THE IMPACT OF ORGANIZATIONAL CULTURE ON PERCEIVED EMPLOYEE PERFORMANCE OF BANKS IN BATTICALOA DISTRICT



NIVETHIKA THANGAVADIVEL



DEPARTMENT OF MANAGEMENT FACULTY OF COMMERCE AND MANAGEMENT EASTERN UNIVERSITY, SRI LANKA 2018

ABSTRACT

All organizations, everywhere, function within a specific culture. As Sri Lanka is a developing country, there is wide range of cultural practices are happening in order to match with the world standards in the banking industry. This study aimed at investigating the impact of organizational culture on perceived employee performance: Special reference to banks in Batticaloa District. The objectives of the study are to identify the level, relationship and impact of organizational culture on perceived employee performance. The study had been conducted among 150 employees of banks in Batticaloa District and stratified random sampling was used. Descriptive statistics, correlation and regression analysis were used to analyze the data. A set of hypothesis were developed and tested by correlation analysis.

The study found that organizational culture and perceived employee performance were in highly perceived by the employees in the selected banks in Batticaloa District. Further, there is a strong positive relationship between each underlying dimensions of organization culture which significantly influence perceived employee performance of banks. Specifically, the culture of involvement was given more importance than the other dimensions of organization culture in predicting perceived employee performance. Furthermore, it has been proven that the study contributes to existing theoretical and practical knowledge by providing evidence about the relationship between organizational culture and perceived employee performance. The banking sector is growing rapidly in Sri Lanka. Hence, this research has the potential to contribute to the overall banks in terms of how to maintain an improved performance through practicing well organized culture.

Keywords: Culture of involvement, Consistency, Mission, Organizational culture, Perceived employee performance.

TABLE OF CONTENTS

P	age No.
ACKNOWLEDGEMENT	i
ABSTRACT	ii
TABLE OF CONTENTS	iii
LIST OF TABLES	viii
LIST OF FIGURES	X
ABBREVIATION	xi
Chapter-1 INTRODUCTION	1-7
1.1 Background of the Study	1
1.2 Research Problem / Research Gap	3
1.3 Research Question	4
1.4 Research Objective	5
1.5 Significance of the Study	5
1.6 Scope of the Study	6
1.7 Organization of Chapter	6
1.8 Chapter Summary	7
Chapter-2 LITERATURE REVIEW	8-19
2.1 Introduction	8
2.2 Organizational Culture	8
2.2.1 Involvement	9
2.2.2 Consistency	9
2.2.3 Mission	10
2.3 Theories of Organizational Culture	11
2.2.1 Hefotode's Cultural Dimensions Theory	11

2.3.2 Schein's Theory
2.4 Perceived Employee Performance
2.5 Organizational Culture and Employee Job Performance
2.5.1 Organizational Mission and Employee Job Performance
2.5.2 Culture of Involvement and Employee Job Performance
2.5.3 Organizational Consistency and Employee Job Performance
2.6 Chapter Summary 19
Chapter-3 CONCEPTUALIZATION AND OPERATIONALIZATION 20-24
3.1 Introduction
3.2 Conceptualization
3.2.1 Conceptual Framework
3.3 Definition of Key Concepts
3.3.1 Organizational Culture
3.3.1.1 Involvement
3.3.1.2 Consistency
3.3.1.3 Mission
3.3.2 Perceived Employee Performance
3.4 Operationalization
3.5 Chapter Summary
Chapter-4 RESEARCH METHODOLOGY25-32
4.1 Introduction
4.2 Research Approach
4.3 Research Strategy
4.4 Type of Investigation
4.5 Extent of Researcher Interference

	4.6 Study Setting	20
	4.7 Unit of Analysis	26
	4.8 Time Horizon	26
	4.9 Research Instrument	26
	4.10 Sample Size Sampling Distribution and Sample Method	26
	4.11 Data Collection Method	27
	4.12 Method of Data Presentation and Analysis	28
	4.12.1 Method of Data Presentation	28
	4.12.2 Method of Data Analysis and Evaluation	28
	4.12.2.1 Reliability Analysis	29
	4.12.2.2 Univariate Analysis	30
	4.12.2.3 Bivariate Analysis	30
	4.12.2.4 Hypothesis Testing.	31
	4.13 Chapter Summary	32
C	Chapter-5 DATA PRESENTATION AND ANALYSIS	33-47
C	Chapter-5 DATA PRESENTATION AND ANALYSIS	
•		33
•	5.1 Introduction	33
•	5.1 Introduction	33
C	5.1 Introduction	33 34 34
C	5.1 Introduction	33 34 34 35
C	5.1 Introduction	33 34 34 35
C	5.1 Introduction	33 34 34 35 35
C	5.1 Introduction	33 34 35 35 35
	5.1 Introduction	33 34 34 35 35 35 35

5.4.1.2 Culture of Involvement	38
5.4.1.3 Consistency	40 -
5.4.2 Level of Perceived Employee Performance	41
5.4.3 Correlation Analysis	42
5.4.4 Regression Analysis	45
5.4.4.1 Simple Regression Analysis	45
5.4.4.2 Multiple Regression Analysis	46
5.5 Chapter Summary	47
Chapter-6 DISCUSSION	48-53
6.1 Introduction	48
6.2 Discussion on Personal Information	48
6.3 Discussion of Research Information	49
6.3.1 Discussion of Objective 1	49
6.3.1.1 Mission	49
6.3.1.2 Culture of Involvement	50
6.3.1.3 Consistency	50
6.3.2 Discussion of Objective 2	
6.3.3 Discussion of Objective 3	
6.3.4 Discussion of Objective 4	
6.4 Chapter Summary	
Chapter-7 CONCLUSIONS AND RECOMMENDATION	54-58
7.1 Introduction	54
7.2 Conclusions of the Research Objectives	54
7.2.1 Conclusion of Objective One	
7.2.2 Conclusion of Objective Two	