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# IMPACT OF WORK CULTURE ON MOTIVATION AND PERFORMANCE LEVEL OF EMPLOYEES IN PRIVATE SECTOR COMPANIES

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## 1. Introduction

The environment has long been recognized as a source of influence on the individual's behavior. Until recently, researchers had made few systematic attempts to explore the influences of an organization's culture on the behavior of employees. It is often suggested that culture operates as a unitary "main effect" on all people. Bodley (1994) explained the various definitions of culture, which are reflected in Table 1.

**Table 1**  
**Diverse definitions of culture**

<b>Topical</b>	Culture consists of everything on a list of topics, or categories, such as Social organization, religion, and economy.
<b>Historical</b>	Culture is a social heritage, or tradition, that is passed on to future generations.
<b>Behavioral</b>	Culture is shared, learned human behavior; a way of life.
<b>Normative</b>	Culture is ideals, values, or rules for living.
<b>Mental</b>	Culture is a complex of ideas, or learned habits, that inhibit impulses and distinguish people from animals.
<b>Functional</b>	Culture is the way humans solve problems of adapting to the environment or living together.
<b>Structural</b>	Culture consists of patterned and interrelated ideas, symbols, or behaviors.
<b>Symbolic</b>	Culture is based on arbitrarily assigned meanings that are shared by a society.

Source: Bodley, 1994.

## 2. Rationale for interest in organizational culture and literature review

It is arguable that the increasing academic and practitioner interest in the topic of work culture is caused by two factors. The first is the enduring assumption that the performance of organizations is dependent on the extent to which employee values are aligned to company strategy (Blackler and Brown, 1981; Dennison, 1984; Gordon

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and DiTomaso, 1992). The second is the contentious view that work culture is subject to conscious manipulation by management, who are argued to be capable of directing culture to their desired end (Deal and Kennedy, 1982; Pascale and Athos, 1981; Peters and Waterman, 1982). In India, work culture is determined by many factors – huge differences exist between public sector and private sector companies with each having its own distinctive flavor. Most HR practitioners today face issues such as low level of motivation resulting in low morale, which bears an impact on performance. Therefore, the manufacturing sector has been considered to see the impact that work culture has on managerial motivation and performance. Work culture is essential for maximizing the value of human capital, and culture management should become a critical management competence. An important challenge for managers is to determine the most effective culture for their organization. Hence, this paper focuses on the impact that work culture has on both the role motivation and contextual performance of employees in the private manufacturing sector at the middle management level. „Contextual performance“ refers to behaviors that support the environment in which the technical core operates. Common examples of contextual performance behaviors include helping coworkers, volunteering for tasks, and defending the organization (Borman and Motowidlo, 1993).

Pattanayak (1998) has developed the notion of work culture as the human environment within which an organization's employees perform their jobs. A positive culture would improve the performance of an organization in different ways such as placing constraints on the individual's freedom of choice and providing a source of reward and punishment.

Ashkanasy *et al.*, (2000) emphasized in their study that managers speak of developing the “right kind of culture,” a “culture of quality” or a “culture of customer service,” suggesting that culture has to do with certain values that managers are trying to inculcate in their organizations. Also implied in this usage is the assumption that there are better or worse cultures and stronger or weaker cultures, and that the “right” kind of culture will influence how effective the organization is. More specifically, other authors have found that the concept of culture is the key to improving organizational effectiveness (for example, Deal and Kennedy, 1982; Pascale and Athos, 1981; Peters and Waterman, 1982).

Egan *et al.* (2004) found that learning organizational culture is associated with IT employee job satisfaction and motivation to transfer learning.

Sledge *et al.* (2008) used Herzberg's two-factor theory of motivation to assess job satisfaction in the Brazilian hotel industry. The results partially support the theory and suggest that culture influences the degree of job satisfaction.

Takada and Westbrook (2009) found that culture plays a significant role in employee retention. Once data was analyzed and the hypothesis proven, this could lead companies to move toward an organic culture with an emphasis on motivators in an effort to make their organizational culture more conducive to higher employee retention.

The review of all these studies prompted us to frame the following objectives and hypotheses.

### 3. Objectives of the study

In an effort to understand corporate culture, it must be assessed. Thus, the objective of the present study is to examine the dominant work culture prevalent in the two organizations X and Y and to study its impact on the motivational and performance level of the employees at the middle management level. The study has been conducted to:

1. Study the dominant work culture prevalent in the two private sector organizations, X and Y, in the manufacturing sector.
2. Assess the correlation between the type of work culture and motivational level of employees of organizations X and Y.
3. Determine the gap between desired and perceived role motivation level of employees of organizations X and Y in the private sector.
4. Assess the correlation between the type of work culture and motives of the employees of organizations X and Y.
5. Study the impact of type of culture as an independent variable or predictor in explaining the variation in role motivation.
6. Study the impact of the type of work culture on the performance level between the two selected private sector organizations (X and Y).
7. Assess the correlation between the type of work culture and various variables of impact of culture on performance.

### 4. Research hypotheses

Null Hypothesis “H01” - There is no dominant work culture prevalent in the selected companies in the manufacturing sector.

Alternative Hypothesis “HA1” - There is a dominant work culture prevalent in the selected companies of the manufacturing sector.

Null Hypothesis “H02” - There is no correlation between the type of organizational culture and motivation level of the employees working in the manufacturing sector.

Alternative Hypothesis “HA2” - There is a positive and significant correlation between the type of organizational culture and motivation level of the employees working in the manufacturing sector.

Null Hypothesis “H03” – No gap exists between desired and perceived role motivation in private sector organizations X and Y.

Alternative Hypothesis “HA3” – A significant gap exists between desired and perceived motivation in private sector organizations X and Y.

Null Hypothesis “H04” - There is no correlation between the type of work culture and motivation level of the employees working in the private manufacturing sector.

Alternative Hypothesis “HA4” - There is a positive and significant correlation between the type of work culture and motivation level of the employees working in the private manufacturing sector.

Null hypothesis “H05” - There is no impact of the type of culture as an independent variable or predictor in explaining the variation in role motivation.

Alternative Hypothesis “HA5” - There is an impact of the type of culture as an independent variable or predictor in explaining the variation in role motivation.

Null Hypothesis “H06” - There is no impact of any type of work culture on the performance level of the employees working in the private manufacturing sector (X and Y).

Alternative Hypothesis “HA6” - There is a significant impact of the type of work culture on the performance level of the employees working in the private manufacturing sector (X and Y).

Null Hypothesis “H07” – There is no correlation between the type of work culture and variables of impact of work culture on performance.

Alternative Hypothesis “HA7” – There is a positive and significant correlation between the type of work culture and variables of impact of work culture on performance.

## 5. Research methodology

To measure the impact of work culture on the employees’ motivation at the managerial level, a comparative study was done between two private sector companies in the manufacturing sector in India with a sample size of 250 employees at the middle management level. Descriptive and inferential statistics such as mean, standard deviation, t-values, and F-values were used to test the hypotheses. In order to study the relationship between the various independent, dependent, and background variables, Pearson product-moment correlations were computed for the total sample. One-way ANOVA was undertaken to assess the significant impact of culture as a whole on the five motives of motivation. Stepwise multiple regression analysis was undertaken to assess the significant predictors of work culture for the total sample of employees at the managerial level.

The data was analyzed by using Microsoft Excel and the Statistical Package for Social Sciences (SPSS). In order to conduct the study, a structured questionnaire was used. It was divided into three parts as described below.

The *first part* of the questionnaire, developed by Pareek (1997), deals with measuring organizational culture profile in terms of autocratic, bureaucratic, technocratic and entrepreneurial.

**Reliability:** Guttman split-half equal length and unequal length reliability for a group of 20 people was found to be 0.86 (Pareek, 1997). The researcher, in order to obtain a good estimate of the reliability of the questionnaire, computed Cronbach’s alpha for a group of 20 people. The various coefficients of Cronbach’s alpha revealed high reliability coefficients as shown in Table 2.

**Table 2****Cronbach's alpha for measuring the reliability of the instrument**

Cronbach's alpha	Cronbach's alpha based on standardized items	No. of items
0.960	0.994	32

**Validity:** Factor analysis was applied to test the construct validity. The factors explained 69% of the variance in the organizational culture (Pareek, 1997).

The *second part* of the questionnaire (MAO-R), developed by Pareek (1997), assesses the role motivation level of the employees comprising twenty-five statements.

**Reliability:** Test-retest reliability was found by re-administering the instrument to a group of 50 persons after an interval of six weeks. The coefficient of correlation ranged between 0.40 and 0.70, significant at the 0.001 level. This shows high stability of the instrument. Guttman sp or MAO-R Desired. The researcher, in order to obtain a good estimate of the reliability of the questionnaire, computed Cronbach's alpha.

**Table 3****Cronbach's alpha for measuring the reliability of the instrument**

Cronbach's alpha	No. of items
0.907	25

The various coefficients of Cronbach's alpha revealed high reliability coefficients as shown in table 3.

**Validity:** For a better insight into MAO-R, all the 25 items were factor analyzed from the response of about 500 managers. The five factors that emerged (principal component method with varimax rotation) were: achievement, influence, control, affiliation, and extension. These factors explain 100% of the variance.

The *third part* of the questionnaire, 'Impact of Work Culture on Performance' (IWCP), developed by the researcher, assesses the impact of culture on performance of the employees of the private sector. For each item, a statement is presented and subjects respond using a four-point scale, ranging from "strongly agree" (4) to "strongly disagree" (1). In order to obtain a good estimate of the reliability of the questionnaire, Cronbach's alpha and the split-half technique, i.e., to split the items into two groups and then compare these groups as if they were two separate administrations of the same survey, were computed.

**Table 4**

**Cronbach's alpha, Spearman-Brown's and Guttman's splithalf coefficients for measuring reliability of the instrument**

Cronbach's alpha coefficients	Spearman-Brown coefficients	
	Equal length split-half	Guttman's split-half
0.921	0.959	0.903

The various coefficients of Cronbach's alpha, Spearman-Brown's equal length split-half and Guttman's split-half techniques all revealed high reliability coefficients as shown in Table 4.

**Validity:** Validity was established during the preparation of the scales. Some experts were used as judges for rating the statements for their relevance to various value dimensions. The criterion for the selection of the statements was the unanimity of the judges (at least 80 percent). This ensured the validity of the item in indicating the status of an individual on the value dimensions concerned. Since the scoring system was a priori determined (4, 3, 2, 1), the scales may be called absolute scales, in the sense that they are not affected by the distribution pattern of the scores in the group under study.

## 6. Analysis and results

In this study, the results were obtained as a consequence of statistical analysis of the data, which have been interpreted in the light of proposed objectives and hypotheses as depicted in various tables. Table 5 shows the dominant work culture prevalent in the two selected organizations.

**Table 5**

**Combined mean scores of employees at the managerial level in both companies X and Y (private sector)**

Type of culture	Mean	Std. deviation
Autocratic	<b>2.9605</b>	0.68968
Bureaucratic	2.3950	0.14206
Technocratic	2.2135	0.58177
Entrepreneurial	<b>2.5410</b>	0.55310

By comparing the mean scores of different cultural profiles that existed in the two selected companies X and Y, which are in the private sector, the findings reflected that all the four cultures (autocratic, bureaucratic, technocratic, and entrepreneurial) existed but in varying degrees, which is reflected in their mean values.

By comparing the values of different cultural profiles that existed in the two private sector companies X and Y as shown in Table 5, the findings reflected that all the four cultures existed but the most dominant among them was the autocratic culture

( $M = 2.9605$ ), followed by the entrepreneurial culture ( $M = 2.5410$ ), bureaucratic culture ( $M = 2.3950$ ), and the least dominant technocratic culture ( $M = 2.2135$ ).

**Table 6**

**Comparison of the organizations with respect to type of work culture prevalent in the selected organizations X and Y (private sector)**

Type of culture	Company	Mean	Std. deviation	T-value
Autocratic	X	<b>3.53</b>	0.083	68.066*
	Y	2.48	0.100	
Bureaucratic	X	1.74	0.299	265.507*
	Y	2.20	0.362	
Technocratic	X	2.39	0.542	60.190*
	Y	2.31	0.123	
Entrepreneurial	X	2.68	0.371	72.658*
	Y	<b>2.88</b>	0.498	

\* Significant at the 0.05 level (2-tailed).

Mean scores as listed in Table 6 show that the organization X is dominated by an autocratic culture ( $M = 3.53$ ) and the organization Y is dominated by an entrepreneurial culture ( $M = 2.88$ ). T-values as shown in Table 6 show that there is a significant difference with respect to the type of culture prevalent in the organizations in the private sector. Thus, the null hypothesis “H01” is rejected and the alternative hypothesis “HA1” is accepted: there is a dominant culture prevalent in the private sector organizations.

**Table 7**

**Relationship (correlation coefficient) between type of culture and role motivation**

Type of culture	Correlation
Autocratic	-0.427*
Bureaucratic	-0.397*
Technocratic	<b>0.560*</b>
Entrepreneurial	0.274*

\* Correlation is significant at the 0.01 level (2-tailed).

Table 7 shows that there exists a negative and significant correlation between the autocratic culture and role motivation ( $r = -0.427$ ). If the autocratic culture is increasing, then the level of satisfaction is decreasing, i.e., the level of employees’ dissatisfaction with their roles is increasing and the level of motivation is being lowered. Similarly, there is a negative correlation between the bureaucratic culture and motivation ( $r = -0.397$ ). On the other hand, the technocratic culture has a positive correlation

with motivation ( $r = 0.560$ ), which implies that if the technocratic culture increases, then the employees feel strongly motivated and experience a high level of satisfaction with their roles. Similar results can be seen for the entrepreneurial culture ( $r = 0.274$ ), which also has a positive correlation with motivation. Hence, the null hypothesis “H02” stands rejected and the alternative hypothesis “HA2” is accepted: there is a correlation between the type of organizational culture and motivation level of employees of an organization in the private sector.

Table 8 shows the combined mean scores for a gap between the desired and perceived motivation level of the employees in private sector organizations X and Y to test the hypothesis **H03** that **no gap exists between desired and perceived role motivation in the private sector organizations X and Y**.

**Table 8**  
**Combined mean scores of the gap between desired and perceived role motivation levels of employees at the managerial level in both the companies X and Y**

Needs	N	Mean	Std. deviation
Achievement	250	<b>1.7448</b>	1.19423
Influence	250	1.3944	0.86082
Control	250	1.5888	1.61435
Affiliation	250	0.8024	0.71798
Extension	250	<b>1.7240</b>	1.08357

Role motivation can be defined as the gap between perceived and desired satisfaction of the main psychological needs in one’s organizational role. The higher the score, the higher the level of dissatisfaction with the role that the employee has, i.e., (s)he is not getting sufficient opportunities in her/his role to pursue matters of achievement and extension as reflected in Table 8. The combined mean scores show that the mean scores of achievement ( $M = 1.7448$ ) and extension ( $M = 1.7240$ ) are more than those of the other needs, which explains that employees in private sector organizations do not have sufficient opportunities to pursue matters of excellence, competition in terms of standards being set by others or by oneself, the setting of challenging goals for oneself, awareness of the obstacles that might be encountered in attempting to achieve these goals, and persistence in trying alternative paths to one’s goals. Extension is characterized by a concern for others, interest in superordinate goals, and an urge to be relevant and useful to large groups, including society, which is not fulfilled in the private sector as shown in Table 8.

**Table 9**

**Comparison of the organizations with respect to role motivation levels of employees in the selected organizations X and Y**

Needs	Company	Mean	Std. deviation	T-test
Achievement	X	0.8192	0.21011	23.101*
	Y	<b>2.6704</b>	1.04519	
Influence	X	0.7968	0.38770	25.612*
	Y	1.9920	0.78592	
Control	X	<b>2.7024</b>	0.61046	15.561*
	Y	0.4752	1.53637	
Affiliation	X	1.0144	0.44950	17.670*
	Y	0.5904	0.86168	
Extension	X	0.8992	0.28241	25.157*
	Y	2.5488	0.95204	

\* Significant at the 0.05 level (2-tailed).

Mean scores as shown in Table 9 reveal that the employees of company X would like to have more control over the resources, concern for orderliness, a desire to be informed about everything, an urge to monitor events and to take corrective action when needed, and a need to display personal power. Table 9 exhibits their level of dissatisfaction with the need to control ( $M = 2.7024$ ). However, their other needs are comparatively lower, which shows that in comparison to the need to control, their other needs are being taken care of. Similarly, mean scores of company Y show that employees would like to be given more opportunities to exhibit excellence, competition in terms of standards, and setting up of challenging goals in order to achieve higher objectives (achievement motive  $M = 2.6704$ ). T-values show that there is a significant difference with respect to the significant gap that exists between desired and perceived role motivation in the private sector organizations. Hence, **the Null Hypothesis “H03” stands rejected** and the Alternative Hypothesis “HA3” is accepted: a significant gap exists between desired and perceived motivation in private sector organizations X and Y.

**Table 10**

**Combined correlation between the type of work culture and needs of the employees of organizations X and Y**

Culture \ Need	Achievement	Influence	Control	Affiliation	Extension
Autocratic	-0.935**	-0.834**	0.905**	0.410**	-0.902**
Bureaucratic	-0.755**	-0.580**	0.869**	0.522**	-0.691**
Technocratic	0.885**	0.850**	-0.767**	-0.273**	0.876**
Entrepreneurial	0.788**	0.597**	-0.919**	-0.555**	0.718**

\*\* Correlation is significant at the 0.01 level (2-tailed).

As can be seen from Table 10, the autocratic culture is positively correlated with the need for control ( $r = 0.905$ ) and the need for affiliation ( $r = 0.410$ ). This shows that in the autocratic culture, the need for power is dominant but, along with it, the concern for others is also high. Similarly, in the bureaucratic culture, the degree of control ( $r = 0.869$ ) and affiliation ( $r = 0.522$ ) are positive and high in comparison to other needs, but marginally less than in the autocratic culture. Contrary to the above mentioned results, in the technocratic culture, the need of employees to achieve more is higher along with the need for making an impact on others keeping in mind the others' interests and goals. As seen from the table, the technocratic culture is positively correlated with achievement ( $r = 0.885$ ), extension ( $r = 0.876$ ), and influence ( $r = 0.850$ ). Similarly, in the entrepreneurial culture, the achievement ( $r = 0.788$ ), influence ( $r = 0.597$ ), and extension ( $r = 0.718$ ) needs are more prevalent in comparison to the other two motives. Hence, the **Null Hypothesis "H04" stands rejected** and the Alternative Hypothesis "HA4" is accepted: there is a positive and significant correlation between the type of work culture and motivation level of the employees working in the private manufacturing sector.

**Table 11**

**Model summary: Stepwise selection of variables in the regression model**

	R	R square	Adjusted R square	Std. error of the estimate	R square change	F Change	Sig. F change	Variable in
1	0.560(a)	0.313	0.311	0.40911	0.313	111.872	0.000	Technocratic culture
2	0.592(b)	0.350	0.345	0.39875	0.037	13.896	0.000	Bureaucratic culture

Dependent variable: motivation.

An application of stepwise regression analysis for the independent and dependent variables produced two (2) variables as the best predictors of the role motivation in the two selected companies X and Y. The combination includes the technocratic and bureaucratic cultures. R<sup>2</sup> explains that approximately 35.0% of the variation in the role motivation is caused by the 2 variables selected in the regression model. When adjusted for the number of variables, it (adjusted R<sup>2</sup>) shows that it accounts for 34.5% of the variation in the role motivation. The significance of the F-value ( $P < 0.01$ ) shows that the high R<sup>2</sup> is not simply an aberration due to sampling error. Thus, the R<sup>2</sup> value gives an indication about the importance of the technocratic and bureaucratic cultures in explaining a significant amount of variation in the role motivation.

**Table 12****Associated statistics for the determinants of motivation in companies X and Y**

Variables	Non-standardized coefficients		Standardized coefficients	t	Sig.	Correlations		
	B	Std. Error				Zero-order	Partial	Part
(Constant)	-3.772	0.357		-10.562	0.000			
Technocratic culture	0.598	0.070	0.907	8.519	0.000	0.560	0.479	0.440
Bureaucratic culture	0.242	0.065	0.397	3.728	0.000	-0.397	0.232	0.192

As shown in Table 12, the technocratic culture emerges as the variable with the largest 'pure' ( $B(s) = 0.907$ ) impact on motivation. The t-values and the significance of the t in the tables specify the significance of the individual beta coefficients. As reflected, betas for all the variables are statistically significant at the 99% level of confidence. The technocratic culture has the strongest partial correlation or the purest relationship with the role motivation (47.9%). It is the best predictor of the role motivation, followed by the bureaucratic culture (23.2%). The standardized betas do not tell how much each variable contributes to explaining the variability in the dependent variable. Therefore, some scholars are of the view that squared part correlations should be used for this purpose (Tabachnick and Fidell, 1983; Bordens and Abbott, 1996). Hence, the technocratic culture explains 19.36% of the variation and the bureaucratic culture explains 3.68% of the variation in the motivation level of employees. **This rejects the null hypothesis "H05" and the alternative hypothesis "HA5" is accepted:** there is an impact of the type of culture as an independent variable or predictor in explaining the variation in the role motivation and, hence, culture contributes significantly to the motivation level of employees working in the two selected organizations.

**Table 13** shows the impact that culture as a whole has on the five needs (achievement, influence, control, affiliation, and extension) of the role motivation in the selected private sector companies.

**Table 13**

**One-way ANOVA determining the impact of culture on the 5 motives of motivation**

Motives		Sum of squares	Df	Mean square	F	Sig.
Achievement	between groups within groups total	307.225 47.894 355.118	16 233 249	19.202 0.206	93.414	0.000
Influence	between groups within groups total	133.051 51.462 184.512	16 233 249	8.316 0.221	37.650	0.000
Control	between groups within groups total	579.404 69.524 648.929	16 233 249	36.213 0.298	121.362	0.000
Affiliation	between groups within groups total	39.400 88.959 128.359	16 233 249	2.462 0.382	6.450	0.000
Extension	between groups within groups total	237.876 54.480 292.356	16 233 249	14.867 0.234	63.585	0.000

According to Table 13, there is a significant impact of culture as a whole on the needs of the role motivation. As exhibited in Table 13, the critical F-value in the table ( $F = 1.68$ ) is lower than the calculated value for all the five needs of the role motivation. Alternatively, the significant value comparing the culture as a whole and needs of the employees is less than the table value ( $\alpha = 0.05$ ). Therefore, there is a significant impact of culture as a whole on the needs of the role motivation at the 0.05 level.

**Table 14**

**Combined mean scores of the impact of dominant work culture on the performance of employees at the managerial level in both the companies X and Y (private sector)**

Types of culture	N	Mean	Std. deviation	Variance
Autocratic	250	3.2710	1.18927	1.414
Bureaucratic	250	2.5770	0.96579	0.933
Technocratic	250	2.4640	0.87457	0.765
Entrepreneur	250	2.8240	0.94992	0.902
Valid N	250			

According to Table 14, the autocratic culture ( $M = 3.2710$ ) has a high degree of impact on the performance of the employees at the middle management level. This means that in the private manufacturing sector, a high level of control is exercised on all critical matters of concern which involve decision making by the significant few of the top-level management. There is a high degree of supervision at the middle management level. The entrepreneurial culture ( $M = 2.8240$ ) scores the second-highest with respect to the impact on the performance of employees. However, the technocratic culture ( $M = 2.4640$ ) has the lowest scores as compared to the other cultures, i.e., in private sector organizations, independence and innovation do not play a significant role in performance.

**Table 15**

**Comparison of the organizations with respect to impact of work culture on performance of employees in the selected organizations X and Y (private sector)**

Types of culture	Company	Mean	Std. deviation	T-value
Autocratic	X	3.3480	.50006	35.008*
	Y	2.6480	.96934	
Bureaucratic	X	2.2640	.73115	33.842*
	Y	1.8326	.91841	
Technocratic	X	1.5440	.46652	32.759*
	Y	2.7920	1.08160	
Entrepreneur	X	3.3069	.44393	33.886*
	Y	3.3860	.71103	
Valid N (listwise)				

\* Significant at the 0.05 level (2-tailed).

According to Table 15, it can be seen that in company X, the autocratic culture ( $M = 3.3480$ ) has a high impact on performance. This means that in company X, decision making through hierarchies increases the performance of employees. However, in company Y, the entrepreneurial culture ( $M = 3.3860$ ) shows a high impact wherein initiatives such as training need analysis, competency mapping, empowerment, participatory style of decision making, etc., lead to a high level of influence on the performance of the employees at the middle management level. However, company Y has the lowest degree of bureaucratic culture ( $M = 1.8326$ ). T-values as shown in Table 15 show that there are significant differences with respect to the impact of culture on the performance of employees in private manufacturing organizations X and Y.

**Table 16**

**Model summary: Stepwise selection of variables in the regression model (private sector)**

R	R square	Adjusted R square	Std. error of the estimate	R square change	F change	Sig. F change	Variables in
0.857(a)	0.734	0.733	0.46616	0.734	683.326	0.000	Technocratic culture
0.874(b)	0.764	0.763	0.43935	0.031	32.199	0.000	Entrepreneurial culture

Dependent variable: performance in private sector organizations X and Y.

An application of stepwise regression analysis for the above mentioned independent and dependent variables produced two (2) variables as the best predictors of the impact of culture on the performance in the two selected companies X and Y (Table 16). The combination of the technocratic culture and the entrepreneurial culture has a variation in the impact of culture on the performance. R<sup>2</sup> explains that approximately 76.4% of the variation in the impact of culture on the performance is caused by the technocratic and entrepreneurial cultures selected in the regression model. When adjusted for the number of variables, it (adjusted R<sup>2</sup>) shows that it accounts for 76.3% of the variation in the impact of culture on the performance. Thus, the R<sup>2</sup> value gives an indication about the importance of the technocratic and entrepreneurial cultures in explaining a significant amount of variation in the impact of culture as a whole on the performance.

**Table 17**

**Associated statistics for the determinants of motivation in companies X and Y**

Model	Non-standardized coefficients		Standardized coefficients	t	Sig.	Correlations		
	B	Std. Error				Zero-order	Partial	Part
(Constant)	5.796	0.135		42.908	0.000			
Technocratic	1.108	0.061	0.716	-18.083	0.000	-0.857	0.755	0.558
Entrepreneurial	0.366	0.064	0.225	-5.674	0.000	-0.673	0.340	0.175

Dependent variable: performance in private sector organizations X and Y.

As shown in Table 17, the technocratic culture emerges as the variable with the largest 'pure' (B(s) = 0.716) impact on motivation. As reflected, betas for all the variables are statistically significant at the 99% level of confidence. The technocratic culture has the strongest partial correlation or the purest relationship with the impact of work culture on the performance (75.5%). It is the best predictor of the impact of culture on the performance, followed by the entrepreneurial culture (34%). Using squared part correlations, the technocratic culture explains 55.8% of the variation and the entrepreneurial culture explains 17.5% of the variation in the impact of work culture on the performance of employees.

**This rejects the null hypothesis “H06” and the alternative hypothesis “HA6” is accepted:** there is a significant impact of the type of work culture on the performance level of the employees working in the private manufacturing sector (X and Y).

**Table 18**

**Correlation between type of work culture and variables of impact of work culture on performance**

Type of culture IWCP	Autocratic	Bureaucratic	Technocratic	
Career planning	-0.917**	-0.684**	0.917**	0.677**
Training need analysis	-0.897**	-0.694**	0.908**	0.674**
Participative decision making	-0.813**	-0.620**	0.814**	0.612**
Empowerment	-0.904**	-0.653**	0.890**	0.647**
Learning and development	-0.846**	-0.670**	0.859**	0.667**
Loyalty and commitment	-0.892**	-0.681**	0.900**	0.668**
Leadership	-0.866**	-0.658**	0.872**	0.652**
Competency mapping	-0.888**	-0.624**	0.872**	0.626**
Turnover	-0.875**	-0.619**	0.857**	0.619**
Independence	-0.875**	-0.619**	0.857**	0.619**
Innovation	-0.868**	-0.681**	0.880**	0.684**
Merit	-0.895**	-0.699**	0.909**	0.683**
Grievance redressal	-0.926**	-0.667**	0.918**	0.658**
Supervision	0.866**	0.680**	-0.882**	-0.644**
Hierarchy	0.703**	0.884**	-0.900**	-0.690**

\*\* Correlation is significant at the 0.01 level (2-tailed).

Table 18 shows that the autocratic culture is positively correlated with only two variables, i.e., supervision ( $r = 0.866$ ) and hierarchy ( $r = 0.703$ ), while it has a negative correlation with the other variables such as career planning, empowerment, leadership, etc. Similarly, the bureaucratic culture also has a significant positive correlation with supervision ( $r = 0.680$ ) and hierarchy ( $r = 0.884$ ) but the latter is comparatively higher. There is a positive and significant correlation of the technocratic culture with all the variables, with specific reference to grievance redressal ( $r = 0.918$ ), career planning ( $r = 0.917$ ), appraisal system based on merit ( $r = 0.909$ ), etc., except those of supervision and hierarchy. However, the entrepreneurial culture has a positive correlation with innovation ( $r = 0.684$ ), performance appraisal based on merit ( $r = 0.683$ ), career planning ( $r = 0.677$ ), etc., but the degree of correlation is lower than in the technocratic Culture, which is regarded as the apex culture. This shows that there is a significant correlation between the type of work culture and the variables of the

impact of work culture on the performance. This rejects the null hypothesis “H07” and the alternative hypothesis “HA7” is accepted: there is a positive and significant correlation between the type of work culture and variables of the impact of work culture on the performance.

## **7. Discussion and conclusions**

Although much research is needed, it is clear that most enduring influences are cultural. The powerful, pervasive role that work culture plays in shaping organizational life lends plausibility to speculations that cultural factors are linked with the motivation and performance (context-based) levels of the employees at the middle management level. The study suggests that if an organization’s culture is to contribute to enhancing performance, it must be both “dominant” and possess distinctive “traits”: particular values, beliefs, and shared behavior patterns. Some scholars have claimed that positive cultural traits boost performance in proportion to the strength of their manifestation.

The main objective of the study was to investigate the type of culture that is found dominant in the private manufacturing sector. The results show that organization X is dominated by an autocratic culture while organization Y is dominated by an entrepreneurial culture and there is a significant difference with respect to the profile of the culture type prevalent in the two organizations. Thus, it is accepted that there is a dominant culture prevalent in each of the two organizations X and Y.

The other objective was to measure the impact of the work culture on the managerial motivation level. The results show that there exists a positive and significant correlation between the technocratic culture and role motivation ( $r = 0.560$ ), followed by a negative and significant correlation between the autocratic culture and role motivation ( $r = -0.427$ ). This implies that the technocratic culture, if dominant, enhances the motivation level of the employees at the middle management level. At the same time, the autocratic culture, if dominant, leads to a higher level of dissatisfaction with the same. The results also show that there exists a gap between the perceived and desired levels of employees’ satisfaction with their roles in the two private sector organizations. The middle management level employees of organization X expressed the need for having more opportunities to exercise control ( $M = 2.7024$ ). This shows that teaming and control over the work environment leads to a higher level of motivation. Middle management level employees in organization Y exhibited a higher level of dissatisfaction with respect to their need for achievement ( $M = 2.6704$ ). Also, an application of stepwise regression analysis shows that different types of culture contribute significantly to the motivation level of the managerial level employees in private sector manufacturing organizations.

The organization has its own structure and goals. One’s role is defined by the function one performs in response to the expectations of the significant members of the organization. Performance of employees at the middle management level depends on the dominant culture as to how much significance is attached to the roles of employees

at the middle management level. The results highlight that the autocratic culture ( $M = 3.2710$ ) has a high degree of impact on the performance of the employees at the middle management level in the private manufacturing organizations X and Y. The managers work under a high degree of supervision. After seeing a lot of companies trip up in the last global meltdown, Khanna (2010), Professor at Harvard Business School, in an extensive discussion with Business World, "Focus on Mid Level-Managers" opined about the need of India to develop its middle level managerial strength. He highlighted that "Chinese firms are efficient because they are autocratic. Autocracy is a common trait in many private Indian companies but we don't see the same level of efficiency. The best of talents are not selected by meritocratic processes but through genetic lotteries of some sort".

However, in company Y, the entrepreneurial culture ( $M = 3.3860$ ) has a high impact wherein initiatives such as training need analysis, competency mapping, empowerment, participatory style of decision making, etc., have a high influence on the performance of the employees. The regression analysis results show that 76.3% of the variation in the impact of culture on the performance is caused by the technocratic and entrepreneurial cultures selected in the regression model.

## 8. Recommendations

The following recommendations are being made on the basis of the results for the selected companies X and Y, which belong to the private sector.

According to the analysis, private sector company X is dominated by an autocratic culture and company Y by an entrepreneurial culture. There is a positive correlation between a strong technocratic culture and the level of motivation ( $r = 0.560$ ). Hence, the organization should focus on strengthening the technocratic culture in the organization, if they want to have higher levels of motivation and lower levels of dissatisfaction. Furthermore, there is a negative correlation ( $r = -0.427$ ) between the autocratic culture and motivation, hence the organization should reduce its autocratic culture and strengthen the technocratic culture.

Work culture promotes or restricts certain needs. The need for control ( $M = 2.7024$ ) amongst the middle management employees of organization X needs to be promoted. This shows that there is some dissatisfaction with the level of control that the middle level managers can actually exercise. The interpersonal need for control is defined as the need to establish and maintain a satisfactory relationship with people with respect to control and power. It refers to the extent the employees feel themselves as competent and responsible. If the middle level managers felt competent and responsible, they would be able to mutually respect others on the same parameters. Organization Y requires more opportunities to its middle level managers to fulfill their need for achievement ( $M = 2.6704$ ) than they actually get. Results show that a rigid authoritarian corporate culture might initially translate into positive work output in the short-term but leads to long-term workplace dissatisfaction. This is supported by the study of Reinemer (1995), where he emphasizes

that employees' involvement in structuring work is also a prime requirement for role satisfaction.

The results of the regression show that various types of culture impact on the motivation level and therefore, the organization needs to nurture and develop the right type of culture in the organization to foster the motivation level of the employees working in the organization. The goal is not just to survive, but also to prevail, prosper, and achieve something much broader and bigger than mere survival.

The analysis shows that the private sector is dominated by the autocratic culture while the regression analysis results show that 76.3% of the variation in the impact of culture on the performance is caused by the technocratic and entrepreneurial cultures. So, organizations should endeavor to promote the technocratic or entrepreneurial culture as the dominant one, while the correlation also shows that the technocratic culture has a high correlation with career planning, participative decision making, redressal handling, innovation, autonomy, etc., as compared to the entrepreneurial culture. Hence, organizations must endeavor to strengthen their technocratic culture in order to enhance the performance of their employees at the middle management level. Organizations that are able to optimally utilize and maximize human performance have a competitive edge over others.

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## IMPACT OF WORK CULTURE ON MOTIVATION AND PERFORMANCE LEVEL OF EMPLOYEES IN PRIVATE SECTOR COMPANIES

**Abstract:** Work culture has the potential to enhance managerial performance. The objective of the present study is to examine the dominant work culture prevalent in the two private sector manufacturing organizations X and Y and to study its impact on the contextual performance and motivation level of the employees at the middle management level. The statistical tools used to test the hypothesis were the mean, standard deviation, t-test, correlation, one-way ANOVA, and regression. The findings show that the technocratic culture has the strongest partial correlation or the purest relationship with role motivation. Through a regression analysis, the technocratic culture emerges as a strong predictor of motivation while the entrepreneurial culture as a strong predictor for performance. The findings imply that when individuals are satisfied with their roles and feel that their supervisor or leader provides them with support, their contextual performance is expected to increase.

**Keywords:** Work culture, autocratic culture, bureaucratic culture, technocratic culture, entrepreneurial culture, dominant culture, contextual performance, role motivation

**JEL Classification:** D2, J24, O15