

# BUSINESS REVIEW

# A STUDY ON THE DRIVERS OF CORPORATE CULTURE IMPACTING EMPLOYEE PERFORMANCE IN IT INDUSTRY

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#### **ABSTRACT**

**Purpose**: Examining the factors that contribute to company culture and how that culture affects employee productivity is the primary focus of this essay.

**Theoretical framework**: This investigation used a mixed research strategy, combining qualitative and quantitative approaches.

**Design/methodology/approach**: In total, 378 IT professionals working in Kerala were recruited to complete the questionnaire. The present study adapted seven dimensions namely Work life, communication, motivation, empowerment, Strategic Decision, Leadership and core values as the drivers of corporate culture.

**Findings**: According to the results, all seven of the identified determinants of corporate culture had a significant role in forming the study's hypothesised culture. Findings also showed that the study's composite variable, "company culture," had an effect on workers' performance. The job performance of workers might be heavily based on the company's culture.

Research Practical & Social implications: The findings may assist IT firm leaders strengthen their culture by focusing on the factors that were proven to have the most impact on creating their organization's unique spirit. The corporate culture should be such that it results in improved performance of employees. There should be leadership with a dedicated human resource department in each company, who can nurture the core value in organizational culture, motivate the employees and make the company more competent. Culture in the workplace is complex and takes many forms; it might develop in response to the challenges and difficulties inherent in every given business, or it can be consciously crafted by the company's leadership and employees.

**Originality/value**: This essay provides the assistance for a dialogue. It shows that while corporates are investing in culture and performance improvement programmes, research on the core value of such programmes as drivers that impacts performance has not been explored in detail.

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# UM ESTUDO SOBRE OS MOTORES DA CULTURA CORPORATIVA QUE IMPACTAM O DESEMPENHO DOS FUNCIONÁRIOS NA INDÚSTRIA DE TI

#### **RESUMO**

**Objetivo:** Examinar os fatores que contribuem para a cultura da empresa e como essa cultura afeta a produtividade dos funcionários é o foco principal deste ensaio.

**Estrutura teórica:** Esta investigação utilizou uma estratégia de pesquisa mista, combinando abordagens qualitativas e quantitativas.

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# Shamsudin, S., Velmurugan, V (2023)

#### A Study on the Drivers of Corporate Culture Impacting Employee Performance in it Industry

Design/metodologia/abordagem: No total, 378 profissionais de TI que trabalham em Kerala foram recrutados para preencher o questionário. O presente estudo adaptou sete dimensões: Vida profissional, comunicação, motivação, capacitação, Decisão Estratégica, Liderança e valores centrais como os motores da cultura corporativa. Conclusões: De acordo com os resultados, todos os sete determinantes identificados da cultura corporativa tiveram um papel significativo na formação da cultura hipotética do estudo. Os resultados também mostraram que a variável composta do estudo, "cultura corporativa", teve um efeito sobre o desempenho dos trabalhadores. O desempenho profissional dos trabalhadores poderia estar fortemente baseado na cultura da empresa.

Implicações práticas e sociais da pesquisa: As descobertas podem ajudar os líderes de empresas de TI a fortalecer sua cultura, concentrando-se nos fatores que comprovadamente tiveram maior impacto na criação do espírito único de sua organização. A cultura corporativa deve ser tal que resulte em um melhor desempenho dos funcionários. Deve haver liderança com um departamento de recursos humanos dedicado em cada empresa, que possa nutrir o valor central na cultura organizacional, motivar os funcionários e tornar a empresa mais competente. A cultura no local de trabalho é complexa e assume muitas formas; ela pode se desenvolver em resposta aos desafios e dificuldades inerentes a cada negócio, ou pode ser criada conscientemente pela liderança e funcionários da empresa.

**Originalidade/valor:** Este ensaio fornece a assistência para um diálogo. Ele mostra que enquanto as empresas estão investindo em programas de cultura e melhoria de desempenho, a pesquisa sobre o valor central de tais programas como motivadores que impactam o desempenho não foi explorada em detalhes.

**Palavras-chave:** Cultura, Cultura Corporativa, Tecnologia da Informação, Desempenho dos Funcionários, Desenvolvimento Organizacional.

# ESTUDIO SOBRE LOS FACTORES DE LA CULTURA EMPRESARIAL QUE INFLUYEN EN EL RENDIMIENTO DE LOS EMPLEADOS DEL SECTOR DE TI

#### **RESUMEN**

**Propósito:** Examinar los factores que contribuyen a la cultura de empresa y cómo esa cultura afecta a la productividad de los empleados es el objetivo principal de este ensayo.

Marco teórico: Esta investigación utilizó una estrategia de investigación mixta, combinando enfoques cualitativos y cuantitativos.

**Diseño/metodología/enfoque:** En total, se reclutó a 378 profesionales de las TI que trabajaban en Kerala para que cumplimentaran el cuestionario. El presente estudio adaptó siete dimensiones: vida laboral, comunicación, motivación, capacitación, decisión estratégica, liderazgo y valores fundamentales como impulsores de la cultura corporativa.

**Resultados:** Según los resultados, los siete determinantes identificados de la cultura empresarial desempeñaron un papel significativo en la formación de la cultura hipotetizada del estudio. Los resultados también mostraron que la variable compuesta del estudio, "cultura de empresa", tenía un efecto sobre el rendimiento de los trabajadores. El rendimiento laboral de los trabajadores podría depender en gran medida de la cultura de la empresa.

Implicaciones prácticas y sociales de la investigación: Las conclusiones pueden ayudar a los directivos de las empresas de TI a reforzar su cultura centrándose en los factores que han demostrado tener más impacto en la creación del espíritu único de su organización. La cultura empresarial debe ser tal que redunde en un mejor rendimiento de los empleados. Debe haber un liderazgo con un departamento de recursos humanos dedicado en cada empresa, que pueda nutrir el valor central en la cultura organizativa, motivar a los empleados y hacer que la empresa sea más competente. La cultura en el lugar de trabajo es compleja y adopta muchas formas; puede desarrollarse en respuesta a los retos y dificultades inherentes a cada empresa, o puede ser elaborada conscientemente por la dirección y los empleados de la empresa.

**Originalidad/valor:** Este ensayo proporciona la ayuda para un diálogo. Pone de manifiesto que, aunque las empresas invierten en programas de mejora de la cultura y el rendimiento, la investigación sobre el valor fundamental de dichos programas como impulsores que repercuten en el rendimiento no se ha explorado en detalle.

**Palabras clave:** Cultura, Cultura Corporativa, Tecnología de la Información, Rendimiento de los Empleados, Desarrollo Organizativo.

#### **INTRODUCTION**

In the highly competitive economy of today, businesses must be more inventive, creative, and competitive than ever. Even so, research has been conducted to clarify the relationship between the two elements on the presumption that an organization's success may be increased by creating a productive, established, and socially acceptable culture. Studies have shown that a company's culture can increase productivity if properly implemented (Motilewa et al., 2015; Leithy, 2017; Joseph & Kibera, 2019; Cameron & Quinn, 2006).

Initially proposed in the 1970s and 1980s, the concept of organisational culture soon gained traction and sparked discussion in management studies. The concept of organisational culture was developed in the disciplines of sociology and anthropology and has since been one of the key areas of study focus (Maleka et al, 2015). Sociologists believe that organizations have cultures, whereas anthropologists believe that organizations are cultures in and of themselves. Consequently, several academic definitions were produced, with topics ranging from conceptions of proper conduct norms, rituals, and traditions to universal values, beliefs, and ideologies (Linnenluecke & Griffiths 2010).

Research on the connection between corporate culture and employee performance has been widespread because of the importance of company culture as a concept in management. Unfortunately, it seems that the outcome is unclear and contradictory. As a potent device for regulating worker conduct, corporate culture shapes how its members see the world. Workplace attitudes, beliefs, and actions are influenced by the larger social and cultural context in which an organisation operates. When implemented properly, work culture may have a significant effect on productivity (Agwu, 2014). Because every company has its own unique culture, and because understanding that culture may help you find effective ways to improve your workplace, it's crucial to conduct a thorough analysis of the corporate culture. We make an effort to identify elements of business culture that boost productivity in the workplace. If a company fails all of its equipment but keeps its competent employees, it may be able to go back to regular operations more quickly than if it lost both the gear and the employees. as reported by (Ahmadi, 2011). To achieve any goal, each organisation relies on its people. The business culture's drivers have various effects on the local culture, as stated by (Ahmadi, 2011). To make progress, businesses must take into account both their internal culture and the external environment. Culture management is a challenging area, as many management and behavioural specialists have pointed out. Although this is a concern, it can and should be dealt with. Since 2013 (Kokina) The socio-cultural context, as well as the parties and elements involved, and the theoretical considerations used during management all have a role in determining how and what cultural drives to manage.

#### LITERATURE REVIEW

By examining how corporate culture may be successfully coupled with new procedures to increase employee performance, this research aims to begin by looking at studies that have covered organisations of varying sizes in their culture and managing employees. Employers are aware that a more vested workforce increases output, thus it is imperative that all businesses investigate the factors that shape their corporate culture. A variety of factors influence the culture of a company. Work-life balance, communication, motivation, empowerment, strategic decision-making, leadership, and core values are just few of the topics covered in this article. Through this research, we have developed a conceptual model to examine the factors which contribute to a successful corporate culture and, in turn, to the productivity of both employees and the company as a whole. Second, there is a lack of academic research on employee performance, as shown by the current curriculum (Saks, 2006).

In this investigation, seven factors were chosen to represent the various parts of an organization's culture. Collectively, these seven factors shape a company's culture. Here, organisational culture functions as a second-order dependent and independent variable. The study's dependent variable is employee performance.

#### **Corporate Culture**

In today's business climate, no company can fulfil its objective and stay competitive without fostering a positive organisational culture. The company's culture will affect how it achieves its strategic goals. Because of the company's unique culture, Apple Inc.'s human resources department is able to effectively support a wide range of strategic goals. Apple's corporate philosophy includes a commitment to recruiting and retaining the industry's most talented individuals. The company culture that promotes, recognises, and demands excellence from its staff may be preserved and strengthened by such a ritual. At Apple Inc., this cultural standard pervades every level. Apple's position as a market leader may be partly attributable to its concentration on establishing a culture that values both excellent quality and original, creative problem-solving. The particular culture of Apple has a direct impact on the company's capacity to draw in and keep great personnel. Culture at Apple Inc.: An Analysis (Meyer, 2018). Amazon has a reputation for having a company culture that encourages people to experiment and take chances. The company is always looking for innovative methods to employ data-

intensive processes to enhance its online retail services because of its culture. Amazon.com, Inc. is able to adapt to the changing needs of the e-commerce industry because of the company's culture.

According to Armstrong and Baron (1998), an organization's long-term viability and success depend on its employees' capacity to perform at high levels both individually and collectively. It lends credence to the idea that an organization's most valuable resource is its human capital rather than its financial reserves (Reynolds and Ablett, 1998). Employee performance management is essentially about establishing strong people and managing and developing individuals so that the company can be more competitive. Cabrera and Banache (1999) DeWitt (2010) agrees with this line of thinking, arguing that the first step in boosting productivity is fostering individual and collective development among workers. Managers at eBay are guided in their efforts to improve human resources and respond to e-unique commerce's set of issues by eBay's culture. The organisation recognises that cultivating exceptional human capital is crucial to the strategic development of a leading e-commerce enterprise. The excellent work done by the company's workers immediately contributes to the customer and business success on the company's e-commerce and auction sites as well as its classifieds sites. Programs in human resource management help to instil this value by inspiring employees to reach and sustain a high standard of performance in their support of the company's marketplace/trading platform and associated business activities.

Google's corporate culture prioritises the delivery of exceptional outcomes throughout the company. Organizational leaders use this value into HR initiatives to help their staff grow to value and pursue excellence. Workers are encouraged to strive for excellence in their profession and not settle for just satisfactory outcomes via these training programmes. The organisational culture at Google encourages people to think critically and produce high-quality results. The organisational culture at Google places a strong focus on practical training and development of employees. According to research (Greg Besner, 2015).

High levels of productivity on the workplace may be fostered by certain aspects of an organization's culture. There are a variety of outward signs of one's cultural background at the workplace, such as the size of one's office or the presence of photographs of staff members near entrances. Employees are more invested in their work because they feel valued as a part of what makes the company successful. Employees are more likely to do a good job because they feel invested in the firm and its mission thanks to artefacts like computers, the employee handbook, the company emblem, and corporate swag. Patterns of behaviour, such as where and how workers interact, and how they act in both official and informal meetings, can contribute to a

culture of good performance.

Companies with a well-established corporate culture are able to maintain it because members of each succeeding generation embrace and pass it on to the next using tools like the ones mentioned above: tales, artefacts, rituals, slogans, symbols, and unique ceremonies. These processes not only perpetuate but also solidify the dominant culture (Dacin, Munir and Tracey 2010). What distinguishes one person or group from another is the cultural DNA they have fostered. Take Sam Walton's early ideas on Wal-culture Mart's as an example. Wal-core Mart's values include a focus on the consumer, a relentless pursuit of efficiency, and a dedication to hard labour. The reliability of Verizon Communications, Inc.'s services is influenced by the business culture. The excellent quality it offers serves as the company's main foundation for its approach in the telecommunications industry. Verizon Communications, Inc. has established lofty objectives for the creation of cutting-edge information and communication technologies, and because to the company's engrained excellence culture, its employees are allowed the freedom to contribute to achieving those objectives. The company's core principles inspire employees to pursue job excellence. Therefore, they are inspired to do their best work.

The cohesiveness of a group may be greatly influenced by the company's culture. However, a strong corporate culture is not some kind of dark magic; rather, it draws its strength not just from concepts but also from concrete acts that workers recognise as embodying and emulating the culture as a whole. The company's culture of high performance and increased earnings depends on its insistence on cooperation and the timely completion of customer projects.

#### **Work Life Balance**

Organizational experts have recently paid a lot of attention to the idea of "work-life balance." Finding harmony between the mental, behavioural, and time demands of one's paid employment and one's personal and family life is essential to maintaining a good work-life balance. A research (Hill, 2004) indicates a link between perceived employment flexibility and a healthy work-family balance after controlling for variables including paid work hours, marital status, unpaid domestic labour hours, gender, and occupational level. It seems that having a good work-life balance is advantageous for both individuals and businesses. Employees are better able to do their duties when they can better balance their personal and professional life. Companies that allow for flexible scheduling provide their workers more freedom to create their own schedules outside of the norm. Workers gain additional time to tend to their own requirements thanks to the availability of flexible hours. Similarly, those who have a healthy

work-life balance are able to put in more hours at the office before sacrificing their personal lives to the work.

#### Communication

Since communication is a fundamental human function that is vital to the success of any organisation, maintaining its efficacy is critical to guaranteeing overall outstanding performance. The term "corporate communication" refers to the free flow of information, ideas, and opinions between employees and the general public (Locker & Kaczmarek, 2010). Diversity in corporate communication is reflected in the wide range of audiences it serves, from those within to those outside of the company (Karki, 2012). In order to communicate effectively as a company, it is necessary to do so both internally and externally. The term "external communication" refers to interactions between members of an organisation and those outside that organization, while "internal communication" refers to interactions between members of the organisation themselves.

#### **Motivation**

The staff's motivation level is one of the most crucial factors in job performance. The performance of an employee is a measure of how well their individual efforts help the organisation achieve its goals. What is necessary to do one's activities in accordance with predetermined standards as described in a job description?(Iqbal, Ijaz, Latif, & Mushtaq, 2015; Simamora, 2013). Improving workers' productivity pays well for the company in the long run. The success of any organisation is tremendously aided by employing people that are knowledgeable, talented, and invested in their job (Rounok & Parvin, 2011).

#### **Empowerment**

The company's leadership believes that it must place a premium on staff training and development in order to keep up with its rapid expansion, which will necessitate reworking the company's structure to better achieve its goals. As a result, the company is obligated to revamp its present policy on organisational learning, which will eventually contribute to the growth of the company as a whole. Management of transition in the modern world is accomplished via the use of organisational learning. The organization's values, ideas, attitudes, strategies, structures, and practises must be modified so that it can respond effectively to environmental changes (Meyer, 2018). Employees may be inspired to work together more effectively if they are assigned tasks and responsibilities on the factory floor that are directly related to the

problems they face inside the company. Cascading the workshops across the business is a great way to further entrench the practise of empowering workers to work collaboratively on projects (Muhammed Jasim Udin, 2013). A leader's ability to delegate authority, take credit for team successes, and raise the profile of their staff are all characteristics of strong leadership.

Training's main objective is to improve workers' abilities to carry out certain jobs. Training's outcomes should be observable and beneficial to the company's bottom line (Hughey, 1997). While training professionals strive to make their programmes relevant to the requirements of modern society, Aaron W. Hughey illustrates how many of the concepts and methods used in the business sector may be of great benefit. There has been a recent uptick in interest from HR professionals in the transformative power of soft skill training for both businesses and their workforces. Training in soft skills may be more important than previously thought, according to recent research. Training on "soft" skills—such as listening, communicating, working together as a team, taking the lead, etc. It's crucial to be able to monitor employees' development on an individual and group level to demonstrate how training and education improves output and quality (Hughey, 1997).

# **Strategic Decision**

Employee and business productivity are both boosted by efforts in quality management and other business strategies. The formation of strategies by upper-level management is known as a strategic decision. A strategic choice is the path an organisation plans to pursue to maintain its status as a leader in its field. Incorporates the ability of the senior leadership to make and execute long-term plans, as well as the ability to steer the business toward success (Hooijberg, 2000). Both strategic decision making and strategic planning have the same overarching goal: to shape the future in a certain manner. This resemblance may be used as the basis for an explanation of the relationship between planning and strategy. Planning has been identified as a crucial part of any successful strategic management structure. It's the management's strategic choices that have the most impact on the company's culture and productivity (Bolland, 2017).

#### Leadership

As a process, leadership involves the leader having an impact on subordinates so that they work together toward a common goal. Good leaders, on the other hand, know that the best possible outcome for any organisational endeavour is a state of affairs in which all organisational factors are in positive relationships. Organizational success is largely determined by the quality of the connections inside it (Mohammed, 2015). Positive leadership behaviour

has a substantial impact on workers' motivation, contentment on the job, and output. A self-regulating process may be established in an organisation with the help of a strong leader who can boost the skills of their staff and push them to use them (Apak, 2015). Lack of leadership transparency kills morale and productivity. Leadership's views and actions on motivation are mirrored in the way they inspire and encourage their employees (Timothy Bartram, 2007). Leadership has been linked to increased employee motivation, productivity, and job satisfaction (Apak, 2015).

#### **Core Values**

A firm's core value is the set of guiding principles that top executives use to foster a uniform culture across the whole organisation (Ouchi, 1979). Values are not only the end result of people's decisions; they are also the driving emotions, factors, and structures behind those decisions (Margulies, 2016). We believe that previous descriptions and analyses often ignore the fact that the concept of core values in the theory and practise of organisational culture is a two-tiered one. We think that the degree to which an organization's values become aligned with the basic values of the organisation determines how beneficial and successful the organization's culture will be. An in-depth, impartial investigation of a company's daily activities may be used to identify the basic values of the firm. A company's core values are its fundamental principles (Porras, 1996).

#### **Employoee Performance**

A manager's primary duty is to ensure that the members of his or her team or the workers of the company perform at a high level. To accomplish this, the manager must make sure that the team members or workers in his or her organisation are aware of what is expected of them, that managers and workers collaborate to evaluate performance in relation to those expectations, and that both parties are in agreement regarding what needs to be done to improve knowledge and, if necessary, performance. To put it simply, employee performance is defined as how much an individual helps create a superior end result. Individual employee performance may be understood via a methodical approach to tasks and expectations, resources and opportunities, and feedback and evaluation. Managers should also realise that employee performance helps mitigate risks related to the organization's efficiency and productivity.

#### **METHODOLOGY**

## **Conceptual model development**

The study's researcher used qualitative and quantitative methods. Due to the nature of the study, quantitative techniques were employed to gather the data for analysis, whilst qualitative approaches were utilised to create the items used to measure qualities. A conceptual model was created to evaluate the hypotheses connected to the study's three aims after an extensive literature assessment, as seen in Figure 1.

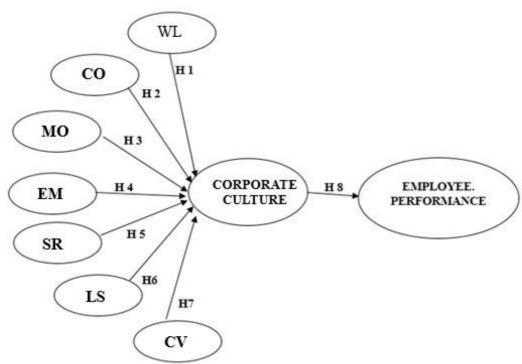


Figure 1 Conceptual model for the study

Source: Author

Note: WL= Work life, CO= Communication, MO= Motivation, EM = Empowerment SD= Strategic decision, LS=Leadership, CV = Core Values.

The research used seven factors—Work life, communication, motivation, empowerment, strategic decision-making, leadership, and core values—as components of organisational culture. These dimensions were taken from the literature. All seven of these variables influence an organization's culture. The goal of the approach is to quantitatively examine how culture impacts productivity. In this case, the seven dimensions are the first-order constructions, while corporate culture is the second-order variable. The predictor variable is this composite variable of the second order. The level of performance by workers is the focus of this analysis. The model postulates that (from H1 to H7), organisational culture is considerably affected by (H8), and favourably contributes to (H9), personnel performance.

Researchers may use this model to determine not only the overall effect of culture on productivity but also the relative importance of different cultural factors.

# **Hypotheses of the study**

To guide the research, we make the following assumptions:

- H1: Corporate culture greatly benefits from the organisation's strategy on full resolution.
- H2: Corporate culture benefits greatly from clear and constant communication.
- H3: Methods for boosting morale in the workplace are an important aspect of ensuring a positive corporate culture.
- H4: Employee empowerment has a major impact on the culture of a company.
- H5: The management's strategic choices have a major impact on the company's culture.
- H6: The quality of an organization's leadership is a key factor in determining its culture.
- H7: An organization's culture is influenced by its core values.
- H8: Employee productivity is significantly and favourably influenced by the company's culture.

# **Scale development**

The various attribute measurement scales are based on the denison model and Paul E. Spector's work in the literature. Each factor of corporate culture is assessed using a tailored set of five items. Employee performance is measured using a scale with 10 indicator factors. Thus, a data collection instrument consisting of 35 items for gauging corporate culture and 10 items for gauging staff performance is made ready for use with the sample units.

# **Pilot Study**

One hundred instruments were sent to workers at one of the companies in January 2022 as part of a pilot study to assess the validity of the measures. In the next day, the researcher had 83 completed questionnaires. The validity and reliability of the measures were examined using data from 78 questionnaires that passed first screening. Using IBM SPSS Statistics 22, we calculated the Cronbach alpha. The alpha value for each construct was found to be more than 0.7, which is the cutoff for satisfactory dependability. Total sample data were gathered once the reliability metric was confirmed.

#### **Population**

This study sets out to measure the effect that corporate culture drivers have on worker

productivity in the information technology sector in South India. All people who are employed in the industry of information technology in the southern region of India constitute the population for this study.

# **Sample Size**

Any worker in the information technology sector in the southern Indian state of Tamil Nadu will make an excellent example unit. Large samples are recommended for structural equation modelling, thus it was decided to gather as many answers as possible from the workers, with the minimum sample size set at 225, five times the indicator variables (Wolf, et al., 2013).

# **Sampling Frame and Sampling Method**

Ten IT companies are selected from Kerala's three regions—the south, the centre, and the north—by random sampling. Two companies are picked from Kerala's north, which has less IT enterprises, and four companies are chosen from Kerala's south and centre. Subjects are chosen at random from each company's pool of potential volunteers.

#### **Data Collection**

During the month of March in the year 2020, we gathered information from our sample subjects. Google Form was used to distribute 450 surveys, and respondents were asked to rate their agreement or disagreement on a five-point Likert scale, with 1 denoting extreme disagreement and 5 denoting complete agreement. By the next month's end, the researcher had collected 404 of these devices, all of which had been finished. Once the devices with blanks were eliminated, 385 surveys remained for analysis. In order to get rid of outliers, SPSS statistics 20 ran another Mahalanobies test, and after 7 instruments with skewed results were thrown out, the remaining 378 instruments were put through another round of elimination for statistically significant.

#### RESULTS AND DISCUSSION

A second-generation statistical method known as structural equation modelling (SEM) is commonly recognised as the most effective technique to quickly identify many links in a complex research model. Using IBM SPSS Statistics version 20 and IBM SPSS Amos, a covariance-based analytic tool, researchers in this study examined how employees perceived organisational culture and performance.

## **Demographic profile of Respondents**

Table 1 provides the age, service, qualification, and responder category information. A total of 173 engineers, 118 team leaders, 76 middle managers, and 11 upper-level managers were included in the sample. Among those who filled out the survey, men make up 62%. Some 77% of the group is comprised of people in their twenties to thirties. 65 percent of responders have less than 10 years of experience. The following is a detailed demographic profile, broken by type, marital status, gender, age, and years of service.

Table 1 Demographic profile

		Number	Percentage
Candan	Male	233	62
Gender	Female	145	38
	Married	246	65
Marital status	Single	132	35
	Engineer	174	46
C-+	Team Leaders	117	31
Category	Middle managers	75	20
	Senior Managers	12	3
	20-30 years	153	40
A	31-40 years	233 145 246 132 174 117 s 75 s 12 153 138 64 23 132 113 68 34	37
Age	41-50 years	64	17
	51-60 years	23	6
	1 to 5 years	132	35
	Female 145  Married 246  Single 132  Engineer 174  Team Leaders 117  Middle managers 75  Senior Managers 12  20-30 years 153  31-40 years 138  41-50 years 64  51-60 years 132  6 to 10 years 113  11 to 15 years 68  16 to 20 years 34	30	
Experience	11 to 15 years	68	18
	16 to 20 years	34	9
	Above 20 years	145 1 246 132 174 174 177 178 189 189 199 199 199 199 199 199 199 19	8

Source: Author's compilation

# **Descriptive Statistics**

The findings of the mean score analysis, which are based on the responses of the employees who took part in this survey, show that the employees are only slightly satisfied with the six elements of the corporate culture that are common in the Indian IT industry. It ranges from 3.07 to 3.53 on a scale of 1 to 10. A dissatisfactory mean score of 0.266 on the Empowerment scale indicates that workers aren't happy with their situation in this area. In order to boost staff output, this points to the need of enhancing employee empowerment. However, it's important to note that there's space for improvement across all seven categories of employee satisfaction.

Table 2 Mean and standard deviation and bivariate correlation

variable	N	Mean	S.D	WL	CO	MO	EM	SD	LS	CV
Work Life	380	3.70	1.035							
Communication	380	3.31	0.816	0.67						
Motivation	380	3.08	0.761	0.37	0.51					
Empowerment	380	2.66	0.952	0.45	0.41	0.344				
Strategic Decision	380	3.53	0.699	0.4	0.49	0.589	0.475			
Leadership	380	3.54	0.783	0.25	0.38	0.621	0.322	0.518		
Core Values	380	3.23	0.747	0.41	0.35	0.593	0.568	0.526	0.593	
Performance	380	3.12	0.746	0.64	0.67	0.773	0.629	0.666	0.669	0.709

Source: Author's compilation, \*\* p < 0.05

Note: WL= Work life, CO= Communication, MO= Motivation, EM = Empowerment SD= Strategic decision, LS=Leadership, CV = Core Values.

In this study, the bivariate link among latent variables is analysed using Pearson's correlation coefficient (r). According to Hair et al. (2013), an effect size of 0.1–0.2 indicates a minor influence, 0.30–0.49 suggests a medium effect, and 0.50–1.00 indicates a significant effect. In this work, meaningful relationships between latent variables are supported by high correlation coefficients, providing more evidence for the Nomo logical validity of the created variables (Mishra.2016).

#### **Structural Equation Modelling**

There are two stages of analysis that must be completed in SEM before any results can be drawn. Assessing the measurement model is the initial phase, followed by evaluating the stability of the system. The first thing a researcher does is make sure the scales they're using it to assess the many characteristics associated with the idea they're researching are reliable and valid.

#### **Measurement Model Assessment**

By matching the constructs to accepted benchmarks, the researcher evaluates the scales' precision and accuracy in the confirmatory study. Prior to assessing reliability and validity, it is crucial to look at the fit indices to make inferences about how well the model fits the data. The approach used for this objective is a comparison of the fit measurements with the recommended cut - off values.

Most of the fit measures fall within the suggested threshold values for the model fit, as shown in Table 3. NFI and GFI are very close to the suggested levels. This means that the model is prepared for further statistical analysis.

Table 3 Fitness of measurement model

Fit measure	NFI	IFI	CFI	GFI	CMIN/df	RMSEA
Recommended	>0.9	>0.9	>0.9	> 0.9	< 5	< 0.1
Achieved	0.858	0.921	0.933	0.812	4.479	0.082

Source: Author's compilation

#### **Convergent and Discriminant Validity**

To assess the validity and dependability of the scale of items for each idea, convergence validity and discriminant validity are utilised. Fornell and Larcker (1981) established the measure known as Average Variance Extracted (AVE), which is used to assess the Convergent validity of indicators for each idea (Chin, 1998). The entire variation that has been gathered by all indicators for a certain concept is known as Achievable Variation Extraction (AVE). If the AVE is more than 0.50, convergent dependability is generally regarded as good (Bagozzi and Yi, 1988; Fornell and Larcker, 1981). All of the constructs in this study's AVE values, which vary from 0.531 to 0.705, are significant. High factor loadings, exceeding 0.5, are also a strong indicator of convergent dependability (Mishra, 2016).

The approach for ensuring discriminant validity involves contrasting the intercorrelation of each concept with its squared AVE. If the square root of the AVE of a construct is greater than the correlations between that construct, there is adequate discriminant validity.

Table 4 shows that for each construct, the squared roots of AVEs (diagonals in bold) are larger than the correlations with the other constructs (Fornell-Larcker criterion). This connection is a strong empirical indicator of each latent variable's originality in relation to the others.

Table 4 Convergent and Discriminant validity: Farnell-Larker criterion

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Variables	AVE	WL	CO	MO	EM	SD	LS	CV	PE
Work life	0.784	0.885							
Communication	0.482	0.671	0.694						
Motivation	0.472	0.365	0.509	0.687					
Empowerment	0.701	0.445	0.406	0.344	0.837				
Strategic Decision	0.505	0.405	0.486	0.589	0.475	0.71			
Leadership	0.688	0.245	0.383	0.621	0.322	0.518	0.829		
Core Values	0.618	0.407	0.35	0.593	0.568	0.526	0.593	0.786	
Performance	0.641	0.64	0.67	0.773	0.629	0.666	0.669	0.709	0.81

Source: Author's compilation, The bold diagonal values are the square roots of AVEs

Note: WL= Work life, CO= Communication, MO= Motivation, EM = Empowerment SD= Strategic decision, LS=Leadership, CV = Core Values.

The results indicate that the scales used to measure the latent variables are valid, reliable,

and capable of accurately evaluating the desired features.

# **Structural Equation Model Assessment and Hypotheses Test**

Here, the researcher put the hypothesis to the test by examining the strength of many interconnections between exogenous and endogenous factors. As a means of verifying the validity of the assumptions, the researcher constructed a conceptual model depicting all important links (Figure 1). The purpose of this model is to evaluate the effect of corporate culture on employee productivity by isolating the effects of various corporate culture drivers (Hypotheses 1 to 8).

Measurements of fit were also utilised to assess how well the model fit the data in this investigation. According to Table 5, the CFI and IFI values are more than 0.09, whereas the NFI and GFI values are close to 0.9. The CMIN/df and RMSEA values are both good. These all point to the model's suitability for structural analysis.

Table 5 Fitness of Structural model

Fit measure	NFI	IFI	CFI	GFI	CMIN/df	RMSEA
Recommended	>0.9	>0.9	>0.9	> 0.9	< 5	< 0.1
Achieved	0.858	0.921	0.918	0.812	4.479	0.082

Source: Author's compilation

Table 6 Hypotheses test results

Hypothesis	Relation	В	β	t statistic	p value	Decision
H 1	Work life> Corporate culture	0.966	0.387	4.36	***	supported
H 2	Communication> Corporate culture	1.53	0.34	3.77	***	supported
Н3	Motivation> Corporate culture	2.23	0.529	4.38	***	supported
H 4	Empowerment> Corporate culture	1.68	0.447	4.44	***	supported
Н 5	Strategic decision> Corporate culture	0.533	0.157	2.39	0.017	supported
Н 6	Leadership> Corporate culture	1.403	0.361	4.13	***	supported
Н7	Core values> Corporate culture	1	0.317	ref	***	supported
Н 8	Corporate culture> .Performance	0.165	0.814	5.18	***	supported

Source: Author's compilation

Note: \*\*\* p< 0.001, B= Unstandardized estimate,

 $\beta$ = standardized estimate

Table 6 displays standard estimates (also known as standardised beta coefficients) for each of the seven components of corporate culture. Each of these coefficients indicates a

favourable correlation between the two sets of variables. All six of the other components are significant at the p=<0.001 level, with the exception of the strategic choice component. At the p=<0.05 level, there is a statistically significant correlation between strategic decision-making and performance. This means that the null hypothesis that the corporate culture drivers have no effect on the corporate culture as a whole (H 01–H 07) may be discarded based on the available statistical data. Therefore, it is safe to say that all seven elements are making meaningful and beneficial contributions to the culture of the company as a whole.

With these numbers in hand, we can assess how much each of the corporate culture drivers really contributes to the culture as a whole. This study found that among the seven factors considered, employee motivation had the greatest impact on corporate culture (path value= 0.529, p < 0.001), while strategic decision had the smallest impact (path value= 0.157, p <0.05). Positive effects on corporate culture were also seen for Employee Empowerment (path value= 0.447, p <0.001), Work Life (path value= 0.387, p <0.001), Leadership (path value= 0.361, p <0.001), and Core Values (path value= 0.357, p 0.001). Therefore, it is clear that if any of the drivers of corporate culture are altered, the culture as a whole will also change.

Moreover, the results demonstrate the coordinated effect of all corporate culture factors on productivity in the workplace. Employee productivity is positively correlated with business culture (the total of all drivers), as proposed by H 8. Additionally, there are noteworthy findings concerning the relationship between company culture and employee performance (path value = 0.814, p <0.001). However, there is statistical support to disprove the null hypothesis (H08) of no correlation in this case, leading us to the conclusion that workplace culture has a positive and substantial impact on worker productivity. Some very intriguing facts concerning corporate culture and productivity emerged from the descriptive analysis and hypothesis testing presented in the previous pages. Our aim in conducting this research was to better understand the role that company culture plays in influencing employee productivity in the Indian IT sector.

#### **CONCLUSION**

Several mysterious features of businesses, communities, and occupations can be better understood through the lens of corporate culture. Schein (2010) argues that cultural norms are the result of a group's collective learning of a solution to the challenge of internal integration and exterior adaptation. The group has decided that this style of thinking, seeing, and feeling is the correct one, and that it should be taught to new members as the right method to deal with the issues at hand. Shared values, presumptions, and beliefs positively affect organisational growth and development, as shown by the critical literature review on the issue. This impact is

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a reflection of how much an organization's members value and adopt its culture. The seven categories were employed in the present study to examine the effect of corporate culture as a composite variable on job performance. IT company leaders may find the study's results helpful in bolstering their corporate culture by focusing on the highlighted aspects that have the most impact on it. The findings of the present investigation demonstrated that corporate culture has an impact on both organisational growth and productivity of employees. Thus, it can be seen that the study's findings are crucial for developing the desired corporate culture and for addressing its flaws. Therefore, the current study may build a solid corporate culture in a state of dynamic equilibrium.

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