

**Measuring the effect of Organizational Culture on Organizational  
Performance:  
A case study at B.M.Nagano Industries Sdn. Bhd. (Pasir Gudang,  
Johor).**

**AZIE BINTI ABD. JALANI**

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**Prof. Madya Dr. Abdul Jumaat**

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Fakulti Pengurusan Perniagaan  
(Faculty of Business Management)  
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## ABSTRAK

Tujuan kajian ini adalah untuk mengukur kesan budaya organisasi terhadap prestasi organisasi. Turut dikaji juga adalah pengaruh budaya organisasi terhadap faktor-faktor demografik seperti umur, jantina, status perkahwinan, kelayakan akademik, tempoh perkhidmatan, tempat asal, jawatan dan bangsa..

Soal selidik mengandungi tiga bahagian iaitu faktor demografik, budaya organisasi dan prestasi organisasi digunakan untuk mengumpul data. Di dalam bahagian demografik, data dikumpul melibatkan item-item seperti umur, tempat asal, jantina, status perkahwinan, kelayakan akademik, tempoh perkhidmatan, jawatan dan bangsa. Pengumpulan data bahagian budaya organisasi menggunakan instrument Denison. Manakala pengukuran untuk prestasi organisasi pula menggunakan instrument yang dibangunkan oleh Watskin dan Marsick.

Data-data dianalisa menggunakan program SPSS 11.5. Lima hipotesis utama diuji menggunakan , ANOVA sehala dan pekali korelasi Pearson's. Hasil dapatan kajian menunjukkan tidak terdapat perkaitan yang positif antara budaya organisasi dan prestasi organisasi.

## ABSTRACT

The purpose of this case study was to measure the effect of organizational culture on organizational performance. Demographic characteristics such as age, gender, place of origin, role, race, length of service and education qualification were also measured to examine the relation of organizational culture and organizational performance.

Questionnaires contain of three sections which are demographic characteristics, organizational culture and organizational performance were used to collect data. In the demographic section, data gathered include age, gender, place of origin, marital status, education qualification, position, length of service and race. Denison Organizational Culture Questionnaire was used to measure organizational culture. Meanwhile for third section, organizational performance developed by Watskin and Marsick were used for the purpose of this study.

The data were analyzed using SPSS 11.5. Five main hypotheses were tested using One-way ANOVA and Pearson's Correlation Coefficient. From the result it was found that there are no positive relationship between organizational culture and organizational performance.

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## TABLE OF CONTENT

PERMISSION TO USE .....	i
ABSTRAK .....	ii
ABSTRACT .....	iii
ACKNOWLEDGEMENT.....	iv
LIST OF FIGURES .....	vii
LIST OF TABLES .....	viii

### CHAPTER ONE

Introduction .....	1
Introduction.....	1
Background of the study.....	5
Purpose of the study.....	6
Significant of the study.....	6
Scope of the study.....	7
Assumptions .....	7
Limitation of the study .....	8
Organization of the study .....	9

### CHAPTER TWO

Literature review .....	10
Introduction .....	10
Background of company selected .....	10
Definition of culture .....	11
The context of culture.....	14
Organizational Culture .....	15
Functions of Culture .....	18
Dimensions of culture.....	19
Increasing important of culture .....	26
Culture relativity and management theory .....	27
Performance.....	31
Organizational performance model .....	32
Organizational Culture and performance.....	33
Theoretical framework.....	37

### **CHAPTER THREE**

Methodology .....	38
Introduction .....	38
Research questions.....	39
Objectives.....	39
Research design .....	40
Data collection procedure.....	41
Sample selection.....	41
Instrumentation.....	41
Reliability and validity .....	45
Pilot test .....	45
Data analyzing procedure .....	46
Hypotheses.....	47

### **CHAPTER FOUR**

Findings and discussion .....	48
Introduction .....	48
Description of the sample .....	48
The frequency distribution of respondents' demographic characteristics .....	49
Hypotheses Testing.....	56
Examining the correlation between demographic factor and organizational culture .....	57
Examining the correlation between demographic factor and organizational performance .....	61
Examining the relationship between selected demographic factor on organizational culture and Organizational performance.....	65
Examining the relationship between organizational culture and organizational performance .....	70
Summary of findings.....	71

### **CHAPTER FIVE**

Discussions and conclusions .....	72
Summary.....	73
Summary of findings .....	74
Conclusion.....	76
Implication for future research.....	87



**REFERENCES .....83**

**APPENDICES**

- Appendix 1 : Permission letter for data collection
- Appendix 2 : Demographics Question
- Appendix 3 : Organizational Culture Questionnaire
- Appendix 4 : Organizational Performance

**LIST OF FIGURES**

Figures

- 1 Organizational Performance Model.....32
- 2 Theoretical framework.....37
- 3 Frequency distribution of age.....50
- 4 Frequency distribution of length of service.....54

## LIST OF TABLES

### Tables

1	Frequency distribution of gender.....	49
2	Frequency distribution of place of origin.....	51
3	Frequency distribution of marital status.....	53
4	Frequency distribution of educational level.....	55
5	Significant correlation between gender and organizational culture.....	57
6	Significant correlation between age and organizational culture.....	57
7	Significant correlation between place of origin and Organizational culture.....	58
8	Significant correlation between marital status and Organizational culture.....	58
9	Significant correlation between education and organizational culture.....	59
10	Significant correlation between length of service and Organizational culture.....	60
11	Significant correlation between gender and Organizational performance.....	61
12	Significant correlation between age and organizational performance.....	62
13	Significant correlation between place of origin and Organizational performance.....	62
14	Significant correlation between marital status and Organizational performance.....	63
15	Significant correlation between length of service and Organizational performance.....	64
16	Significant correlation between education and Organizational performance.....	64
17	Significant relationship between age and organizational culture.....	65
17 (a)	Significant relationship between age and organizational performance.....	66
18	Significant relationship between marital status and organizational culture.....	66
18(a)	Significant relationship between marital status and organizational performance.....	67
19	Significant relationship between place of origin and Organizational culture.....	67
19(a)	Significant relationship between place of origin and organizational performance.....	68
20	Significant relationship between education and organizational culture.....	69
20(a)	Significant relationship between education and organizational	

	performance.....	69
21	Significant relationship between organizational culture and Organizational performance.....	70
22	Summary of correlation result for Ho3, Ho4, and Ho5.....	72

# CHAPTER I

## INTRODUCTION

### BACKGROUND OF THE STUDY

Over the last 20 years, organizational culture has been a topic of significant interest in the organizational studies literature. Researchers have used various definitions of organizational culture including a shared belief system within an organization (Spender, 1983); widely shared core values (Peters and Waterman, 1982; O'Reilly, 1989); collective understandings (Van Maanen and Barley, 1984); and the pattern of basic assumptions within an organization (Schein, 1985). In sum, these definitions all revolve around shared values regarding the character of the work environment. Although the culture literature has at times focused on the culture of an organization as a reflection of its founder and top managers (Peters and Waterman, 1992; Hofstede *et al.*, 1990) demonstrated that at the heart of culture are shared beliefs about the common practices within organizations.

Interestingly, most research on organizational culture has worked from the foundation that culture is nearly universally shared within organizations. It is thought to be consistent across an organization at both a specific point in time (Schein, 1985) and across time (Harrison and Carroll, 1991). There has been limited examination of the factors that affect how consistent employees' beliefs are regarding the culture of the organization. The few studies that have addressed this issue have found that organizations' cultures are not monolithic. Hofstede *et al.*

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