

## **ORGANIZATIONAL CULTURE AND EMPLOYEE'S JOB PERFORMANCE**

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### **Abstract**

*The study examined the impact of organizational culture on employee's job performance between Academic and Non- Academic staff of University of Benin. Survey research design was employed to accomplish the objectives of the study. A structured questionnaires were administered on a total sample size of 378 employees which was determined by Yaro Yamane sample size formula. To guide the study, three hypotheses were formulated and tested at 0.05 level of significance. Data collected were grouped and analysed using mean, standard deviation and chi-square ( $X^2$ ), of goodness of fit. The findings reveal that reward, mission and working condition as an elements of organizational culture have a positive influence on employee's job performance. Based on this findings, the study recommends that the tangible evidence of organizational culture should be introduced and management should ensure regular training for employees.*

**Keywords:** *Organizational culture, Employee's performance, Organizational mission, Reward system, and Working condition.*

### **Introduction**

The trend at which individuals, groups, communities, society and organizations are been guided in the achievement of its goals and objectives within their macrocosm is germane to the culture been practised. Culture are consistent ways organizations carryout their activities to sustain their existence, it is the way organizations work and adopt to both internal and external environment and realities of work (Chukwu, Agunwanba & Kanu 2017). Organization generate their own culture such as beliefs, norms and artifacts which embodies the value which organization seek to be known for and identified .

Organizational culture is made up of shared values, beliefs and assumptions about how people should behave and interact, how decisions should be taken and how work activities should be carried out. Organizational culture binds the workforce together and provides a direction for the organization. (Das & Tripathy 2020), defined organizational culture to include the values, opinions and attitudes of a company. Management would like its employees to recognize and identify with the values, norms, and artifacts of the organization, in order to enable them to achieve their aims and objectives, for effective and efficient performance of the employees. When the employees are guided by a culture in the organization it enhances productivity at a higher level. The productivity in an

organization is greatly influenced by its culture which is often invisible to them. Organizational culture provides a means of controlling behavior and how we perceive the world around us. Hence, organizational culture has a strong influence on employee's performance and work attitude. For employees, it's either the culture that glue and bound people together or that drive them away. Therefore, there is a need for management to explain and inculcate culture in its employees. This will enable the employees to get familiarize with the organizational system.

According to Nelson and Quick (2011), organizational culture performs four function; gives member sense of identity, increases their commitment, reinforce organizational values and serve as a control mechanism for shaping behavior. It is essential to take cognizance that leaders shape and reinforce culture by what they pay attention to, how they behave, how they allocate reward and how they hire and fire individuals. It is through understanding the dominant culture in the organization that employee's performance can be determine. Performance refers to the range which an individual or group carry out a task. It is the degree of accomplishment of the task that makes up employees job (cascio 2006).

When an individuals values and organizational practices are well integrated it will largely affect the level of individual and organizational output. The more employees identify that an organization provides uninterrupted learning dialogue with employees and has well – connected system with good leadership, the more committed he will be to the organizational goals (Joo & Lim, 2009, Joo & Chim 2010). Organization that hold value innovation in high esteem, encourage high employees job performance because by doing so, it promote competition among employees. This will enable other employees in that organization to bring out their best in order to standout and receive reward and recognition. The minutes employees recognized that their jobs is being appreciated and their efforts matter and their efforts is far off earning a paycheck, their performance will increase. Employees performance can be increased through; proper incentives system, which may be financial and non – financial incentives include; salaries, allowances, medical payment, bonus and wages, while non-financial include promotion, medical allowances, training, subsidized housing and meals (Armstrong, 2012). A strong organizational culture supports adaptation and develops employees performance by motivating them towards a shared goals and objectives. The kind of organizational culture established in an organization determines the impact it has on employees. For example, an organizational culture where employees are considered as an integral part of the growth process fosters employees job performance. This is as a result of the fact that employees integrate their goals and objectives to those of the organization therefore, they feel responsible for the overall wellbeing of the organization.

Ramezan & Rahaleh (2015), considered certain factors or elements in their study in understanding the impact of organizational culture on employees job performance to include; reward system, involvement and participation, communication, support, integration. But this study tend to examine the following elements reward system, mission, and working condition to aid employees job performance.

Reward as an element of organizational culture is the total amount of financial and non-financial compensation or remuneration provided to an employee in return for labour or service rendered at work (Armstrong 2012). The kind of reward system that is been practiced in an organization has a lot of influence on the employee's job performance, it

motivates them to do more, and it increases the level of productivity, when the reward system is adequate. Organizations need to reward employees in order to establish a balance between employee's goals and organizational goal and keep the employees moral high (Selden and Sowa 2015). Positive reinforcement keeps the organization employees moral and motivation very high. According to Fisher (2015), positive reinforcement is a form of recognition that provides encouragement for employees, such as fringe benefits, incentives, leave and medical allowances. It develops job satisfaction and improves relationships and self-esteem among employees, supervisor and manager. With positive reinforcement, employees tend to have much more positive attitude about their jobs feel a heightened sense of satisfaction and self-worthiness and are actively involved in making the business of the day successful.

Working condition in an organization plays a significant role in determining employees job performance. A good working condition or environment increases employee job satisfaction and an employee organizational commitment, so the employees will strive to put in their best in their daily operations. but when the working conditions do not match or favourable with the employees needs, they tend to perform poorly, dissatisfaction sets in, and reduces the rate of employee's productivity. To this end, a conducive working conditions will not only help employees to perform maximally but also help in attaining the goals and objectives of the organization as stated in national police on education (2013).

Mission is the purpose or reason for the organizations existence, it is sometimes referred to as creed, or statement of corporate philosophy and values. The mission of an organization is aligned to the expectations of the targeted customers so as to achieve it ultimate return. The alignment will make personal and corporate values increase staff engagement. Hence, employees gain more satisfaction from their jobs and are motivated in bringing out the best and working harder to achieve effectiveness. A mission statement enables an organization to have an edge over its competitors, it is what an organization is and why it exist. According to Alavi and Karami (2009), indicated that 72% of the examined CEO's believe the existence of formal and written mission statement has a great impact on enhancing organizational performance.

The challenges most organizations face is that they pay more attention and focus on motivational factors such as financial and non-financial incentives. And thus focus less on organizational culture which impact on the operations of employees. As organization grows, more challenges erupt, people work for money but they also work for more than money. Most employees want to be proud of the organization they work, to establish a good relationship with other employees and managers and to believe they have worthwhile jobs. Many factors influence both individual and groups in organizations, but not all are considered when trying to understand the behavior of people at work. The problem then is to identify how organizational culture can be established and maintained to improve employee's job performance.

On the basis of the researchers tend to determine the organizational culture and employee's job performance in University of Benin, Benin City. The theoretical framework on which this study hinges is the open-book management theory which was proposed by John Case in 1993. In the context of organizational culture on employees performance the open book management provides a framework on how to manage different people who are recruited and selected into the organization with different

cultural background and this differences in their cultural background often conflict with the cultures and standard that govern the organization hence, resulting to lower employees performance which would eventually lead to decrease in the organizational productivity. In other to align employees with the culture of the organization so as to enhance their performance the open book management stress that there should be transparency for participation in decision making by allowing employees awareness and informing them about available opinion. This will enable an organization to become far from ambiguity in its orientations which would increase the spirit of belongings and lead to greater employees performance.

### **Hypotheses**

The following null hypotheses were tested at 0.05 level of significance

1. There is no significant relationship between reward as an element of organizational culture and employee's job performance
2. There is no significant relationship between working condition as an element of organizational culture and employee's job performance
3. There is no significant relationship between mission as an element of organizational culture and employee's job performance

### **Methodology**

The population of the study was made up of all the University of Benin full-time employees of 6,802, the employees were divided into two groups (A & B), academic staff and non-academic staff. The academic staff includes all teaching staff from graduate assistants to professors. The non-academic staff includes all senior & junior non-teaching staff of the university.

<b>Group</b>	<b>Job cadre</b>	<b>Population</b>	<b>Proportion</b>
A	Academic staff	1947	28.62%
B	Non-academic staff	4855	71.38%
Total		6802	100

**Source: Uniben Statistic Division, 2021**

### **Sampling and Sample Size**

A manageable sample size was achieved from the total staff strength of 6802 through the use of the Yaro Yamane's sample size population formula:

sample size =  $n = \frac{N}{1 + N(e^2)}$ , where population size = 6802 and  $e = 0.05$ .

$$\frac{6802}{1 + \frac{6802(0.05)^2}{6802}}$$

$$\frac{6802}{1 + 0.0025}$$

$$\frac{6802}{1.0025}$$

$$6781.17$$

$n = 378$  (sample size)

Using a simple random sampling technique, the number of questionnaires administered on the two different employee cadres were determined using the proportionate allocation of sample size formula shown in table 2 below.

**Table 2: Proportionate Allocation of Sample Size and Questionnaires**

Cadre	Population	Calculated sample size distributed	Completed and Returned Questionnaires
Academic staff	1947	$0.29 \times 378 = 110$	110
Non-academic staff	4855	$0.71 \times 378 = 268$	268
Total	6802	378	378

**Source: Auditors' Field Work, 2021**

The study employed a descriptive research design and a research instrument made up of structured questionnaire of two parts; one is the bio-data, which focus on the demographic and personal data of the respondent, while part two address issue on the core subject matter of the study. The survey questions were made short and interesting to ensure that respondents complete the questionnaire within an average time of five minutes, all the administered questionnaires were duly completed and returned. The questionnaire was reviewed by senior academic expert in the Faculty of Education and the University Bursary, respectively, with a pilot test conducted on 20 members each of academic and non-academic staff employees of the university to ascertain the level of understanding reliability and validity of the research instrument.

Demographic information were analysed using simple percentage while those collected on organizational culture and employee's performance were analysed using mean ( $\bar{x}$ ), standard deviation, frequency and chi-square ( $\chi^2$ ), of goodness of fit.

### **Analysis and Discussion of Result**

**Table 1: Chi-square Analysis of Organizational Reward**

S/N	items statements	Df	X <sup>2</sup>	P.Value	Decision
1	There is adequate reward in the institution.	3	94.123	.000	Significant
2	Pension plans by government motivates employees Performance.	2	10.561	.000	Significant
3	Availability of leave grants encourages employees job Performance.	2	7.642	.000	Significant
4	study leave with pay encourages employees job performance.	2	74.162	.000	Significant
5	Availability of salary advance services encourages employees performance.	2	61.521	.000	Significant

The above table shows that the chi-square values ranged from 7.642 to 94.128. the corresponding P-values ranged from .000. Testing at alpha level of .05, each item is significant. Since all the probability value are less than .05. The null hypothesis is rejected, hence there is significant relationship between reward and employees job performance.

**Table 2: Chi-square Analysis of Organizational Working Condition**

S/N	items statements	Df	X <sup>2</sup> P.Value	Decision
1	Job security leads to employees job performance.	2	40.978 .000	significant
2	Career advancement opportunities leads to employees Job performance.	2	16.237 .000	significant
3	Poor working environments leads to employees job Performance.	2	9.451 .000	significant
4	Adequate promotion leads to employees job Performance.	3	78.143 .000	significant
5	Good working condition leads to employees job Performance.	2	23.617 .000	significant

The above table shows that the chi-square values ranged from 9.451 to 78.143. The corresponding P-values ranged from .000. Testing at alpha level of .05, each item is significant. Since all the probability value are less than .05. The null hypothesis is rejected, hence there is significant relationship between working condition and employees job performance.

**Table 3: Chi-square Analysis of Organizational Mission**

S/N	items statements	Df	X <sup>2</sup> P.Value	Decision
1	Organization is open to change and new ideas.	3	61.218 .004	Significant
2	Organization employs people who share the same Values and vision that the organization represents.	2	51.924 .000	Significant
3	Organization's value are aligned along the expectation Of our targeted customers.	2	5.321 .000	Significant
4	Organization helps me to bring out the best in me by Motivating me to work harder.	2	28.441 .000	Significant
5	My personal values are validated when I perform My job in accordance with the organizational values.	2	4.815 .000	Significant

The above table shows that the chi-square values ranged from 4.815 to 61.218. The corresponding P- values ranged from .000 to .004. Testing at alpha level of .05, each item is significant. Since all the probability value are less than .05. The null hypothesis is rejected, hence there is significant relationship between mission and employees job performance.

## **Conclusion**

Organizational culture is capable of exerting power that influences employees performance, it is the string that holds an organization together and to employees, its either the culture that bound and glue people together or that drive them away. In spite of this realization, some management in many organization has failed to explain and inculcate its culture in its employee, which would have enable them to get familiarize with the

organizational system. Organization boost employees job performance by providing training and allowing them to participate in the decisions that affects their job, also by enhancing their knowledge through better communication among others.

Hence, an organization with adequate culture interests the staff of that organization to put in their best in all their endeavors in order to perform optimally.

### **Recommendations**

The following recommendations were made:

1. Regular training of employees to ensure that they acquire the latest skills in executing their jobs and also to look for those employees whose values reflects that of organizational culture.
2. Management should also ensure that their employees are involved in the decision making that affects their job.
3. Finally, organization should focus more on the elements of organizational culture by ensuring that those at the top position pass it down to those of lower level.

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