BUSINESS PERFORMANCE IN THE CONTEXT OF CORPORATE CULTURE

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Abstract

Corporate culture is defined as a set of ideas, attitudes, values and behaviour patterns, which are generally accepted and preferred in a company. Company performance is the company′s ability to achieve the best results through an evaluation of its assumptions. The article is focused on identifying factors in corporate culture, which changes can increase working satisfaction of employees through targeted shaping of corporate culture, which is ultimately reflected in the performance of the company as a whole.

Key words

Corporate culture, business performance, employees, analysis, satisfaction

INTRODUCTION

Regardless of the industry sector, no leading company is able to exist and remain successful without its employees. The employees of a company create the foundation of every society or organisation. The company can achieve its objectives and the required performance through employees. If the company management wish to improve performance and succeed in the market, it is necessary to create suitable conditions for employees and their work, as satisfied employees are the foundation of a prosperous company and business performance is a reflection of the performance of employees. One of the factors that affect the performance of a company is the corporate culture. Through the corporate culture, a company forms a working environment and tries to encourage the employees to identify themselves with the preferred corporate values and ideas.

CORPORATE CULTURE AND BUSINESS PERFORMANCE

Corporate culture is a part of the operation of every business. It forms and shapes spontaneously or as a result of management through the operation of the company. It presents as summary of ideals, attitudes and values in the company, which are generally shared and maintained over a long time period.

Corporate culture is composed from the basic values, opinions and assumptions that exist in the company. Patterns of behaviour are a consequence of these shared meanings and symbols. They express the connection between the assumptions, value and behaviour of members of the organization (Denisson, 1990).

Corporate culture is the soft component of the operations of the company, and its elements, are the ideals, attitudes and values. The elements of corporate culture are also symbols, heroes and rituals which are typical for that company. In practice, several types of corporate culture exist. The main types of corporate culture identified by Harrison and Handy are the cultures of "power", "roles", "performance" and "persons". Types of corporate culture identified by Deal and Kennedy are defined as the "culture of strong men", "insert business to strike", "busy work" and the "culture of process".

In general, the term "performance" is defined as a measure of achievement for individuals, companies and processes. Performance is understood as the company´s ability to achieve the best value of investment in the business (Frost, 2005).

The value of a company is determined by its performance. In order to increase the value of the business, it is necessary to increase the business' performance. This means that it is necessary to improve the performance of business processes, in particular the main business processes (Závadský, 2005).

Business performance is composed of the performance of its employees. Employees are measured by their work, activities, access to work and their ability to reach set company´s goals and the required business performance.

RESULTS OF THE ANALYSIS IN THE SELECTED INDUSTRIAL COMPANY

For identification the key factors which are important in increasing business performance in the context of corporate culture, we conducted a questionnaire´ survey in the selected industrial company. The questionnaire "Job satisfaction of employees" was carried out in the industrial company on a sample of 80 respondents. The results of the questionnaire are divided in three groups:

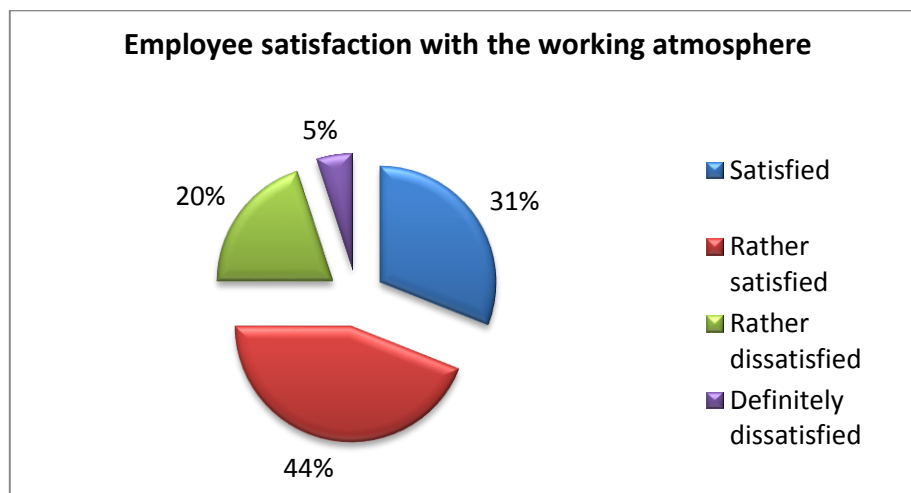### Satisfaction with working relations

Satisfaction with existing working relationships was determined by the following five questions.

- Employees satisfied with the approach of their supervisor (Graph 1) were 29 %, rather satisfied were 36 % of employees, rather dissatisfied were 24 % of employees and definitely dissatisfied were 11 % of employees.

Employee satisfaction with the approach of their supervisor

11%
29%
24%
36%

- Satisfied
- Rather satisfied
- Rather dissatisfied
- Definitely dissatisfied
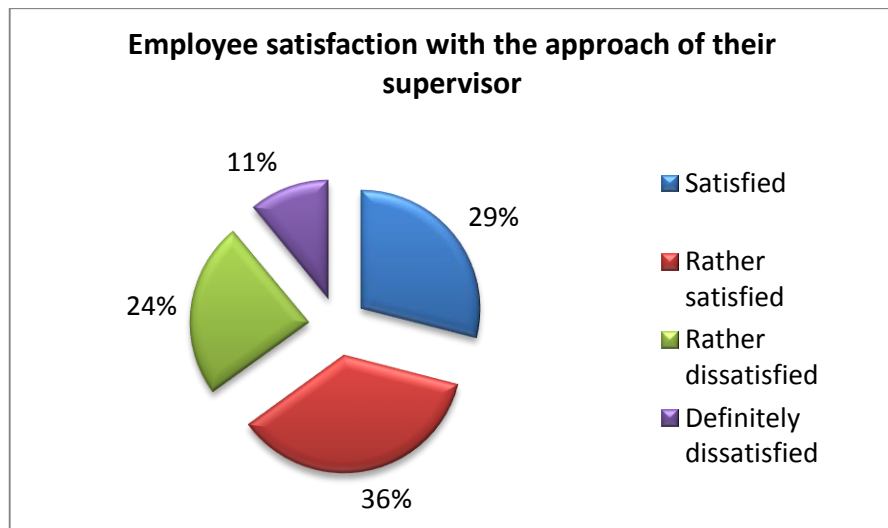
Graph 1 Employee satisfaction with the approach of their supervisor

- Employees satisfied with the relationship with their colleagues were 49 %, rather satisfied were 38 % of employees, rather dissatisfied were 12 % of employees and definitely dissatisfied were only 1 % of employees.

- Satisfied with the atmosphere in the workplace (Graph 2) were 31 % of employees, rather satisfied were 44 % of employees, rather dissatisfied were 20 % of employees and only 5 % of employees were dissatisfied.
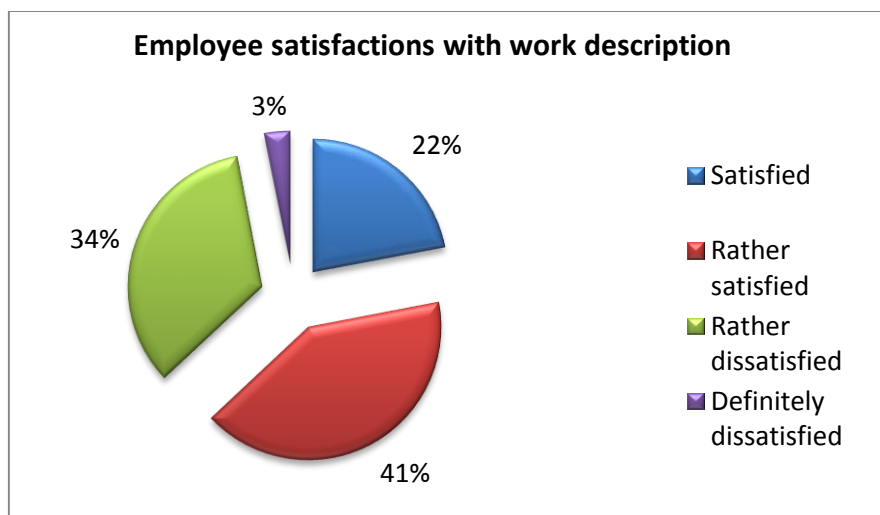

Employee satisfaction with the working atmosphere

5%
20%
31%
44%

- Satisfied
- Rather satisfied
- Rather dissatisfied
- Definitely dissatisfied

Graph 2 Employee satisfaction with the working atmosphere

- The aspects employees consider as the biggest problem in the workplace, were filled in the open question. The most frequent answers were access to their superior, differences between employees, interpersonal relationships, nepotism, and being uninformed. Noise, the air quality, dustiness and the absence of daylight are problems too.

- For the question, what influences either positively or negatively their work performance, as a positive the most frequent answers were the collectiveness of the team, colleagues, a clean workplace, independence to perform their work duties and the opportunity to learn. As

a negative, the most frequent answers were colleagues, the collectiveness of the workplaces, and relationships in the workplace, but also access of superiors to subordinates, conflicts, noise and dustiness.

Satisfaction with the work performed and remuneration

- When asked, whether employees understood the preferred value of company, 22 % answered yes they did, 50 % somewhat understood, 23 % somewhat did not understand and 5 % definitely not.

- The presence of regular communication regarding work targets, which are to be fulfilled for a certain period was answered by 60 % of employees, 36 % of employees indicated it was only partially communicated and only 4 % of employees answered that they aren´t communicated with regarding work targets.

- When asked whether the employees are informed from the superior side whether they pass or fail to meet targets, 54 % of respondents answered yes, 17 % no and 29 % sometimes.

- If employees received an offer from another company, 5 % of respondents would definitely leave the company, 63 % of respondents would think about it and only 32 % answered that they wouldn't leave the company.

- When asked, whether the employees think that their content and extent of the work are matched with the financial evaluation 10% answered yes, 47 % somewhat yes, 36 % somewhat no and 4 % definitely no.

- Satisfied with the contents of their work (Graph 3) were 22 % of employees, rather satisfied 41 %, rather dissatisfied were 34 % and definitely dissatisfied were 3 % of employees.

Employee satisfactions with work description

3%
22%
34%
41%

■ Satisfied
■ Rather satisfied
■ Rather dissatisfied
■ Definitely dissatisfied

Graph 3 Employee satisfaction with the work description

- When asked, what motivates the employees at work, 53 % answered financial reward, 20 % benefits, 12 % corporate performance targets and 15 % other. Employees also indicated personal development, self-realization, and inner satisfaction, ensuring families an adequate standard of living, learning, and reorganisation.

- Personal protection equipment against the occurrence of injures, 63 % employees consider as sufficient, 31 % for rather sufficient, 5 % for rather deficient and only 1 % for definitely insufficient.

Social aspects

- Employees filled in the open question, asking which benefits would motivate them, excluding those already provided. The most common answers were extra holiday, social events, teambuilding, convalescence /relaxation/, language courses, tickets to cultural/ sports events, regular increases of salary, training courses during working hours, opportunity to buy clutches for manufacturing prices, company car and mobile phone.

- When asked whether they are involved in improvement proposals, 6 % of employees answered yes regularly, 23 % only occasionally and 71 % answered that they aren't involved. Those employees who are involved, 23 % gave the main motivation as the financial bonus, 13 % self-fulfilment and 61 % said the improvement of the production process.

The conducted survey and its results referred to fact that the satisfaction of employees is as important as the relationship between superior and subordinate, the access to superiors in the workplace, the general atmosphere in the workplace, as well as, identification of the work content.

Based on the results of the questionnaire, the company can adopt corrective measures in the areas where weaknesses were found. These actions help to building a corporate culture that is optimal for the company and with the preferred values of the analysed company.

CONCLUSION

Satisfied employees are more effective and efficient than dissatisfied employees, therefore it is important that the employees of a company are satisfied within their role. It results in higher employee performance, lower levels of employee turnover and lower costs for the company.

Effective management and leadership are necessary, if we want the employees to reach the required performance. One way is to implement systematic education focused on management and leadership for managers in the company. They can adopt techniques such as correct access to knowledge of their subordinate so that together they can achieve planned targets. It helps to apply the principles of human behaviour to their subordinates. The personality of the superior is also important, because superior isn't only an authority, but also acting as a role model.

Business performance is achieved through employees. Employee performance directly influences the performance of the company. Several factors affect the performance of the company and one of them is corporate culture. The shaping of corporate culture is achieved by employee satisfaction, which inherently leads to the achievement of the business objectives and desired performance.

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