



An Empirical Study on HR Practices as a Mediator on Organization Culture and Employee Performance

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Abstract:

The study attempts to examine the effect of organizational culture on employee performance and its evaluation has been identified by certain researcher's research. The main aim of research article is to identify the employee's perception about the organizational HR practices & culture in their working environment. Factors for which the employees give more importance. Study and examine the relationships between various aspects of HRM practices and organizational culture on employee's performance. Effectiveness of organization culture on employee performance. Literature review is adopted as methodology to review the culture of an organization upon employee performance. Organizational culture and employee performance to each other as they help in providing competitive advantage to the organizations. Hence Organizational culture plays a vital role in enhancing employee performance. Organizational culture must be binding on all members and employees of the organization as this will encourage uniformity among members of the organization and this enhance commitment, group efficiency and overall performance of employees.

Keywords: HRM Practices, Organizational Culture, Organizations Environment, Employee Performance, Employee Satisfaction

I. INTRODUCTION:

The global turmoil has witnessed the growing importance of Human Resources Management (HRM) in both business and public life. The turbulent business climate brought in the wake of liberalization, globalization, changing technologies, growth in knowledge and advances in information technology is offering managers a complex and challenging situation. Indian organizations are tending to become competitive to meet globally relevant standards. The growing emphasis on privatization has warranted a new focus in terms of result orientation, long-term strategies, consumer focus, initiative and different mind-sets for internal and external communication. In the field of Human Resources Management, HR practices and organization culture is concern with organizational activities which are aimed to bettering individual and group performances in organizational settings. It has been known by many names in the field HRM, such as employee development, human resources development, learning and development etc. It is developing employees' capacities through learning and practicing. Culture has relevance for all areas of management, most especially general management, because it is often created by general management and the human resources function. This is due to the exclusive concentration on employees and their conduct. It is logical to assume that organizational culture is inevitably intertwined with HRM. In other words, Organizational culture is inextricably linked to the concerns of human resources management. It has been suggested that one of the major roles of the centralized HRM department is the development of culture. The present study attempts to understand the workers in relation to the HR practices and the culture of the organization. The company can take the necessary corrective measures in their structure to promote greater productivity in the organization. Furthermore, the type of organizational culture created in an organization determines the impact it can have on employee performance. It can have either a negative or a positive impact. For instance, an organizational culture was employees are considered an

integral part of the growth process of the organization fosters employee performance. This is so because the employees align their goals and objectives with those of the organization and feel responsible for the overall well-being of the organization. As their efforts are in turn appreciated by the management and suitable rewards are given, they perform effectively and efficiently. In such organizational culture, the employees are committed to achieving their goals and thus it has a positive effect on the overall performance of the organization. Organizational culture to a large extent determines the performance of employees. Therefore, it is in the interest of organizations to eliminate negative factors that slow down employee performance in order to foster a positive work place environment or a positive organizational culture.

II. REVIEW OF LITERATURE

Many renowned research scholars, authors and professors have come up with many arguments and assumptions regarding the relationship between organization culture and employee performance. Some of them are explained below **Kotter and Heskett (1992)**, investigate the "**Relationship between long-term organizational performance and economic performance**" across more than 200 organizations. More ever, being one of the most important and most conscientious research efforts on this subject, the study has arranged three vital contributions. First, relationship between culture and performance established in their research is forceful. Second, the writer gives an important combination of theoretical point of view regarding the nature & scope of culture. Third, they sketch strong associations between culture, management practices and performance.

The claim that organizational culture is attached to performance is initiated on the apparent role that culture can play in caused competitive advantage. Limitations in measuring the culture of organization. **Pettigrew (1979)** was used the term "**Organizational culture**" first time in the

academic literature for his study in the journal of "Administrative Science Quarterly". It is necessary for the management to identify the norms and values of the organization of the employees. It should be needed that culture of the organization should be developed in a way to improve the style of employee's performance and continuous develop the quality awareness. Purpose of Study The primary purpose of this article is to understand the definition, conceptualization, and measurement the link of organizational culture and organizational performance and also to examine the nature of this relationship. It can be concluded from the systematic review of literature that the market is very competitive across all the sectors, and organizations in all sectors have developed a culture of innovation and experimentation to remain competitive in today's business world.

Mannion et. al., (2009) used "Organizational culture as a tool to assess quality And safety improvement activity in healthcare" Organizational culture plays critical role in work performance and effectiveness, the apparently low effectiveness of the construction industry may be related to the culture of the contractor's organization This paper presents a review of 100 research articles on organizational culture from the period of 2005-2016. The review of organizational culture spread by analyzing the articles author profile, time distribution, research methodology and type of industry. It can be concluded that conceptual and descriptive studies have been focused on organizational culture. It has certain inherent limitations such as forget the newest research due to time-consuming peer-review practices. In addition this paper provides an insight into the contribution of author from developing and developed countries.

Prakash (1994) "Selection in organizations is based on non-job related criteria" like attractiveness, goal orientation, and interpersonal skills: a general lack of concern for value congruence. The dominant emphasis has been on the universal practice of identifying and improving on existing performance strategies. This practice would require a complete reversal where congruencies of values should find a place in selection and training. Only then would it possible to achieve linkages with the values of the wider socio-cultural context in India. In order to make an organization effective, the values of the society and the cultural milieu should be synthesized with those of the organization and it's functioning. It has certain inherent limitations such as researcher could not access all the peer-reviewed journals, due to lack of sources, the problem of overlapping arose because the researcher is not limited to any single database.

Griffin and Pustay (1999) "Factors create the culture of an organization or a country through time" .components of culture in any region or country: communication, values and attitudes, religion, social constructions and language. The interactions of these components create the believes and principles of a place, in a social structure, this defines the role of individuals, its stratification and the mobility in the society. The major aspect in this element is the role of family in a society, whether the focus in on nuclear family only like the USA or extended family as emphasized in the Arab and Asian countries. The questionnaire development on the base of typology culture.

Tewodros Bayeh Tedla (2016)"The Impact of Organizational Culture on Corporate Performance" The

purpose of the study is important to determine the appropriateness of the research method. The qualitative research method was suitable for the study because quantitative and mixed-methods are relevant in quantifying causal relationships and analyzing numbers. The study participants of 20 senior managers carefully selected from the leading and biggest corporate group in Ethiopia Limitations include shortcomings and conditions of the study the limitation of the study was the study participants' willingness and flexibility to allocate sufficient time. As the study findings reflected, the corporate group leadership established and shared well-defined mission and vision statements throughout the 24 companies in the group. The study participants identified a well-defined mission and vision as a successful strategy to establish an effective organizational culture and to improve performance in the corporate group. The study results represent important knowledge and relevant information for business managers regarding the impact of organizational culture on corporate performance

III. STATEMENT OF THE PROBLEM:

Organizational culture refers to the beliefs, ideologies, principles and values that the individuals of an organization share. This culture is a determining factor in the success of the organization. This study is to find the association between organizational culture and employee performance. Employee performance is most important component to the organizations as well to the organizations Organisations always expect high employee performance from their employees, in order to achieve organizational targets. Low employee performance will be a cause for poor organizational performance and inefficiency in the organization

OBJECTIVES:

- 1.To identify the employees perception about the organizational HR practices & culture in their working environment.
- 2.To identify the factors for which the employees give more importance.
- 3.To study and examine the relationships between various aspects of HRM practices and organizational culture on employee's performance.
4. To study the effectiveness of organization culture on employee performance

IV. RESEARCH METHODOLOGY

Sample Design

Sampling unit- Employees of the company

Sample size- 70 respondents

Sampling method- Convenience Sampling Method

Method of data collection: Primary data was collected online and Questionnaire was collected from 70 respondents. Secondary data were collected from books, journal and websites

Method of data analysis: The collected data were processed with the help of excel software and SPSS software and chi square Analysis.

V. ANALYSIS AND INTERPRETATION

Table.1. Gender wise Representation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid male	41	58.6	58.6	58.6
female	29	41.4	41.4	100.0
Total	70	100.0	100.0	

Interpretation: The table above shows that 58.6% (41) of respondents are male while 41.4% (29) of respondents are female.

Table.2. Age wise representation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 25 years	17	24.3	24.3	24.3
25-40 years	40	57.1	57.1	81.4
More than 40 years	13	18.6	18.6	100.0
Total	70	100.0	100.0	

Interpretation: The table in term of age show that 18.6% (13) belong to category of more than 40 years old, 24.3% (17) belong to the age less than 25 years old and 57.1% (40) are belong to 25 - 40 years old. This information was sought to know the majority of the age group of the employee in the organization

Table.3. Length of the services wise Representation

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Less than 6 months	6	8.6	8.6	8.6
6-12 months	10	14.3	14.3	22.9
1-2 years	20	28.6	28.6	51.4
More than 2 years	34	48.6	48.6	100.0
Total	70	100.0	100.0	

Interpretation: The table in term of length of services in the organization, 48.6% (34) have more than 2 years of services, 28.6% (20) have 1-2 years of services, , 14.3% (10) have 6-12 months of services and remaining 8.6% (6) have less than 6 months of services. According to the above table number of the participants who served the organization longer is higher than those who served for shorter period.

Table. 4. Are employees encourage developing new& more efficient ways toward the employee performance

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Disagree	6	8.6	8.6	8.6
Neutral	26	37.1	37.1	45.7
Agree	29	41.4	41.4	87.1
Strongly Agree	9	12.9	12.9	100.0
Total	70	100.0	100.0	

Interpretation: The table indicate regard to the organization encourage employees to develop new& more efficient way toward the employee performance it show that 41.4% (29) have agree,37.1% (26) is neutral,12.9% (9) is strongly agree and remaining 8.6% (6) are disagree. According to the table it show a positives relationship between the organization and the employee's performance.

Table.5. There is the two way communication between hr manager and employee

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Neutral	25	35.7	35.7	35.7
Agree	23	32.9	32.9	68.6
Strongly Agree	22	31.4	31.4	100.0
Total	70	100.0	100.0	

Interpretation: The table in term of two way communication between HR manager and employee,35.7% (25) are neutral , 32.9% (23) are agree and 31.4% (22) are strongly agree this result indicate that there is a good relationship of HRM practices and organization culture on employee.

Table.6. Employee performance is evaluated among the team member regarding credit& promotion

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	1	1.4	1.4	1.4
Disagree	15	21.4	21.4	22.9
Neutral	44	62.9	62.9	85.7
Agree	9	12.9	12.9	98.6
Strongly Agree	1	1.4	1.4	100.0
Total	70	100.0	100.0	

Interpretation:

The table in term of Employee performance is evaluated among the team member regarding credit& promotion, 62.9%

(44) is neutral, 21.4% (15) is disagree,12.9%(9) is agree and 1.4% (1)show in both strongly disagree and strongly agree.

Table. 7. The factor of the organization culture in which employee give more important

	N	Minimum	Maximum	Mean	Std. Deviation
Q6. 17doorganizationmotivate stoenhanceproductivity	70	2.00	5.00	3.5571	.86201
Q6. 18doorganizationhaveflexibleworktimeschedule	70	1.00	5.00	3.0571	.75921
Q6. 19docompanyrecognizee mployeewelfareduringrefr enchment	70	2.00	4.00	3.1714	.68040
Q6. 20docompanyprovideper quistiesafterbestperforma nce	70	1.00	5.00	3.2857	.78284
Valid N (listwise)	70				

Interpretation

The table above show that the organization factor which employee give more important. Show that the organization motivates employee to enhance productivity have a higher

mean (Mean=3.5571, SD = .86201) and lower mean (Mean = 3.0571, SD = .75921) on the organization have a flexible work time schedule.

Table .8. As the whole employee are satisfied with the work culture and it help in the better employee performance

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Strongly Disagree	1	1.4	1.4	1.4
Disagree	6	8.6	8.6	10.0
Neutral	29	41.4	41.4	51.4
Agree	22	31.4	31.4	82.9
Strongly Agree	12	17.1	17.1	100.0
Total	70	100.0	100.0	

Interpretation

From the above table show the values of the employee satisfied with the work culture and it help in the better employee performance. 41.4% (29) are neutral, 31.4% (22) are agree, 17.1% (12) strongly agree, 8.6% (6) disagree and remaining 1.4% (1) are disagree. So the information show that the majority of the employee neutral toward the satisfied with the work culture and it help in the better employee performance.

- It is found that majority of the age of the employee in the organization 57.1% are belong to 25-40 years old, 24.3% are less than 25 years old and 18.6% are more than 40 years old.
- It found that the length of the employee services in the organization majority have the higher length of services experience than the shorter length services experiences.
- The employee is agreeing that the organization encourage employee to develop new and more efficient way toward the employee performance. This shows that the employee has a good perception about the organization practices and culture and work environment.
- the two way communication between HR manager and employee 25 respondent are neutral , 23 agree and 22

VI. FINDINGS

- From this study, it is found that 58.6% majority of the respondents belongs to male category and 41.4 % are belong to female category.

strongly agree it show that there is a good relationship between the HR practices culture and employee in the organization.

- Employee performance is evaluated among the team member regarding credit & promotion, there is a conflict in the values whereas the 44 respondents are neutral and 15 respondents disagree, 9 respondents are agree.
- The organization culture factor which employee gives more important. Most prefer factor is the organization motivates employee to enhance productivity. Second preference factor are company provide the perquisites after best performance. Third preference is company recognizes employee welfare during retrenchment period. And the last factor are the organization have a flexible work time schedule.
- The majority of the respondents are neutral as the whole employee are satisfied with the work culture and it help in the better employee performance.

VII. SUGGESTIONS

- The organization can emphasize on the evaluation among the team member regarding to credit and promotion that will lead the higher employee satisfaction and higher employee productivity.
- As the majority of the employee in the organization length of services are more than 2 years experiences. The organization can provide beneficial facilities to that employee.
- The flexible work time schedule can be modified or alter according to the employee flexibilities that will lead to the better productivity and better employee performance
- A positive relationship between organization culture and employee performances. Can obtain from the work environment .good perception of the employee toward the organization.

VIII. CONCLUSION

This study was conduct based on the survey undertaken 41 men and 29 women of the employee. A majority of the respondents are belong to the age 25-40 years old and majority of the length of the services experiences are more than 2 years. The organization culture factor which employee gives more important. Most prefer factors are the organization motivates employee to enhance productivity. Second preference factor are company provide the perquisites after best performance. Third preferences are company recognize employee welfare during retrenchment period. And the last factors are the organization have a flexible work time schedule. The majority of the respondents are neutral as the whole employee are satisfied with the work culture and it help in the better employee performance. The result of the research has indicated that there is a positive relationship between organizational culture and employee performance this positive relationship indicates that the culture of the organization is influencing the effectiveness of the employee

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