The Impact of Organizational Culture on Employee Performance

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Abstract: In a global context defined by political uncertainty, societal polarization, environmental concerns, and escalating resource limitations, companies are faced with unprecedented challenges in successfully pursuing their growth ambitions, focusing on relevant value propositions and continuously developing their competitive advantages. In addition, evolving demands from markets and stakeholders and escalating pressure to meet modern expectations can also lead to prioritizing strategies in areas such as corporate identity, sustainability advocacy, workforce engagement, and performance management, as means of achieving ongoing organizational development. The purpose of this paper is to explore the connection between organizational culture and employee performance, by reviewing relevant literature, clarifying key aspects influencing organizational culture and employee performance respectively, as well as potentially correlating them in terms of impact within the wider ecosystem of a strong organization that encourages ongoing performance improvement. The results obtained from the research were synthesized into a proposed conceptual framework designed to be applied in organizations aiming to adapt their cultural transformations to a people-centered mindset, focused on growth and improved organizational performance.

Keywords: organization; organizational culture; performance; employee performance; performance management.

Introduction

Employee performance is influenced by a variety of factors and circumstances, making the object of extensive studies as well as of corporate operational focus. As a driver of team effectiveness and even further, as an essential component of overall company success, employee performance is frequently defined, measured, analyzed, evaluated, rated, improved upon, and reported on most frequently as an individual metric – however, it is perhaps less considered in the wider context of organizational culture. Interest in this topic has grown as management experts increasingly recognize organizational culture as a strategic tool for improving employee performance. It is what gives the company its human identity, profoundly influencing the way the organization's members think and act in a long term perspective (Bratianu, 2022; Bratianu & Murakawa, 2004; Dragomir, 2019).

This paper focuses on documenting the relationship between individual performance, professional development, and organizational culture and on exploring the key factors that impact employee performance.

The objectives of the research are focused on the following key aspects:

- Reviewing the main organizational culture characteristics and concepts;
- Addressing the key influencing factors that impact employee performance;
- Exploring organization culture's impact on employees performance;

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