Influence of organizational culture on firm performance

Abstract

Organizational culture submits to the organization's culture or environment. This is a concept associated with organizational culture, however different it is. The culture that members attribute to their experiences in the workplace refers to the core values and assumptions that drive tangible experiences. The research attempts to understand the influence of organizational culture on firm performance. Convenience sampling technique was used for primary data collection. Sample size was 50 textile employees from Tirupur. Data analysis was done through path analysis.

The analysis identified that there is influence of organizational culture such as openness, confrontation and trust on employees satisfaction among employees in the textile industry. It is also identified that there is influence of organizational culture such as openness and trust on firm effectiveness in the textile industry. The analysis found that there is an influence of employee satisfaction on firm effectiveness in the textile industry. Success of the textile industry depends on the employee's satisfaction and employee development.

Superiors should guide the behavior and demonstrate a way to lead is a best appropriate technique. Keywords: Organizational culture, Openness, Career Development, Trust Employees Satisfaction and Firm Effectiveness. Introduction The organizational culture can materialize to be a polemic theme since several authors do not agree on the difference between culture and culture. According to Schneider, et al. (2003) the culture is extra franc to discover than its fundamental factors, being capable to evaluate it with a aroma where its perfume is discovered without it organism feasible to recognize each factor used in the building, i.e.

It is easier to sense the influence of organizational culture in an employee's group within an industry than to determine the explanation why that culture presents itself in that exact way. Organizational culture submits to the organization's culture or environment. This is a concept associated with organizational culture, however different it is. The culture that members attribute to their experiences in the workplace refers to the core values and assumptions that drive tangible experiences. Moreover, culture is a manifestation of deep, abstract and rooted organizational cultural values.

This means creating tangible results and relationships that complement each other. In this way, the organizational environment and social characteristics are observable or understandable. This will motivate employees of the organization to communicate and be productive in this environment (Asif, et al. 1996) and (Fainshmidt and M. L. Frazier, 2017). Review of Literature Aysen Berberoglu (2018) exposed that organizational culture is correlated with perceived organizational performance and organizational commitment.

Brown (2003) stated that excellent leaders expand their skills to revise their organizational culture in order to develop their organizational performance. Yee Poh Li and Ananthalakshmi Mahadevan (2017) found that factors of organizational culture have a positive and significant
influence on employee performance. Hennessey (1998) researched empirically the variables but the relationships among them are examined individually.

Jianwei Zhang and Yuxin Liu (2010) discovered that there is influence of organizational culture on factors of human resources management effectiveness such as job satisfaction, work efficacy and turnover intention. The authors also identified that organizational culture had significant influence on organization effectiveness. Denison (1990) designated that there is influence of organizational culture on organizational performance directly. Cameron and Quinn (1999) stated that the right organizational culture is believed to be a necessity for huge levels of organizational performance. Rajeesh (2015) discovered that there is an influence of organizational culture on employees performance.

According to AtifAcikgoz, et al. (2011) found that there is an interrelationship between organizational culture and team innovativeness. Balakrishnan (2013) found that employees' work passion was influenced by organizational culture. According to Peter, et al. (2000) discovered that there is association between culture and performance. Research Methodology Descriptive research design has been used in this research work. The descriptive research design attempts to explain the activities of the employees in relation to an exacting practice or ethnicity of meaning.

Based on the recompense of descriptive research design, the author has used the descriptive research to establish the influence of organizational culture on firm performance in the textile industry. Framework of the Research It was used to identify the influence of organizational culture on firm performance. Organizational culture was considered as an independent variable and classified into three groups such as openness, confrontation and trust. Employees satisfaction was considered a dependent variable.

Firm effectiveness was considered as an outcome variable. Research Gap Many researchers have studied in the area of organizational culture and job satisfaction on firm effectiveness. Influence of independent variables (organizational culture and job satisfaction) on firm effectiveness. The three variables combined study was not found especially in the Textile industry. So there is a research gap identified to study that is unique in introducing the dependent variable employee satisfaction and independent variable organizational culture and outcome variable firm effectiveness.

Statement of the problem: How organizational culture influences employee satisfaction in the textile industry. What the employees' level of perceived employee satisfaction is in the textile industry. How employee satisfaction influences firm effectiveness in the textile industry. Objectives of the Study To study the influence of organizational culture such as openness, confrontation and trust on employees satisfaction among employees in the textile industry.

To know the influence of employees satisfaction on firm effectiveness in the textile industry. Hypotheses of the Study There is no influence of organizational culture such as openness, confrontation and trust on employees satisfaction among employees in the textile industry. There is no influence of employee satisfaction on firm effectiveness in the textile industry. Questionnaire Construction Standard tools were used for primary data collection.
For all the statements of the questionnaire construction the alpha was ranged from 0.78 to 96. This reliability value indicates the high reliability of the statements of the questionnaire. Area of sample and justification Tirupur district has been selected for this research as an area of sampling. Hence, there is a requirement to defend and expand the employees as well as the textile industry as a whole. By understanding this, organizational culture and employees; satisfaction are judged for the research. Sampling design The sample comprises the employees of textile industry in Tirupur district of Tamilnadu.

Pilot study sample size Pilot study sample size of the research was 50 employees from textile industry in Tirupur district of Tamilnadu. Sampling technique: Sampling technique presents a range of techniques that allow decreasing the amount of data wanted to collect by believing only data from a subgroup rather than all probable cases or rudiments. Convenience sampling technique was followed to collect the primary data for the research. Toll for data analysis Path analysis was used for data analysis.

It was used to identify the influence of organizational culture on firm performance with respect to employee job satisfaction among employees in the textile industry. Results and Discussion From the model fit table, it is identified that the chi-square value was 0.654. The p value was 0.654, which was greater than 5%. The GFI and AGFI scores were larger than 0.90, which was suggested by Saminathan, et al. (2019). The calculated CFI and NFI scores were larger than 0.90, which was suggested by Kantiah Alias Deepak and Velaudham (2019); Velaudham and Baskar (2015). It was found that RMSEA and RMS values were less than 0.08.

The above pointers indicate that it was completely fit Velaudham and Baskar (2016). Ho: There is no influence of openness on employee satisfaction. Influence of openness on employees satisfaction calculated value of CR is 2.818. The Beta value was 0.113. The beta value indicates that 11.3 percent of influence is through openness towards employees satisfaction. The p value was 0.005. The p value was less than 5% and the hypothesis was rejected. The result shows that openness influences employee satisfaction among the employees in textile industries in Tirupur district.

Ho: There is no influence of confrontation on employee satisfaction. Influence of confrontation on employees satisfaction calculated value of CR is 11.708. The Beta value was 0.455. The beta value indicates that 45.5 percent of influence is through confrontation towards employees satisfaction. The p value was 0.001. The p value was less than 5% and the hypothesis was rejected. The result shows that the confrontation influences employee satisfaction among the employees in textile industries in Tirupur district. Ho: There is no influence of trust on employee satisfaction.

Influence of trust on employees satisfaction calculated value of CR is 2.482. The Beta value was 0.096. The beta value indicates that 9.6 percent of influence is through trust towards employees satisfaction. The p value was 0.013. The p value was less than 5% and the hypothesis was rejected. The result shows that the trust influences employees satisfaction among the employees in textile industries in Tirupur district. Ho: There is no influence of openness on firm performance. Influence of openness on firm performance calculated value of CR is 9.883. The Beta value was 0.328. The beta value indicates that 32.8
percent of influence is through openness towards firm performance. The p value was 0.001. The p value was less than 5% and the hypothesis was rejected. The result shows that the openness influences firm performance among the employees in textile industries in Tirupur district. Ho: There is no influence of trust on firm performance. Influence of trust on firm performance calculated value of CR is 8.576. The Beta value was 0.279. The beta value indicates that 27.9 percent of influence is through trust towards firm performance. The p value was 0.001.

The p value was less than 5% and the hypothesis was rejected. The result shows that the trust influences firm performance among the employees in textile industries in Tirupur district. Ho: There is no influence of employees satisfaction on firm performance. Influence of employees satisfaction on firm performance calculated value of CR is 10.591. The Beta value was 0.334. The beta value indicates that 33.4 percent of influence is through employees satisfaction towards firm performance. The p value was 0.001. The p value was less than 5% and the hypothesis was rejected.

The result shows that the employee's satisfaction influences firm performance among the employees in textile industries in Tirupur district. Findings The analysis identified that there is influence of organizational culture such as openness, confrontation and trust on employees satisfaction among employees in the textile industry. It is identified that there is influence of organizational culture such as openness and trust on firm effectiveness in the textile industry.

The analysis found that there is an influence of employee satisfaction on firm effectiveness in the textile industry. Recommendations It is recommended that proper management policies be strengthened to maintain and strengthen good relations among the employees within the organization. Success of the textile industry depends on the employee's satisfaction and employee development. Superiors should guide the behavior and demonstrate a way to lead is a best appropriate technique.

In order to develop the firm effectiveness the textile industries must focus on the employees' trust. The textile industry management should provide training programs that are required by the employees to enlarge their career. The analysis identified that there is an influence of organizational culture such as openness, confrontation and trust on employee satisfaction among employees in the textile industry. It is also identified that there is influence of organizational culture such as openness and trust on firm effectiveness in the textile industry.

The analysis found that there is an influence of employee satisfaction on firm effectiveness in the textile industry. Success of the textile industry depends on the employee's satisfaction and employee development. Superiors should guide the behavior and demonstrate a way to lead is a best appropriate technique.

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