

Exploring the influence of organizational culture on employee performance and organizational success

Anita Sahoo^a ✉ | Saksham Sood^b | Jagmeet Sohal^c | Neha Goyal^d | Ramneek Kelsang Bawa^e | R. Rajitha^f

^aDepartment of Management, Siksha 'O' Anusandhan (Deemed to be University), Bhubaneswar, Odisha, India.

^bCentre of Research Impact and Outcome, Chitkara University, Rajpura, Punjab, India.

^cChitkara Centre for Research and Development, Chitkara University, Himachal Pradesh, India.

^dDepartment of Business & Management, Jaipur National University, Jaipur, India.

^eSchool of Business Management, Noida International University, Greater Noida, Uttar Pradesh, India.

^fPresidency College, Bangalore, India.

Abstract Organizational culture (OC) contributes importantly to the performance of employees and the success of the organization. OC is challenged by resistance to change, leadership misalignment, ineffective communication, and low staff engagement, affecting innovation and productivity. The research aims to quantify the contribution of OC towards the performance of employees and organizational success, especially to the key cultural aspects of leadership style, communication, and employee engagement. Based on the information collected from 150 workers across different departments, the research measures the impact of such cultural factors on organizational and individual performance. The statistical methods, which involve Analysis of Variance (ANOVA), path estimates, and statistical variation, in the application of SPSS 29 to analyze cross-correlations of cultural dimensions to measures the performance. The evidence is significant between OC and performance. Those organizations that have good leadership, good communication, good teams, and high employee satisfaction levels have greater motivation and productivity. Leadership style significantly affects job satisfaction and employee engagement, and transformational leadership leads to a more engaged workplace. Open and transparent communication networks allow employees to be informed and minimize internal conflicts within the organization, making it more efficient. Teamwork develops knowledge sharing, creativity, and belonging, all of which have a direct impact on better levels of performance. The employee engagement is established to be an essential driver of organizational success because engaged employees exhibit higher commitment, productivity, and innovation. Consequently, organizations are able to use cultural strengths to design strategies that enhance workforce efficiency, job satisfaction, and business performance. This research emphasizes the value of developing a positive OC as a strategic weapon for enhancing both individual and group outcomes, and consequently, long-term growth, sustainability, and competitiveness of the organization.

Keywords: organizational culture (OC), organizational success, employee performance, teamwork

1. Introduction

Determining a company's identity, influencing employee behavior, and fostering a healthy work environment all depend on organizational culture (OC). It defines shared values, beliefs, and practices that guide decision-making and interaction within an organization (Obeng et al., 2024). OC in its most optimal way fosters teamwork, improves the level of satisfaction and productivity of employees, and contributes to the success of the organization. Its importance has to be recognized to boost creativity, maintain people, and obtain organizational objectives in the continually rising levels of competitiveness (Peretz, 2024). Most importantly OC that embraces a strong support system increases task performance and enhances collaboration and motivation, which make a very big difference in job satisfaction and performance. It combines individual values with organizational objectives, thereby optimizing personal and organizational returns (Oskoee & Wooton, 2020). Understanding the significance of OC in boosting employee performance is crucial for fostering a thriving, efficient workforce, and contributing to overall organizational success. OC is a fundamental driver of employee performance and organizational success (Suriyanti, 2020). Figure 1 shows the features of organizational success.

It can be defined as an internal system that embraces subcultures within the architecture that can help to interpret the working process for personnel, predict the behavior in various situations, and optimize interactions with roles and other staff members (Syahrudin et al., 2020). As businesses strive for growth and competitiveness, the culture they cultivate plays a significant role in defining their success. OC that is derived from the positive perspective fosters favorable employee perceptions with regards to their ability, apperception, and impact within the workplace. This creates teamwork, creativity,

and shared responsibility and everyone gets a chance to be rewarded (Paais & Pattiruhu, 2020). In contrast, a misaligned or negative culture can lead to disengagement, low morale, and reduced productivity, ultimately hindering organizational performance. The influence of various elements of organizational culture, including leadership styles, communication practices, and core values, on employee performance (Akpa et al., 2021). Sapta et al. (2021) reveal how culture can be utilized by organizations to enhance both personal productivity and organizational effectiveness through these connections and organizational sustainability. The research aims to investigate the effect of organizational culture on workers' performance and organizational success by analyzing the major cultural elements including leadership, communication, and worker motivation, through statistical analysis to determine their impact on productivity, motivation, and long-term development.

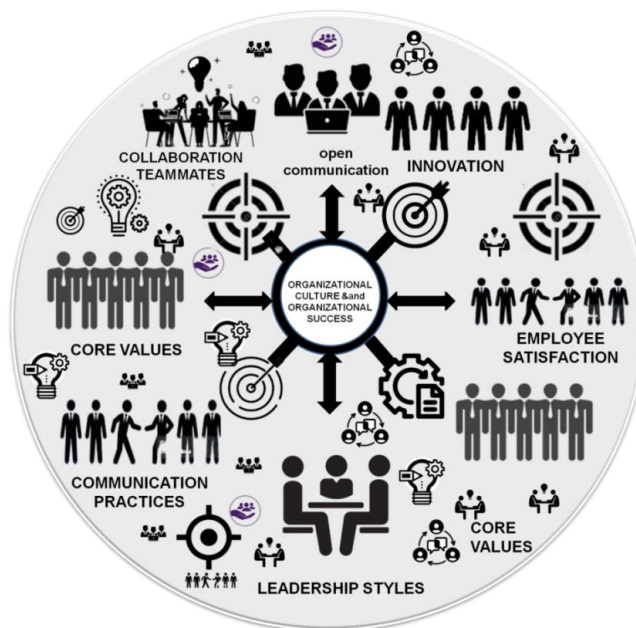


Figure 1 Features of organization success.

The OC affects worker performance in logistics service companies with foreign investments. The results of (Pham et al., 2024) indicate that five elements of employee beliefs, company focus, leadership style, corporate principles, and business environment have a beneficial impact on performance. Kim and Jung (2022), the lessen workplace stress; professionals should align OC with employee competencies. Explicitly organizations that prioritize flexibility should cultivate a clan culture priority the customers should promote a market culture. The OC influences company performance and entrepreneurial attitude in Algerian manufacturing. The findings indicate that OC is most affected by entrepreneurial orientation, which accounts for 50.2% of variations and 38.9% of all variances (Arabeche et al., 2022). The OC affects employee attitudes, behavior, performance, and productivity in two financial organizations. It finds that success is achieved via consistency in approach (Cherian et al., 2021).

The elements of OC, such as power distance, collectivism, and psychological safety, have an impact on them. The findings indicate methods to enhance managerial settings by demonstrating that these characteristics have an indirect influence on innovation performance (Zhang et al., 2023). Digital leadership affects sustainability management and organizational performance in South Korean companies. It finds that workers' digital competencies and digital culture are positively correlated (Shin et al., 2023). According to Piwowar-Sulej (2020) the concept promotes sustainability by fostering a pro-environmental organizational culture, demonstrated in a manufacturing company, and serves as a crucial tool for promoting environmental, economic, and social goals.

2. Development and Investigation of the Hypothesis

OC has a major impact on the overall performance of workers and organizational outcomes by affecting Leadership Style (LS), Communication Practices (CP) Collaboration and Teamwork (CT), and Employee Satisfaction (ES) as shown in Figure 2.

2.1. Hypothesis 1 (H1): LS and CP

Effective leadership promotes communication practices within an organization, such that there are clear expectations and proper information is produced.

H1: A positive solid approach to leadership significantly improves communication practices, which enhances overall employee performance and organizational success.

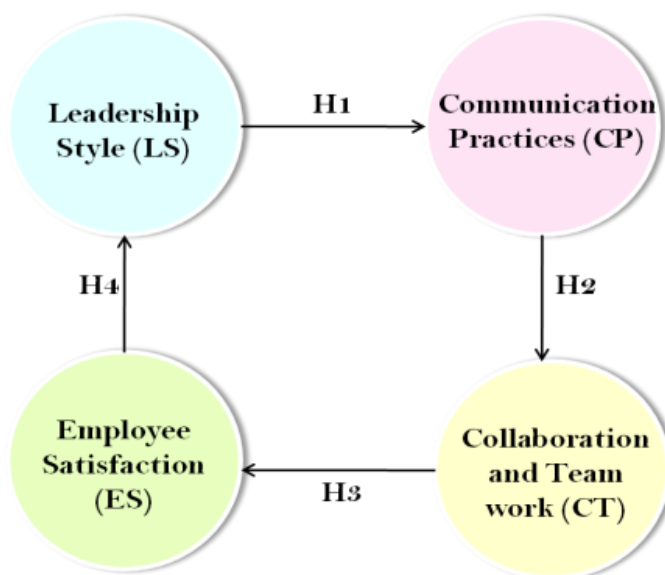


Figure 2 Structure of hypotheses.

2.2. Hypothesis 2 (H2): CP and CT

Manager and subordinate communication is critical for effective teamwork because then employees understand the goal and direction in, which the organization is headed. This fosters a team approach to work and enhances the quality of problem-solving.

H2: Effective communication practices positively influence collaboration and teamwork, leading to enhanced organizational performance and success.

2.3. Hypothesis 3 (H3): CT and ES

Introducing teamwork or company cultures that accept collaboration carries satisfaction into the workplace and this results in better interests of the employees. It brings about a positive change in employees ‘motivation and commitment to their work.

H3: Collaboration and teamwork positively impact employee satisfaction, resulting in improved performance and organizational success.

2.4. Hypothesis 4 (H4): ES and LS

When employees are satisfied and motivated, a positive attitude towards effective leadership is likely to be reciprocated fostering high performance. Authoritarian leadership is effective because it creates an environment of recognition, trust, and support of employees, which leads to enduring job satisfaction.

H4: Employee satisfaction positively influences leadership style, reinforcing organizational success through a motivated and engaged workforce.

3. Methodology

The OC fosters team development, as it facilitates the creation of synergism or work interdependence among employees in given organizations, making them stronger teams. In addition, a dynamic culture creates commitment towards the organization and its goals fostering employees to give their best shots. These collective engagement and collaboration, therefore give better business results and increase throughput, effectiveness, and sustainability.

3.1. Participants

The data is collected concerning the organizational success, and 150 employees are involved in measuring the OC on the employee performance across the departments. The participants are selected in manners that cover a wide range of organizational positions within the organization. Moreover, subordinates' performance data, such as productivity, quality, and morale, are used to capture the level of direct impact that cultural stuff has on personal and team performance.



Employee performance metrics, including increased productivity, quality of work, and motivation, are also incorporated to measure the direct effects of cultural factors on individual and team outcomes.

3.2. Significance of OC in employee performance

OC has an impact on the work environment, employees' behavior, organizational performance, and success. A positive culture can encourage employees towards proactive work, and develop satisfaction and feelings of ownership, which makes employees work harder and smarter in their duties. It helps employees in the enhancement of working in groups and, thus results in better solving of problems and increased innovation. OC encompasses aspects, such as leadership and communications; it facilitates greater cohesion and sets up the employees to respond positively to the company's vision and success. A strong OC is considered to be a company's valuable resource that provides positive effects on personal and group performance.

3.3. Statistical assessment

SPSS 29 version of statistical assessment like ANOVA, statistical deviation, and path estimate to test OC and its relationship to the overall performance of employees in achieving organizational goals. Standardized path coefficients strength and direction of effects in a structural model and eliminate doubts indicative of the connection between the culture variables, such as leadership and communications, and employee satisfaction, motivation, and performance. A measure of dispersion including standard deviation and variance shows, how much the data is dispersed from the mean and it is rather crucial, when analyzing the consistency between the employees and organizational performance. These statistical methods complement each other making it easy for the researchers to appreciate the findings and have a relevant understanding of, how to identify significant success markers within an organization as well as measure the effectiveness of the organizational culture. Finally, these assessments provide direction on decision-making and management actions that result in improve organizational performance.

4. Results and Discussion

To evaluate and discuss the impact of organizational culture on employee performance and the success of an organization. It describes the relationship between the leadership processes such as leadership behaviors, communication patterns teamwork processes, and productivity, motivation, satisfaction, and quality of work. Unearthing these relationships is the analytic goal of the research, although it serves a positive in achieving a positive OC that is congruent with its strategic direction. Appreciation of dynamics is particularly important and relevant to overall organizational growth and competitiveness in the contemporary complex and dynamic business environment.

4.1. ANOVA

Analysis of Variance, commonly referred to as ANOVA is a statistical procedure that is used on large amounts of data to establish whether the means of two or more samples differ significantly. In the context of the OC impact on the organizational success and employees' performance analysis, the ANOVA contributes to the comparison of the influence strength of the factors, such as leadership, communication, and teamwork on performance indicators, including productivity. Corporate sustainability performance and staff retention are improved by green work-life balance policies in industrial enterprises. OC is a key factor in the implementation of these practice. It implies that these situations and motivations with different organizational subunits. This approach does look for particular cultural correlates that have the strongest influence on performance. Table 1 presents the values of ANOVA.

Table 1 Quantitative values of ANOVA.

Hypothesis	F value	P value	Significance level (α)	Conclusion
H1: LS and CP	4.35	0.036	0.05	Significant
H2: CP and CT	2.89	0.058	0.05	Marginally Significant
H3: CT and ES	3.12	0.045	0.05	Significant
H4: ES and LS	5.28	0.024	0.05	Significant

4.2. Statistical deviation

Paths indicate the degree and nature of the linkage between two variables. Path estimates allow researchers to determine the mediated effects of various OC surfaces such as communication or employee satisfaction on performance and organizational success. This method helps in the positive reveal shows how one factor affects other factors in the context of culture. Path estimates enable an organization to determine significant forces affecting performance and align processes appropriately. Table 2 and Figure 3, show the values of path estimates.

Statistical deviation gives the magnitude by which actual data behaves as regards the mean of those data to give insights on relative consistency. This research evaluates the Cultural differences in self-generated employee performance indices readiness, output, and quality. Substantial variations can signal differences in experiences of OC and can point out areas that require a change or integration of standards. Deviation indicates how cultural intervention methods can be adjusted to deliver optimal impact uniformly across multiple tiers in an organization. Table 2 and Figure 3 depicts the values of Statistical deviation.

Table 2 Quantitative values of Statistical deviation.

Hypothesis	Path	Mean	Standard Deviation (SD)	Variance	Standard error (SE)
H1	LS to CP	3.45	0.67	0.45	0.05
H2	CP to CT	4.12	0.58	0.34	0.04
H3	CT to ES	4.35	0.72	0.52	0.06
H4	ES to LS	3.80	0.61	0.37	0.05

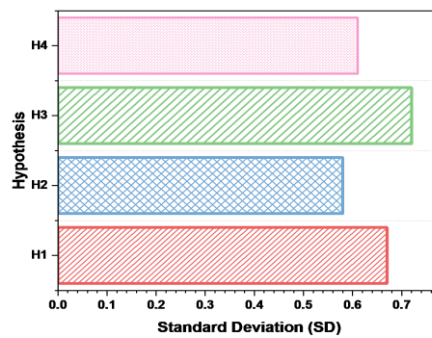


Figure 3 Graphical representation of statistical deviation.

4.3. Path estimates

Paths indicate the degree and nature of the linkage between two variables. More specifically, path estimates enable the researchers to determine the mediated effects of the different OC surfaces such as communication or employee satisfaction on performance and organizational success. This method helps in the positive reveal shows how one factor affects other factors in the context of culture. Path estimates enable an organization to determine significant forces affecting performance and align processes appropriately. Table 3 and Figure 4, shows the values of path estimates.

Table 3 Quantitative values of path estimates.

Hypothesis	Path	Path Estimate (Coefficient)	SE	t-statistics	p-value
H1	LS to CP	0.45	0.08	5.63	0.000
H2	CP to CT	0.38	0.09	4.22	0.000
H3	CT to ES	0.52	0.07	7.43	0.000
H4	ES to LS	0.41	0.10	4.10	0.000

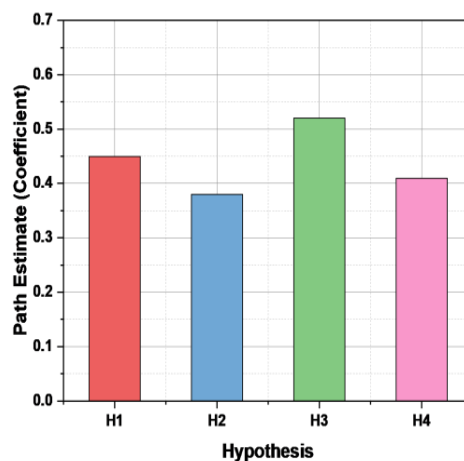


Figure 4 Graphical representation of path estimates.



4.4. Employee performance factors

Employee performance metrics, including increased productivity, quality of work, and motivation, are also incorporated to measure the direct effects of cultural factors on individual and team outcomes. First, OC strengthens the organization through an effective pattern of working by making employees more eager and committed, clear framework, and performance responsibilities. A healthy and open culture of management encourages workers to deliver results and outperform clients for productivity and performance. Cross-team learning and cooperation are critical, in enhancing creativity and efficiency. The above cultural factors guarantee lasting organizational success by sustained performance. High value for work precision, innovation, and quality is promoted by OC, which values work precision, innovation and constant improvement of work. A cooperative work climate and recurrent practice improve staff competence, lessen mistakes, and guarantee stability. Praise and feedback promote effective performance, and all workers want to be successful in their tasks. This commitment to quality also enhances organizational results. The outcome of motivation is most facilitated in a workplace environment that supports integrity, diversity, and reward. Increased participation of employees and feedback culture stimulate them to embrace organizational goals as those of their own. Also, consistent with the previous concept, empathetic leadership increases people's tendencies toward identification with the group and, subsequently, makes them more committed to their work. Communication motivates the employee to convey their optimal performance to the organization for improve resilience and growth. Table 4 and Figure 5 present the values of Employee performance.

Table 4 Quantitative values of employee performance factors.

Factor	Employee performance (%)
Productivity	92.5
Quality of Work	88.5
Motivation	90.3

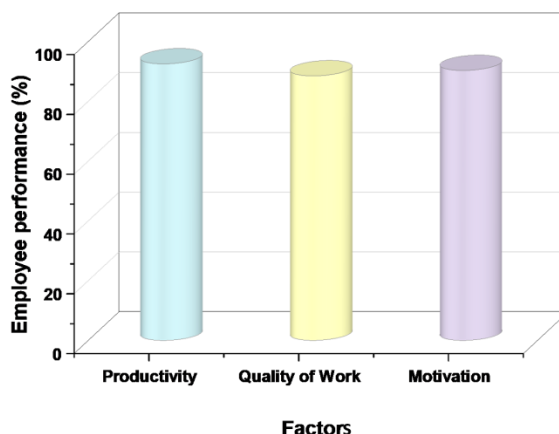


Figure 5 Graphical representation of employee performance factors.

4.5. Discussion

ANOVA is utilized in evaluating variations of OC's role in organizational effectiveness and workers' performance based on comparing principal indicators such as leadership, communication, and cooperation. The research notes OC as one of the prime factors for firm sustainability and staff retention through ecologically sound work-life balance principles. Detection of cultural correlates promotes organizations' capacity to optimize performance by orienting OC to aim at strategic outcomes. The use of ANOVA in this research underscores the importance of cultural influences on workplace behavior. Leadership style is the most significant determinant, with strong correlation with employee satisfaction and productivity. Saluy et al. (2022) supports the importance of cultural variables as determinants of workplace behavior, with leadership style showing the best correlation with employee satisfaction and productivity.

Statistical deviation analysis confirms differences in cultural impact among various organizational subunits, which require customized cultural approaches. Zeb et al. (2021) indicates that differences in OC perception among employees can cause differences in engagement and job satisfaction. The results indicated that organizations need to selectively address cultural misalignment to establish an inclusive and unified work culture.

Path estimates of the mediated impact of OC constructs such as employee satisfaction and communication on performance instruct organizations on matching processes for effectiveness. Statistical deviance points out differences in the experience of OC, suggesting a need for adaptive cultural interventions so that consistency could be maintained throughout organizational levels. The path estimates revealed how OC dimensions interdepend on each other by showing that effective communication leads to teamwork and employee motivation (Naveed et al., 2022).



OC improves employee performance through commitment, teamwork, and continuous improvement, resulting in higher productivity, quality, and motivation. An effective work environment, leadership, and open communication also enhance organizational success and resilience. The analysis of employee performance factors supports the idea that OC significantly affects key performance indicators including productivity, work quality, and motivation. Purwanto (2022) validate that a supportive OC boosts workers' feelings of belonging, leading in increased engagement and efficiency.

5. Conclusions

The results indicate the strong impact of OC on organizational performance and employee performance. Leadership style, communication, teamwork, and job satisfaction are some of the important cultural drivers for productivity and quality of work. Positive OC is associated with cooperation, creativity, and commitment that improves individual and team performance. The statistical testing with ANOVA and path estimates supports these associations, proving the strategic significance of cultural alignment in organizational operations. Correcting cultural misalignment can result in a more integrated work setting, aligned to the organization's strategic vision.

Limitations and Future Perspectives: Despite its worth, a few limitations, such as data was collected from only one organization thus cannot be generalizable to other organizational conditions. Future studies could add more organization with multiple samples extending across industries and geographic regions to have even more generalizable results. It will also be valuable to extend subsequent cultural categories, including flexibility and creativity. To strengthen the generalization of the findings, instance longitudinal designs can also be used to compare the sustained effects of OC on performance and success.

Ethical Considerations

This study is committed to upholding the highest ethical standards in its collection and use of primary data involving human participants. The data collection was independent of any institutional affiliations, ensuring that participants were selected without bias or socioeconomic influence

Conflict of Interest

The authors declare no conflicts of interest.

Funding

This research did not receive any financial support.

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