



## Impact of Organization Culture on Job Satisfaction and Corporate Performance

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**ABSTRACT:-** Organizations today are operating in a turbulent and challenging environment characterized by intense competition and complicated by regulatory changes. The rules of the game and the very playing field itself are changing. Along with it are changing the typical pattern of employee behaviour and their issues of dissatisfaction, grievance, frustration which quite often lead to disputes of large scale. By providing each member of the organization with 'internal compass' in conjunction with understanding of what is to be accomplished and how it is to be accomplished, Organizational culture can both energize and direct each members efforts and actions. The paper focuses on the relationship between organizational culture and the levels of job satisfaction and how does it affect the corporate performance as a whole. It highlights how organizational culture help in creating job satisfaction which would ultimately help in achieving organizational excellence and effectiveness.

### I. INTRODUCTION

This era is marked by rise in global economy, consumerism, increase in power of private companies, enhancement of technology and what not. Today's business environment requires a robust strategic plan to deal with unexpected crisis. Along with it, reputation of a company, brand, trust and loyalty of stakeholders, leadership development, solid communication and organizational sustainability – all require a great deal of management to give a company 'a better chance of survival'. Here, not only the management but also the employees come into the scene and act as a critical success factor. Organizations represent the most complex social structures because of their dynamic nature. It is considered to be a venture based on purposeful cooperation between management and employees in the process of production and maximum social good is regarded as its ultimate end. Employees in it play a key role and it is their commitment as well as involvement which make an organization healthy, effective and sustainable. The element of human resource in organizational process under this changed circumstances, has been under the impact of change consecutively from both the areas: i) *Change in organizational areas* and ii) *Change in individual as well as social situations*. People, though in several cases, find scarce scope of dissatisfaction in areas like their perquisites and benefits are discontented for several reasons most of which are tangibly unknown to them. They all want a justified ambience in workplace. People get affected by the culture in which they live in. This congenial atmosphere at workplace is the ultimate result of a positive organizational culture.

### II. ORGANIZATIONAL CULTURE – THE CONCEPT

Culture is a popular explanatory concept frequently used to describe a company, a rationale for people's behaviour, as a guideline for action, a cause for condemnation or praise, or a quality that makes a company 'what it is' (Kunda, 1991). Organizational Culture can be defined as 'the collective programming of the mind' that distinguishes the members of one organization from another. One way of examining organizational culture is to look at its corporate image to see what and who is valued in the organization. According to Schein, culture is a coherent system of assumptions and basic values, which distinguish one group or organization from another and orient its choices. Hence organization culture implies 'a pattern of basic assumptions- invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration – that has worked well enough to be considered valid and therefore,

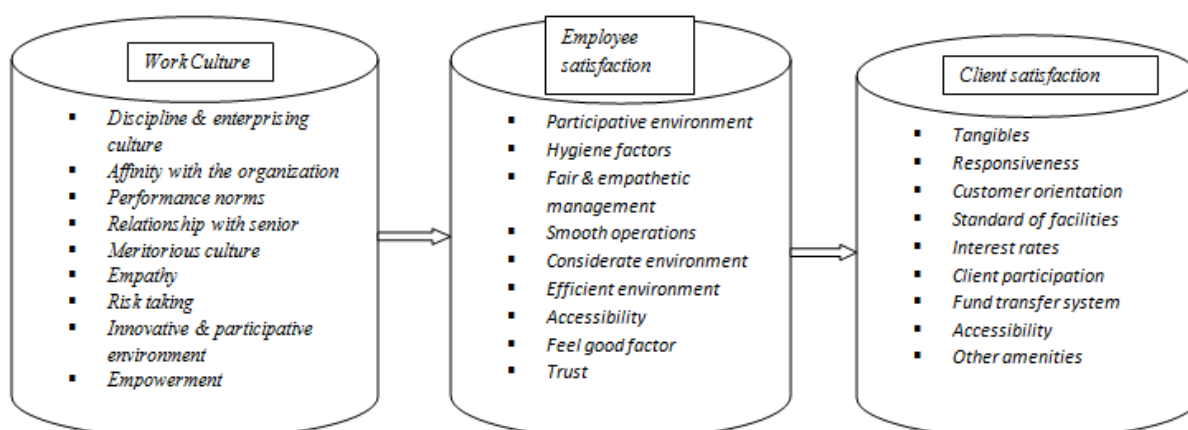
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to be taught to new members as the correct way to perceive, think and feel in relation to those problems' (Schein 1982). One aspect of organizational culture is often true is that, it becomes deeply rooted. It is the identity of a company, and because of that, in some ways it becomes associated with the identity of those who work there as well.

### III. ORGANIZATION CULTURE AND JOB SATISFACTION

Job satisfaction is known as a construct which comprise of the employee feelings about different job element. In this era of industry and investment, the market has become much more competitive and volatile. A certain type of culture has grown in the organizations indicating the type of their strategies and work procedure. Employees in the concerned organizations become a part of that culture. The recent worldwide financial crisis has affected the global market to a great deal. Such turbulence has made employees anxious, disappointed and has inculcated in them an aggressive behaviour. They have developed some sort of negative attitude towards their organization as well as their job. They have become less committed and less transparent. Hence it has become very essential for the management to turn to human resource management and help employees to be satisfied with their job not only to retain them but to incorporate in them a strong sense of involvement that would sure drive the business performance. Here the role of organizational culture comes into play. In such a strong culture employees reflect a pride of ownership throughout the company and workforce wide understanding of the company's strategic goals. Such a culture encompasses the collective goals of a company and the standards of expected behaviour in achieving these goals. Thus the organizational culture is critical for helping employees define success, guide behaviour and set common expectations.



*Source: Conceptual Model by Santosh Dev in his Ph.D. thesis 'A study of Client satisfaction and impact of work culture on employee satisfaction in banks' [Department of Humanities & Social Science Jaypee Institute of Information Technology University]*

### IV. ORGANIZATIONAL CULTURE AND CORPORATE PERFORMANCE

In today's competitive world, an organization needs to guide the behavioural pattern of the organization and its people's action to reach the expected position in the business forum. Organizational culture is one of the dominant force and act as an influence in attainment of goals and objectives of the organization. A satisfactory organizational culture creates a motivation for high standards of performance and employees are always willing to contribute their best in the organization. A positive behaviour of employees is noticed and their performance reflects the same. And so does the business outcome. For example, in this saturated global market, it is very essential for an organization to be innovative and creative to hold back its strategic position. If the organizational culture has a strong influence towards innovation, definitely it will try to maintain its business environment where there will be a positive impact on innovation and creativity. It will on behalf influence the creativity and innovation of employees which would inspire their individual performance as well as organizational performance as a whole. In order to meet the organizational objectives and achieve competitive advantages, all organizations are thriving to recruit highly performing individuals. On the other hand, individuals need supportive organizational culture to help them reach individual objectives. Therefore, an organization is a consciously coordinated system where characteristics of individuals, groups and organization interact with each other and effective interaction among them highly depends on organizational culture that shapes the individual performance (Kozlowski & Klein, 2000).

## **V. CONCLUSION**

Today the study of organizational culture and its impact on job satisfaction has become an important issue in global business scenario and a sufficient amount of time is invested in it. There is a vital correlation between organizational culture and job satisfaction which has an immense effect on corporate performance. A collective amalgamation of attributes of culture leads to employee satisfaction which actually reflects the shared vision or organizational citizenship. A strongly satisfying culture initiates employee satisfaction and effective employee performance. As stated by Robbins and Hutcherson that 'job satisfaction is an evaluation of organizational culture', it is very important to create satisfactory working conditions for all employees, so that they are highly motivated to perform well and become more committed to their job.

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