The Impacts of Employee’s Job Performance Behavior and Organizational Culture on Organizational Productivity in Pharmaceutical Industries in Karachi.

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Abstract:
The research was conducted to test the hypothesis that suggested that there is a relationship between employee’s job performance behavior and the culture which is cultivating in the organization and its collaborative impact on organizational productivity. The study holds the variables, employee job performance behavior and culture, responsible for organizational productivity and also gives credit for the improved employee job performance. Using stratified and simple random sampling technique and survey questionnaire, results were derived that were tested against the two possible hypotheses; (a) organizational culture has no impact on employee’s job performance and organizational productivity, (b) organizational culture has strong impact on employee job performance. The findings suggested the contrary and thus alternative hypothesis were selected, and null hypothesis was rejected. 90% of the employees strongly agreed with the findings and accepted that there is impact of organizational culture on employee’s performance and organizational outcome. The calculated chi-square values in both cases are higher than the tabulated values. The study provides evidences of a strong positive impact of employee’s job performance behavior and culture prevailing in the organization on productivity and job performance of employees, and also recommends bringing improvement in the employee culture in order to bring improvement to productivity.

Keywords: Impacts ; Employee’s ; Job Performance Behavior ; Organizational Culture ; Organizational Productivity ; Pharmaceutical Industries.
Introduction:
In an organization, employees are the most valuable assets and a very important resource of a business. From planning to implementation of rules and strategies, employees are the core ingredient. If organization were a machine, and its system would be an engine that runs the machine, then employees would be the parts and nuts and bolts that hold the system together; without these parts engine would just not work. To make sure that the engine keeps working in order to keep the machine functioning properly, these nuts and bolts and engine parts need to be greased properly. Culture acts as grease that keeps these engine parts, employees, work properly in order to keep the business running. According to Kotler, John P. & Heskett, 1992, organizational culture has been to arriving to research, analysis and exercise with the perception of management in 1980.

Organizational Culture:
Organization culture is a combination of values, behaviors, disciplines, norms and codes of conduct. There exist strong and weak cultures in organizations that help ensure the implementation of integral values in an organization in a stronger and weaker manner, respectively. Organizations also try to discover the methods to regulating behavior according to the requirement of system and all organization’s culture set the rules for employee behavior. Cohen, 1993 defined the culture of organization as a style or behavior model that members of organization employ to direct their actions. Tierney, 1988, affirms that organizational culture replicates communal beliefs about “how things are completed around here” as demonstrated through symbols, language, signs, traditions, principles, beliefs and behaviors. Yanagi, 1994 defined organizational culture as values and philosophies communal by the organizational employees and their behavioral styles for transform them into practical actions.

A strong organizational culture and good developed interpersonal skills of the employees help turn all situations into a win-win situation and ensures the achievement of organizational goals and objectives. There are several reasons why employees stay in an organization and show loyalty towards it. One of these reasons could be, working collaboratively and in teams or on certain projects that develop sense of commitment rather than just interest and attraction. The
positive approach of employees towards the organization motivates the employees to achieve organizational objectives and goals and instills in them the feeling of confidence, self motivation, commitment and trust towards the organizational system and policies; this eventually leads to the achievement of productivity and towards the optimum goal of organization-profit maximization. It is a dire need of an organization to provide a good culture and a friendly and suitable working environment to the employees to help ensure employee commitment, positive thinking and open-mindedness, innovation, and greater customer satisfaction in the long run. This helps create competitive advantage within the employees as well. Organizational culture might be divided into two branches for analysis and research purpose, according to Saxton, 1983; Cooke & Lafferty, 1989; Hofstede, 1990 and Denison, 1995, first for the evaluate the organizational analysis and according to Braney, 1986; Kotler David P. & Heskett, 1992 and Gordon & Tomaso, 1992, second on the connection between the organizational culture and performance.

Organizational culture has placed by Klein et al., 1995, as a center of organizational actions and activities which has entire impact on its total efficiency and the Excellency of its products and services. Organization culture is such a force that holds an organization together; it acts as a “normative glue” that ensures that all the integral parts in an organization are connected together. Every organization has its own culture that defines it and its employees, and helps create distinction from other organizations within the industry. Culture basically comprises of such values and behaviors that are believed to be a path towards success and ultimate achievement of organizational goals, and thus should be inculcated in every new member of the organization and should be revised to every old and existing member as well. Employee culture is an element of an organization that can be seen ‘on the surface’ and is relatively quite visible to the naked eye in the form of cultural symbols, artifacts, and formal and informal patterns of behaviors. However, the less visible elements of an organizational culture are values, norms and the assumption that people make about the culture. Organizational employee culture holds within itself both social and psychological elements (e.g. stories, rituals, symbols, jargons) and the power and hierarchical structures and control systems (e.g. financial, appraisals, reward systems etc.) The important role for organizational culture is to distinguish the organization from others and present a sense of identification to its employees. Organizational culture does not actually have to forever be logical or consistent; actually, they rarely are and can appear quite irrelevant,
haphazard and disorderly for the outsider. Subgroups also can be found in different cultures with various plans and agendas. Organizational culture also described by Schein, 2004, as a force of synergy within the organization which is rotating, motivating, engaging, and interactive and it formatted by the employees and the actions of management, attitudes and behaviors. Rousseau, 1990, confirmed that culture is always dependent on behaviors and social activities.

**Performance:**

Performance is an ability (both physical & psychological) to perform a particular task in a specific method that can be evaluated as excellent, average or low in scale. The word of Performance usually used to explain various aspects such as performance of organization, performance of employees and performance of individual. Campbell, J. P., McCloy, Oppler & Sager, 1993, demonstrated two dimensions of performance; first is the behavioral aspect and second is outcome performance aspect. The first aspect behavior is supposed to be matched to the situation and specification of job. This behavioral aspect convert into accomplish the organizational goals and objectives and this is outcome aspect which is second dimension of performance.

Armstrong defined performance management as a method which plays a vital role in the efficient management of individuals and teams to get high organizational performance. It also builds shared understanding about what is to be obtained and a process to leading and creating people which will make sure that it is achieved. It is a technique which pertains to every action of the organization set in the perspective of its polices of human resources, organizational culture, style and communication systems. The nature of the technique relies on the perspective of organization and can differ from organization to organization. Although there is a range of actions that could be used for calculating efficiency, Motowidlo, Borman, & Schmidt (1997) highlight judgmental and evaluative procedures that take a lot along with activity itself while interpreting efficiency. In spite of the fact that there are various behaviors could be used for evaluating overall performance. According to Borman & Schmidt, 1997, there are different judgments and processes to define performance. Previous researches already have revealed the close relationship between organizational culture and performance. Magee, 2002, pointed out that the organizational culture is basically linked to the practices of organization and the
performance of organization is dependent on organizational culture. Hellriegel & Slocum, 2009 also demonstrated that the organizational culture increase the performance of organization.

**Employee’s Behavior:**

Human behavior is a capacity of mental, physical, emotional and social activities experienced during the different stages of human life and influenced by culture, society, values, morals, ethics and genetics. Cascio, 2003, explained that human behavior can not same in different situations and different organisms. According to Thompson, 2006, human behavior is categorized in different dimensions. Hartt, 2006, demonstrated genetic characteristics as a dimension and Bartol, 2003 revealed that different people behave differently in same situation and this different behavior could be based on intrinsic features, relationship to the situation, and perception of environmental aspects and other factors that influence the behavior.

Porathe, 2009, affirms that the knowledge and understanding of behavior is very important because it not only ruins the individual performance but also create strong impact on the others performance. Cummings & Worley, 1993, defined that employees can perform autonomously and adjust their own behaviors according to working situations. Robins, 1999, believed behavior as a powerful tool of employees’ performance and Coulter, 1999, also judged that employee with best genetic features and positive attitude towards job is influenced with the behavior of his peers and other team members.

**Effect of Employee Behavior and Culture on Performance and Productivity**

These researchers affirms that the culture of an organization authorized to the employees to be familiar with both the background of organization as well as present procedures of functions and this particular recognition endows the employees with assistance about anticipated and bearable upcoming organizational norms and behaviors. According to Ferris et al., 1998, many academic models claim that the efficient system of human resource always dependent on assisting values and then these systems make a beneficial effect on employee’s behavior and attitudes, which accomplish company's overall goals and increase performance.
Deal & Kennedy, 1982; Sathe, 1985 have demonstrated in their researches that employee’s job performance behavior and culture have found to be positively related to employee’s commitment towards their job and ultimate achievement of organizational goals. Cultural differences should be considered and recognized by employees in order to adapt to them and operate successfully across cultures. Under the umbrella of organization culture, employees interact and work together and thus based on mutual understanding and respect and assurance of the security of each other’s rights, groups are evolved. These groups are faced by two challenges: collaborating individuals into an effective and efficient body of one, and affectively adapting to the external environment in order to function properly. These effective groups then work together and find solutions to problems and their shared beliefs and assumptions derived from those solution are called the ‘culture’ that they follow. Dr. Hofstede (2001) defines culture as “the collective programming of the mind that distinguishes the members of one group or category of people from another.” Collective mind distinguishes one group from another and establishes cultural differences (Eren, 2006). Culture according to Morgan (1997) is “an active living phenomenon through which people jointly creates and recreates the world in which they live.”

When a group solves its internal integral and external adaptation problems, it reaches to the shared basic assumptions that define the culture of a group. A number of studies have been conducted that indicate the companies with strong culture implementation tend to be more successful, provided that they work under a particular set of conditions. The strength of employee culture lies in how strongly the employees strive to follow and retain the culture of their organization. Martin and Siehl (1990) declare that organizational culture is hypothetically related to overall performance and do have activist and supportive influence on it. Emery & Trist, 1960, explained that the efficiency of organization dependent on both technical and social elements of organization.

There are 3 categories of workers and their adaptation of cultural implementation; 1. Skilled workers-these workers put in every effort to maintain organizational employee culture and improve their performance as well as organization’s long term productivity; 2. Semiskilled workers- these employees are just interested in their work and getting paid for it, they seldom put their efforts in achieving organizational goals; 3. Unskilled workers- these workers mostly
dislike their work and work profile and in turn create a disruptive environment that damages the organizational culture and also affects other employees’ performance. Employee culture can also be understood by the ‘onion model’. Every layer of onion peel reveals a new layer who in turn is covering another layer. This represents the employees who collaboratively hold the culture in the organization and are interconnected through that culture.

According to Alvesson, 1993 and Schein, 1992, organizational culture’s impacts are not decreased to the existence or absence of obvious standards of behaviors and employment of related positive or adverse sanction. Presumptions, beliefs and norms can have persistent impacts even where norms are not fully and clearly expressed and Hofstede, 1980; Kabanoff, 1993, also affirms that they strengthen the organizational procedures, processes, systems and features through their impact on the behavior of employees within the specific organization. Independently, but all the more-so jointly, when their impacts are commonly effective and are not at difference, components of organization culture can have a strong influence on the perception, opinion, considering and activity of employees, interpreted by Homburg & Pflesser, 2000. It is particularly correlative to their organization, its framework, practice, objective and environment.

Farley & Webster, 1993; Gagliardi, 1986, explained that the culture of organization is not the only element of organizational performance and productivity, significant argument and empirical confirmation has been produced to strongly support a relationship between culture of organization and performance, specifically through its impacts on management practices, methods, procedures, processes and structures. Moreover, Pfeffer & Veiga, 1999, has suggested that culture of organization can be a main source of sustained competitive advantages.

Mercer and Bilson, 1985; Schmidt, Shull & Schmitt, 2001, demonstrated the connection between organizational culture and the performance of employees and explained that the behavior of employees converted into required outcomes of organization such as customer satisfaction. Likert, 1961, demonstrated that the productivity of organization is obtained through the satisfaction and focus on the physical and psychological needs of employees. Hopelain, 1986, also have revealed the essential link between organizational culture, performance of employees
and organizational productivity in their research on the culture of organization and productivity and presented culture of productivity idea, where they explained the factors to build effective culture such as effective employees, job recognition, group interaction, teamwork, believe, support and trust etc are identified by command on job and the performance. Hopelain & Akin, 1986, also claims that the productivity culture is dependent on clarity, integration of components of work and adaptability to change.

The review of literature reveals that organizational culture is essential and does impact on the performance and productivity of organization significantly. Karachi is a metropolitan city of Pakistan that entertains multiple cultures and represents various social behaviors from different parts of the country. The study is an attempt of employee behavior and organizational culture on organizational productivity in the pharmaceutical industry in Karachi over the course of time.

Methodology:

Hypothesis:
In order to provide evidences to find impact of organizational culture on employee’s performance as well as organizational productivity, the following hypotheses were developed that were further tested.

H0: Organizational culture has no impact on employee’s job performance and organizational productivity.

H1: Organizational culture has impact on employee’s job performance and organizational productivity.

The research hypothesis was based on the question: Does organizational culture have any effect on employee performance and organizational productivity? If yes, then how so?

Survey design and Method:
The study is based on the samples collected and the data gathered through sampling. Samples are taken from the employees of a pharmaceutical company in Karachi. The variables are only being observed and not controlled and the hypotheses are based on the relationship between organization culture and organization productivity and is valid only for pharmaceutical employees. Stratified sampling technique, keeping in mind the effective coverage and lower cost,
was used to select the candidates for the study. The pharmaceutical industries were stratified hierarchically and the strata based on the year they were established. Employees were selected from each different unit from pharmaceutical industries and were divided into 3 strata: senior staff members, management staff members, and junior staff members. Out of these 130 employees were selected to constitute the sample size by simple random sampling technique. The age of participants was between 21-57 years and all are graduates from public and private sector universities. All participants have minimum 2 years working experience in the same organization. The data collected is quantitative and was obtained through surveying of about 23 units with 130 employees. Analysis was made on the collected data and hypotheses were tested against them.

**Statistical Analysis:**
The 130 employees selected through simple random sampling technique were given 130 questionnaires based on relevant questions regarding the relationship between organizational culture and organizational performance and productivity. 87 out of 130 employees’ responses were valid. These responses were subjected to the chi-square test for the relationship between organizational culture and long term productivity of the organization.

**Results and Observations:**
87% employee’s responses portrayed their belief that there is a positive impact of organizational culture on organizational productivity, in general. However, 87 employees agreed that there is a positive impact of organizational culture on organizational productivity and employee performance in context with the pharmaceutical in industries in Karachi. The results support hypothesis 1 earlier made regarding the positive relationship between organization culture and organization productivity.
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Discussion:

It is common practice among researchers; they are always willing to comprehend workplace environment and its impact on the dynamics of organization. Employees are the most integral instrument in any organization and many studies have been conducted in the past to determine how employees effect the organization as well as how the organization affects the employees. Earlier studies reveal the findings on the relationship between employee and organization productivity and workplace spirituality, leadership and motivation. The results suggested that workplace spirituality is an integral element in any organization as it affects employees positively and has positive impacts on employee job performance as well as organization productivity.

Over the course of time, many multinational companies emerged on the scene. The merger of different cultures has been introduced with the concept of a single cultural model by multinational companies. It has brought significant change in organizational behavior and also in performance.

This study, an attempt has been made to come across ratio of output to input and employee’s efficiency. The focus of this study is pharmaceutical industry in Karachi.

Results of the present study suggest that there is a strong impact of organizational culture on employee’s performance and productivity. Organizational behavior and its study could be attributed to psychology, sociology and anthropology in general. Each of these studies has a significant impact on organizational behavior.
The study reveals that a healthy workplace culture motivates the employees to function beyond organization’s expectations. Employees are motivated and their performance improves as they work under good organizational culture. A strong employee culture has a positive impact on employee behavior and performance.

Studies conducted in the past presented that organization culture constituted of such values, assumptions and beliefs that are for the benefit of the organization as well as for the employees. The present study reveals a strong positive relationship between workplace culture and employee performance as well as organization productivity in the long run. There is a positive correlation between the values that we studied in the present study.

**Recommendations:**

1. Organizations should strive to determine conditions under which employees perform better.
2. The determined conditions should be imposed and tried to be applied in the organization in order to get optimum production.
3. Organizations should try to maintain a strong and positive employee culture for the benefit of the organization and its employees.
4. Every employee should be familiarized with the organizational culture.
5. For researchers it is recommended that further studies should be conducted in this regard in other industries as well.

**Conclusion:**

All result and findings confirm two alternative hypothesis. Data provide sufficient evidence against null hypothesis. Both null hypotheses are rejected. It can be concluded that there is significant effect of behavior on work environment, and attitude on organizational culture development and productivity.

**Future Research Avenues**

This present study has been conducted only in organizational cultural context. An insight study of employee’s performance in context with organizational and Pakistan’s culture seems
important at this stage. It is advisable and suggested that it would be better to conduct further studies in the cultural perspective of Pakistan also.
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