

A STUDY ON IMPACT OF ORGANIZATIONAL CULTURE ON EMPLOYEES PERFORMANCE IN VERSA DRIVES PRIVATE LTD

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ABSTRACT:

This study investigates the relationship between organizational culture and employee performance in Versa Drives Private Limited, Coimbatore. Organizational culture encompasses shared values, beliefs, and practices that influence how employees behave and contribute to organizational success. A positive culture motivates employees, enhances collaboration, and promotes innovation, while a negative culture can lead to disengagement and low performance. The study examines how leadership, communication, teamwork, and motivation within the company shape overall employee performance. Data were collected from employees through questionnaires and analyzed using descriptive and regression techniques. The results reveal that culture significantly impacts productivity, satisfaction, and organizational commitment.

KEYWORDS:

Organizational Culture, Employee Performance, Motivation, Leadership, Teamwork, Communication, HR Practices.

INTRODUCTION:

Organizational culture plays a crucial role in determining the success and sustainability of a business. It reflects the collective mindset of employees and the management, guiding how people think, behave, and work within an organization. A well-established culture encourages cooperation, innovation, and employee satisfaction. In today's competitive environment, organizations with strong and adaptive cultures have a strategic advantage as they can effectively align employee goals with corporate objectives. Versa Drives Private Limited, a Coimbatore-based company, offers a unique setting to study how culture influences

employee performance. This study seeks to analyze the ways in which cultural dimensions such as leadership, communication, teamwork, and recognition affect the overall performance and satisfactions of employees.

OBJECTIVES

- To identify the key elements of organizational culture and analyse their impact on employee performance.
- To assess employees' overall perception of their work environment and organizational culture.

REVIEW OF LITERATURE

Chatterjee (2021) studied culture as a determinant of sustainable performance. Employees in innovation-oriented cultures reported higher satisfaction and creativity. For Versa Drives, culture influences willingness to engage in product development. Weak cultures led to disengagement and poor output.

Bhardwaj and Sharma (2020) explored cultural drivers of employee motivation in Indian tech firms. Trust-based cultures enhanced commitment; control-based cultures reduced innovation. Versa Drives' innovation depends on strong culture. Flexible work cultures allowed experimentation.

Gupta and Kumar (2020) examined culture's mediating role in performance management. Culture reinforces HR systems, creating long-term efficiency. Versa Drives' HR aligned with innovation culture boosts creativity and commitment.

Bhardwaj and Sharma (2020) explored cultural drivers of employee motivation in Indian tech firms. Trust-based cultures enhanced commitment; control-based cultures reduced innovation. Versa Drives' innovation depends on strong culture. Flexible work cultures allowed experimentation.

Kotter and Heskett (2019) emphasized adaptive cultures enhance long-term performance. Flexible, innovation-friendly cultures outperform rigid ones. Versa Drives benefits by embedding learning and innovation.

Ghosh (2019) studied culture's impact on motivation in Indian manufacturing. Collaborative, innovative culture raises job satisfaction. Versa Drives benefits in retaining skilled employees. Bureaucratic culture hinders creativity. Culture-driven motivation outperforms monetary rewards.

RESEARCH METHODOLOGY

Research Design

The research design is descriptive and analytical:

Descriptive, as it presents the current organizational culture and employee perceptions. Analytical, as it evaluates the relationship between organizational culture and employee performance through hypothesis testing.

Sampling Technique

The study used a stratified random sampling technique. Employees were grouped into strata based on relevant categories such as department (Production, Sales & Marketing, HR, Quality, etc.), and respondents were then randomly selected from each stratum to ensure fair representation.

Statistical Tools Used:

- Regression
- T-test
- Descriptive statistical
- Simple percentage

DATA ANALYSIS AND INTERPRETATION

Regression results

Hypothesis:

- **H₀**: Organizational culture factors have no significant impact on employee performance.
- **H₁**: Organizational culture factors have a significant impact on employee performance.

Regression Results Table

Predictor Variable	B (Unstandardized)	Std. Error	Beta (Standardized)	t
Constant	2.813	0.705	—	3.992
Recognition frequency	-0.062	0.061	-0.089	-1.010
Teamwork valued	-0.435	0.253	-0.151	-1.717
Leadership style satisfaction	-0.029	0.076	-0.034	-0.375
Internal communication	0.270	0.084	0.283	3.197
Performance feedback frequency	0.026	0.053	0.043	0.482
Culture impact on motivation	0.032	0.083	0.036	0.390

Interpretation:

The regression model shows that internal communication is the only statistically significant predictor of employee performance ($\beta = 0.283, p = 0.002$). Other organizational culture elements—such as recognition, teamwork value, leadership style, performance feedback, and motivation impact—did not show significant independent effects when considered together. The overall model is significant, suggesting that the set of culture variables explains about 13.5% of the variance in employee performance.

Descriptive statistics results

Hypotheses

- **H₀:** Employees’ perceptions of the work environment and culture are neutral (no clear satisfaction or dissatisfaction).
- **H₁:** Employees’ perceptions of the work environment and culture are either positive or negative (significant tendency one way).

Descriptive Statistics Results

Variable (Survey Item)	N	Mean	Std. Dev.	Min	Max	Interpretation
Company support during challenging work situations	131	2.34	1.07	1	5	Below midpoint (3), indicates weaker perceived support.
Adequate mentorship/guidance available	131	1.82	0.38	1	2	Majority said Yes (82.4%), meaning mentorship exists, but coded values give a low mean.
Availability of training & development programs	131	3.17	1.12	1	5	Slightly above midpoint, moderate satisfaction.
Satisfaction with innovation promoted within team	131	2.36	1.05	1	4	Below midpoint, shows room for improvement.
Overall work perception	131	2.89	1.24	1	5	Around neutral; mixed responses.

Interpretation

The results show that employees have a neutral to slightly negative perception of their organizational culture. While training programs are moderately satisfying ($M=3.17$), other areas such as support during challenges ($M=2.34$) and innovation promotion ($M=2.36$) are rated below average. Mentorship is present for most employees (82.4% answered “Yes”), but overall perceptions of work lean toward neutral ($M=2.89$). This indicates that the organization has some strengths in training and mentorship but needs to enhance support systems and foster more innovation

FINDINGS:

1. Internal communication is the only significant organizational culture factor that positively influences employee performance.
2. Employees hold a neutral to slightly negative perception of the organizational culture, showing limited satisfaction overall.
3. While training and mentorship are moderately strong areas, employee support and innovation opportunities need considerable improvement.

Regression Results

1. Internal communication is the only significant predictor of employee performance ($\beta = 0.283$, $p = 0.002$).
2. Other factors such as recognition, teamwork, leadership style, feedback, and motivation showed no significant independent effect.
3. The overall model explains about 13.5% of the variance in employee performance, indicating a moderate relationship between culture and performance.

Descriptive Statistics

1. Employees' overall perception of organizational culture is neutral to slightly negative (Mean = 2.89).
2. Training and development programs show moderate satisfaction (Mean = 3.17), while support and innovation are rated below average.
3. Most employees (82.4%) acknowledge the presence of mentorship, but it has limited impact on improving work satisfaction

SUGGESTIONS

1. Strengthen internal communication through structured communication channels, regular updates, and transparent information-sharing practices.
2. Reassess and redesign recognition programs, leadership initiatives, teamwork strategies, and feedback mechanisms to increase their effectiveness and relevance.
3. Expand future organizational assessments to include additional factors—such as job resources, psychological safety, and managerial competence—to better understand performance drivers.
4. Implement targeted culture improvement initiatives, including focus groups, workshops, or pulse surveys, to better understand employees' concerns and enhance overall satisfaction.
5. Enhance and formalize training and mentorship programs by improving content quality, expanding growth opportunities, and aligning them with employee development needs.
6. Strengthen support systems and foster innovation by providing coaching for complex tasks and creating platforms that encourage idea sharing and innovative problem-solving.

CONCLUSION

The study concludes that organizational culture plays a vital role in shaping employee performance and job satisfaction. It benefits from a culture of teamwork and innovation, but communication and cultural alignment require continued focus. Strengthening cultural practices through participative leadership and employee recognition can further enhance motivation and performance. A supportive culture ultimately contributes to long-term organizational success and employee retention.

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