



## A study on role of organization culture and its influence on employee engagement

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### ABSTRACT

This paper aims to examine the key drivers for employee engagement within an organization. It seeks to answer the question: what are the keys to improving the level of employee engagement? A case study illustrates a strategy for employee engagement that was based on research on the key drivers of engagement. The paper presents practical case study material from Kia Motors – the South Korean automotive manufacturer. It shows how Human Resources (HR) worked to develop a strategy to address very poor levels of employee engagement. A clear set of engagement measures was developed to assess the impact of the engagement strategy. This paper ascertains some of the key drivers of employee engagement as illustrated by the case study. It demonstrates a number of practical tools HR professionals can utilize to build employee engagement within their organizations.

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### Introduction

Employee Engagement is a combination of commitment to the organization and its values plus a willingness to help out colleagues. This Research will study the role of organizational culture in engaging Employees. When Employees are engaged they feel positive about the Organization and this can lead to improvements in the quality of working lives and enhanced performance. Employee Engagement goes beyond job satisfaction and is not simply motivation. Culture is a very powerful force at the workplace which is consciously and deliberately cultivated and is passed onto the incoming employees. It reflects the true nature and personality of an organization. The project will seek to establish current levels of engagement by using a survey. The organization will use the results to develop an action plan to maximize the positive attitude towards culture in engaging employees.

#### Employee engagement:

It is the extent to which staffs are willing to be advocates for their business, are committed to staying with their employer, and are motivated to contribute their best to the organization they work for every day.

#### Levels of Organizational Culture In Engaging Employees

**Level 1:** The organizational culture can be observed in the form of physical objects, technology and other visible forms of behavior like ceremonies and rituals. Though the culture would be visible in various forms yet it would be only at the superficial level. For example, people may interact with one another but what the underlying feelings are whether there is understanding among them would require probing.

**Level 2:** There is a greater awareness and internalization of cultural values. People in the organization try solutions of a problem in the ways which have been tried and tested earlier. If the group is successful, there will be shared perception of that “success” leading to cognitive changes turning perception into values and beliefs.

**Level 3:** It represents a process of conversion. When the group repeatedly observes that the method that was tried earlier works most of the time, it becomes the “preferred solution” and gets converted into underlying assumptions or dominant value orientation. The conversion process has two advantages. Here, the dominant value orientation guides behaviors, however, at the same time; it may influence objective and rational thinking. These three levels range on a scale of superficial to deeply embed. As cultural symbols get converted to share assumptions, they move from a superficial level to a real internationalized level.

#### Essential Forces of Engagement

Engagement is linked to three essential forces in the organization. They are

##### Attrition

It is the number of people leaving the organization. An engaged workforce definitely has less chances of leaving the organization, a person who is engaged in his work is likely to stick to the company as he offers his best and as result of which the organizations takes due care of him in the form of hike in salary by way of incentives and bonus. Attrition is likely to come down in the organization, which have engaged workforce and this will get in the likely benefits for the organization.

##### Productivity

It is the output of the workers in the form of work done by them its not the quantity that matters it's the quality that is of importance for the organization. An engaged workforce has an understanding of what is expected of them at work so thus they are able to carry on their task effectively and efficiently thus adding to the productivity of the organization and thus adding to the growth and success of the organization.

##### Profitability

It is the ability of a company to earn a profit. It is a relative measure of success for a business. Research has proved that an engaged workforce is likely to result in an increase in the

profitability of the concern as they have complete dedication and commitment to their work and thus this is likely to result in an increase in the profit of the concern and thus ensuring the success of the organization.

#### **Factors Leading To Employee Engagement**

- Career Development- Opportunities for Personal Development
- Career Development – Effective Management of Talent
- Leadership- Clarity of Company Values
- Leadership – Respectful Treatment of Employees
- Leadership – Company’s Standards of Ethical Behaviors
- Empowerment
- Image

#### **Other Factors**

- Equal Opportunities and Fair Treatment
- Performance appraisal
- Pay and Benefits
- Health and Safety
- Job Satisfaction
- Communication
- Family Friendliness and Co-operation

#### **Increasing Employee Engagement**

1. Provide Variety: Tedious, repetitive tasks can cause burn out and boredom over time. If the job requires repetitive tasks, look for ways to introduce variety by rotating duties, areas of responsibility, delivery of service etc.
2. Conduct periodic meetings with employees to communicate good news, challenges and easy-to-understand company financial information. Managers and supervisors should be comfortable communicating with their staff, and able to give and receive constructive feedback.
3. Indulge in employee deployment if he feels he is not on the right job. Provide an open environment.
4. Communicate openly and clearly about what's expected of employees at every level - your vision, priorities, success measures, etc.
5. Get to know employees' interests, goals, stressors, etc. Show an interest in their well-being and do what it takes enable them to feel more fulfilled and better balanced in work and life.
6. Celebrate individual, team and organizational successes. Catch employees doing something right, and say "Thank you."

#### **Organizational culture:**

According to Taylor E.B (1987) culture is defined as the "complex whole which includes knowledge, belief, art, morals, law, custom, and any other capabilities and habits acquired by man as a member of a society".

#### **Nature Of Organizational Culture**

The culture of an organization may reflect in various forms adopted by the organization. Some of these forms are as follows:

- The physical infrastructure
- Routine behavior
- Language
- Ceremonies
- Gender equality
- Equity in payment and Dominant values such as quality, efficiency.

#### **Myths About Organizational Culture**

Organizational Culture is same as organizational climate  
In management literature, there is often ambiguity about two concepts—organizational culture and organizational climate. Organizational culture is a macro phenomenon which refers to the patterns of beliefs, assumptions, values and behaviors reflecting commonality in people working together. However,

organizational climate is a micro phenomenon and reflects how employees in an organization feel about the characteristics and quality of culture like morale, goodwill, employee relations, job satisfaction and commitment at the organizational, department or unit level. It refers to the psychological environment in which behavior of organizational members occurs. Another viewpoint about climate is that various variables get subsumed under the concept of climate and has unique indicators like symbols, rites, myths and stories.

#### **Culture is same as “groupthink”**

Since culture refers to shared assumptions and beliefs, it is likely to cause confusion. Groupthink refers to those group members who hide any differences in how they feel, think and behave in a certain way. The phenomenon of groupthink is mostly used in a face-to-face situation when dealing with small groups. Culture, on the other hand, is a much larger phenomenon characterized by historical myths, symbols, beliefs and artifacts.

#### **Culture is same as organization**

Culture is a result of sustained interaction among people in organizations and exists commonly in thoughts, feelings and behavior of people. Organizations, on the other hand, consist of a set of expectations and a system of reward and punishment sustained by rules, regulations and norms of behavior.

#### **Culture is a social structure**

Social structure, in various collectives, exhibit tangible and specific ways in which people relate to one another overtly. However, culture operates on a system of unseen, abstract and emotionally loaded forms which guide Organizational members to deal with their physical and social needs.

#### **Research methodology**

##### **Statement of problem**

Employee Engagement is the level of commitment and involvement an employee has towards their organization and its values. Organizational Culture plays an important role in engaging employees. People of Universal radiators are from different cultural back ground and Radiators itself has its own culture. The research problem is to study in what aspect the culture plays the role in engaging employees.

##### **Objective:**

##### **The Objective of the Research work is**

- To study the organizational culture in detail.
- To find out why culture is important in engaging employees.
- To find out what cultural change does the management may do to engage employees.
- To find out in what aspect the culture plays the role in engaging employees.

##### **Research Design**

A research design is the assessment of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. The research design is the conceptual structure with in which research is conducted. Primary and secondary data has been used for the purpose of the study. The primary data was collected by means of questionnaire and discussions with the respondents. There are 240 white collar employees working in different departments, among them 120 Employees were taken which is the population of the study. The research instrument is the means and methods through which data are collected. For the purpose of this study, structured questionnaire was used. It consists of 10 questions under various dimensions. The questionnaire was constructed using a four point rating scale, multiple choice

questions, ranking questions and open end questions for determining the role of Culture in Employee Engagement.

#### **Limitations of The Study**

- ❖ The sample represents only 1/2 of the employees and does not reflect the opinion of the entire work force.
- ❖ The project work was done based on the assumption that the information collected was true.
- ❖ The project work expresses the opinion which changes periodically.
- ❖ Since the project is of qualitative nature there was the participant's bias in some cases. Some information cannot be assessed due to its confidential nature.

#### **Interpretation:**

In the above table based on the score value, individual ownership and team commitment was given 1st rank, result not effort was given 2nd rank, killing the problem was given 3rd rank, Spirit of ambition and curiousness was given 4th rank, Celebrating success and failure was given 5th rank, Institutionalize learning was given 6th rank and Outcomes not activities was given 7th rank based on employees opinion.

#### **Result :**

We accept the Null Hypothesis that there is no variance between prevailing Organizational Culture and prevailing level of Employee Engagement.

#### **Findings, Suggestions & Conclusion**

##### **Findings**

- Majority of the respondents Agreed to the statement that the subordinates are very helpful and cooperative at work and the rest 5% of the respondents disagree to the statement.
- Majority of the respondents said that receiving supervision and feedback is good and 25% of the respondents said that its excellent.
- Some of the respondents said that On the Job training is good, 15% of the respondents said that it is excellent and the rest 35% of the respondents said that On the Job training is poor.
- Some of the respondents said that Opportunities for personal development is good, 20% of the respondents said that it is excellent and the rest 25% of the respondents said that Opportunities for personal development is poor.
- Majority of the respondents said that Opportunities for Advancement is good, 15% of the respondents said that it is excellent and the rest 25% of the respondents said that Opportunities for Advancement is poor.
- Some of the respondents said that team work within their department is good, 55% of the respondents said that it is excellent and the rest 5% of the respondents said that team work within their department is poor.
- Majority of the respondents were satisfied with the Rewards and Recognition and the rest 5% of the respondents were dissatisfied.
- All the respondents were satisfied with the Personal Accomplishment.
- 85% of the respondents were satisfied with the supervision provided by their boss and the rest 15% were dissatisfied.
- There is no significant variance between prevailing Organizational Culture and prevailing level of Employee Engagement.
- We accept the Null Hypothesis that there is no variance between prevailing Organizational Culture and prevailing Employee Engagement.

• We accept the Null Hypothesis that there is no variance between prevailing Organizational Culture and prevailing level of Employee Engagement.

- The gap between the organizational culture and employee engagement is not much. When organizational culture increases employee engagement also increases. In some cases the organizational culture and the employee engagement remains the same. So it is clear that the organizational culture plays a great role in engaging employees.
- Almost all the respondents says that the mission and the purpose of the company make them feel that their job is important.
- Almost all the respondents says hat they feel proud to work in universal radiators.

#### **Suggestions**

Employee Engagement is instable in On the Job training, Opportunities for Personal Development, Opportunity for Advancement and in the Supervision provided by their Boss.

Employee Engagement is correlated with business outcomes in some positive way, but the methods seen as critical to building Engagement because 25% of the Respondents feel that Opportunity for Personal Development and Advancement are not up to the mark. Engaged employees see their work as challenging and have options for development and advancement. So Instead of giving important to Outcomes alone the Activities may also be given important by appreciation, rewards, praise, by thanking for initiation etc. Only if the activities are been motivated the Management may get a Positive Outcome and also the Respondents may feel that they have an Opportunity for their Advancement and Personal Development.

#### **Conclusion**

+A Study On The Role Of Organizational Culture In Employee Engagement discussed the Positives of Employee Engagement, the Levels of Employee Engagement, the Attempts to increase those levels of Employee Engagement and the Organizations Outcomes in detail. The study also finded out the "The extent to which people value, enjoy and believe in what they do" and the Role played by the Organizational Culture in Engaging Employees. Hence conclude that raising and maintaining Employee Engagement lies in the hands of an organization and requires a perfect blend of time, effort, commitment to craft a successful endeavor.

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**Table: 1 Organizational Culture**

ORGANIZATIONAL CULTURE	SCORE	RANK
Result not effort	522	2
Outcomes not activities	444	7
Individual ownership and team commitment	528	1
Killing the problems	492	3
Spirit of ambition and curiousness	468	4
Celebrating success and failure	456	5
Institutionalize learning	450	6

**Table: Prevailing Organizational Culture**

ORGANIZAIONAL CULTURE	SA (5)	A (4)	N (3)	D (2)	SD (1)
1. Information is shared and is easily accessible to everyone.	30	90	0	0	0
2. People are rewarded based on their capabilities, skills and deliverables rather than their Seniority.	36	72	0	12	0
3. The Organization is open to change and reasonably flexible in its policies in case of engaging employees	36	78	0	6	0
4. The organization has a clear mission that give meaning to the work	24	96	0	0	0
5. The organization has a multicultural and multi ethical work environment which in your opinion boosts your productivity	30	84	0	6	0
6. Attempts to create changes in Work is usually encouraged	30	84	0	6	0
7. The organization adeptly respond to competitors and changing business environment	66	54	0	0	0
8. The role and responsibilities of each and every individual are clearly defined and regularly communicated	36	64	0	24	0
9. The goals of the employees are aligned with those of the organizational culture	54	60	0	6	0
10. The subordinates are very helpful and cooperative at work	54	60	0	6	0
<b>TOTAL</b>	392	742	0	66	0

**Table:3****Variation between prevailing organizational culture and prevailing Employee Engagement****Null Hypothesis: Ho**

There is no significant variance between prevailing Organizational Culture and prevailing Employee Engagement

**Alternative Hypothesis: Hi**

There is a Significant Variance between prevailing Organizational Culture and prevailing Employee Engagement.

	CULTURE					
ENGAGEMENT	Strongly Agree	Agree	Neutral	Disagree	Strongly disagree	TOTAL
Very good	0	6	0	6	12	24
Good	12	6	0	30	0	48
Neutral	0	0	0	0	0	0
Poor	18	6	0	6	0	30
Very poor	18	0	0	0	0	18
<b>TOTAL</b>	48	18	0	42	12	120

**Calculation :**

Type of variance	SS	Df	MS	f	
Variance of column	331.2	4	82.8	1.533333	Fc
Variance of row	244.8	4	61.2	1.133333	Fr
Balance	864	16	54		
<b>Total</b>	1440	24			

Expected variance of column : 2.78

Obtained variance of column : 1.533

Expected variance of row : 2.51

Obtained variance of row : 1.133

Decision : Obtained variance of row and column < Expected variance of row and column

**Result :**

We accept the Null Hypothesis that there is no variance between prevailing Organizational Culture and prevailing Employee Engagement.

**Table:4****Variation between prevailing organizational culture and prevailing level of Employee Engagement**  
**Null Hypothesis: Ho**

There is no significant variance between prevailing Organizational Culture and prevailing level of Employee Engagement

**Alternative Hypothesis: Hi**

There is a Significant Variance between prevailing Organizational Culture and prevailing level of Employee Engagement.

**Calculation**

	CULTURE					
ENGAGEMENT	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	TOTAL
Highly satisfied	36	0	0	6	0	42
Satisfied	6	0	0	12	0	18
Neutral	0	0	0	0	0	0
Dissatisfied	6	12	0	18	6	42
Highly Dissatisfied	0	6	0	6	6	18
<b>TOTAL</b>	48	18	0	42	12	120

Type of variance	SS	Df	MS	f	
Variance of column	331.2	4	82.8	1.333333	Fc
Variance of row	259.2	4	64.8	1.043478	Fr
Balance	993.6	16	62.1		
<b>Total</b>	1584	24			

Expected variance of column : 2.78

Obtained variance of column : 1.333

Expected variance of row : 2.51

Obtained variance of row : 1.043

Decision : Obtained variance of row and column < Expected variance of row and column