A Discussion on the Factors Affecting Organizations and Management Performance: A Lesson Learned for Business Students

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A R T I C L E I N F O

A B S T R A C T

All managers these days search for the variables that impact individual or organizational outcomes such as productivity and performance. Organizational culture is among these variables. A growing number of people recognize organizational culture as a resource that businesses may leverage to boost productivity. Corporate culture is a crucial idea, yet it can be difficult to articulate in precise terms. In order to better understand how the term "culture" was appropriated by industrial organization academics to refer to organizational culture, this paper will first examine how the term originated in anthropology. A survey on organizational culture's function in organizations was conducted as part of the research. Long-standing beliefs and values inside an organization, as well as staff beliefs and the importance of their work that they anticipate will shape their attitudes and behaviors, are all considered aspects of its organizational culture. To achieve the organization's goal, administrators typically modify their leadership style, which may have an impact on how satisfied workers are with their jobs. Knowing how company culture, leadership style, and employee job satisfaction relate to one another is therefore crucial. Tales, customs, tangible symbols, and language can all be used to impart knowledge. Lastly, job happiness, commitment, empowerment, productivity, performance, and even customer satisfaction may all be impacted.

INTRODUCTION

A few elements of organizational growth increase sustainability based on their efficacy. Increased productivity breeds employee loyalty because goals, norms, and values foster a better workplace culture. The organization's structure was built on the successful creation of a culture that maintains a robust learning environment. The development of a strong organizational culture enhances employee performance. Since it effectively contributes to its development, employee performance would be regarded as the foundation of the organization. Employee loyalty depends on their understanding of and sensitivity to the organizational culture, which enhances behavior (Brooks, 2006). Administrative Science quarterly identified organizational culture for the first time (Pettigrew, 1979). The norms and values that employees uphold based on management identification and which aid in enhancing employee performance. Enhancing organizational and employee growth is facilitated by quality awareness.

In the current competitive business environment, businesses are fighting to survive (Fekete and Borcskei, 2011). They are searching for methods to become more inventive, competitive, and creative. A variety of factors influence how well the firms function. Organizational culture has been proposed as one of the elements influencing corporate success (Cameron & Quinn, 2006; Duke II & Edet, 2012; Fekete & Bocskei, 2011; Peters & Waterman, 1982; Saffold, 1988; Zheng et al., 2010). Ojo (2010), Oparanma (2010), Barney (1986), and other scholars have devoted a great deal of attention to organizational culture and related studies because of its significance and ramifications for individuals and organizations. According to theoretical reasons (Ahmed, 1998; Cameron & Quinn, 2006; Peters & Waterman, 1982; Saffold, 1988; Zheng et al., 2010), organizational culture and performance are associated. Additionally, there is empirical data supporting the relationship between culture and performance (Duke II & Edet, 2012; Marcoulides & Heck, 1993; Ogbonna & Haris, 2000).

LITERATURE REVIEW

Organizational culture is a crucial aspect that impacts several outcomes such as productivity of human resources, organizational commitment, and empowerment. A company's culture is the culmination of its members' customs, beliefs, and values. It shapes employee conduct, which in turn produces integrative and leadership behaviors in both the corporation and its members. There is a common impression of individuals in the other definition. The study aims to discuss on the factors affecting organizations and management performance and also draw a lesson learned for business university students.

METHODOLOGY

Since this is a review study, the research results are mainly based on the published information collected from published materials such as scientific journals, books, statistics, newspapers, and online documents. There will be a talk about what makes organizations and management function well in order to mold employee behavior, which creates integrative and leadership qualities in the company and its members.

RESULTS AND DISCUSSION

Organizational Culture

Studies investigating the impact of organizational culture on different HRD initiatives inside a company have been published in the literature. For example, researchers like Hofstede, 1980; Ouchi, 1981; Hofstede et al., 1990; Kotter and Heskett, 1992; Magee, 2002 assert that organizational culture contributes to the development of technical and behavioural skills in human resources inside a company by offering opportunities and a broad framework. This makes logical as moral principles are what motivate good deeds. By integrating moral principles into its culture, a company can direct the behaviour of its workers. But as cultural characteristics can provide a source of competitive advantage through casual ambiguity, organizational excellences could vary (Barney, 1991; and Peters and Waterman, 1982). The world is changing quickly, and as a result, organizations are adapting to the new technology. This has an impact on their human resource development initiatives. Furthermore, the relative ordering of ideas, attitudes, and presumptions varies throughout companies in terms of their cultural content (Athewale and Anthonia, 2013).

Abu-Jarad et al. (2010, p. 34) state that organizational culture has an impact on a range of employee and organization-related outcomes. Employee behaviour, learning and development, creativity and innovation, knowledge management, and behaviour (Ahmed, 1998; Martins & Terblache, 2003; Vincent et al., 2004), as well as learning and development, are all impacted by organizational culture (Bollinger & Smith, 2001; Saeed & Hassan, 2000). Numerous research (Han et al., 1998; Kim et al., 2004; Oparanma, 2010; Saeed & Hassan, 2000; Tseng, 2010; Zain et al., 2009) have been conducted regarding the impact of corporate culture on performance outcomes. Nevertheless, due to variances and issues with definition, structure, and design, the results appear to be inconclusive (Scott et al., 2002).

According to French, organizational culture is somewhat submerged, much like an ice mountain. There are others who believe that organizational climate can also be defined as organizational culture. However, these two ideas are not exactly the same. Employees understand the internal qualities of an organization as its climate. It includes people's opinions of the organization and is connected to a number of factors, including autonomy, reward, structure, consideration, closeness, support, and honesty. One may argue that the outward, more visible layer of culture that makes up an organization is its environment.

Organizational Culture Dimension

Various studies classified organizational culture according to different dimensions. Robbins listed the 10 primary organizational culture dimensions in one of the most accurate classifications possible.

1. **Risk taking:** it shows how much employees accept risks and hazards in their activities and tasks to achieve their goals or objectives.
2. **Identity:** it explains the rate that people know the organization as their reagent. It has very close concept with affective commitment.
3. **Conflict:** it refers the level of criticism from individuals' sides.

4. **Integration:** it illustrates that how much employees want and tend to do the same.
5. **Innovation:** it considered is there any permission for innovation or innovative works in the organization or not?
6. **Orientation:** it points that how much organization determine employees' behaviour.
7. **Control:** it means that how much ordinates control subordinates' behaviour.
8. **Reward:** contains that how much organization measure employees' performance and allocate rewards them is term of their performance.
9. **Supporting:** it is the answer of the question "how much managers' protect and support their people".
10. **Relational pattern:** the final dimension is related to communication in the organization. Existing a hierarchy in the organization between employees and managers or among themselves explains relational pattern in the organizations.

Dominant Culture and Subculture

Determining the dominant and subcultural groups is essential. Core values, customs, and beliefs that the majority of employees adhere to make up the dominant culture. Conversely, it articulates the fundamental principles that a significant number of the organization's constituents uphold.

Within an organization, subcultures are tiny cultures that are usually characterized by departmental titles and geographic divisions. Change and transformation are quite challenging when a company is operational and has been for a long time. due to the strength of its culture. Employee commitment to company ideals and objectives is higher in companies with these strong, upbeat, and direct cultures.

Complex societies, like the United States, are composed of numerous groups that people identify with and that provide rise to unique conventions, values, and behavioural guidelines. Subcultures have been applied to these populations. Subcultures are similar to cultures in that they often consist of a sizable population and are the result of many generations of people's efforts. Subcultures do differ significantly from one another, though. They are found in prevailing cultures and are frequently determined by geography, ethnicity, or economic or social class (Choo, 2013).

Culture Functions

*   Defines the boundary between one organization and others.
*   Conveys a sense of identity for its members.
*   Facilitates the generation of commitment to something larger than self-interest.
*   Enhances the stability of the social system.

Organizational boundaries were defined by culture. Additionally, it gives the staff a sense of identity and increases their level of dedication to the company.

It also acts as a control and sense-making tool to help fit workers into the company.

How Culture Begins

Founders are the most significant individuals who shape and influence organizational culture. They were extremely important in the early development of the corporate culture. Traditions, successes, and past labours have tremendously influenced customs, traditions, and mores. This is especially true of managers and founders. The result of the prejudice and presumptions of the founders is organizational culture.

There are three main methods to keep organizational culture alive:

1. **Selection:** Each employee possesses a set of abilities, knowledge, skills, information, and expertise. Managers must therefore hire people who are suited for the needs of their organizations. Individuals with in-depth knowledge, skill, and relevant experience can add value to the company.
2. **Top management:** by their words, customs, and behaviours that are shared throughout the company, they embody some originality.
3. **Socialization:** this includes acknowledging and observing the culture of the organization. Upon commencing their employment, personnel are required to assimilate into the organizational culture and may need to go through a period of rationalization. Coworkers and managers serve as crucial coaches for the newbies.

Socialization Process

Socialization process can be divided into three main parts:

1. **Pre-arrival phase:** Each new employee enters the organization with a unique set of attitudes, values, and expectations. New hires are aware of the necessary, prevailing, and present behaviours at this point.
2. **The encounter stage:** exposes staff members to certain facts and realities. They need to become used to the new culture when their expectations don't match the reality.
3. **Metamorphosis stage:** workers are expected to resolve their issues throughout this phase. Should the present phase be completed satisfactorily, staff retention and commitment will rise while attrition will fall.

Learning Culture

Robbins listed four methods for acquiring cultural knowledge: language, rituals, material symbols, and storytelling.

- **Narratives:** such as details about the founders, senior executives, chief executive officers, important choices, adjustments to human resources, and so forth.
- **Customs and traditions, or rituals**: are one way to pass on culture. Examples include yearly group outings, recognizing and rewarding formality, and...

- **Material symbols:** include things like structures, rigs, furnishings, outfit placement, and more.
- **Language:** Many companies, or internal divisions within them, use language as a means of distinguishing and separating subcultures. Acquiring language skills empowers individuals to embrace and uphold culture throughout their affiliation with the business.

Managerial Initiatives to Improve the Customer-Focused Culture of the Organization

1. Selecting a few staff members whose dispositions or personalities match those of the clients
2. Employees are being trained and educated to focus more on customers than they did previously.
3. Modifying the organizational structure to provide service agents — those who deal directly with customers — more control.
4. enabling workers and delegation to decide what has to be done.

CONCLUSION AND SUGGESTIONS

The culture of a business company has a significant impact on whether or not it is a joyful and healthy place to work. It is feasible to affect subordinates' attitudes and work behavior by promoting and explaining the organizational vision to them and receiving their acknowledgement of it. Good relationships between a leader and their followers foster teamwork and communication as well as motivate subordinates to carry out the goals and missions set forth by the company, all of which increase employee happiness.

FURTHER RESEARCH

This research still has limitations so further research needs to be done on this topic "A Discussion on the Factors Affecting Organizations and Management Performance: A Lesson Learned for Business Students."

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