A STUDY ON EFFECTIVENESS OF ORGANISATIONAL CULTURE AMONG EMPLOYEES IN AUTOMOBILE SECTOR, CHENNAI CITY

Ms. AKSHAYA R, DEPARTMENT OF MBA, SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI, INDIA

Dr. LAVANYA. M, DEPARTMENT OF MBA, SATHYABAMA INSTITUTE OF SCIENCE AND TECHNOLOGY, CHENNAI, INDIA

ABSTRACT: Organizational Culture is one of the most important construct in management research. This study elaborates the impact of organizational culture on organizational performance. The purpose of this study is to determine the impact of organizational culture on organizational performance in order to know that how culture of an organization assist in enhancing the organizational performance. Convenience sampling method is adopted in which a questionnaire is used to collect the data. The questionnaire circulated through Google form received 125 responses. The findings indicate that all the dimension of the culture influence the different perspective of organizational performance.

Keywords: *Organization Culture, Organization Performance, Employee's Commitment, organizational goals.*

I. INTRODUCTION:

Organizational culture is the collective Behavior of people that are part of an organization it is also formed by the organizational values, visions, norms, work language, systems and symbols, it includes belief and habits it is also the pattern of such collective behaviors and assumptions that are taught to new organization members as a way of perceiving, and even thinking and feeling. Organizational culture affects the way people and Groups interact with each other, with clients, and with stakeholders.

Functions of Organizational Culture:

These are the functions being served by the organization

- Sense of identity
- Sense – making device
- Reinforcing the values in Organisation
- Control mechanism for shaping behaviour

II. OBJECTIVE OF THE STUDY:

To explore the culture of automobile sector industries. To analyze the impact of organizational culture on organizational performance.

III. RESEARCH METHODOLOGY:

3.1 Population and Sample size:

The population size of the Automobile sector in the Chennai city is indefinite. The sample size is confined to 125 respondents. The research uses Convenience sampling method.

3.2 Primary and Secondary data:

The study is completely based on primary data. Primary data for the study is collected through the self-administered questionnaire which was circulated through Google forms. The study uses Secondary data for Theoretical framework of the study and Review of literature collected from journals, books, thesis and magazines.

3.3 Questionnaire Development:

The structured questionnaire consisted of 2 sets; the first set consisted of the demographic profile of the employees working in the Automobile sector and the Second set consisted of the Factors of Organisational Culture namely Physical factors, Welfare factors, Social factors and Climate factors.

The factors of Organisational culture was measured with the help of 5-point Likert scale namely [Strongly agree, Agree, Neutral, Disagree, Strongly disagree] from 1 to 5, respectively.

IV. REVIEW OF LITERATURE:

According to Azhar (2003) organizational culture is the combination of important assumptions that are shared in common by each members of an organization and are often unstated. Organizational culture is basically made up by two major common assumptions: values and beliefs. Values are the assumptions that have been forwarded by the leaders of the organization and considered to be ideals that are desired by all the members of an organization. Beliefs on the other hand are the assumptions about the reality and created by experience.

Summary of Organizational Culture and Innovation:

According to Tushman and O'Reilly (1997), organizational culture lies at the heart of organization innovation. Organizational culture affects the extent to which creative solutions are encouraged, supported and implemented. A culture supportive of creativity encourages innovation ways of representing problems and finding solutions, regards creativity as both desirable and normal and favours innovators as models to be emulated (Lock and Kirpatricks, 1995).

Certain environmental circumstances, strategic approaches, the values and actions of top management, organizational structure and technological cycles can be associated in the following ways with organizational cultures that support creativity and innovation:

1)   External environment (e.g., economy and competitiveness encourage continual changes in products, technology and customer preferences) (Tesluk et al., 1997)

2)   Reaction to critical incidents outside and within the organization, which is reflected in the strategy (e.g., innovation strategy) of the organization (Robbins, 1997; Tesluk et al., 1997) Managers' values and beliefs (e.g., free exchange of information, open questioning, support for change, diversity of beliefs) (Amabile, 1988; Tesluk et al., 1997).

3)   The structure of the organization, which in turn allows management to reach organizational goals (e.g., flexible structure characterized by decentralization, shared decision making, low to moderate use of formal rules and regulations, broadly defined job responsibilities and flexible authority structure with fewer levels in the hierarchy) (Hellriegel et al., 1998).

4)   Technology, which includes knowledge of individuals and availability of facilities (e.g., computers, internet) to support the creative and innovative process (Shattow, 1996). As regards the influence of organizational culture on a structure that supports creativity and innovation, values like flexibility, freedom and cooperative teamwork will promote creativity and innovation.

V. RESULTS:

5.1 Demographic Profile

Table 5.1: Percentage analysis of Demographic factors

Factors	Frequency	Percentile
Age		
20 – 30	83	66.9
30 – 40	36	29
40 & Above	5	4
Gender		
Male	76	60.8
Female	49	39.2
Designation		
Top Level Management	15	12
Middle Level Management	86	68.8
Low Level Management	24	19.2
Years Of Experience		
5 -10	109	87.9
10 – 15	11	8.9
15 & Above	4	3.2

5.2 Relationship between the demographic factors and Factors of Organisational Culture

Table 5.2 Descriptive mean statistics of Age factors and Factors of Organisational Culture

FACTORS	AGE FACTOR			F VALUE	SIGNIFICANCE
	20 – 30 Years	30 – 40 Years	>40 Years		
Physical Factors	1.9802	2.0000	1.7333	0.626	0.536
Welfare Factors	2.1111	2.2222	2.0000	0.828	0.439
Social Factors	2.0675	1.9907	1.9333	0.376	0.688
Climate Factors	1.9167	1.8981	1.9333	0.023	0.978

Since Ho is accepted; There is no significant difference between the age groups and the Factors of Organizational Culture.

Table 5.3 Descriptive mean statistics of Gender factors and Factors of Organisational Culture

FACTORS	GENDER FACTOR		F VALUE	SIGNIFICANCE
	FEMALE	MALE		
Physical Factors	2.0204	1.9474	0.906	0.343
Welfare Factors	2.1905	2.1053	1.777	0.185
Social Factors	2.1156	1.9912	1.058	0.306
Climate Factors	1.9116	1.9123	1.096	0.297

Since Ho is accepted; there is no significant difference between the Genders and the Factors of Organizational Culture.

Table 5.4 Descriptive mean statistics of Designation Factors and Factors of Organisational Culture

FACTORS	DESIGNATION FACTOR			F VALUE	SIGNIFICANCE
	Top level management	Middle level management	Low Level manager		
Physical Factors	1.7556	1.9535	2.1944	4.002	0.206
Welfare Factors	2.0222	2.1434	2.1944	0.561	0.572
Social Factors	1.8444	2.0465	2.1389	1.496	0.228
Climate Factors	1.8667	1.9302	1.8750	0.191	0.827

Since Ho is accepted; there is no significant difference between the designation and the Factors of Organizational Culture.

5.5 *Descriptive mean s*tatistics of Experience *factors and Factors of Organisational Culture*

FACTORS	EXPERIENCE FACTOR			F VALUE	SIGNIFICANCE
	5 – 10 Years	10 – 15 Years	>15 Years		
Physical Factors	2.0061	1.8182	1.5833	2.003	0.139
Welfare Factors	2.1394	2.1515	2.0833	0.028	0.972
Social Factors	2.0364	2.1515	1.8333	0.561	0.572
Climate Factors	1.8939	2.0909	1.9167	0.811	0.447

Since Ho is accepted; there is no significant difference between the experience and the Factors of Organizational Culture

VI. CONCLUSION:

From analysis of the data collected the perception towards organizational culture have been identified. Various demographic factors such as age, designation, years of experience have been analyzed and it is concluded that demographic factors exert a significant influence over organizational culture factors. There also exists a significant relationship between job satisfaction and organizational culture. The respondent's attitude towards their jobs is positive, with a majority of the respondents agreeing that there has been an improvement in their attitudes in the recent past. Among the reasons for this positive improvement are the following the work has become interesting, their jobs/roles are now clearer than before, they now have the knowledge/ skills to do their jobs properly. To a lesser degree, the fact that they now receive appreciation for their work has also helped to improve their positive attitude with regards to the organization, a vast majority of the respondent have a strong sense of belonging, and they take pride in working for the organization. Most of them feel comfortable working here.

REFERENCES:

1. Azhar, K (2003), Business Policy and Strategic Management, New Delhi, Tata McGraw-Hill.

2. Hofstede, G. (1980) "Culture's Consequences: International Differences in Work related Values", Beverly Hill, Sage

3. Hofstede, G. (2000), Culture's Consequences: International Differences in Work Related Values. Beverly Hills, CA, Sage Publications.

4. Jarratt, D., O'Neill, G (2002) The Effect of Organizational Culture on Business-to- Business Relationship Management Practice and Performance, *Australasian Marketing Journal* 10 (3)

5. Kotter, J.P and Heskett, J.L (1992), Corporate Culture and performance. New York: Free Press.

6. Robbins, S.P (1986), Organizational Behaviour: Cases, Concepts and Controversies. Prentice Hall, New Delhi.

7. Rousseau, D. M. (2000), Assessing organizational culture: The case for multiple methods. In B. Schneider (Ed.), Organizational climate and culture. San Francisco: Jossey-Bass.

8. Schein, E.H. (2004) 2nd ed, Organizational Culture and Leadership. San Francisco: Jossey-Bass

9. Linkage between Organization Culture and Job satisfaction- Salila Kumar Pattnaik, Vol-1 November 2011 Issue-2-Excel international journal of Multidisciplinary Management Studies.

10. An Empirical Examination of Organizational Culture and Job satisfaction. Vol-1 October 2010, Muzainah Mansor.

11. Organizational Culture and its impact on Job satisfaction, Vol-2 No.24 (Special Issue-December 2011), Muhammed Ilyas.

12. Andrew Neal, Michael A. West and Malcolm G. Patterson, 2005. "Do Organizational Climate and Competitive Strategy Moderate the Relationship Between Human Resources Management and Productivity", Journal of Management, Vol.31.