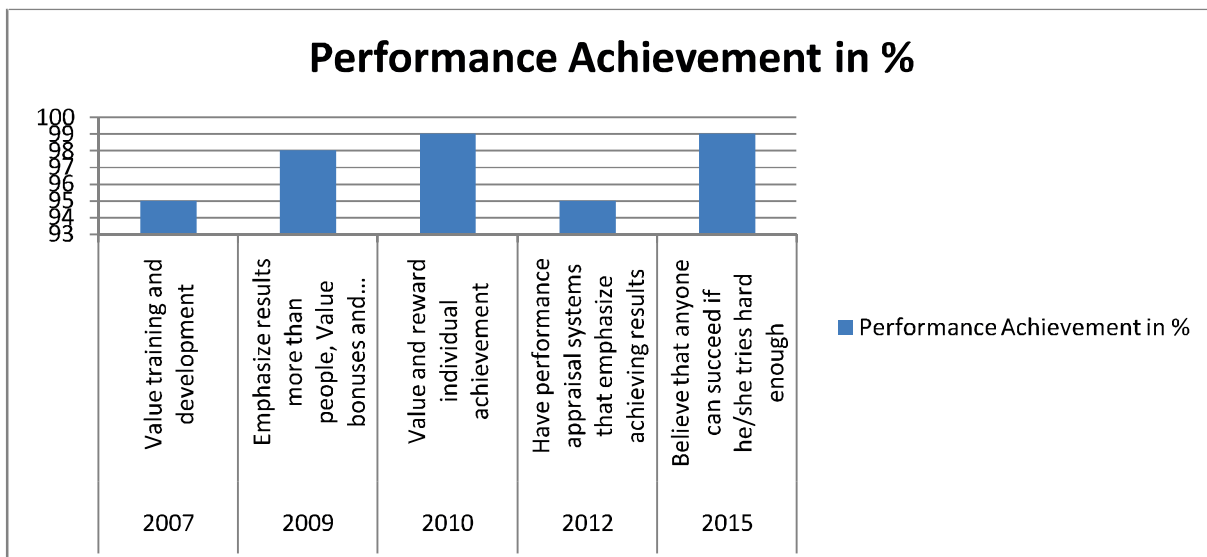
- (i) To understand the formulation of work culture of the organization.
- (ii) To study the employees' goals achievement in the organization with respect to the organizational culture.

(iii) To study the impact of work culture on performance of an employee.

(b) **Research Methodology** - There is enough literature to support that organizational culture influences the organizational performance. In the light of this it is important to examine how organizational culture may affect the organizational performance. The study therefore focuses on

the organizational culture factors that influence employee behavior and thereby improve the work efficiency and the productivity of the organization. The present study is based on the secondary data available in the public libraries, websites, magazines, books, newspapers, survey reports, etc.

Year	Strategies	Performance Achievement in %
2007	Value training and development	95
2009	Emphasize results more than people, Value bonuses and financial rewards	98
2010	Value and reward individual achievement	99
2012	Have performance appraisal systems that emphasize achieving results	95
2015	Believe that anyone can succeed if he/she tries hard enough	99



IV FINDINGS

- (a) **Survey Report & Analysis** - Research survey report for organizational performance with respect to organizational culture- culture in an organization determines the performance orientation and this is so due to the fact that employees adapt to the external environment and integrate with their own value or belief system. (House et al, 2004) It is the practices and values adopted by the organization that leads to success in the face of several interrelationships and external challenges to bring out a change in how people participate and behave and how societal influences define their ways to adapt.
- (b) **Probable outcome** - From the above it can be brought out that different aspects are focused by different firms to generate success. Researchers like Peters and Waterman (1982) were of the definite opinion that strong organizational culture had a role to play. In today's world where companies continuously strive to develop innovative products and services for its customers, the companies differ in their approach towards innovation. In the past two decades emphasis is given in the organizational culture and the performance achieved therein. A search for identifying the strong set of values in the organization which enhance the performance is the necessity of the day. Peters and Waterman (1982) claimed that certain cultural traits differentiate a high performance firm from a low performance one.

V CONCLUSION

On the basis of the above the researchers conclude that any organization that has people working in a team has a specific culture and that in turn is also built by those who are the leaders. The value system, belief and the way they together define success formulates the organizational culture of that organization. This organizational culture does evolve overtime and strives towards facing the external challenges. The researchers also conclude that the organizational culture has a definite stimulus upon the employee goal achievement in the organization and also has a role to play in the formulation of collective organizational goals.

The organizational culture should strive towards positive culture and its leaders should work towards motivating the employees for improved performance, at the same time, deal with crises created out of any conflict. With such organizational culture the organizational resources would be used most amicably towards the achievement of the organizational and individual goals.

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