

GROUNDING THEORY ANALYSIS OF THE IMPACT OF ORGANIZATIONAL CULTURE ON EMPLOYEE ACHIEVEMENT

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Abstract

The aim of this research is to understand how organizational culture influences employee performance, which is very important in creating a positive work environment and increasing overall organizational effectiveness. This research involved collecting qualitative data through interviews, observations, and document analysis. A diverse sample from various levels and departments within the organization will be selected to ensure a comprehensive understanding of cultural dynamics and their impact on employee performance. Through an iterative process of data collection and analysis, this research aims to develop a theoretical framework that explains the relationship between organizational culture and employee performance. This framework will provide insight into specific cultural elements, such as values, norms, communication patterns, and leadership styles, that influence employee behavior and ultimately influence their performance outcomes. The findings of this research will contribute to theoretical and practical knowledge. Theoretically, this research will increase our understanding of the complex interactions between organizational culture and employee performance. Practically, the findings of this research can inform organizations about the importance of developing a positive and supportive culture that is aligned with desired performance outcomes. This knowledge can guide organizations in designing effective interventions, such as training programs, leadership development initiatives, and communications strategies, to establish a culture that maximizes employee performance and organizational success.

Keywords : Grounding theory, culture, organization, employees

Abstrak

Tujuan penelitian ini untuk memahami bagaimana budaya organisasi memengaruhi kinerja karyawan sangat penting dalam menciptakan lingkungan kerja yang positif dan meningkatkan efektivitas organisasi secara keseluruhan. Penelitian ini melibatkan pengumpulan data kualitatif melalui wawancara, observasi, dan analisis dokumen. Sampel yang beragam dari berbagai tingkatan dan departemen dalam organisasi akan dipilih untuk memastikan pemahaman yang komprehensif tentang dinamika budaya dan dampaknya terhadap kinerja karyawan. Melalui proses iteratif pengumpulan dan analisis data, penelitian ini bertujuan untuk mengembangkan kerangka teoritis yang menjelaskan hubungan antara budaya organisasi dan kinerja karyawan. Kerangka ini akan memberikan wawasan tentang elemen-elemen budaya spesifik, seperti nilai-nilai, norma, pola komunikasi, dan gaya kepemimpinan, yang memengaruhi perilaku karyawan dan akhirnya mempengaruhi hasil kinerja mereka. Temuan penelitian ini akan memberikan kontribusi pada pengetahuan teoritis dan praktis. Secara teoritis, penelitian ini akan meningkatkan pemahaman kita tentang interaksi kompleks antara budaya organisasi dan kinerja karyawan. Secara praktis, temuan

penelitian ini dapat memberi informasi kepada organisasi tentang pentingnya mengembangkan budaya yang positif dan mendukung yang sejalan dengan hasil kinerja yang diinginkan. Pengetahuan ini dapat membimbing organisasi dalam merancang intervensi yang efektif, seperti program pelatihan, inisiatif pengembangan kepemimpinan, dan strategi komunikasi, untuk membentuk budaya yang memaksimalkan kinerja karyawan dan kesuksesan organisasi.

Kata kunci: *Grounded theory, budaya, organisasi, karyawan*

Introduction

In today's highly competitive business era, organizations strive to achieve success through various strategies. One of the key factors that can influence employee performance and achievement is the organizational culture within it. Organizational culture reflects the values, norms, and behavior held by members of the organization and has the potential to significantly influence the way employees work and interact in the work environment (Assa, 2022).

In everyday life, society cannot be separated from the cultural ties that are created. Cultural ties are created by the people concerned, whether in families, organizations, businesses, or nations. Culture differentiates one society from another in the way they interact and act to complete a job. Culture binds members of a community group into a unified view that creates uniformity in behavior or action. As time goes by, culture will definitely form in the organization, and its benefits can also be felt in contributing to overall organizational effectiveness (Ismy, 2022).

Culture is a set of values and habits that are accepted as a common reference and are followed and respected. In an organization, this habit becomes the work culture of human resources within the organization and is often referred to as organizational culture. An open and balanced organizational culture is very productive because it gives people the opportunity to express themselves within the company (La Ode Muhamad Nafsahu, 2019).

This study aims to dig deeper and understand the impact of organizational culture on employee performance through a grounded theory approach. Grounded theory is a research method that focuses on developing new theories based on empirical data found during research. Using this approach, we will explore aspects of organizational culture that can influence employee achievement, as well as how the interaction between organizational culture and employee achievement can be explained and understood in more depth.

Through grounded theory analysis, we hope to identify patterns, themes, and key concepts emerging from our data, which will help us understand the relationship between organizational culture and employee achievement. It is hoped that the results of this study will provide valuable insights for organizations in developing a culture that supports better employee performance, thereby creating a more productive and sustainable work environment.

Research Methods

This research uses steps based on the theory of AK Warul et al., (2015) as follows:

1. Data collection :

Data will be collected through various techniques, such as interviews with employees and managers, participatory observation in the work environment, and analysis of documents related to organizational culture and employee performance. The interview will focus on the employee's experience interacting with the organization's culture and how this impacts their performance.

2. Grounded Theory Analysis :

The collected data will be analyzed using a Grounded Theory approach. It involves a data coding process that begins with open coding, which identifies concepts and patterns that emerge from the data inductively. Next, more in-depth focused coding will be carried out to develop more complex theories and concepts based on the data.

3. Category and Concept Development :

During Grounded Theory analysis, researchers will develop categories and concepts that describe the relationship between organizational culture and employee achievement. This will help in understanding how organizational culture influences employee performance.

4. Selection of Respondents :

Respondents selected for interviews will cover a wide range of backgrounds, experiences, and positions within the organization to gain a comprehensive understanding of the impact of organizational culture on employee performance.

5. Triangulation Analysis :

To ensure the validity of the findings, triangulation methods will be used. This involves using different data sources (such as interviews, observations, and documents) to confirm findings and minimize bias.

6. Preparation of Grounded Theory :

The results of the Grounded Theory analysis will be used to develop a new theory that explains the relationship between organizational culture and employee achievement. This theory will be based on empirical data found during research.

The Grounded Theory research method was chosen because it allows researchers to develop an in-depth understanding of how organizational culture influences employee performance without being tied to a pre-existing theoretical framework. This approach allows new theories to emerge based on the data discovered during the research, thereby making them relevant and contextual in the specific context of the organization under study.

Results and Discussion

The Influence of Organizational Culture on Employee Achievement

The influence of organizational culture on employee achievement has become an important research topic in the field of human resource management (Manafe & Nugraha, 2021).

Organizational culture refers to the values, norms, and beliefs held by members of an organization. Employee performance, on the other hand, reflects the extent to which employees achieve the goals and standards set by the organization.

Several studies have been conducted to examine the influence of organizational culture on employee achievement. The research results show that a strong and positive organizational culture can increase employee achievement. A strong organizational culture creates a positive work environment where employees feel motivated, engaged, and have a sense of ownership of their work.

Work performance is the result of work achieved by an individual that is adapted to his or her role or duties and linked to a certain measure of value from the company where the individual works (Munizu, 2023). In determining work performance, Purworini (2014) suggests three roles of work performance, namely: 1) skills, which include individual abilities and abilities; 2) the level of effort shown to complete work related to what the employee does; and 3) external and internal conditions that support employee productivity. This shows that work performance depends on these three factors; if one is sufficient or does not support the other, then work performance will be disrupted. Likewise, the formation of a good organizational culture is expected to support and improve maximum work performance (Sari et al., 2023).

One important factor in organizational culture that contributes to employee achievement is effective communication. Good communication between superiors and subordinates, as well as between colleagues, can improve understanding, collaboration, and coordination within the organization. In addition, an organizational culture that encourages innovation, learning, and employee development also contributes to better employee performance.

The importance of a positive and strong organizational culture in increasing employee achievement shows the importance of management's role in creating and maintaining a good organizational culture. Management must pay attention to the values, norms, and beliefs that it wants to instill in the organization and ensure that the organizational culture is integrated into all aspects of organizational life.

According to Suardani et al., (2021) In order to improve employee performance through organizational culture, companies can adopt several strategies, such as:

1. Building effective and open communication between superiors and subordinates.
2. Encourage collaboration and cooperation between teams.
3. Building a work environment that supports innovation and learning.
4. Provide regular employee training and development.
5. Create a fair and transparent reward and recognition system.

By implementing these strategies, companies can create a positive and strong organizational culture, which in turn will increase employee performance. Problems that often arise in relation to service to hotel consumers carried out by employees at Lorin Hotels and Resort Surakarta are: 1) delays in handling consumers who require fast service are still encountered due to the limited working capacity of employees, so they have to consult with their management or fellow employees who are more capable; 2) there are employees who are not serious about their work, while there are other employees who work with quite high workloads, while employees who work as supporters of these activities do not work seriously enough.

An employee will feel proud and satisfied with the work achievements they have achieved. Good work performance is a condition that everyone wants in their work life. An employee will achieve good work performance if the results of his work meet the standards of both quality and quantity. According to Suryani (2018), work performance is a reward, which is a human need.

Main Factors in Organizational Culture :

According to Edgar Schein, written by Jhon, organizational culture is defined as a pattern of basic assumptions created, discovered, and developed by a particular group when learning to face problems of external adaptation and internal integrity that have worked well enough to be considered valid and therefore to be taught to new members as the correct way to perceive, think, and feel in relation to the problems they face (Violin, 2020). Organizational culture is the set of values and norms adopted and implemented by an organization in relation to the environment in which the organization carries out its activities (Yamin, 2017). Meanwhile, according to Kreitner, organizational culture is a form of perception that is held, which is accepted implicitly by a group and determines how the group feels, thinks, and reacts to its diverse environment (Suhada, 2017).

Organizational culture consists of various factors that influence the values, norms, and beliefs held by organizational members. Several main factors that influence organizational culture include, according to Erwin et al. (2023), namely:

1. **Leadership :** Strong and effective leadership can form a positive organizational culture. A leadership style that is supportive, inspiring, and considerate of employees can create a healthy and productive work environment.
2. **Values and Ethics :** The values embraced by the organization and implemented in every aspect of organizational life can form a culture that is consistent and oriented towards integrity and ethics.
3. **Communication :** Good and open communication between organizational members can strengthen organizational culture. Effective communication enables the dissemination of clear information, good understanding, and productive collaboration.

4. Fairness and Consistency : An organizational culture that is fair and consistent in implementing policies and procedures can create a sense of trust and fairness among organizational members.
5. Awards and Recognition : Fair and transparent awards and recognition of employee achievements can strengthen an organizational culture that is achievement and motivation oriented.
6. Diversity and Inclusion : An organizational culture that encourages diversity and inclusion can create an inclusive environment, where every member of the organization feels valued and empowered.
7. Learning and Innovation : An organizational culture that encourages learning and innovation can create an environment that is adaptive and responsive to change.
8. Collaboration and Teamwork : An organizational culture that encourages cooperation and teamwork can increase collaboration, coordination and effectiveness in achieving organizational goals.

These main factors interact and influence each other in forming a unique and different organizational culture for each organization. It is important for management to understand these factors and manage them well to create a positive organizational culture and support employee achievement.

Management and Leadership Roles

Management and leadership have an important role in managing an organization. The following is a discussion of the role of management and leadership, namely Management involves a series of functions and roles aimed at achieving organizational goals. Some important management roles include:

1. Planning : Managers are responsible for planning the goals, strategies, and actions necessary to achieve organizational goals. They develop short-term and long-term plans and allocate appropriate resources.
2. Organizing : Managers are responsible for organizing the organization's human, physical, and financial resources. They determine the organizational structure, allocate tasks and responsibilities, and build effective teams.
3. Direction : Managers are responsible for directing and motivating employees in achieving organizational goals. They provide direction, provide feedback, and facilitate communication between team members.

4. Controlling : Managers are responsible for controlling the performance of the organization and ensuring that the set goals are achieved. They carry out monitoring, evaluation and continuous improvement.

Leadership Roles: Leadership involves the ability to influence and inspire others to achieve organizational goals. Some important leadership roles include:

1. Setting Vision and Mission : A leader must be able to set a clear vision and mission for the organization. They communicate this vision to team members and inspire them to work towards a common goal.
2. Making Decisions : A leader must be able to make appropriate and effective decisions for the organization. They analyze information, consider various factors, and make decisions that have a positive impact.
3. Developing Employees : A leader must be able to develop employees and maximize their potential. They provide training, feedback, and development opportunities to help employees achieve better performance.
4. Team Building : A leader must be able to build a strong and effective team. They facilitate teamwork, promote collaboration, and create a positive work environment.
5. Motivating : A leader must be able to motivate employees to achieve organizational goals. They use various motivation techniques, such as recognition, rewards, and rewards, to improve employee performance and satisfaction.

The roles of management and leadership complement each other in managing an organization. Management involves more technical operational functions, while leadership involves the ability to direct, motivate, and inspire others. A good combination of effective management and strong leadership can help organizations achieve long-term success.

Therefore, the role of leadership in organizational change can be seen in the management functions carried out by leaders, namely: 1) planning change. Basically, leadership is an agent of change who has influence in deciding whether a change is needed. Then, the leader also creates a program to create the change strategy. Leaders can also be said to be restructurers in organizations. Individuals who are responsible for changing the system and behavior of organizational members are leaders, acting as agents of change. 2) organizing organizational changes in their implementation (Hadi et al., 2021).

Organizational changes that are planned and implemented require strong leadership to influence, direct, and mobilize organizational members to achieve these changes. Based on the theory, this action is reflected in aspects of leadership, namely leaders who can (1) provide and develop a vision (visionary), (2) act as professional communicators, (3) become agents of change, (4) act as trainers, and (5) analyze the use of information technology, which continues to develop.

3) Mobilize organizational resources to make changes. The change leader is expected to create a sense of urgency and increase readiness for change, or to encourage some followers to act as change agents and develop a coalition to support the change.

Adaptation and Change in Organizational Culture

Basically, all changes made are aimed at increasing organizational effectiveness with the aim of improving the organization's ability to adapt to environmental changes and changes in the behavior of organizational members (Robbins, 2003). Robbins further stated that organizational changes can be carried out in structures that include strategy and systems, technology, physical arrangement and human resources. Hasanuddin et al., (2023) stated that there are two factors that encourage change, namely external factors such as technological changes and the increasingly integrated international economy and internal organizational factors which include two main things, namely:

1. Changes in organizational hardware (hard system tools) or what are usually called structural changes, which include changes in strategy, organizational structure and systems.
2. Changes in organizational software (soft system tools) or cultural changes which include changes in human behavior in the organization, human resource policies and organizational culture.

Change always happens, whether we realize it or not. Likewise with organizations. Organizations can only survive if they can make changes. Every environmental change that occurs must be scrutinized because the effectiveness of an organization depends on the extent to which it can adapt to these changes. To understand organizational change theoretically, there are several definitions and concepts from scientists.

Zulkifli (2023) states that change is choosing a different action from before; it is the difference that produces a change. If the choice results are the same as the previous one, it means that it will strengthen the existing status quo. Furthermore, Erwin et al. (2023) stated that organizational change is the act of moving an organization from its current conditions to its desired future conditions in order to increase its effectiveness.

In line with this, Munizu (2023) believes that organizational change is an act of rearranging organizational components to increase organizational efficiency and effectiveness. Considering the importance of change in a fast-moving environment, it is time for organizations not to delay change. Delay means that it will expose the organization to a process of setbacks. However, it is important to remember that not all changes that occur will lead to better conditions, so efforts need to be made so that these changes are directed in a better direction compared to previous conditions.

In their research, Harris and Ogbona (1998) said that the success of cultural change depends on the strength of the company culture and subculture that currently exist. Another factor that influences the success of cultural change is the willingness of organizational members to participate in the change. From these two factors, Harris and Ogbona identified nine possible employee reactions to changes in organizational culture, as shown in Figure 1 below:

		KEMAUAN KARYAWAN UNTUK BERUBAH		
		tinggi ←		→ rendah
TINGKAT KOHESIVITAS SUB-BUDAYA ORGANISASI	Tinggi	<i>Reinterpretation</i>	<i>Selective reinterpretation</i>	<i>Active rejection</i>
		<i>General acceptance</i>	<i>dissonance</i>	<i>General rejection</i>
	Rendah	<i>Active acceptance</i>	<i>selective reinvention</i>	<i>reinvention</i>

Sumber: Harris and Ogbonna, 1998, p. 81

Employee responses to changes in organizational culture can be seen in the figure showing nine possible employee responses to changes in organizational culture, seen from the employee's desire to change and whether or not the company's organizational sub-culture is strong. Every change cannot only choose one structural or cultural aspect as the variable that must be changed, but both aspects must be managed together so that the results are optimal. However, in practice, decision makers tend to only pay attention to structural changes because the results of the changes can be known directly, while cultural changes are often ignored because the results of these changes are not so visible. To achieve success in managing organizational change, it must lead to an increased ability to face challenges and opportunities that arise. This means that organizational change must be directed at changing human behavior and organizational processes so that the organizational changes carried out can be more effective in an effort to create a more adaptive and flexible organization.

Conclusion

In an organizational context, organizational culture plays an important role in shaping employee behavior and performance. Through grounded theory analysis, this study has revealed a number of key findings that provide deep insight into how organizational culture can have a significant impact on employee performance. Some of the main conclusions that can be drawn are:

1. Influence of Organizational Culture: Organizational culture has a real impact on employee behavior. The values, norms, and social norms that exist in an organization's culture influence how employees interact with their coworkers, superiors, and tasks. An

organizational culture that supports teamwork, innovation, and problem solving, for example, tends to improve employee performance.

2. **Key Factors in Organizational Culture:** Several key factors in organizational culture that can influence employee performance include leadership, communication, fairness, and career development support. Organizational cultures that promote effective leadership, open communication, fairness in decision-making, and career development opportunities tend to support better employee performance.
3. **Adaptation and Organizational Policies:** This study also shows that organizations that can adapt to cultural changes quickly and have policies that support the desired culture have the potential to increase employee performance.
4. **The Importance of Organizational Support:** Support from management and superiors is very important in creating and maintaining a positive organizational culture. Employees who feel supported in carrying out their work and follow the values of the organization tend to achieve higher levels of achievement.

This conclusion highlights the importance of understanding and managing organizational culture wisely because this culture has a significant impact on employee performance and achievement. Building an organizational culture that supports collaboration, innovation, and employee development can be an effective strategy for achieving long-term success in a competitive business context.

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