



TOWARDS A BETTER UNDERSTANDING OF THE LINK BETWEEN CORPORATE DEMOCRACY AND ORGANIZATIONAL EFFECTIVENESS: A STUDY OF J&K BANK LTD.

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ABSTRACT The present study tries to explore the relationship between corporate democracy and organizational effectiveness. The main focus of the study is only on the relationship between corporate democracy on the organizational performance of the banks. The study is conducted on the selected branches of Jammu and Kashmir Bank of Anantnag District with the help of the pre- tested questionnaire. The two hypothesis are studied with a conclusion that there is a correlation between the organizational culture and the organizational performance. The results revealed that the corporate democracy and a healthy work culture leads to the organizational performance and the employees can achieve the goal perfectly in an effective manner.

KEYWORDS : Organizational Culture, Employees Goal, Organizational Performance.

INTRODUCTION

The work culture in organizations is an important asset which plays a vital role in performing different functions in a particular culture. In fact the people work only to achieve the organizational goals. According to C. B. Mamoria organizational work culture is a system of thinking and behaving shaped by the values, attitude, rituals and sanctions in an organization. He further argued that the organizational culture is the circumstances and conditions in which the people have to perform their work in certain conditions and under some guidelines formed by the management. These guidelines are meant for the growth and development of the organization and the people. The growth process is largely influenced in the home culture in which the managers, peers, superiors manage the manner of performing the work, treat people, how they treat with the authority, how they encourage new ideas, initiatives and enterprises, how they provide new opportunities to the new concepts, tools and techniques, and how they protect companies new goals, policies and procedures. For the development of organization proper culture is created, which includes following things involved in organization:

1. Development is a learning process rather than a teaching process
2. Growth takes place by striving process in which objectives are set
3. Strength will be enhanced rather than weaknesses in a work culture
4. The feeling of belongingness should be developed in the people who are attached with the organization
5. A faith, beliefs should be in the people who do better in the organization
6. People must adopt open heart and mind who are willing to accept the new changes

These are responsible for the development of the organization in a work culture and environment. These are meant for the development and growth of the organization in a home culture. These are responsible for the development of the people and the culture under certain guidelines which are adaptive in nature by the organization. Denison, D. R., said that culture is defined as: "Refers to the deep structure of organization"

Where as climate mainly concern "those aspects of social environment that are consciously perceived by organizational members"

Employee seeks representation of organizational values and processes that are responsible and possible predictors for the development of the organizational performance. Organization work culture in a simple language is the place where the employees, employers and the workers works in a coordination with the help of some rules and regulation for the benefit if the organization. They all work for the organizational productivity and organizational efficiency. Brown 1998 said that the organizational culture is defined as "...the customary and traditional way of thinking and of doing things... and... the unique configuration of norms, values, beliefs, ways of behaving". Cooke, R. A., & Lafferty, J. C. (1995) said that in an organization we see

That how employees are perceive what is expected from them and their behaviour which enhance, reinforce and rewarded in the organization. Cooke, & Lafferty further involve three types of organizational behaviour: Constructive, Passive/Defensive, and Aggressive/

Defensive

As such Organizational culture "Commitment of the senior management to make learning capability a competitive advantage; direction for change is well defined; leadership is appropriate, handling resistance to change effectively; proper performance management system linking compensation to achievement; environment encourage in experimentation and innovation; and power feedback mechanisms and diversified learning channels". The structure of the learning organization is not vital; it is created in horizontal workflows. Self direction team; open channels of communication with customers, suppliers or even competitors, continuous improvement and changes define the organization.

REVIEW OF LITERATURE

Sorensen (2002) said that organizational culture has been linked to economic performance and organization viability/success. Stephan and P. Robbins (2003) said that an organization's current, tradition, and general way of doing things are largely due to what it has done before and the degree of success it has had with those endeavors. Bibb, S., & Kourdi (2004) said that lack of trust will leave an organization with a tarnished reputation, negative attitudes, less ability to foster innovation and creativity, flawed thinking, decision making and reduced profitability. Plakhotnik and Tonette (2005) studied that organizational culture has been shown to be important for successful new product/process innovation and organizational change. Schein (2004) and Cooke & Lafferty (2000) quoted the term culture as it is the identity of the organization made up of members' shared meaning of values and how these values are rewarded and reinforced to mold the members' behaviour. Ravasi and Schultz (2006) state that organizational culture is a set of shared mental assumptions that guide interpretation and action in organizations by defining appropriate behaviour for various situations. At the same time although a company may have "own unique culture", in larger organizations, there is a diverse and sometimes conflicting cultures that co-exist due to different characteristics of the management team. The organizational culture may also have negative and positive aspects. According to O. Olu (2009) good employee's behaviour and culture in essence that helps company to achieve its organizational objectives and goal. A.P. Singh and Sadhana Singh (2009) concluded that all the employees realized a conductive organizational culture influencing organizational culture influencing organizational performance in IT industries. The awareness initiatives of the organization are indispensable to measure their organizational culture and effectiveness. M Sakthivel Murugan (2009) concluded that all the employees realize a conductive organizational culture influencing organizational performance. It helps the employees to realize the main objectives of the organization, its culture and their benefits.

Concept of Organizational Culture

Mahal Kour Prabhjout says that the important variables which can motivate employees are organizational culture and organizational climate. It is also indicated that the traditions, ambiance, ethnicity and customs of the organization should be good and the employees should Take more interested in giving their best output. The good organizational climate also helps the employees to increase their performance. The management conducts various programs,

workshops, seminars in the organization, so that the employees can discuss their problems with the management. These problems may be on the organizational climate or organizational culture. Alvesson describe the concept of culture that it seems to lend different uses such as collectively share of ideas and cognition, symbols and meanings; values and ideologies; rules and norms; emotions expressiveness; the collective unconscious; behaviour patterns; structures, and practices. Mary Jo Hatch, Ann.L.Cunliffe explain that an organization can be viewed as a culture in its own right, as a set of subculture or as a subculture of an even larger culture. In other words he says that the culture is a subset of different cultures of a larger culture or the larger culture will be formed by the different subcultures. John w. Slocumjr, Don Hellriegel explains the dynamics of organization culture in which organizational culture reflects the values, beliefs and attitudes of its members. It evolves slowly over time. A culture is a collection of unspoken rules and traditions that operates 24 hours a day. It plays a larger part in determining the quality of organizational life. Culture is rooted in the countless detail of the organization's life and influences much of what happens to employees within an organization. VSP Rao, P.S Narayana, shared his view in context to organizational work culture is a common represent a common perception shared by the members of the organization. Organizational culture is important to study because it convey some important assumptions and norms governing values, attitudes, and goals of the members of the organization. It tells employees how to do things, and in what fashion. It also allows members to know what is important and what is not. It thus specifies what acceptable behaviours are and what are not. Stephan R. Robbins says that the culture doesn't pop out of thin air. An organization's culture customs, traditions and general way of doing things are largely due to what it has done before and the degree of success it has had with those endeavors. This leads us to the ultimate source of an organization's culture: its founders. According to Saiyadain and Poonam Gupta organizational culture is referred as the organization which has learned to deal with the environment. It is a set of assumptions and behaviour that defined what mean to do work in the organization as compared to other organization. It is only to share way of doing things which determine and guide to do the day to day work. It will also determine the behaviour of the employees and organization. It is a dominant values and norms of the larger social culture.

Performance

Performance of an organization may be defined as the degree to which an organization realizes its goals. It can survive and achieve an organizational objective. The organization will remain effective, efficient and the best organization of the competition if it will uses all its resources in an effective manner and will contribute to large system.

Compel has done lots of work on organizational effectiveness and organizational performance. He has studied revised many studies and found thirty different criteria's which are used to measure the performance and effectiveness of an organization. Based on this review he concluded that:

“Since an organization can be effective or ineffective on a number of different facets that may be relatively interdependent of one another, Organizational effectiveness has no operational definition”

According to Richard Watson, the performance and productivity of the organization effected by the new technologies in a rapidly evolving society. “Place your bets, be resilient when things go wrong, and have it in your culture to keep going”

The products are new and innovative with the help of technology. Now the artificial intelligence will make leaps forward and will see the arrival of the semantic web and computers will able to answer back. Grater transparency will transfer more power to the customer and mean less privacy. Finally, the fear of greater connectivity, which will create more volatility and more anxiety, may generate demand for simplicity, control and certainty.

Culture and Performance

Organizational culture has great influence on the employees. It helps the people to do work effectively in the organization. Good and effective culture influence employees in decision making and behaviour of doing work in the organization. It creates the feeling of togetherness among employees. It will attract new and effecting employees in the organization. Culture also creates the sense of

making process. Communication and decision making process can also develop in the organization among the people. Good culture will lead the organizational productivity and profitability. It will hail to improve the performance of the organization. Deal and Kennedy said that culture have power to influence the behaviour of people whether it is strong culture and whether it is weak culture.

STATEMENT OF THE PROBLEM

The relationship between corporate democracy and organizational productivity are hypothesized with the perceptions that work culture in the J&K Bank Ltd. lead to enhance the organizational productivity and contribute to development and growth of the Bank. The study is based upon the responses collected from the employees of The J&K Bank Ltd.

OBJECTIVES:

1. To study the work culture of the organization
2. To study the impact of work culture on performance
3. To study the employees goal's achievement in the organization

Hypothesis

Hypothesis 1: There is correlation between organizational culture and Employees goal in organization

Hypothesis 2: There is Correlation between organizational culture and organizational performance

METHODOLOGY

The research methodology was prepared by the survey method. The study was conducted on the Cashier cum clerks of the Jammu and Kashmir Bank of Anantnag District. There are 68 branches of J & K Bank in this district. About 80 samples of these employees were taken for this research. Stratified random techniques were used to select the participating respondents. In all 80 questionnaire were distributed among employees and only 70 responses are filled by them which were used for the final analysis in the study. SPSS (20.0) version was used for the analysis.

DATA ANALYSIS AND INTERPRETATION

This section if formed by the data which have been collected from the cashiers cum clerks. The data is collected by the primary data on the basis of questionnaire. The analysis was done by SPSS version 20.0

Table 1. Respondents Response Rate

Response	No. of respondents	Percentage%
Returned	70	87%
Not returned	10	13%
Total distributed	80	100%

Source: Field Survey, 2017

80 questionnaires were distributed among the cashiers cum clerks. Out of which 70 respondents were returned back which were approx. 87%, 10 were not returned which was approx. 13%. 87% of employees in bank corporate with the researcher in the collection of the data.

Table 2. Correlation between organizational culture and employees goals in the Organization

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid S. Agree	12	16.7	16.8	16.8
Agree	21	33.9	34.0	52.2
Indifferent	17	23.6	23.8	74.8
Disagree	6	8.4	8.6	82.9
S. Disagree	12	16.7	16.8	100
Total	70	100	100	

16.7% of respondent's agree that that there is a correlation between culture and employees goal in the organization. They agree that the organizational culture have a great impact on goal achievement. 33.9 % of the respondents revealed that they are agreeing with the above statement, 23.6% are indifferent, 8.4% are disagree and 16.7% respondents strongly disagree.

With the result we can say that the overall employee is satisfied with the organizational culture.

Table 3. Organizational culture is correlated with organizational performance

	Frequency	Percent	Valid percent	Cumulative Percent
Valid S .Agree	15	23.9	23.9	23.9
Agree	45	64.2	64.2	90.3
Indifferent	5	5.3	5.3	87.2
Disagree	2	2.9	2.9	94.3
S. Disagree	3	3.7	3.7	100.0
Total	70			

It is revealed from above result that the 64.3% employees are agree, 23.9% are strongly agree, 5.3% are indifferent, only 2.9% are disagree and 3.7% are strongly disagree with the correlation between organizational culture and organizational productivity. It is concluded that there is correlation between organizational culture and organizational performance.

Data Analysis

- By using non-parametric chi-square test and parametric t-test it is found that the hypothesis 1st statistical value for 0.05 at 70, degree of freedom is 1.69 and the calculated value is $t=16.968$ which is greater than the tabulated 1.68, we accept the null hypothesis. This implies that the organizational is positively correlated with the employee's goal in the organization.
- For 2nd hypothesis the statistical value of for 0.05 at 70 degree of for is 1.99 and the calculated value of $t(16.523)$ which is greater than the tabulated value which is 1.99. So we accept the alternative hypothesis. This conclude that the correlation between organizational culture and organizational performance.

Findings and Conclusion

The researcher(s) found that the study has a positive impact on organizational work culture and on the organizational performance and employee's goal achievement in the organization. The researcher formed a questionnaire for the respondents which were randomly selected from the total population and find out that the organizational culture will leads to the productivity of the organization and the employees can achieve their goal effectively and efficiently. This study formed that that the maximum percentage of the employees can achieve their goal by the healthy and strong culture in an organization. Organizational performance can be achieved well by engagement of the employees in the organization. The above stated results showed that the organizational culture is correlated with the organizational employee's goal and organizational culture is Positively correlated with the organizational performance.

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