

Impact of Organisation Culture on Employee Performance in Banking Sector in Kurnool City of Andhra Pradesh

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Abstract

Organisation culture will have direct impact on employees' commitment and their retention as well. For the organisation effectiveness employee commitment is required. The employee performance will be based upon the organisation culture. The study is based on primary data which is collected with help of questionnaire which is coded and analyzed with help of descriptive statistics in SPSS. Quantitative analysis was used in the study which helps to know the variance between independent and dependent variables therefore ANOVA is used as a statistical tool in the study. 100 employees have been selected randomly as a sample. It is found that there is significant relationship between consistency as an element of organisational culture and employee job effectiveness, there is significant influence of organisation culture on employee efficiency and there is significant impact of organisation culture on employee job productivity.

Keywords: Organisation Culture, Employee Performance, Banking, Kurnool.

Introduction

Every organisation has to establish an organisational structure to survive in the market. Organisation culture is important to the company's position in the market. Organisation culture will have direct impact on employees' commitment and their retention as well. For the organisation effectiveness employee commitment is required. The employee performance will be based upon the organisation culture.

Review of Literature

Salihu et.al., (2016)¹ conducted a study on impact of organisational culture on employee performance and revealed that there is a significant relationship between employee involvement and employee job productivity. They suggested that organisation should give appraisals to the employees regularly based upon their performance and organisation should support the employees at the time of short falls and motivate them to unleash their full potentials. Organisation has to invest on training and development to improve employees' capability at all levels.

Jasim Uddin et.al., (2013)² did research on impact of organisational culture on employee performance and productivity and found that organisational culture attributes have positive relationship over the organisation performance. They explained how the employee norms, beliefs, gestures and other relevant aspects of organisational culture impacted on organisation performance. In their research they covered cultural traits which include from behaviour aspects to gestural attributes. They concluded that there is both positive and negative mannerism of organisation culture which has the significant consequences on employees as well as organisation performance.

Objectives of the Study

1. To know the relationship between organisational culture and employee job effectiveness.
2. To assess the influence of organisational culture on employee efficiency.
3. To evaluate the impact of organisation culture on employee job productivity.

Results and Discussion

Table 1: Table Showing Weighted Average Results of Variables

Variables	Items	Opinion Scale					Weighted Average
		Strongly Disagree 1	Disagree 2	Neutral 3	Agree 4	Strongly Agree 5	
Job efficiency	Activities and task given are efficiently carried in due to time	5	4	7	24	60	4.30
	More customers has been attracted due to proper time management in the bank	7	4	6	42	41	4.06
	New technologies has been adopted by the bank staff for efficient discharge of duties	4	6	3	55	32	4.05
Job effectiveness	More returns has been accrued in the bank due to job effectiveness	13	3	15	42	27	3.67
	The operations of the bank are adequately carried out without	6	7	3	54	30	3.95

Hypothesis of the Study

H₀₁: There is no significant relationship between consistency as an element of organisational culture and employee job effectiveness.

H₀₂: There is no significant influence of organisation culture on employee efficiency.

H₀₃: There is no significant impact of organisation culture on employee job productivity.

Methodology

The study is based on primary data which is collected with help of questionnaire which is coded and analyzed with help of descriptive statistics in SPSS. Quantitative analysis was used in the study which helps to know the variance between independent and dependent variables therefore ANOVA is used as a statistical tool in the study. 100 employees has selected randomly as a sample.

	complications						
	Competitive capacity of organizations can be increased by building strong people and effectively managing them	11	7	9	44	29	3.73
Job productivity	The number of hours worked has been reduced to boost effectiveness	5	4	4	23	64	4.37
	Most challenging task given are carried out without much stress	6	5	3	51	35	4.04
	Most of the customers issue are resolved within the turnaround time and before close of business	6	4	6	23	61	4.29
Organization Mission	The culture of your organization is open to change. You are able to react and adapt quickly, and are open to new ideas.	6	7	4	48	35	3.99
	Organizational culture acts as the social glue that bonds people together and makes them feel part of the organizational experience.	12	7	10	42	29	3.69
	Top managers help me discover how my personal values are validated when I perform my job in accordance with the organizational values	5	4	4	24	63	4.36
	During the interview, some of the questions I was asked presented the organization cultural values.	6	8	7	21	58	4.17
	The organizational values are aligned along the expectations of our targeted customers.	8	7	9	52	24	3.77
	The company employs people who share the same values and vision that the organization represents.	7	9	8	41	35	3.88
Employee Involvement	My organization empowers and engages me.	13	8	11	53	15	3.49
	My organization encourages some input into decisions that affect my work.	11	7	9	48	25	3.69
	My organization continually invests in the development of its employee skills in order to remain competitive and meet on-going	5	4	5	25	61	4.33

	business needs.						
	My organization places much value on employees working cooperatively towards the common goals of the organization	5	6	3	49	37	4.07
	The employee involvement in my organization is informal, voluntary and does not involve implicit control systems.	5	4	4	27	60	4.33
Consistency	I share a set of attributes which create a sense of identity with my organization.	11	9	9	47	24	3.64
	As an employee, am given assignments that are consistent with my strengths, interests and opportunities.	5	4	8	25	58	4.27
	High functioning organizations are comprised of individuals whose overt behaviours are consistent with their covert values.	6	7	2	54	31	3.97
	My values and behaviors are consistent with those of my organization.	5	4	5	21	65	4.37

Source: Primary Data

From the above analysis it is clear that under the job efficiency most of the respondents are agreed that the activities and task given are efficiently carried in due time, under the job effectiveness most of the respondents are agreed that the operations of the bank are adequately carried out without complications, under the job productivity most of the respondents agreed that the number of hours worked has been reduced to boost effectiveness, under the organisation mission most of the respondents agreed that the

top managers help me discover how my personal values are validated when I perform my job in accordance with the organizational values, under the employee involvement most of the respondents agreed that their organization continually invests in the development of its employees skills in order to remain competitive and meet on-going business needs, under consistency most of the respondents agreed that their values and behaviors are consistent with those of my organization.

Table 2: Table Showing ANOVA Results

S. No.	NULL HYPOTHESIS	F – VALUE	P – VALUE	RESULT
1	H ₀ 1: There is no significant relationship between consistency as an element of organisational culture and employee job effectiveness.	12.50	0.006	Not Accepted

2	H ₀ 2: There is no significant influence of organisation culture on employee efficiency.	14.05	0.001	Not Accepted
3	H ₀ 3: There is no significant impact of organisation culture on employee job productivity.	16.33	0.000	Not Accepted

Source: Primary Data

From the above table it is clear that for all the hypotheses p-value is less than the actual significant value i.e., 0.05, which means that null hypothesis not accepted. In other words that there is significant relationship between consistency as an element of organisational culture and employee job effectiveness, there is significant influence of organisation culture on employee efficiency and there is significant impact of organisation culture on employee job productivity.

Findings

1. Under the job efficiency Most of the respondents are agreed (weighted average 4.30) that the activities and task given are efficiently carried in due time.
2. Majority of the respondents are agreed (weighted average 3.95) that the operations of the bank are adequately carried out without complications under the job effectiveness.
3. Most of the respondents agreed (weighted average 4.37) that the number of hours worked has been reduced to boost effectiveness under the job productivity.
4. Under the organisation mission most of the respondents agreed (weighted average 4.36) that the top managers help me discover how my personal values are validated when I perform my job in accordance with the organizational values.
5. There is a positive relationship between consistency as an element of

organisational culture and employee job effectiveness.

6. There is influence of organisation culture on employee efficiency.
7. There is an impact of organisation culture on employee job productivity.

Suggestions

1. Organisation should give the regular appraisals on the basis of the employee performance.
2. Management should focus more on the company's mission by making sure that those leadership positions are conversant with the organization's mission so as to able to pass it down to their sub-ordinates.
3. Organisation should invest on training and development of its employees to improve employee capability at all levels.

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