



A Review on Impact of Organisational Culture and Work Motivation on Employee's Performance

Morageri Mubintaj^{1*}, Prince James S Bangera², Deepika Ravi³

^{1,2,3}Department of Hospital Administration, Acharya Institute of Allied Health Sciences, Bengaluru, India

*Corresponding Author: mubinamubintaj@gmail.com

ABSTRACT

Article history:

Submitted: November 15, 2024

Revised : November 30, 2024

Accepted: December 16, 2024

Keywords:

Organization culture, organizational values, work motivation, workers' attitudes, behaviours.

Organization culture and environment and work motivation plays vital role on employees' performance. This study examines to analyze and comprehend how an organization's culture and environment affect workers' attitudes, behaviours, output, and motivation for their jobs. Using a structured review of prior research of existing research, it explores the multifaceted impact of organizational culture on employees within various workplace contexts. The review examines the ways in which organizational values, norms, and leadership styles shape employee engagement, motivation, and satisfaction. It investigates the influence of a positive organizational culture on teamwork, innovation, and overall productivity. Additionally, the article explores the challenges posed by cultural mismatches and discusses strategies for fostering a supportive and empowering work. Synthesizing diverse perspectives, the paper offers and empirical findings, this review presents actionable insights for organizations aiming to cultivate a conducive work environment that enhances employee well-being and maximizes performance outcomes.

INTRODUCTION

As one of the pillars of modern businesses, human resources (HR) need to be of the highest calibre and capable of handling the demands of the tasks at hand.¹ The organization's human resources need to function well in relation to its vision, purpose, goals, and objectives. ² The effectiveness of key factors in organizational growth is critical for long-term sustainability. Enhanced productivity fosters employee loyalty, with shared norms and values enhancing organizational culture. The organizational structure is built around a resilient learning environment. Organizations fostering a strong culture witness significant improvements in employee performance. ³

Organizational culture and work motivation are fundamental factors that influence employee performance and contribute to the overall success of a business. The way an organization cultivates its culture, sets values, and motivates its employees can determine how productive, committed, and innovative its workforce will be. An environment that fosters positive organizational culture and encourages motivation can lead to higher employee satisfaction and improved work outcomes. On the other hand, a lack of proper culture and motivation can cause dissatisfaction, lower performance, and ultimately affect the organization's ability to meet its goals. This review seeks to explore the significant role of organizational culture and work motivation in shaping employee performance.

The main objective of this review is to analyze and comprehend how organizational culture and work motivation affect employee performance. By exploring previous research, this study aims to Morageri Mubintaj et al: A Review On Impact Of Organisational...

uncover the various ways in which organizational culture, including leadership styles, shared values, and norms, impacts employees' behaviors, attitudes, job satisfaction, and overall performance. Furthermore, this review aims to provide insights into the relationship between organizational culture and motivation, highlighting how a supportive work environment can enhance employee well-being and performance outcomes.

RESEARCH METHODS

This review uses a structured analysis of prior research on organizational culture, work motivation, and their effects on employee performance. The study synthesizes empirical findings from multiple sources to explore the various ways in which organizational values, leadership, and work culture impact employees' engagement and motivation. Research studies and case studies from different industries and organizational settings are examined to provide a comprehensive understanding of these dynamics. The review also looks into strategies organizations can implement to enhance their culture and motivation practices to optimize employee performance.

RESULTS AND DISCUSSION

Organisational culture

Organizational culture encompasses the unspoken traditions, behaviours, and beliefs that define the guiding principles for decision-making, structure, and authority within a company. Rooted in the organization's shared history and traditions, it is shaped by current leadership values. Essentially, culture shapes business practices and influences the organizational strategies essential for adaptation, integration, and individual achievements. 4

Factors Influencing Significance of Organisational Culture

Shared Values: The significance of organizational cultures is highlighted by the prominence of shared values as essential attributes. These ideals function as guiding principles and are usually introduced by the leadership and embraced by the entire organization. People pick up these ideals so they can tell good from wrong, make wise decisions, and live up to morals, ethics, and values. A collective corporate ethos is influenced by shared values such as outcome orientation, people orientation, team orientation, acquiring details, stability, and innovation.

Being conscious of these principles helps people to carry out their work obligations in an appropriate and controlled way. In order to help others comprehend this, leaders are essential. For example, educators stress the importance of values in helping students finish assignments and reach their personal and professional objectives. Consequently, improving understanding and knowledge of common values emerges as a critical aspect, underscoring the significance of organizational culture.5

Degree of Hierarchy: In organizational settings, individuals assume diverse roles across various hierarchical positions. Leaders, including directors, chairpersons, and principals, occupy the top tier. Instructors follow, succeeded by staff members handling clerical, technical, financial, and administrative functions. The hierarchy further encompasses students, cleaners, custodians, and other service providers, each contributing based on their educational qualifications, skills, abilities, personality traits, and socioeconomic backgrounds. While their job responsibilities vary, the concept of organizational culture empowers them to cultivate the information necessary to foster positive relationships, collaboration, and cohesion. This approach enables individuals to derive job satisfaction while effectively fulfilling their roles, emphasizing the crucial role of organizational culture in enhancing knowledge and competencies across various hierarchical levels.6



Organizational Sub-Cultures: In all types of organizations, including educational institutions, sub-cultures coexist alongside the dominant culture. These sub-cultures, formed by individuals or groups, adhere to their distinct set of rituals, rules, values, and beliefs. The presence of organizational sub-cultures can be problematic, particularly when conflicting ideas and situations arise, posing a challenge to the overall organizational culture. Collaboration and integration among individuals are crucial, necessitating polite communication, mutual respect, and a favourable understanding of each other's rituals, conventions, values, and beliefs. To address conflicting perspectives and challenges, peaceful conflict resolution strategies should be employed to prevent issues from escalating. Recognizing and understanding organizational sub-cultures becomes a critical aspect, underscoring the importance of organizational culture in the broader organizational context.⁷

Hiring Practicing: Hiring processes are established procedures designed to recruit and select individuals for job opportunities within organizations. These processes vary depending on the organization's type and structure. Leaders and other members involved in recruitment, such as HR professionals, participate in diverse methods, including interviews, written examinations, essays, and group discussions. The implementation of these procedures aligns with organizational levels, goals, and the overall structure. Within the framework of corporate culture, recruiting authorities recognize the importance of understanding effective personnel recruitment methods, ensuring the right human resources are placed in appropriate positions at the right time. Hence, it can be asserted that recruitment procedures significantly underscore the significance of corporate culture within organizations.⁸

On Boarding Programming: Human resources contribute significantly to socialization by planning and administering on-boarding programs (Understanding and Developing Organizational Culture, 2020). The onboarding programs enlighten newcomers on the value system, norms, principles, standards, and expected organizational behaviours. Human resource experts assist and support new employees in developing an effective understanding of many elements. When instructors and staff personnel are hired in educational institutions, they must have prior work experience. Work experience should be used to reinforce corporate culture. Individuals with experience, that is, those who have previously worked in other educational institutions or companies, will be aware of the methods and procedures required to improve organizational culture. They are well aware that comprehending the relevance of company culture is critical to achieving the desired results. As a result, it is well acknowledged that it is vital to boost on-boarding programs by emphasizing the significance of organizational culture.⁸

Reward and Recognition Programs

Effective performance in job obligations warrants recognition and rewards, a practice emphasized by organizational culture. In educational institutions, students receive acknowledgment and rewards for excelling in assignments, projects, tests, exams, competitions, and quizzes. This not only instils happiness but also fosters a desire to learn. Rewards, such as certificates, trophies, and gift items, are tailored to tasks completed. Similarly, instructors and staff members receive incentives for satisfactory job performance, reinforcing the importance of recognition programs in maintaining and highlighting organizational culture across all educational levels.⁹

Performance Management Programs: As the name implies, performance management programs are concerned with the management of individual performance. All persons, including heads, directors, instructors, supervisors, staff members, and students, must be aware of methods, procedures, and approaches for carrying out their work duties in a well-organized and regulated manner. It is obvious that individuals must face obstacles and challenges when carrying out their

employment responsibilities. As a result, performance management programs enable individuals to build skills and abilities that will be useful in dealing with difficulties and obstacles. Furthermore, they are trained in the use of innovative and cutting-edge ways in the execution of tasks and activities. As a result, individuals can learn from organizational culture that performance management procedures are critical in monitoring, examining, and improving individual performance. As a result, it can be argued that performance management programs must be upgraded and implemented on a regular basis. These effectively contribute to the strengthening and showcasing of organizational culture.¹⁰

Communication Processes: Communication processes are considered a pivotal element, not only underscoring the value of organizational culture but also serving as the lifeblood through which organizations operate. Communication takes various forms, including verbal interactions, nonverbal cues, and written exchanges such as emails, messages, letters, and notices. In the context of remote learning, communication primarily occurs in writing but may also involve verbal interactions.

Within organizations, all members utilize these communication modes, recognizing their essential role in their professional responsibilities. When emphasizing the transmission of knowledge related to any aspects of organizational culture, effective communication processes are implemented. This comprehensive understanding positions communication activities as both desirable and impactful in highlighting the value of organizational culture within the organizational context.¹¹

Work motivation

Every organization's ability to motivate its members is essential to its success. Motivated and engaged staff members are more likely to be persistent, creative, and productive, all of which greatly add to the accomplishments of the company. On the other hand, members who lack motivation are less productive and may cause needless expenses for the company. ¹² Employee performance is influenced by tools such as recognition and motivation. An employee who feels valued and sufficiently motivated believes that the employer values their work. It is believed that the company will be able to provide rewards and motivation in proportion to the efforts of its personnel. ¹³

Organizational Culture and Work Motivation.

Motivation is an important component of organizational culture. Employee motivation is not solely driven by monetary factors; it is also reflected in the way the organization conducts its daily activities and embodies its culture.¹⁴ It has a significant effect on how people view their work, which in turn affects their motivation, commitment, and ultimately, their degree of job satisfaction inside the company. ¹⁵ The relationship between an organization and its employees is characterized by a profound mutual interdependence, wherein both parties exert influence on each other's potential for success. These dynamic fosters the correlation between employee motivation and job satisfaction (Schneider and Synder, 1975).¹⁶ Research consistently indicates that motivation and job satisfaction are intertwined, emphasizing that organizational culture must be cultivated to ensure employee motivation, ultimately contributing to the achievement of organizational goals (Sempane et al., 2002).¹⁷

Motivated staff takes pride in their work, fostering a sense of responsibility for organizational success. However, some managers grapple with the challenge of motivating their employees (Management News, 1990).¹⁸ As highlighted by Hofstede (2001), acknowledging employees' contributions enhances their commitment, encouraging heightened effort in future endeavours.¹⁹



Organizational culture and Employee Performance

Employee performance measures are profoundly affected by organizational culture. Specific dimensions of organizational culture have a significant relationship with diverse performance indicators. The organizational cultural alignment plays pivotal role in fostering increased productivity, innovation, and overall job effectiveness. Positive organizational culture contributes to heightened employee motivation and commitment, which positively affects performance outcomes. organizational culture significantly influences employee performance metrics.²⁰

CONCLUSION

Employees are invaluable assets to any business organization. The cultivation of an effective organizational culture profoundly influences employee job satisfaction and serves as a catalyst for increased productivity and positive outcomes. Highly motivated employees are regarded as a significant asset, contributing to the goodwill of an organization and positively impacting its overall performance. Their motivation not only enhances individual job satisfaction but also plays a pivotal role in shaping the collective success of the organization.

REFERENCES

1. Achmad, R. N., Marwan, M., & Rajak, A. (2023). The Influence of Organizational Culture and Organizational Climate, on Employee Performance and Job Satisfaction as Mediation Variables (Study at the Public Works Office (PU) of Ternate City). *JIM: Jurnal Ilmiah Mahasiswa Pendidikan Sejarah*, 8(3), 2282-2291.
2. Haris, N., Jamaluddin, J., & Usman, E. (2023). The effect of organizational culture, competence and motivation on the SMEs performance in the Covid-19 post pandemic and digital era. *Journal of Industrial Engineering & Management Research*, 4(1), 29-40.
3. Noruzi, M., & Vargas, J. (2009). Atenquique's environmental and economic development shrinkage in Globalization era. *Business Intelligence Journal*, 2(2), 343-354.
4. Wambugu, L. W. (2014). Effects of organizational culture on employee performance (case study of Wartsila-Kipevu II power plant). *European Journal of business and management*, 6(32).
5. Dempsey, J. (2015). Moral responsibility, shared values, and corporate culture. *Business Ethics Quarterly*, 25(3), 319-340.
6. Aktaş, E., Çiçek, I., & Kıyak, M. (2011). The effect of organizational culture on organizational efficiency: The moderating role of organizational environment and CEO values. *Procedia-Social and Behavioral Sciences*, 24, 1560-1573.
7. Howard-Grenville, J. A. (2006). Inside the "black box" how organizational culture and subcultures inform interpretations and actions on environmental issues. *Organization & Environment*, 19(1), 46-73.
8. Cabrera, E. F., & Bonache, J. (1999). An expert HR system for aligning organizational culture and strategy. *Human resource planning*, 22, 51-61.
9. Hamdani, S. F., & Ali, H. (2023). The Influence of Rewards, Organizational Culture and Work Motivation on Employee Performance. *Siber Journal of Advanced Multidisciplinary*, 1(3), 105-113.
10. Shamsudin, S., & Velmurugan, V. P. (2023). A study on the drivers of corporate culture impacting employee performance in IT industry. *International Journal of Professional Business Review: Int. J. Prof. Bus. Rev.*, 8(2), 13.

11. Gochhayat, J., Giri, V. N., & Suar, D. (2017). Influence of organizational culture on organizational effectiveness: The mediating role of organizational communication. *Global Business Review*, 18(3), 691-702.
12. Arabian, J. *Arabian Journal of Business and Management Review (Oman Chapter)*.
13. Agarwal, D. D. THE IMPACT OF ORGANIZATIONAL CULTURE ON EMPLOYEE PERFORMANCE AND SATISFACTION.
14. Yusof, H. S. M., Said, N. S. M., & Ali, S. R. O. (2016). A study of organizational culture and employee motivation in private sector company. *Journal of Applied Environmental and Biological Sciences*, 6(3), 50-54.
15. Suchyadi, Y. (2017). Relationship between Work Motivation and Organizational Culture in Enhancing Professional Attitudes of Pakuan University Lecturers. *JHSS (Journal Of Humanities And Social Studies)*, 1(1), 41-45.
16. Schneider, B., & Snyder, R. A. (1975). Some relationships between job satisfaction and organization climate. *Journal of applied psychology*, 60(3), 318.
17. Kian, T. S., Yusoff, W. F. W., & Rajah, S. (2014). Job satisfaction and motivation: What are the difference among these two. *European Journal of Business and Social Sciences*, 3(2), 94-102.
18. Shin, H. S. (1994). News management and the value of firms. *The RAND Journal of Economics*, 58-71.
19. Wu, M. (2006). Hofstede's cultural dimensions 30 years later: A study of Taiwan and the United States. *Intercultural communication studies*, 15(1), 33.
20. Junaedi, M. A., & Digdowiseiso, K. (2023). The Influence of Work Motivation, Organizational Culture and Work Discipline on Employee Performance Through Job Satisfaction as Intervening Variables at BPJS Ketenagakerjaan throughout DKI Jakarta Region. *JMKSP (Jurnal Manajemen, Kepemimpinan, dan Supervisi Pendidikan)*, 8(2), 364-383.