Impact of Organizational Culture in Public Sectors

T.M Gunaraja¹, Dr. D. Venkatramaraju², Dr. G Brindha³

¹Ph.D Scholar in Management, Bharath University, 385, Arcot Road, Kodambakkam, Chennai, Tamil Nadu, India 600017
²Management Studies, Bharath University, Chennai, Tamil Nadu, India
³Management Studies, Bharath University, Chennai, Tamil Nadu, India

Abstract: Workers who are delighted and highly motivated will achieve best results and increased citizen satisfaction than workers who are unhappy and discomfort. How can public sector agencies have success, given dwindling resources and the accountability of spending taxpayer’s currency? The good news is no expensive method to create a great organizational culture. Depending on how toxic the existing culture may shift in philosophy and it is likely to be neither fast nor easy - it can be done. Public organizations can help employees enjoy work and reach their true potential. Progressive public agencies identify employee’s potential strength and utilize it in a proper manner.

Keywords: Organization; Public; Sectors; Employee

1. Introduction

An organizations culture is a social reality that create an employee what they should do and think. Its a set of behavioral, emotional, and psychological frameworks that members adopt. It is the way we do things around here, Culture is to a group personality to an individual and the essence of a culture is the paradigm by which people operate. Once you find a formula that works, stick with it. If you get the recipe right, based on practical insight and empirical validation, it should serve you well for a long time. Continually question and challenge your recipe, but change it rarely.

Creating a great organizational culture leads to results. An effective culture can result in a 20% to 30% positive differential in performance. The advantages of a great culture with the Four Rs: Referrals, Retention of employees and relationship with customers. For public agencies, this means greater productivity with fewer resources in less time with increase in citizen satisfaction ratings. Just as there is never a total absence of values and absence of culture in an organization. But cultures can be strong or weak. Weak cultures can be characterized by inconsistency amongst staff about what is valued the most, and by proliferation of subculture and makes it difficult to identify any common elements. In contrast, a strong culture is one between individual values and organizational values. A strong culture will be clearly followed by majority of the staff members. The benefits staff-and the organization-by promoting consistency and the support of well-established values in times of uncertainty. Presented below is a very succinct summary of research into the key themes and some of the research and ideas presented here can overlap or contradict others. They are perspectives rather than prescriptions, and it is not intended that they are 'correct' or 'best practice'.

Attributes that are immediately obvious to an outsider, including tangible attributes of the office space, how people dress, social interactions, and the language used;

The professed culture in terms of values and codes of conduct that are established overtly by the organizations leadership; and Tacit (or hidden) cultures, evident from subjects that are taboo within the organization, unspoken rules, and unspoken power relationships.

Organizational culture is recognized as a critical ingredient of organizational effectiveness. However, the popular excellence model of managing culture of organization is unsuited to many public sector organizations. Termed here the cultural control model, it is the widely shared culture and how to create it. As a generic prototype of culture is limited to imposing a culture on a work force devoid of sub cultural conflict. Three other models of organizational culture are introduced which offer more promise for the public sector: the sub cultural model; the professional-managerial multicultural; and the public service or public interest model. These other models recognize in the culture-building strategies they prescribe deeply-rooted culture and that subcultures affect organizations in various, not necessarily negative ways. While the culture control model remains us the significance of culture to better management, subsequent research has refined models of organizational culture which are more Consistent with the values and ethics of professionalism and good administration.

2. Research Questions

This study is keen towards giving answers to the following questions:
Whether the corporate culture has impact on i. employee job performance?
In how does corporate culture influence ii. Employees job performance?

3. Research hypothesis

The following hypotheses are advanced and will be tested in this study.

Volume 4 Issue 10, October 2015

www.ijsr.net

Licensed Under Creative Commons Attribution CC BY
Hypothesis 1
H0: There is no positive relationship between culture of corporate and employee work performance in Indian Public sectors
H1: There is a positive relationship between culture of corporate and employee job performance in Indian public sector.

Hypothesis 2
H0: There is no positive relationship between culture of corporate and Employees productivity in Indian public sector.
H1: There is a positive relationship between corporate culture and organizational productivity through employees in Indian public sector.

4. Methodology

This section concentrates on the research techniques opted and used for this paper with the help of achieving the research purpose.

To this study survey research design is adopted. Survey research design was chosen because the sampled members and the variables are studied and observed as they are without making any attempt to control them.

The population of the study consists of the whole workers of the public sector at Chennai in Tamilnadu, for coverage and minimum cost; stratified sampling technique was used to select the participating banks. Public sector was stratified into two sub division based on the year they were established. Thus we have old-conventional public sector and new-modern public sector. Two public sectors were selected from each stratum. Public sector employees in selected banks were sub divided into 3 strata: office assistant, senior employees, and junior employees. A simple random sampling method was used to select a total of 105 employees that include our sample size (82). It should be highlighted that minimum monetary resources at the researchers disposal could not allow or permit for a greater sample size.

Every research work has a based on data collection. Purpose of data collection is to assure that the needy data are collected accurately and reasonable cost. Primary source of data collection was used in this paper. The primary data include some structured questionnaire that was framed and received answer from the respondents. The questionnaire has headed Corporate Culture and Employee Job Performance Questionnaire. However, only 82 out of 105 respondents answered properly on their questionnaire and were aid for final analysis in this paper. To achieve the above objectives of this research paper, degree of coverage, logicality and adaptively for prospective respondents A pilot test (pre study) which took the term of test-retest method was made at the selected public sectors (Tamilnadu paper industries Limited), in Chennai and (NLC) Neiveli, Tamilnadu State around 105 from each of the Public sectors were selected using purposive random sampling technique. This pre study was informed by the reason that it is the place (city) where the researcher is living with a fair concentration of the sector studied conveniently. Primary Data collected from the questionnaire were examined, summarized, and interpreted accordingly with the help of descriptive statistical techniques such as total, cumulative percentage and simple percentage. Chi square used to measure the discrepancy between observed and expected frequency and to proof the level of significance in testing mentioned hypotheses.

The formula of chi-square is:
\[ \chi^2 = \sum \frac{(O - E)^2}{E} \]

The (Table 1) shows that 57 (69.51%) of the respondents are male while 25 (30.49%) of the respondents are female. This information was sought about respondents’ number of years of working in the organization as it will help to show how much the respondents know about the organization and its activities.

Interpretation:
The (Table 2) shows that around 43.9% have worked in the organization for less than 5yrs while 32.93% of the respondents have worked in the organization for 6-10yrs, 15.85% have worked in the organization for 11-15yrs and 7.32% of the respondents have worked in the organization for.

The (Table 3) shows that 4.86% of the respondents Disagree and 59.76% of the respondents agree that organizational culture has effect on employee job performance. Also, we have 3.66% of the respondents who are undecided, and 28.05% of the respondents who strongly agree that organizational culture has effect on employee job performance. The respondents were asked if culture of the organization determines the productivity level of the organization.

Interpretation:
The (Table 4) shows that around 48.78% of the respondents agree, 36.59% of the respondents strongly agree, 6.01% of the respondents are undecided, 3.66% of the respondents disagree and 4.86% of the respondents strongly disagree that there is a positive relationship between culture of the organization and job performance. The researcher sought to know the respondents view on there is a positive relationship between culture of the organization and job performance.

Interpretation:
The (Table 5) reveals that 50% of the respondents agree and 36.58% of the respondents strongly agree that there is a positive relationship between organizational culture and organizational productivity. On the other hand, we have 2.44% of the respondents who are undecided, 6.1% of the respondents who disagree and 4.88% of the respondents who strongly disagree that there is a positive relationship between organizational culture and organizational productivity.

5. Testing of Hypotheses

Hypotheses testing are very crucial in a research work because until a hypothesis has been tested and checked against available data, it than a guess. Various statistical tools that can be used for testing of hypotheses but this research work will be limited to the use of chi-square (x2) statistical tool.
The chi-square test is used in goodness of fit for observation is sufficiently is sufficiently reliable for the purpose for which it is value randomly picked from the population equals a normal curve frequency of population. Hence the expected and observed set of frequencies will be compared and arranged in single columns. Chi-square (x²) is calculated using this formula:

\[ x^2 = \sum \frac{(O - E)^2}{E} \]

Where: \( S = \) Summation
\( O = \) Observed frequency
\( E = \) Expected frequency

Hypothesis 1:
H₀: There is no positive relationship between organizational culture and employee job performance
H₁: There is a positive relationship between organizational culture and employee job performance.

Condition:
From the (Table 6) calculated x² value is greater than the tabulated value x², w there is a positive relationship between culture of the organization and job performance accept H₁ and reject H₀.
It indicate that there is a positive relationship between organizational culture and employee job performance.

Hypothesis 2
H₀: There is no positive relationship between organizational culture and organizational productivity.
H₁: There is a positive relationship between organizational culture and organizational productivity.

The (Table 7) indicates that there is a positive relationship between organizational culture and organizational productivity.

6. Finding
A Majority of respondents (50%) strongly agree that corporate culture has effect on employee’s job performance.
- 48.78% of the employees also agree that corporate culture decide the productivity level of the organization.
- This paper further shows that there is a positive relationship between corporate culture and employees job performance. This proved in the first hypothesis tested in which the calculated value of chi-square 73.488 is greater than the table value of 9.488.

There is also a positive relationship between organizational corporate culture and organizational productivity. This also came from the second hypothesis in which the calculated value of chi-square 78.122 is greater than the tabulated value of 9.488 which made us to accept alternative hypothesis two and reject null hypothesis two.

7. Suggestion and Discussion
The suggestions are made to the bank management and other organizations that are interested in changing their culture in order to develop their employee’s job performance.
Every individual has distinct culture and beliefs that he works with and when he joins in an organization that has a utterly different culture and attitudes from his own, he should be allow to adopt himself first with the organizations culture and values to know whether he can pickup with them or not. It is the ability of the employee to learn with the organizations culture that will determine how he performs his job.

The organizational culture needs to be changed; employees must first of all be informed and made to learn the change of the existing culture as this will impact their performance. The culture of the Organization must be blending on all staff member of the company as this will improve uniformity among members of the organization and thus highlight commitment and group efficiency in terms of organizational productivity.

8. Conclusion
In this paper, the research person to look at the consequence of corporate culture on work performance of employees with evidence from Indian Public sector industry.

Questionnaires were set to respondents who are randomly selected to find out their opinions and views on whether corporate culture has an vital impact on employees job performance. From this study is that corporate culture is very important in every organization and that it has positive impact on employee job performance. Besides, corporate culture affects the level of organizational productivity in a positive way.

This paper reveals that there is a positive relationship between organizational culture and job performance of employees. Training and leading by example can serve as effective methodologies for promoting culture awareness and bring about culture change in organizations.

The article highlights culture in public organizations. The differences; in particular, reinforce the importance of training and often embodied within culture transformations in organizations.

Reference