

# ORGANISATION CULTURE AND EMPLOYEE MOTIVATION: AN EMPIRICAL STUDY ON IMPACT OF ORGANISATION CULTURE ON EMPLOYEE EXTRINSIC & INTRINSIC MOTIVATION AT SBI

**Mohammad Taslim**

PHD scholar Jamia Millia Islamia, New Delhi

## **ABSTRACT**

*The success of any organization highly depends on the match between Individuals and the culture of the organization. Any mismatch between these two variables has potential to jeopardize the organizational productivity and success. Organizational culture is basically the personality of the organization. It is the set of operating principles that determine how people behave within the periphery of the organization. The culture of an organization is a unique feature that differentiates it from other organizations. It is beyond an iota of doubt that businesses in today's world under liberalized, privatized and globalized regime are operating in a more complex, dynamic, and less predictable environment than ever before. This external business scenario has put a mandatory compulsion on companies to develop innovative strategies and to bring a transformational change in their organizational structure and organizational culture to survive and sustain. Organizational Culture is one of the fundamental instruments to ensure organization's high productivity and success through generating conducive working atmosphere which keep satisfy the different motivational needs of all the employees. This research article is related with assessing the association between Organizational Culture and Employee Motivation. This study delineates the impact of organizational culture to satisfy the extrinsic and intrinsic motivational needs of employees. The objective of the paper is to generate an understanding about the relationship between Organizational Culture and Employee Motivation. The paper outlines the association of Organizational Culture and Employee Motivation among the employees of three branches of State Bank of India in North Delhi.*

## **Introduction**

There has been a great deal of literature generated over the past decade about the concept of organizational culture. Organization Culture is concerned with how the employees of an organization perceive the characteristics of the culture prevalent in their Organization. Culture is the behavior that results when a group arrives at a

set of generally unspoken and unwritten rules for working together. Organizational culture is the set of beliefs, values, and norms, together with symbols like dramatized events and personalities that represents the unique character of an organization. It outlines the collective attitudes, beliefs, common experiences, procedures, and values that are prevalent in the organization and plays a variety of roles in strengthening bonds between the employees and the organization.

## **Operational Meaning of Organizational Culture**

There is no one-size-fits-all definition for organizational culture. The topic has been investigated thoroughly from a variety of perspectives ranging from disciplines such as anthropology and sociology, to the applied disciplines of organizational behavior, management science, and organizational communication. An organization's culture is made up of all of the life experiences each employee brings to the organization. In a nutshell Organization Culture may be defined as glue that binds the organization & its employees together & conveys a sense of identity to organizational members. It includes the working conditions in the organization, interpersonal relations & the shared beliefs among the employees which uniquely identifies it & differentiates it from other organizations. Since it plays an important role in determining and controlling employee behavior at workplace, a strong and acceptable organizational culture is sine qua non for organization to function effectively, efficiently and productively.

## **Employee Motivation**

The level of performance of an employee in organization depends on the abilities and willingness to work. It is only the Motivation which bridges the gap between the ability to work and willingness to work. It induces employees to contribute their maximum efforts to achieve a higher level of performance. Motivation is defined as the psychological forces that determine the direction of a person's behavior in an organization, a person's level of effort, and a person's level of persistence. In simple terms, motivation boosts the morale of employees to encourage them to give willingly their

best in accomplishing assigned tasks. Employee motivation is the key to achieve extraordinary results. It helps considerably in increasing the production and reducing the cost of operations. In an organization people may not necessarily be motivated by monetary rewards. Different people have different orientation to get motivated. The factors that affect motivation are broadly classified into 2 categories: Intrinsic Motivation (recognition, job security, opportunity for growth, participation, working condition etc.) & Extrinsic Motivation which includes all the monetary or financial motivation factors.

### **Matching People with Organizational Culture**

Matching individuals to organizations is a crucial part of success for the company. The match between people and the companies for which they work is determined by the kind of organizational culture that exists. The degree to which an organization's values match the values of an employee determines whether a person is a good match for a particular organization. Any disparity between the two leads a variety of problems which range from satisfaction to retention of employees.

### **Impact of Organizational Culture on Employee Satisfaction**

The culture of an organization has a great impact on the employee motivation. There is a direct relationship between Organization Culture & Employee Motivation. If the organization inculcates features like good working conditions, recognition for good work done, job security & stability in their culture then it is said to have a positive organization culture which succeed to achieve committed and motivated workforce which ultimately enhance dramatically the organizational productivity and performance. On the other hand, an organization which does not possess such features will have an adverse effect on the work performed by the employees, who will not perform the work with their full potential and have low level of motivation. In perusal, it can be said that organizational culture create motivated employees who are productive, happy and committed. The spinoff of this includes reduced employee turnover, results driven employees, company loyalty and work place harmony.

### **Impact of Organizational Culture on Employee Satisfaction at SBI**

The State Bank of India is India's largest commercial bank which operates approximately 15,000 branches in India and has more than 131

branches in nearly 32 countries across the globe. The bank has been striving sincerely to adhere to the efforts of providing utmost customer satisfaction to the best possible extent. The Bank is changing outdated front and back end processes to modern customer friendly processes to help improve the total customer experience. To know the satisfaction and motivation of its internal customers i.e. employees a primary research was conducted. The survey was carried out in three branches i.e. Model Town, Vijay Nagar & Shalimar Bagh of SBI with a sample size of 40 employees.

The survey results showed that there is significant impact of Organization Culture on Employee Motivation. The study revealed that there is a highly Positive Correlation between Organization Culture & Employee Motivation.

### **Objectives of the Study**

The main objective of the study is to delineate the impact of Organization Culture on Employee Motivation at State Bank of India. The main objective has further been divided into three sub objectives, for better understanding as

- To study various Extrinsic & Intrinsic Motivational Factors.
- To study the various benefits of Motivation at work.
- To study the association of Organization Culture on Employee Motivation.

### **Research Hypothesis**

**Ho1-** Organization culture and employee motivation are independent of each other.

**Ho2-** There is no significant impact of Organization Culture on Employee Motivation.

### **Research Methodology**

**Data Collection Procedure:** Data was obtained from the employees working at three different branches of State Bank of India with the help of questionnaire. Simple Random Sampling method was used to collect the data from the employees. A total of forty questionnaires were distributed. Respondents were given questionnaire through face-to-face interaction and e-mails. Responses of all the items were evaluated on a five point Likert scale, ranging from one: "strongly agree" to five: "strongly disagree". Main parameters of study are as below:

### **Research Design:**

Descriptive

**Sampling Technique:** Convenient Sampling

**Universe:** All the Branches of SBI in North Delhi.

**Population:** Employees of 3 Branches of SBI in Model Town, Vijay Nagar & Shalimar Bagh

**Sample:** 40 Employees working at the above three branches of SBI

**Tool for data collection:** Questionnaire (which was tested for their reliability & Corabanh Alpha value was 0.768).

### Data Analysis and Interpretation

For the purpose of this Research Data is collected from both Primary & Secondary sources.

**Hypothesis Testing:** Hypothesis -1

**Ho1-** Organization culture and employee motivation are independent of each other.

Table 1

**Test Used:**

Where X stands for **Organization Culture**

Y stands for **Employee Motivation**

Correl (X, Y) =           1034.58  
  1416.389

$r = 0.7304$

**Karl Pearson's Coefficient of Correlation= 0.7304**

So from above calculation we can say that correlation coefficient between the variables X & Y are highly positive so the Null Hypothesis (H0) gets disapproved and alternate is accepted.

Thus we can say that there is a Highly Positive Correlation between Organisation Culture & Employee Motivation.

### Hypothesis -2

**Ho2-** There is no significant impact of Organization Culture on Employee Motivation.

Test Used:                                   **Chi-square test**

**Expected Frequency (E.F)** = (Row Total\*Column Total)/Grand Total

### Chi-square table 2

From the above table the calculated value for Chi-Square is coming out to be 13.012.

Table value for Chi-square is 9.488 with 4 degrees of freedom & level of significance is 0.05. Since calculated value for chi-square is greater than the Table value hence we reject the Null Hypothesis and accept Alternate Hypothesis.

So it can be said that there is a significant impact of organization culture on employee motivation.

### Findings of the study

Based on the research study, it has been found that:

- The study shows that there is a positive relationship between Organization culture and Employee motivation.
- The study also shows that there is a significant association between Organization culture and Employee motivation. Organization culture has significant impact on employee motivation.

- The study reveals that employees are given recognition for overcoming challenges & hitting targets. Employees at SBI are provided with opportunities for growth by conducting training programme in the organization.
- The study reveals that Organization cares for its people & there is a concern for career development of employees. Employees believe that Men & women are given equal Career Opportunities.
- Most of the employees believe that they have job security & a reliable position in the Organization. Most of the employees of SBI are satisfied with their Job & Remuneration they get at present.
- The study shows that employee needs & customer needs are given high priority. Employees believe that there is a concern for both quantity & quality of work

### Model of Organizational Culture & Motivation

The framework for employee motivation is presented in Figure 1. The model shows the relationship between organization culture and employee motivation. It includes five groups of independent variables which include Involvement, Reward System, Mission, Behavioral Norms and Adoptability which create a healthy and positive organizational culture. This organizational culture further results in highly productive and motivated employees.

### Figure1

Sustainability in this world of cut-throat competition demands an empowering and motivating organizational culture and climate. Only a set of professional and personal satisfaction can bring organizational success. Organizational culture plays a considerable role in meeting both the above demands. It maintains the stability of the social system in the organization by minimizing individual differences between employees and organization. An organization's culture is the product of its life long experience. It creates a sense of identity and belongingness among the employees of the organization. It is directly related with the employee motivation which significantly reduce employee turnover and improve work place harmony.

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**Table 1 Pearson’s Coefficient of Co-relation**

Parameter	Value
Mean of X	62.9
Mean of Y	59.5
N	40

**Chi-square table 2**

Of	Ef	Of-Ef	(Of-Ef) <sup>2</sup>	(Of-Ef) <sup>2</sup> / Ef
1	0.25	0.75	0.5625	2.25
4	3.875	0.14	0.0196	0.0050
0	0.875	-0.86	0.7396	0.845
1	1.55	-0.55	0.3025	0.195
26	24.025	1.97	3.8809	0.16
4	5.425	1.43	2.0449	0.576
0	0.20	-0.20	0.04	0.2
1	3.1	-2.1	4.41	1.422
3	0.7	2.3	5.29	7.557
Total				<b>13.012</b>

**Figure1.**

