

# **ORGANIZATIONAL CULTURE AND EMPLOYEE ENGAGEMENT: SPECIAL REFERENCE WITH THE DIVISIONAL SECRETARIAT IN AMPARA DISTRICT, SRI LANKA**

A.M.M. Asam

*Faculty of Management and Commerce, South Eastern University of Sri Lanka, Oluvil, Sri Lanka.*

[ammasam96@gmail.com](mailto:ammasam96@gmail.com)

M.A. C. Sulaiha Beevi Athambawa

*Faculty of Management and Commerce, South Eastern University of Sri Lanka, Oluvil, Sri Lanka.*

[macsulai@seu.ac.lk](mailto:macsulai@seu.ac.lk)

## **Abstract**

Organizational culture and the understanding thereof can be regarded as a fundamental component within any organization. Organizational culture determines how employees communicate with one another and also with various stakeholders. The aim of this study was to assess certain aspects of organizational culture, and how this culture determined the employee engagement within a Divisional Secretariat office with the sample of 200 staffs as respondents were selected through simple random sampling technique. Power culture, Role culture and Support culture were identified as important elements on the engagement of the job. It is clear from the findings of this study that there is a strong connect between organizational culture and employee engagement. However as with many other divisional secretariat office, Divisional Secretariat office has a culture of malicious compliance. In fact, one could argue that strict compliance regulations are proving to be a major deterrent in getting tasks done efficiently and it ultimately also hinders innovation. The divisional secretariat office will need to implement a number of changes in this regard.

**Keywords:** Organizational Culture; Employee Engagement; Divisional Secretariat.

## **1. Introduction**

Culture is a significant source of competitive advantage and will always be, as its impact on organizational behavior and corporate performance positively or negatively (Senior, Fleming 2006). Organizational culture affects employee satisfaction and commitment, performance and employee engagement. Cole, (2012) believes that the purpose and goals of any organization determine its culture and significantly affect employee morale, retention and their level of engagement. High levels of engagement are caused by effective corporate culture and this transforms into high productivity (Kotter, Heskett 1992).

Organization should have a high level of Employee Engagement (Richman et al 2008). Engaged employees are dedicated to the work, work with vigor and get engaged in the work they do. However, the literature, mostly from developed countries testify to the key role played by culture towards increased employee engagement. Creating a culture that is conducive in the divisional secretariat office sector for Employee Engagement is therefore imperative. Both research findings and observations of successful organizations have shown a direct link between strong corporate cultures, high employee commitment and engagement (Schein 2001). The public sector organizations contribute a great deal towards the socioeconomic development of the country and the role engaged employees play in organizational success, it is unfortunate that not much research has been carried out with focus on these. As work engagement is shown to relate to

several positive work outcomes, it makes sense for organizations to increase their employee's levels of work engagement by addressing and improving organizational culture. This study is similar to the study by Naidoo and Martins (2014), which investigated the relationship between Organizational Culture and work engagement, in an effort to determine whether employee's perceptions of Organizational Culture are related to their level of work engagement in a public service especially in DS office in Sri Lanka. The main objective of this study was to assess certain aspects of organizational culture, including employee engagement within a government organization especially in Divisional Secretariat in Ampara district of Sri Lanka.

## **2. Review of Literature**

### **Theoretical studies**

Organizational culture, as a construct of interest to organizational psychologists, emerged from thinking more closely aligned with anthropology and sociology (Zedeck, 2011). Before becoming relevant to the fields of psychology, education and management, it had been delineated and studied by archaeologists and anthropologists, who focused mainly on languages, traditions and artefacts (Vaimana & Brewster, 2015). So, various definitions of the concept of organizational culture have been given in the context of anthropology, organizational psychology and management theory (Struwig & Smith, 2000). Focusing on organizational culture is of recently origin. About the beginning of the 1980s that organizational culture studies have paid serious attention from scholars (Peters & Waterman, 1982). Organizational culture was strongly focus on influenced by Japanese researchers such as Ouchi and Jaeger (1978), who claimed that a strong organizational culture resulted in economic success, as demonstrated by the accomplishments of numerous Japanese companies (Altman & Baruch, 1998). Schein (2001) defined it as a group's shared learning, or the development of its ability to survive (Harinarain et al., 2013). In order to survive, a company needs to have a mission or a reason for existing, definite goals relating to the mission, and sufficient means, such as structures, to reach its set goals.

In this modern organization, Employee Engagement is a significant issue related to Employee engagement and organizational performance. Several researchers, Alfes et al., (2013), & Bandura & Lyons (2014) in their research confirmed the positive consequence that employee engagement has on employee task performance. This may be because engaged employees are likely to remain with their organization, and hence better performance, will continue to be achieved within the organization.

A great deal of disagreement exists among researchers on the definition of engagement. But the widely mentioned definition in the literature is that of emotional and intellectual commitment to the organization (Mishra, Sharma & Bhaskar, 2015). The definition of employee engagement is continued to involve (Macey & Schneider 2008). Engaged employees exhibit dedication is committed, dedicated and investing their work roles cognitively, psychologically and behaviorally. Consist of engaged employees in an organization is of much interest in recent times. Indeed, engaged or positive workforce can "build or destroy" an organization. Employee engagement is mentioned for its positive outcomes by Xanthopoulou et al., (2009). Again, when employees are engaged, everyone can receive benefits because the employees see themselves as part of the organization and utilize their talents, skills, and also develop fruitful relations which would increase their efficiency. benefits of engaged employees, it is clear that engagement matters and therefore the required to identify how the acceptable ways of doing things in an organization, the culture, affect the employees' level of engagement. In a strong culture, the organization's core values are widely shared; therefore, the more the values are accepted by the employees, the more likely the employees are to be committed to the values, and the culture will be stronger (Martins & Martins, 2003). Organizational culture is deemed to be either strong or weak (Van Stuyvesant Meijen, 2007). Muller (2009) states that the relationship between engagement and leadership behavior suggests that engagement will improve when leaders are perceived to be inspiring. According to Schein (1990), there is now abundant evidence that corporate culture makes a difference to corporate performance (Caplan, 2011).

From the literature review, a conceptual model was developed and hypotheses were formulated.

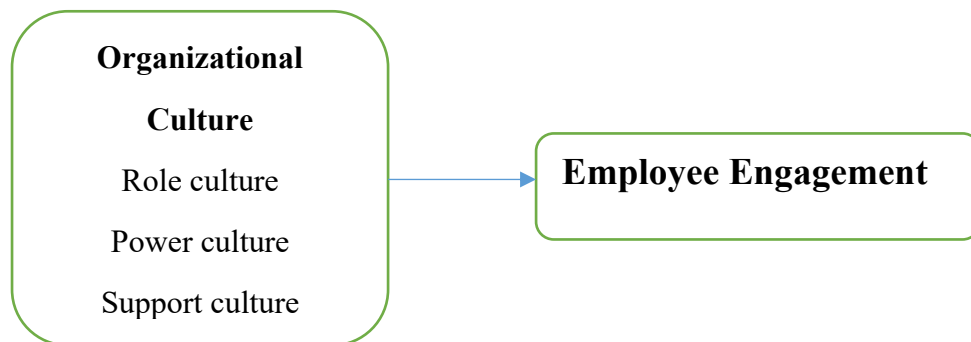


Figure: Conceptual Framework

*H1: Organizational culture has positively influence on employee engagement*

*H1a: Role culture have a positive and significant effect on employee engagement.*

*H1b: Power culture have a significant and negative effect on employee engagement.*

*H1c: Support culture have a positive and significant effect on employee engagement.*

### 3. Methodology

#### Data

As the purpose of the study is to determine the impact of organizational culture on Employee engagement, explanatory research technique is adopted for this purpose. Exploratory study is an exploration technique which is mainly related with the development of the theory. Many researchers are usually exploratory. The initial part is used to collect information about the culture of the Divisional Secretariat office. The second part is used to measure the Employee Engagement of the DS office on the basis of the 3 dimensions. A 5-point Likers scale, which range from 1 -“strongly disagree” to 5 -“strongly agree” used to record the responses of the research participants from different area of DS office with in research area.

Selection of sample from total population is done using non random sampling technique due to the limitation of time and resources to use random sampling technique. Non random sampling technique may give a more convenient process of data collection (Marczyk, Denattee& Festinger, 2005). Among the population, as a staff of the divisional secretariat, whom are available in the Ampara District as at march 2020, selected as a sample of the study the time frame of the data collection used March 2020. Total of 200 respondents were selected for the purpose of collecting data to complete the study.

#### Analytical tools

Descriptive, Correlational and Multiple Regression analyses were employed to check the trend, relationship and influences of variables.

### 4. Results and Discussions

To examine the relationship between organizational culture and the Employee engagement. The organizational culture variable (Role, Power, and Support) was computed by averaging all responses on Employee engagement constructs.

**Descriptive Analysis**

From the respondents’ demographics, the personal details are classified as gender, age, marital status and working experience. Based on the results, majority of the respondents are males which consist of 56% of the sample, while 92% of respondents are married. Research finding indicate that majority of respondents is less than Below 5 years of working experience which is 65% of the sample. Subsequently, 16% represents the working experience level is to be between 5-10 years and 10% represents above 20 years working experience. Lastly, the lowest of 9% represent the respondents with the working experience with in between 10-20 years. According to the results, there is a variation of males and females’ involvement on the organizational culture and employee engagement on the job and it also differs according to the marital status of respondents by proving the statement of Pingali (2007). Further, the dimension of role culture reveals 3.86 mean value at 0.945 standard deviation while power culture explains 3.97 mean value with 0.529 standard deviation. In addition, support culture of the organizational culture denotes 3.35 mean at 0.610 standard deviation. Employee engagement stands at 3.38 mean value whit 0.610 standard deviation. Accordingly, the variables of the conceptual model were explained with accepted ratings of the respondents.

**Correlation Results**

In statistics, correlation (often measured as a correlation coefficient,  $\rho$ ) indicates the strength and direction of a linear relationship between two random variables. The correlation between variables is a measure of the nature and degree of association between the variables. The coefficient is generally used when variables are quantitative nature that is ratio or interval scale variables. That is in contrast with the usage of term in colloquial speech, which denotes any relationship, not necessarily linear.

Table 1: Correlation Results

Variables	Role Culture	Power Culture	Support Culture	Employee Engagement
Role Culture	Pearson Correlation	1	0.337**	0.179**
	Sig. (2 tailed)		0.001	0.000
	N	200	200	200
Power Culture	Pearson Correlation	0.337**	1	0.046
	Sig. (2 tailed)	0.001	-	0.027
	N	200	200	200
Support Culture	Pearson Correlation	0.179**	0.046	1
	Sig. (2 tailed)	0.000	0.027	-
	N	200	200	200
Employee Engagement	Pearson Correlation	0.525**	0.711**	0.719**
	Sig. (2 tailed)	0.024	0.041	0.017
	N	200	200	200

Source: Survey results

The above table indicates the relationship between all independent variables and dependent variable in terms of correlation coefficient. Correlation coefficient of Employee Engagement and Role culture is 0.525 which describes the positive relationship. The significant level is 0.000. It is lower than 0.05 significant values. The result gives strong strength position of the model since it is at a 0.001 significant level. Correlation coefficient of Power Culture and Employee Engagement is 0.711 which describes the positive relationship. The significant level is 0.000. It is lower than 0.05 error value. The result gives strength position of the model since it is at a 0.001 significant level. Correlation coefficient of Support Culture and Employee Engagement is 0.719 which describes the positive relationship. The significant level is 0.000. It is lower than 0.05 error value. The result gives strength position of the model since it is at a 0.001 significant level. The result gives strength position of the model since it is at a 0.001 significant level.

### Multiple linear Regression

As shown in the significance level of the model is  $p=0.000$  at 95% significant level with  $F=99.27$ . Hence, it strongly suggests the significance of the model that has been well fitted.

Table 2: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.827	0.685	0.678	0.35335

Source: Survey results

According to Model summary, adjusted R square is 0.678 for regression of Employee Engagement in DS office. It shows that 67.8% of the dependent variable, Employee Engagement is explained by the independent variables of the model; Role Culture, Power Culture and Support Culture. Also, it concludes that there are other factors other than three independent variables in the model which affect the Employee Engagement. Remaining 31.2% of the model represents other factors.

Table 3: Coefficient of Multiple Regression Analysis

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.
	B	Std. Error			
(Constant)	-.665	.316		-2.108	.036
Role Culture	.202	.055	.209	3.677	.000
Power Culture	.292	.048	.318	6.117	.000
Support Culture	.301	.086	.167	3.497	.001

Source: Survey results

Based on the information, the following linear equation is formed.  $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + e$   $Y = -0.665 + 0.202X_1 + 0.292X_2 + 0.301X_3$

Note: Y=Employee Engagement

X1=Role Culture X2=Power Culture X3=Support Culture

According to the developed model from the multiple linear regressions, there is an impact from role culture, power culture and support culture on Employee Engagement. Based on the equation formed, regression coefficient of role culture is 0.202 which means the level of employee engagement will increase by 0.202 when role culture of the divisional secretariat office increased while others remain constant. Accordingly, the coefficients of Power Culture of DS office and Support Culture are 0.292 and 0.301 respectively which means that when each variable is increased by one unit, the dependent variable increases by the coefficient values shown in the table to each independent variable.

## **Conclusions**

This research investigated the relationship between the dimensions of organizational culture and employee engagement of DS office, respectively. The results suggest that a relationship does exist, and that, furthermore, some dimensions of organizational culture (namely Role culture, Power culture and Support culture) indeed have a direct effect on the level of employee engagement. Overall organizational culture can either help the organization to achieve its objectives, goals, attract and retain best talent, improve organizational productivity and customer satisfaction, or else hinder organizational performance. Also, the role employee engagement plays in sustaining competitive advantage could lead to improved business results and successful organizational performance. The research found that both organizational culture and employee engagement create excellent organizational performance.

Organizational culture and employee engagement have been shown to relate to most positive organizational work outcomes. Therefore, it makes sense for the organizations that establish a culture for employee engagement and maximize the probability that their employees will be engaged at work, because they have provided the resources and fostered the relationships that are believed to trigger engagement. The divisional secretariat office capacity to retain their employees trigger a need to foster a positive culture, and ensure that employees remain engaged in their work.

As this research was conducted in a single public service department (Divisional Secretariat office), a research study on the relationship between organizational culture and employee engagement is needed, with larger populations in the broader public service sector to improve the generalizability of the results. Industrial psychologists working in the field of organizational culture and employee engagement should further investigate whether certain dimensions of organizational culture predict employee engagement in both the private and public sector.

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