Research Paper

Effects of Organisational Culture on Employees Performance: Case of Singapore Telecommunication

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Abstract

This research work has gone far to identify how organizational culture has affected employee’s performance in Singapore Telecommunication, in this case the organizational performance has a lot to do with the organization culture. The main aim of the research is to measure and identify how organizational culture affects the performance of its employees. A structured questionnaire was developed using the past literature as the bases, followed by a pilot test to check it validity and reliability as well as normality. Various independent variables was used to measure organizational culture like values, symbols, heroes and ritual and based on this research work the dependent variable is employee’s performance. A descriptive research design was used for the purpose of this research work. A survey method was used for the purpose of this research work through survey questionnaire that contains 25 questions which a scale of 1 being disagreed and 5 being agree is being applied. A total of sample of 150 employees was sampled of which 60 of them are senior staff and 40 is from junior staff this is carried out in Singapore telecommunication company as an application of sample method was conveniently used. A descriptive data analysis was applied for the purpose of this research via SPSS 20. This study finds out that organizational culture such as ritual, value and heroes has a huge and significant impact on employee’s performance and through this research which shows that symbols has little or no impact on employee’s performance. This research work has cleared the fact that frequent ritual activities in the organization has a great and positive impact on employees performance but other studies that are yet to be done on this can be carried out based on different organization that have different organizational cultural system.

KEYWORDS: Organizational Culture, Employees Performance, Ritual, Value, Heroes.
1. Introduction

The importance of this study is to review on how organizational culture can affect the performance of employees in the organization. After the finding in this research work, the result will be used to improve the current practice in organization in regards to how culture affects its employees performance, moving further the call centers in general and SingTel call center in particular will know how best to use its organizational culture to improve performance. To scholars, the research work will help in further study on how organizational culture can affect employee’s performance. To the organizational employees this will help to create more awareness on how the organizations culture affects their performance thereby increasing productivity that ends up affecting the profit of the organization positively as this can increase benefits which the employee.

The understanding of the relationship between employee’s job performance and culture of the organization is the main research subject because it is ascertain by different studies that individuals work performance is crucial for success of organization particularly in the in the call center communication industry. Customer care executives are the highly rising group of the global economy in providing satisfaction to all their customers. In fulfilling this, the culture of the organization and environment plays a lot of roles. This environment can be developed by the culture of their organizations. Strong culture will make it easy to communicate openly and participate in most efficient and effective way in the decision making and customer satisfaction as the organizational structure has a bit long hierarchy system whereby the director tends to be the top level followed by operational managers then the team leaders at the front liners.

Research Aim and Objective

The main aim and objective of this research work is to evaluate how the culture of an organization effect the performance it employees (SingTel).

- To find out how culture can affect employee's performance
- How culture can be utilized to maximize employee's performance
- The impact of culture on the employees of SingTel call center
- Employee’s expectation towards organizational performance.

2. Literature Review

Definition of organizational culture

According to Cambridge dictionary, culture can be defined as the way of life, especially the general customs and beliefs, of a particular group of people at a particular time. Organizational culture is also described by Needle (2004) as the behavior or interaction of humans within an organization. There are many researches that have linked culture in the organization with many different organizational behaviors. This has been recognized that there is a correlation between culture of organization & employee job performance (Sheridan, 1992), decision making (Gamble & Gibson, 1999) and productivity (Kopelman, Brief and Guzzo, 1990). Luthans (1998) stated that organizational culture has often time presented within the organization, and it was not given importance needed in an organization. The culture of organization is highlighted to bring out every important component of the organization.

Hofstede Model of Organizational Culture

This model sees culture as a programming of the mind which categories members of the organization in difference sections. Hofstede sectionalized culture into four difference levels which are symbols, heroes, rituals and values. The carrying out of finding on these four sections of Hofstede model is very difficult for the managers in the organization as this is the life wire of that connects the achievement of the organizational set target. Hofstede puts his model in diagram form which is known as onion diagram of organizational culture:
Figure 1: Hosftede Model of Organizational Culture (Hofstede, 1997, p.77)

Referring to the diagram value stands as the life of culture in the organization, value cannot do without ethics and moral identity ability of the employees to be creative on the task to be carried out and are able to find out if it suites both the employees and the employers.

Ritual: This is the organization of activities that makes the employees to come together for easy familiarization and socialization as this helps to enhance good relationship among the employees of an organization.

Heroes: These set of employees in the organization are champions they are always taking the trophies, award winner, they can be termed as top achievers. The hero always motivates others in the organization (Deal and Kennedy 1982).

Symbols: This is something that is mostly practice in the organization which can be acts words gestures and objective that shows different things but has meaning with the group of people or individual.

Conceptual frame work

Base on the difference literature review carry out on this study and the different frame work that has been analyzed for this research the researcher has below frame work adopted from Hofstede frame work which is suitable for this study.

Figure 2: Conceptual Framework

Symbol can be refer to as life indicator of the organization which can be visible and also can be manifested physically these make a very important meaning to the organization, these are those that human sense can experience and it makes meaning in the organizational environment (AnatRafaeli et al 1999) The organizational culture which influence the performance of an employees can be communicated in various ways which symbols can be one of them (Robbins 2001:525)
Good physical environment can be highly attracted by the employees there by having its comfort in there mindset which leads to motivating employees to boost the organizational performance and set goals. An employee can get satisfied on the environment which they work, as this physical element plays very important roles on employee's performance (Adeoti J.A and Isiaka, S.B 2006)

Some of the researchers has seen symbol as influencing the good morale, improves relationship among employees thereby creating harmony that leads to the employees performing high and meeting the organizational set target (Baron, 1994; Davis, 1984; Oldham, Cummings, & Zhou, 1995).

**H1: Symbol has a great significant and positive impact on the performance of employees.**

Heroes are those set of people in the organization that work beyond the expectation, their performance go a long way to motivate other employees their behavior in their work are highly price as they serve as model (sources from snoopy in the USA, Asterix in France)

Heroes motivate others, and they always do great things in the organization as many employees believe on this as they motivate many other employees to perform greatly in the organization (Deal and Kennedy 1982).

**H2: Heroes has a great positive influence on employee’s performance.**

This is the organization of activities that makes the employees to come together for easy familiarization and socialization as this helps to enhance good relationship among the employees of an organization.

Ritual being carrying out of activities and regular meeting reduces tension within the employees and makes them focused on the set target and performance as it reinforces desired behaviors of the employees (Paolo Guenzi 2013)

**H3: Effective ritual in the organization has a significant and positive impact on employee’s performance.**

A successful organization is the result of the inputs of the employees, those organization that values its employees ends up with great customer relation and enhances a sustainable profits and these will not come to pass if not employees performance, thereby the more organizations values their employees the high profit they get due to high performance of the employees (Timothy Keinningham and LerzanAksoy 2015).

**H4: Value has a significant impact on employee’s performance**

### 3. Research Methodology

This research is design to judge the impact of organizational culture on employee’s job performance at the communication industry in Singapore. For this purpose, culture is representing the independent variable while performance is taken as the dependent variable. Certain things were put into consideration to identify the relationship between culture and employee’s performance within the selected company in Singapore. Population for this study will be the employees of SingTel mobile telecommunication located in Klang call center Malaysia. For efficient coverage and lesser cost survey questionnaire was being utilized to select the contributing company. The sample being chosen for the study were 150 employees of SingTel mobile which have come from different country across the globe and all station in Klang Malaysia. The questionnaire will be randomly distributed to ensure the enough participation of every employee in study. Formal and informal interview will also be conducted for data collection. Primary and secondary data will be used to identify the different factors and getting desired result. Data would be gathered and put into SPSS, where Descriptive statistic,
Correlation and Regression Analysis would be applied to find out the effect organizational culture on performance of employees.

The size that will be taking for this research work will be 150 employees as base on this numbers of employees we will be able to find out the effects of organization culture in the performance of Singapore telecommunication staff; with this number the result to the questionnaire will be the generated.

4. Results and discussions

A regression analysis was performed in this study in order to forecast the effects of organizational culture on employee’s performance. Having employee’s performance as the dependent variable factor.

Table 1: Regression Model Summary

<table>
<thead>
<tr>
<th>Model Summary</th>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.960</td>
<td>.921</td>
<td>.919</td>
<td>.28797</td>
<td>2.223</td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Symbols, Heroes, Rituals, Value
b. Dependent Variable: Employee Performance

Table 17: Model Summary.
Source SPSS Generated

The model summary above predicts that R=0.960, while R square is predicted as 0.921, R square adjusted is 0.919 which shows that 91.9% of the variance of the employee performance can be predicted by the independent variables (symbols, heroes, rituals and values). Basically as in normal terms a healthy variation dependent variable must not be below 60% (Zygmont and Smith, 2014). However the finding we generated from the regression summary shows 91.9% which is perfectly above the minimum requirement there the model is fit.

Table 2: Model Significance

<table>
<thead>
<tr>
<th>ANOVAa</th>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>141.073</td>
<td>4</td>
<td>35.268</td>
<td>425.308</td>
<td>.000b</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>12.024</td>
<td>145</td>
<td>.083</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>153.097</td>
<td>149</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance
b. Predictors: (Constant), Symbols, Heroes, Rituals, Value

Table 18: ANOVA. Source SPSS Generated.

There is an application of ANOVA statistics that is use for the representation of the regression model significance. An F-significant value of P = 0.000 was derived which indicates that there is a probability of 0.0% of regression model representing an untrue information as this indicates that the model is highly significant.

Table 3: Beta Coefficients

<table>
<thead>
<tr>
<th>Coefficients</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td>Tolerance</td>
<td>VIF</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>-.030</td>
<td>.072</td>
<td>-.416</td>
<td>.678</td>
<td></td>
</tr>
</tbody>
</table>
The Regression Model used in the study is mathematically expressed as follows;
Dependent Variable: Employees Performance
\[ Y = EP \]
Independent variables: Organizational culture
\[ X_1 = V \] (Value)
\[ X_2 = H \] (Heroes)
\[ X_3 = R \] (Ritual)
\[ X_4 = S \] (Symbol)
\[ C = \text{Constant} \]
Having derived these model it will be represent as per below
\[ Y = \beta_0 + \beta_1 V + \beta_2 H + \beta_3 R + \beta_4 S \]
The determined outcome or result of the above table of Beta coefficient shows that three of the four organizational component have a significant and positive impact on employees performance, they are as follows V (0.464, P=0.000), H (0.207, P=0.000) and R (0.319, P=0.000) Although the constant shows negative and the variable are collinear with the rest of the predator variables hence some variable are with 0.20.
The initial empirical model can be shown as per below:
\[ Y = 0.464 \times V + 0.207 \times H + 0.319 \times R + 0.041 \times S \]

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Beta Coefficient</th>
<th>Significant (P&lt;0.05)</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Symbol has a great significant and positive impact on the performance of employees</td>
<td>0.041</td>
<td>0.097</td>
<td>Rejected</td>
</tr>
<tr>
<td>H2: Heroes has a great positive influence on employees' performance.</td>
<td>0.207</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3: Effective ritual in the organization has a significant and positive impact on employee's performance.</td>
<td>0.319</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H4: Value has a significant impact on employee's performance.</td>
<td>0.464</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

**Table 4: Analysis of Hypothesis**

5. **Conclusion**

The objective and purpose of this research it to examine how organizational culture affects the employee’s performance and base on the finding the following will be the conclusion. The study concludes that the organizational culture has a great impact on employee’s performance.

Symbol as per this study shows no significant effects on employees performance base on this study, so it means that with symbol as one of the organizational practice have no impact on the performance of the employees, although some other researcher most has examine symbol as not having significant impact on employees performance. Although it can be linked with other cultural factors which can equally enhance performance as good environment cannot be totally left out in the organization.
There is a significant influence of heroes on employees' performance. Many employees get motivated from their colleagues in the organization, most at times they feel challenged on others performance and this will move them to improve their performance in order to be like the heroes and this study have gone a long way to prove the heroes have a great influence on employees performance.

There is a significant and great positive influence of value on employee's performance. Base on this study in means that if the management of organization value its employees this will lead to a great motivation and high performance in the organization thereby making the organizational goal to be attainable as this have been examined through this study. Value makes employees to feel that they are part of the organization and also they need to perform towards the attainment of the organizational goal. This study has proof that values have a positive influence on employee's performance after many data analysis and proofs.

This study has proved that ritual has a positive and significant impact on the employee's performance. The regular activities in the organization, influences the performance of its employees and it reaffirms each of the employees the set target and how these set target can be achieve, this is a medium of regular awareness of the organizational go that help the employees to be more focused on their performance which this study have examined after many analysis.

Reference


Anat R., and Monica W., 1999. Symbol in organization culture


