Impact of organizational culture on individual performance

Business, Management



The paper "Impact of Organizational Culture on Individual Performance" is a great example of a report on management.

Relationship between Organizational Culture and Individual Performance

There are many definitions of the concept of organizational culture. However, the essence of organizational culture is that it represents the way things are done in an organization. For instance, organizational culture can be defined as the basic pattern of assumptions that guides or formulates decision making in an organization (Schein, 1984). Organizational culture can also be considered as the set of characteristics, values, beliefs, or behaviors which distinguish an organization from others (Ojo, 2009). For example, an organization's decision-making mechanism may depend either on team-based decisions or individual based decisions. Organizational culture is affected by internal factors such as the organization's size and the management style of individual leaders or external factors such as the geographical location of the organization and changes in the operating environment which affect business strategies (Schein, 1984).

- Public Sector Culture vs. Private Sector Culture
- Public Sector organizational culture is usually characterized by an emphasis on traditional bureaucratic or hierarchical values. On the other hand, private sector organizations tend to emphasize values such as flexibility, adaptability, productivity, efficiency, and outcomes in their organizational culture (Parker and Bradley 2000).
- Public Sector Culture and Individual Performance

- Individual performance in public sector organizations is driven by
 organizational culture. A strong organizational culture characterized by
 practices such as merit or performance-based promotion and effective
 communication within the organization is more likely to motivate
 individual employees and improve their performance (Grindle &
 Hilderbrand 1995).
- Literature Review
- Ojo (2009) concludes that organizational performance is positively correlated with employee performance. Thus a positive organizational culture characterized by practices such as increased employee participation will directly contribute to positive performance. The research by Parker and Bradley (2000) supports these findings by arguing that strong organizational cultures motivate employees and have direct and indirect implications for their individual performance.
 This includes motivating employees through increased pay based on performance.