

# The Influence of Organizational Culture on Employee Performance: A study of Indian Businesses, Multinational Companies and Healthcare Organizations.

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## Abstract

Organizational culture plays a critical role in shaping employee performance, job satisfaction and overall workplace efficiency. The study explores how different cultural practices impact on three distinct sectors: Indian businesses, Multinational companies operating in India and healthcare organizations. Despite extensive research there remains a significant gap in understanding how these dynamics vary across different sectors. The research aims to identify key differences in leadership approaches, work environment, communication patterns, value system, employee engagement and decision-making approaches. The study will examine cultures influence on employee motivation, productivity and retention. Data collected from surveys, interviews and case studies will be used to gather insights from employee as well as management. The findings will contribute to a deeper understanding of how cultural factors influence employee performance as Indian businesses often emphasize traditional values, while multinational companies blend global practices with local adaptations. Healthcare organizations, on the other hand, prioritize patient- centered care and provide an actionable insight for the organizations to design and implement cultural strategies that create more effective and supportive work environments that enhance employee performance and boost overall efficiency.

**Keywords:** organizational culture, employee performance, workplace environment, leadership style, employee engagement.

## Introduction

Organizational culture significantly influences employee performance, job satisfaction, and overall workplace efficiency. It includes the shared values, beliefs, and practices that shape how employees interact and approach their work. Understanding the impact of organizational culture is crucial for enhancing operational effectiveness and employee well-being, as a well-established culture promotes teamwork, innovation, and efficiency.

This research investigates the influence of organizational culture across three distinct sectors: Indian businesses, multinational companies operating in India, and healthcare organizations. Each sector

operates within a unique environment, characterized by different leadership approaches, work environments, communication patterns, value systems, employee engagement, and decision-making processes.

Indian businesses often emphasize traditional values and familial work ethics, while multinational companies integrate global practices with local adaptations. Healthcare organizations, on the other hand, prioritize patient-centered care. Understanding the relationship between organizational culture and employee performance is essential for developing strategies that create more supportive work environments and optimize employee potential. This study aims to bridge the gap by identifying key differences and examining how cultural factors influence employee motivation and productivity across different sectors. Data will be collected through surveys, interviews, and case studies, providing insights from both employees and management.

The findings of this research will contribute to the existing literature by highlighting the unique cultural practices in Indian businesses, multinational companies, and healthcare organizations. The study will offer actionable insights for designing and implementing effective cultural strategies. These strategies will help create more supportive work environments, ultimately enhancing employee performance and boosting overall organizational efficiency.

## Methodology

The research methodology adopted for this study combines both quantitative and qualitative approach to gain a comprehensive understanding of the influence of organizational culture on employee performance. The primary methods used for data collection include questionnaire, surveys and interviews from different employees across the three distinct sectors: Indian businesses, multinational companies and healthcare organization.

## Data collection methods

- 1. Questionnaire Surveys:** Structured questionnaires were designed to gather information from employees and management across the three sectors. The survey consisted of both closed-ended and open-ended questions to capture quantitative data on employee performance, job satisfaction, and workplace environment. The questionnaire was distributed through online platforms to ensure wider reach.
- 2. Interviews:** Semi-structured interviews were conducted with a selected employees and managers from each sector. These interviews provide deeper insights into the specific cultural practices, leadership approaches, communication patterns, and value systems that influence employee performance. The interviews also allowed them to express their experiences, challenges and perspectives.

## Sample Size

The survey targeted a sample size of 80 respondents from Indian businesses, multinational companies and healthcare organizations. Additionally, 15 employees from different sectors were interviewed to gain qualitative knowledge.

## Data Analysis

1. **Quantitative Analysis:** The data from questionnaire survey were analyzed using statistical methods, including descriptive statistics, correlation analysis, and regression analysis, to identify patterns and relationships between organizational culture and employee performance.
2. **Qualitative Analysis:** The interviews were analyzed using thematic analysis to identify recurring themes and insights related to cultural practices, leadership approaches, and their impact on employee performance.

## Ethical Considerations

Participants were informed about the purpose of the research and assured of their confidentiality and anonymity. Informed consent was obtained from all participants. They were also informed of their right to withdraw from the study at any time without any consequences, and the data collected was used solely for academic purposes.

## Limitations of the study

The study is limited to three specific sectors and the findings may not be generalized to all industries. Time and resource constraints affected the sample size and geographic reach. This methodology ensures a well-rounded approach to understanding how organizational culture impacts employee performance by combining evidence from surveys and real-world perspectives from the interviews.

## Result

The survey data revealed several key findings regarding the influence of organizational culture on employee performance across the three sectors: Indian Business, multinational companies in India and healthcare organizations.

## 2. Organizational Culture and Its Impact on Employee Performance Across Sectors

### 2.1 Indian Businesses

Indian businesses typically function within a hierarchical framework and familial values where authority and decision-making are concentrated at higher levels. While this structure fosters stability and clear role expectations, it can sometimes limit innovation and performance-based growth opportunities.

#### 2.1.1 Survey Findings

- Employees in Indian businesses believe that promotions are based on tenure rather than performance.
- A positive workplace environment, characterized by open communication and strong leadership, was associated with higher employee productivity. Employees appreciated the sense of belonging and support provided by their organizations, which enhanced their motivation and commitment.
- felt that leadership styles were more autocratic, which restricted creative decision-making.

#### 2.1.2 Analysis

Indian businesses offer job security and a sense of belonging, but rigid hierarchies can limit performance incentives and employee autonomy. The focus on seniority may demotivate younger employees seeking faster growth. Flexible leadership and performance-based appraisals could boost job satisfaction and engagement.

## 2.2 Multinational Corporations (MNCs)

Multinational companies maintain a structured and globally integrated work culture that prioritizes innovation, flexibility, and performance-based rewards. Their management style typically balances autonomy with accountability, creating a dynamic work environment.

### 2.2.1 Survey Findings

- Employees in MNCs stated that performance-based promotions are a key motivation.
- Reported high job satisfaction due to flexible work policies, including remote work and hybrid models.
- Highlighted stress levels associated with high-performance expectations and stringent deadlines.
- Found leadership to be participative, allowing employees to contribute ideas and decision-making.

### 2.2.2 Analysis

MNCs excel in a performance-driven culture with rewards linked to achievements. However, the high-pressure environment can cause burnout, highlighting the need for mental wellness programs. Balancing performance demands with employee well-being could improve engagement and retention.

## 2.3 Healthcare Organizations

Healthcare organizations require a collaborative, patient-centric work culture, where team coordination, ethical practices, and emotional resilience play a crucial role. Employees in this sector experience unique stressors, such as high emotional involvement and long working hours, which significantly impact their performance.

### 2.3.1 Survey Findings

- Healthcare professionals reported that their work culture is highly team-oriented, fostering strong collaboration.
- Felt that work-related stress negatively impacted their personal lives.
- Reported that leadership styles were authoritative, particularly in critical decision-making scenarios.
- Believed that job satisfaction was driven by their contribution to patient care rather than financial incentives.

### 2.3.2 Analysis

Healthcare organizations foster a cooperative work environment, but stress and work-life balance are major challenges. The emotional demands and long shifts can lead to burnout. Implementing employee assistance programs, stress management training, and flexible scheduling could enhance job satisfaction and retention.

## Conclusion

The study underscores the sector-specific effects of organizational culture on employee performance, identifying both strengths and areas needing improvement. Indian businesses thrive on strong interpersonal relationships but require more performance-driven growth opportunities. Multinational companies excel in motivating employees but need to manage workplace stress better. Healthcare organizations promote teamwork but must improve stress management strategies. By addressing these

factors through strategic cultural enhancements, organizations can significantly boost employee engagement, productivity, and long-term success.

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