

Assessing the Impact of Organizational Culture in Effective Leadership: An Empirical Study

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Abstract

The notion of organisational culture is examined in this article along with how it affects organisational success and leadership. The value of having a strong culture to get results like increased performance, innovation, and competitive advantage is discussed. Theseveral theories and frameworks for analysing culture and emphasise the part that leaders play in creating and sustaining organisational culture are covered. The impact of culture on organisational change, employee behaviour, and decision-making is also emphasised in the text. It also examines the role of organisational culture on effective leadership by considering the various statements related to the organisational performance. The results underline how important culture is as a factor in organisational performance.

Keywords: Organizational Culture, Effective Leadership, performance, Competitive Advantage

Introduction:

A company with a strong culture will experience many benefits, including increased firm performance, employee alignment with the organisation, increased commitment, innovation, financial success, and a competitive edge for both extroverted and introverted people. Organisational excellence is based on the "4Ps" paradigm, which emphasises the significance of the "people" component. It promotes a culture that puts an emphasis on teamwork, organisational learning, creativity, and innovation while encouraging participation from all team members. This culture encourages organisational innovation and creates an organizationally-level sustained competitive advantage. For comparing and evaluating various organisational culture profiles, the Competing Values Framework (CVF) provides an analytical instrument. Clan culture, hierarchical culture, market culture, and adhocracy culture are just a few examples of the four quadrants that make up this culture. Clan culture prioritises flexibility and internal focus, hierarchy culture emphasises stability, control, and internal focus, market culture reflects stability, control, and external orientation, and adhocracy culture emphasises flexibility and external focus. Each quadrant offers a distinct cultural profile. (Polychroniou&Trivellas, 2018).

Organisational development must take the organisational culture into account because it has a big impact on how its members behave. Organisational leaders who have the authority to affect employees' ideas, attitudes, and behaviours set it up and instil it in them. The literature on organisational culture affirms that leaders play a crucial role in creating and maintaining cultural traits, and they have the power to define and shape the culture of their organisations. To facilitate cultural transformation inside an organisation, leadership is essential. The social reality that organisational members experience can be moulded and shaped by leaders. They exert influence over attitudes and seek to realise the organization's vision and objectives.(Bell et al., 2014).

Every organisation has a unique culture that distinguishes it from others. However, a healthy culture goes beyond contented employees. There are three crucial requirements that must be fulfilled in creating the right culture to promote sustainable performance. It should, first and foremost, strategically fit with the goals and objectives of the organisation. Second, the culture needs to be strong, encouraging people to feel important and committed. Finally, it should be naturally adaptable to thrive in changing environments. Numerous aspects of organisational life are greatly influenced by culture, including decision-making procedures, participants, rewards administration, promotion standards, employee treatment, organisational responsiveness to the external environment, and more. Additionally, culture has a significant influence on employees' attitudes and behaviours at work, making it an essential element for efficient institutional performance.

Literature Review:

Organizational culture encompasses an organization's beliefs, values, and attitudes, and how these factors influence the behavior of its employees. It has a significant impact on how individuals

perceive and experience the organization, affecting interactions with customers, suppliers, and stakeholders. Culture is reflected in various aspects of a company, including policies like dress code and office hours, as well as workspace design and employee benefits. Leaders play a crucial role in establishing and shaping the organizational culture. Organizational cultures typically emerge organically rather than being explicitly defined by companies. During times of organizational change, culture can either facilitate or impede progress. For instance, a culture that values collaboration and adaptability is more likely to embrace change, whereas a rigid and bureaucratic culture may struggle with transformation. Leaders must be mindful of the organizational culture when guiding their organization through periods of change. When the idea of organisational culture first emerged, it was intended to explain why low productivity existed in the workplace and why rules and procedures were unsuccessful in easing tense interactions between superiors and subordinates. A new view of organisational culture that emphasises its function as the social fabric that shapes a unique organisational character has developed over the course of about three decades. The collective mental programming that sets one organization's members apart from another is referred to as organisational culture. Three levels—symbols and artefacts, professed beliefs, and underlying assumptions—can be employed to monitor and understand it. Additionally, culture can be evaluated at several levels of detail, such as the level at which a particular culture is produced by a group of people working together to achieve a common goal. Additionally, culture can be divided into groups based on the professions in which individuals who work there exhibit particular behaviours. Alternative lenses to view organisational culture are provided by the perspectives of integration, differentiation, and fragmentation. While the differentiation and fragmentation viewpoints emphasise the diversity and divergence of cultural elements inside an organisation, the integration perspective argues that there is general agreement among employees on some parts of the culture. (Kaseem et al., 2019).

Organizational culture is not limited to employees alone but also extends to customers. It shapes management practices and systems, providing a framework for members to understand the organization's purpose, operations, and scope. It plays a crucial role in members' decision-making and choices, either fostering unity or division. Organizational culture is influenced by societal and industrial contexts, and it establishes guidelines for member actions and communication, minimizing the need for strict procedures and controls. A strong organizational culture is characterized by widely shared values and beliefs, requiring investments to promote and disseminate norms. On the other hand, a weak organizational culture relies more on individual members' personal principles and is less widespread within the organization, resulting in greater volatility and fewer culture-specific investments. (Thokozani & Maseko, 2017).

Organisational transformation conceptual and process models have been modified to take into account the impact of cultural dynamics on leaders' efforts to change attitudes and behaviour. The fan model highlights leaders' attention of cultural ramifications by differentiating between apparent, incremental, and revolutionary change. The cognitive influence of organisational culture on the implementation of change is highlighted by the cultural dynamics model. Process models, which have stages like prelaunch, launch, postlaunch, and sustaining the change, acknowledge culture as a contextual aspect. Organisational culture is one of several systemic elements influencing the context of change. (Latta, 2009).

Regarding the study of organisational culture, there are two points of view. According to the first viewpoint, leaders may alter and interpret culture, and their knowledge and skills can have an impact on its nature and consequences. According to the second viewpoint, organisational culture affects how leaders think, feel, and act within the organisation. This viewpoint contends that leaders can influence organisational innovation by nurturing new shared values, helping to shape and develop the ideal organisational culture. (Hosseini et al., 2019).

Organizational culture can act as a mediator between leadership styles and innovative work behaviour within an organization. Increasing learning in organisations is a function of transformational leadership. The path of transformational leadership is strongly correlated with higher employee job satisfaction levels, lower employee turnover rates, higher employee commitment to organisational change and reform, and employee empowerment. (Khan & Ismail, 2017). Transformational leadership is closely associated with specific cultural types, such as innovative and supportive cultures. An innovative culture fosters collective thinking and encourages creativity and challenging ideas. It influences leadership styles by promoting intellectual stimulation and aiming to cultivate an

innovative environment. Organizational culture serves as a binding force that unites employees and the institutional system while fostering positive and innovative work behaviour.(Khan et al., 2020).

The values and customs of people who are the founders, employees, and clients of organisations can be influenced by quantifiable aspects of society's culture. Important components of organisational culture are values. Performance, however, differs dramatically by gender, suggesting that there are discriminatory attitudes in the human capital field. The capacity to adapt to corporate culture, which has an impact on employee satisfaction and productivity, is how successful an organisation is judged. Strong, well-integrated cultures founded on principles and values have a significant impact on business performance, demonstrating the positive association between corporate culture and performance. Additionally, perceptions of alignment with the organisational culture are related to employees' job happiness. (Maamari& Saheb, 2018).

Total Quality Management (TQM) has three levels of organizational culture. The first level is comprised of unconscious beliefs and assumptions that are taken for granted. The second level includes espoused values, such as leadership commitment and continuous improvement. The third level consists of visible artifacts and practices, such as quality circles and data reporting. These levels form the foundation of TQM and guide the organization's approach to quality management.(Fu et al., 2014).

Within a company, the leadership style is heavily influenced by the organisational culture. The norms, trends, and values of a culture influence how leaders lead. Leaders are also involved in establishing an organization's conventions, values, rules, and processes. The strategic culture becomes more important as the business grows and influences leadership styles. (Lam et al., 2021).

A well-established group or organization's organisational culture is a collection of fundamental presumptions that the group develops as it deals with problems from the outside and maintains internal harmony. This culture is seen as legitimate and is transmitted to new members as the right way to understand, consider, and feel about these difficulties. The two dimensions of focus (external vs internal) and structure (control versus flexibility) are the focal points of the competing values framework, which analyses organisational effectiveness. (Rigas&Nawar, 2016).

Objectives of the study:

To measure the impact of organizational culture in effective leadership

Research Methodology:

This study nature is empirical. 180 respondents were approached to give their view on impact of organizational culture in effective leadership. The data was analysed through frequency distribution and data was presented with the help of pie charts.

Data Analysis and Interpretation:

Table 1 Provide an open communication platform

Particulars	Agree	Disagree	Can't Say	Total
Respondents	166	9	5	180
% age	92.0	5.0	3.0	100

Table 1 represents the statement **provide an open communication platform** and 92.0% respondents admit with this statement.

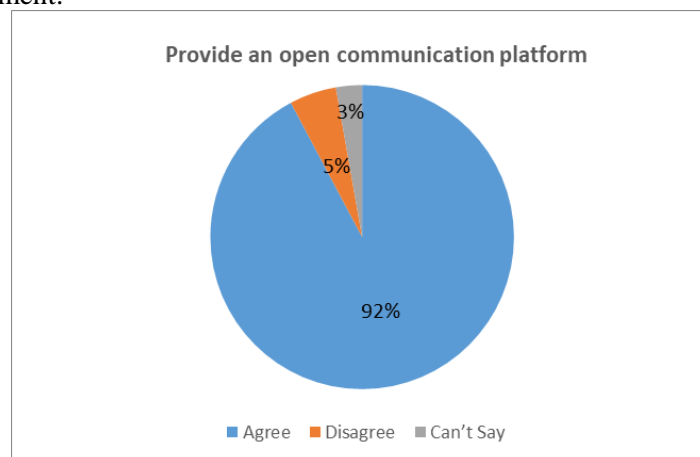


Figure 1 Provide an open communication platform

Table 2 Take meaningful actions on feedback

Particulars	Agree	Disagree	Can't Say	Total
Respondents	153	17	10	180
% age	85.0	9.0	6.0	100

Table 2 represents the statement **take meaningful actions on feedback** and 85.0% respondents admit with this statement.



Figure 2 Take meaningful actions on feedback

Table 3 Establish and set expectations

Particulars	Agree	Disagree	Can't Say	Total
Respondents	157	15	8	180
% age	87.0	8.0	5.0	100

Table 3 represents the statement **establish and set expectations** and 87.0% respondents admit with this statement.

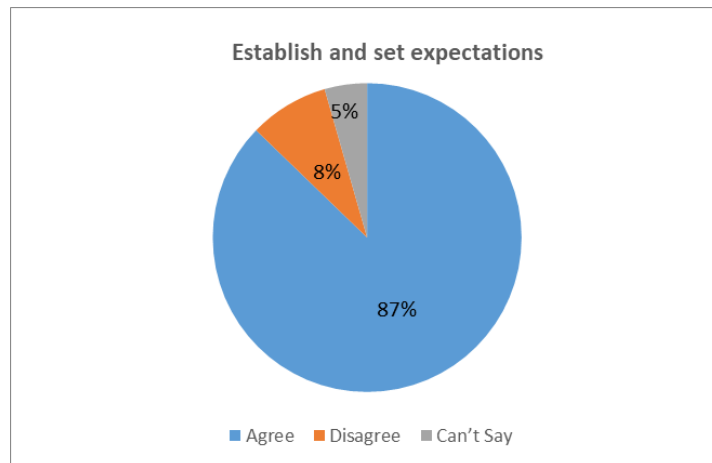


Figure 3 Establish and set expectations

Table 4 Recognize and appreciate achievements of employees

Particulars	Agree	Disagree	Can't Say	Total
Respondents	161	11	8	180
% age	89.0	6.0	5.0	100

Table 4 represents the statement **recognize and appreciate achievements of employees** and 89.0% respondents admit with this statement.

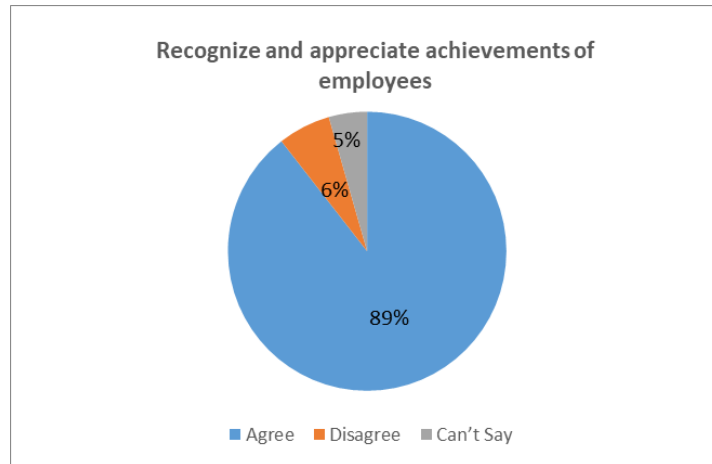


Figure 4 Recognize and appreciate achievements of employees

Table 5 Instil a desire to learn and grow

Particulars	Agree	Disagree	Can't Say	Total
Respondents	164	10	6	180
% age	91.0	6.0	3.0	100

Table 5 represents the statement **instil a desire to learn and grow** and 91.0% respondents admit with this statement. Considering all the responses of the statements, it was found that to a good percentage, the respondents have agreed that the organizational culture as a great impact in effective leadership.

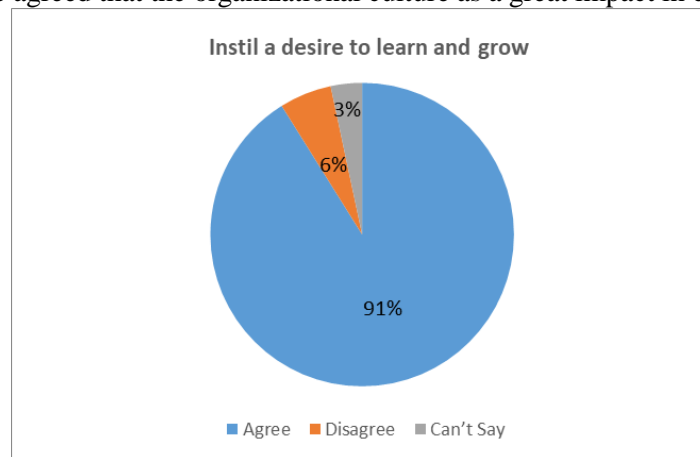


Figure 5 Instil a desire to learn and grow

Conclusion: -

Finally, organisational culture is a critical factor in determining leadership philosophies, worker attitudes, and efficiency. Leaders can shape the culture, which in turn affects several organisational factors. Understanding and fostering a strong culture can result in increased productivity, creative thinking, and a long-lasting competitive edge. The significance of culture and its impact on organisational outcomes must be understood by leaders.

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