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## **ORGANISATIONAL CULTURE AND ITS IMPACT ON EMPLOYEE SATISFACTION AND PERFORMANCE: AN EMPIRICAL STUDY**

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### **Abstract**

*Organizational ethos pertains to the communal principles, convictions, attitudes, and conduct that typify a group and its modus operandi. A constructive organizational ethos can have a considerable impact on the satisfaction and performance of personnel. A culture that esteems the well-being of staff, promotes open communication, and supports the growth of employees can trigger heightened job satisfaction, motivation, and engagement among them. Scholarly findings indicate that an affirmative organizational ethos can have a direct bearing on employee performance. Workers who feel esteemed, admired, and supported by their establishment are prone to being productive and proffering top-quality work. Conversely, a negative organizational ethos characterized by suspicion, poor communication, and scarce opportunities for advancement can lead to diminished employee morale, attrition, and absenteeism. To instill a constructive organizational ethos, administrators must prioritize establishing confidence, promoting open communication, and investing in employee growth. This encompasses providing openings for advancement and growth, acknowledging employee triumphs, and generating a work setting that backs up a balance between work and life. The study survey was conducted among 203 employees working at different designations to know the Role of Organisational culture and its impact on employee satisfaction and performance and concludes that there is significant impact of organizational culture on employee satisfaction and performance.*

**Key words:** Negative organisational culture, employee satisfaction in company.

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## 1. Introduction

Organizational culture is a crucial aspect of any organization, as it defines the customs, behaviors, and beliefs that determine how decisions are made, how the organization is structured, and how power is distributed. Alvesson and Berg (2011) it is a particular macro culture has its own unique set of beliefs, principles, customs, rituals, practices, and values. These components are subtle, unseen, inherent, and casual, and serve as a framework of guidance for workers to help them direct their actions and the outcome. This organizational culture is established upon collective background and rituals, upgraded by modern leadership ethics, and affects how the organization performs. The saying goes that time is priceless assets. It is important to use one's time sincerely. This ensuring that the tasks and goals set are completed in a timely manner. Gregory, Harris, Armenakis, & Shook, (2009) functions of the The purpose of organizational culture is to establish a conspicuous distinction between one entity and another. Every entity holds a distinctive culture that sets it apart from others, thereby enabling it to stand out from comparable organizations. This aspect plays a crucial role in alluring and retaining employees, customers, and partners while forging a strong brand identity.

Organizational culture aims to instil a sense of identity among employees. By giving them with a shared set of values, beliefs, and behaviors that lay the foundation for mutual comprehension and communication. This collective identity cultivates a feeling of kinship and commitment, positively influencing employee contentment, drive, and efficiency. Organizational culture helps to inspire a devotion towards something that transcends individual self-interests, creating a shared sense of purpose and mission that aligns employee behavior with the organization's objectives. This inclination drives greater teamwork, collaboration, and innovation among employees as they work collectively towards common goals. According to Linnenluecke and Griffiths (2010), the establishment's ethos acts as a social cement that aids in consolidating the establishment by prescribing the appropriate benchmarks for employees to fulfil. It lays down the groundwork and anticipations that direct actions and generates a mutual comprehension of what is tolerable and what is not. This assists in creating a unified and supportive workplace environment, where staff can operate in harmony and productively.

The organizational culture acts as a method of "meaning and control" that guides and influences employee attitudes and conducts. It offers a structure of principles, convictions, and actions that assist employees in making sense of their work environment and comprehending their part in the establishment. It also provides a sense of authority and predictability, as workers are aware of what is anticipated of them and the repercussions that come with their choices. In its essence, the ethos of an organization is the arbiter of its modus operandi, and its survival strategy is contingent upon it. A favorable ethos exerts an influence on the contentment, impetus, and efficacy of the employees. An unfavorable ethos can culminate in low morale, high attrition rates, and subpar performance. The establishment and sustenance of a robust organizational ethos is paramount to the long-term triumph of any organization. This necessitates a pledge from the leadership to actively mould and propagate a

constructive ethos, as well as a willingness from the employees to espouse and exemplify the principles, convictions, and comportments that demarcate the ethos. Organizational ethos is a pivotal facet of any establishment, for it dictates the mores, comportment, and tenets that shape verdict-making processes, framework design, and the distribution of power. This element demarcates one enterprise from another, instills a sense of identity within personnel, facilitates a commitment to a higher cause beyond individual interests, serves as a social adhesive that binds the organization, and directs and molds the attitudes and conduct of staff. Consequently, an affirmative organizational ethos is fundamental to an enterprise's long-term triumph and necessitates a pledge from both leadership and personnel to actively espouse and embody the principles, convictions, and deportment that define this ethos.

## **2. Literature review**

Values serve as the core of culture in an organization. According to Hartnell, Ou, and Kinicki (2011), they are the guiding principles that shape the identity and moral compass of a company. Despite being separate, values are closely connected to ethics, moral identity, and creativity in the workplace. It is vital for businesses to achieve success that their employees demonstrate these values through their everyday tasks. An organization that upholds its standards will be rewarded with both the confidence and dedication of its staff. Furthermore, this establishes a healthy and beneficial work atmosphere. Essentially, the standards of an organization form the essential elements of its culture and propound a guide for personnel to work together and work productively. Wright, Cropanzano, & Bonett, (2007) relationship between values and employee satisfaction and performance cannot be overstated. When personnel hold the belief that their establishment's principles are in harmony with their own, they are inclined to experience a feeling of direction and satisfaction in their duties. Such inclination can foster an upsurge in incentive, greater contentment with their job, and a more robust allegiance to the establishment.

There exists a gap between the establishment's principles and its staff. This may generate a plethora of negative outcomes. Such as a sense of disengagement, employee turnover. Decline in performance. This misalignment may prove to be detrimental. When the establishment's principles are perceived as being inconsistent or hypocritical. Leading to disillusionment and a lack of confidence among personnel.

According to Sarros, Cooper, and Santora (2008), in order to build a strong organizational culture that fosters employee satisfaction and performance, It is crucial for companies to spell out their values plainly and verify that these values are seen in each part of their business. This includes the selection of staff; the way decisions are made and the interactions between personnel. Organizational culture is particularly significant as it can have a major effect on the staff's performance. Organizational practices and culture are linked. The behavior and performance of employees are affected by them. A company's operations. The way it treats its staff and customers, and how it runs its business are all shaped and changed by its culture.

When comprehending and esteeming the collective ethos, it has the capacity to positively influence an employee's performance in a significant manner. An admirable

collective ethos fosters a notion of connectedness and mutual purpose amid employees, instilling them with the impetus to perform their utmost in their respective duties. Employees who are well-acquainted with their organization's past and principles are more inclined to synchronize their conduct and actions with the organization's aspirations and aims. The concept of organizational culture presents a framework of expected and accepted behavior, providing employees a set of norms and standards. This understanding aids employees in aligning their conduct with the organization's cultural values, subsequently leading to improved employee satisfaction and performance.

Organizational ethos is intimately tied to employee contentment. When staff are content with their milieu of work and perceive a sense of worth, they are more likely to exhibit heightened levels of efficacy and commitment towards their institution. An affirmative organizational ethos engenders a feeling of solidarity, where staff feel bolstered and esteemed. Such an ambience stimulates cooperation, originality, and ingenuity, all of which can result in ameliorated institutional achievements. Appelbaum & Roy-Girard, (2007) negative Organizational ethos can bring about a dearth of employee morale, escalated attrition rates, and a subpar performance. If staff members fail to conform to the organizational culture or sense undervalued, their involvement and efficacy may be compromised. The resulting negative impact could damage the reputation of the organization and impair its overall performance. Organizational culture is an amalgamation of multiple facets encompassing the structure of ideas, mores, traditions, procedures, and habits that delineate how an organization operates within a specific macro culture. It constitutes a collection of values, principles, and convictions that mold the conduct and interaction of employees with one another and the organization's objectives. Organizational culture is not overtly delineated and observable but rather implicit, intrinsic, and informal. It is a cognizance of the organization's identity that shapes the attitudes and actions of employees. The influence of organizational culture on employee satisfaction and performance is paramount. Employees who adhere to the organizational culture are inclined to be more content and stimulated, which contributes to enhanced performance and productivity. A mismatch between an employee's values and the organization's culture can result in discontent, reduced motivation, and lowered performance.

The atmosphere of an organization has a major effect on how pleased and involved employees feel, and this can have an influence on their efficiency. Creating a positive culture that cares for the employees' welfare and recognizes their efforts helps to produce a sense of loyalty and dedication among them. Such a culture encourages staff members to be proactive and take the initiative, leading to superior performance and productivity. Furthermore, a positive organizational culture can engender amplified employee retention and diminished turnover. When employees feel interconnected with the organization and its values, they are more prone to stay with the organization, minimizing the expenses linked with recruiting and training new employees.

According to Salvesson and Sveningsson (2015) organizational of workplace dynamics, innovation and creativity among employees can be influenced by the prevailing culture. Specifically, a culture that esteems innovation and promotes risk-taking can cultivate an

atmosphere that is both creative and dynamic. Under such conditions, employees are more apt to conceive of new and original ideas, while simultaneously taking measured risks, thereby leading to the creation of novel products, services, and processes that may enhance an organization's performance and growth. Pawirosumarto, Sarjana, and Gunawan (2017) a negative or A noxious atmosphere in an organization can have disastrous consequences on worker contentment, productivity, and overall wellbeing. If there is a climate based on distrust, apprehension, and pessimism, the result may be high rates of staff movement, diminished effectiveness, and a blemished reputation. Leadership is a complex notion that involves a wide variety of skills, which include the capacity for directing others and handling resources capably. Leadership does not just mean having control over people or the capability to make them stick to rules by punishing them.

In considering gender roles and biases, various aspects may have an impact on leadership. Women, for example, may be impacted by implicit biases that stop them from attaining leadership positions or judgment that is stricter than that for their male peers. What's more, cultures typically deem certain roles more appropriate for men and women, which can create the idea that women are not as capable in leading, regardless of their actual abilities. According to Oladapo (2014) talent management is an effective leadership requires the identification and cultivation of individuals with the potential to bolster an organization's triumphs. Gender disparities may also contribute to this inequality, as female candidates may be perceived as less equipped with the qualities and capabilities to occupy leadership roles. Moreover, they may not receive the same level of encouragement and chances compared to their male counterparts.

Organizations must combat these gender biases in their leadership and talent management practices by relentlessly detecting and eradicating them at every echelon. This entails implementing training programs to cultivate awareness of implicit biases and foster inclusive leadership standards. Additionally, they should establish concrete objectives and benchmarks for gender diversity across all organizational levels, and hold leadership accountable for accomplishing these objectives. The ethos and goals of an organization are fundamental components of its culture, and they wield a significant influence on employee satisfaction and productivity.

According to Spear (2017), vision and mission of an organizations must be strategic and energetic, providing an atmosphere that promotes enthusiasm among their personnel. When personnel are encouraged, they are more likely to deliver their finest work, allowing the organization to flourish. The vision of an organization is not just something written down - it involves having faith in the capacity of staff members. Empowerment implies giving team members authority to make consequential decisions and take personal accountability. By granting employees the liberty, assets, and back up they require in order to take charge of their job and make decisions related to the aim of the organization, worker empowerment is created.

This contributes to a successful workplace where workers feel trust, acceptance, and admiration. Equally as important, the purpose of the group gives a sense of fulfillment and

purpose to the job. A mission statement that is clear and unambiguous can assist workers in comprehending their part and how it fits into the grander schema. Knowing how their occupation influences the success of the company increases their inclination to discover purpose and value in their labor. The atmosphere in the firm, which has been influenced by its purpose and mission, plays a direct role in employee contentment. If the staff thinks job having meaning and being appreciated. They are likely to be more content with their work. When workers are given autonomy and confidence. They are likely to feel more content in their job setting. According to Shahzadi, Javed, Pirzada, Nasreen, and Khanam (2014) employee Performance is affected by the organization's atmosphere. When individuals experience a heightened level of drive and contentment, their likelihood of delivering exceptional performance increases. Additionally, when these individuals possess a sense of authority, they are more inclined to take charge of their undertakings, exercise their discretion, and unleash their innovative prowess, thereby resulting in superior outcomes of greater quality. The involvement of individuals in decision-making processes is crucial for enabling them to enjoy increased self-governance and mastery over their vocational pursuits. When provided opportunity make meaningful contributions to decision-making processes. Individuals tend to feel empowered and engaged in their occupational roles. This becomes particularly important in the realm of gender roles and biases in talent management. In many businesses, there is a tendency to lessen or bypass the importance of what women, people of colour and other minorities offer. This can result in a shortage of difference in the way decisions are made, potentially confining the points of view and potential outcomes deliberated on. By representing an assortment of viewpoints in the decision-making process, businesses can increase their insights into the difficulties they deal with, as well as openings they possess.

When workers perceive that their input is essential and respected. they have a higher level of enthusiasm and dedication to their job. It is essential that individuals who may have been disadvantaged because of gender, race, or other components can feel accepted and have influence. To form this atmosphere of inclusion and involvement, organizations should strive to spot and respond to any prejudicial convictions when it comes to deciding upon their employees. In order to promote diversity and inclusion, organizations may need to adopt protocols like blind hiring and mentorship opportunities for minority groups. Furthermore, businesses must take the time to train people about their personal biases and assist them in recognizing them.

Overall, promoting an open work atmosphere that lets all workers have a say can be enormously beneficial for personnel and the company itself. By allowing employees to offer their differing opinions and thoughts, companies can spark innovation and inspiration, and at the same time, motivate and engage the staff. This can work to remove obstacles and create an inclusive and fair work environment for everybody.

### **Objective**

1. To measure the Role of Organisational culture and its impact on employee satisfaction and performance.

### 3. Methodology

The study survey was conducted among 203 employees working at different designations to know the Role of Organisational culture and its impact on employee satisfaction and performance. The survey was conducted with the help of a structured questionnaire. The researcher had collected the primary data through convenient sampling method and analysed it using mean and t test statistical tools.

### Findings

Table 1 Role of Organisational culture and its impact on employee satisfaction and performance

S. No.	Statements	Mean Value	t value	Sig.
1	The organizational culture guides and influences employee attitudes and conducts towards organization	3.17	2.465	0.007
2	Organizational culture offers a structure of principles, convictions, and actions that assist employees	3.15	2.189	0.015
3	Organization aids employees in aligning their conduct with the organization's cultural values	3.18	2.668	0.004
4	Organizational culture can create ambience that stimulates cooperation, originality, and ingenuity among employees	3.16	2.324	0.011
5	Negative organizational culture may bring about a dearth of employee morale, escalated attrition rates, and subpar performance	3.19	2.805	0.003
6	Employees who follow organizational culture are inclined to be more gratified and stimulated	3.14	2.032	0.022

Table above is showing role of organisational culture and its impact on employee satisfaction and performance. The respondent says that Negative organizational culture may bring about a dearth of employee morale, escalated attrition rates, and subpar performance with mean value 3.19, Organization aids employees in aligning their conduct with the

organization's cultural values with mean value 3.18 and the organizational culture guides and influences employee attitudes and conducts towards organization with mean value 3.17. The respondent also says that Organizational culture can create ambience that stimulates cooperation, originality, and ingenuity among employees with mean value 3.16, Organizational culture offers a structure of principles, convictions, and actions that assist employees with mean value 3.15 and Employees who follow organizational culture are inclined to be more gratified and stimulated with mean value 3.14. The value under significant column for all the statements related to organizational culture and its impact are significant with value below 0.05 after applying t-test.

#### 4. Conclusion

This research has demonstrated the tremendous relevance of organizational culture to the contentment and productivity of staff. The results clearly show that corporate culture is a major contributor to employee satisfaction and performance. Firms need to make a workplace culture that generates feelings of togetherness and common purpose amongst employees. An examination revealed several components that are important to formulating a constructive corporate culture, such as transparent interaction, leadership encouragement, and personnel participation. The findings demonstrate that when staff are supported, needed, and appreciated.

They likely to be pleased with their jobs and offer exemplary service. It needs to be taken into consideration that a beneficial corporate culture is beneficial not only for employees. Also, for the firm in general. Organizations that make it a priority to cultivate a healthy environment usually have lower employee turnover, better staff retention, and strengthened productivity. This points out the necessity of understanding that maintaining a healthy corporate culture is not a event that happens just one time. Rather, it is an ongoing task that needs continual activity and enhancement. For this reason, enterprises must commit their resources to crafting and preserving a positive organizational culture. Furthermore, the research highlights the fundamental part organizational culture plays in affecting the happiness and output of employees. Organizations that strive to cultivate a productive atmosphere which promotes employee wellbeing and pushes business success can benefit from the valuable information provided. This type of environment boosts employee morale, efficiency, and job retention, leading to an enhanced overall performance and prosperity. The study was conducted to know the Role of Organisational culture and its impact on employee satisfaction and performance and found that Negative organizational culture may bring about a dearth of employee morale, escalated attrition rates, and subpar performance, Organization aids employees in aligning their conduct with the organization's cultural values and organizational culture guides and influences employee attitudes and conducts towards organization.

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