

**IMPACT OF ORGANIZATIONAL CULTURE ON CORPORATE
PERFORMANCE OF NEPALESE COMMERCIAL BANKS**

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fulfillment of the requirements for the Master of Business Studies (MBS)**

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CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled **“Impact of Organizational Culture on Corporate Performance of Nepalese Commercial Banks”**. The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes. The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of this dissertation.

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REPORT OF RESEARCH COMMITTEE

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ABBREVIATIONS

AC	:	Adaptability Culture
ANOVA	:	Analysis of Variances
CC	:	Consistency Culture
PC	:	Participatory Culture
P-Value	:	Probability Value
R	:	Coefficient of correlation
RC	:	Recruitment Culture
ROA	:	Return on Assets.
ROE	:	Return on Equity
S:D	:	Standard Deviation

ABSTRACT

This thesis examines the impact of organizational culture on the operational performance of commercial banks in Nepal. Focusing on four different aspects of organizational culture; adaptive culture, responsive culture, continuity culture, and recruitment culture, the study aims to provide a comprehensive analysis of their impact on organizational performance. The study demonstrates how cultural dimensions contribute to various aspects of organizational effectiveness including performance, employee satisfaction, and financial performance. This study has three objectives: First, to investigate the relationship between the level of culture and firm performance; second, to analyze the overall impact of organizational culture on the performance of commercial banks in Nepal; and third, to investigate the perceptions of bank employees regarding their organizational culture.

Using a mixed methods approach, this study combines quantitative data from benchmarks with qualitative information from employee surveys to provide insights into how organizational culture affects bank performance. The findings show that certain cultural dimensions, especially cultural fit, and role-playing, play a significant role in enhancing performance by encouraging innovation, collaboration and employee participation. On the other hand, continuity culture and recruitment culture show different effects and point to the need for a better cultural approach to the unique challenges faced by Nepalese commercial banks. This study contributes to the existing knowledge and provides practical suggestions for bank managers to use organizational culture as a tool to enhance performance. By aligning cultural activities with organizational goals, banks can achieve better performance, greater employee satisfaction, and better overall performance.

Using a mixed-method approach, the study provides a comprehensive view of the relationship between organizational culture and bank performance by integrating quantitative data from performance measures and qualitative insights from employee questionnaires. The results show that some cultural characteristics, in particular Adaptability and Participatory Cultures, are critical for improving performance because they encourage creativity, teamwork, and employee involvement. On the other hand, the effects of Recruitment Culture and Consistency Culture vary, which emphasizes the

necessity of a well-rounded cultural strategy adapted to the particular difficulties faced by Nepalese commercial banks.

This study adds to the collection of knowledge by providing bank managers with useful advice on how to use organizational culture as a tactical instrument for enhanced performance. The alignment of cultural norms with corporate objectives can lead to increased efficiency, enhanced performance overall, and happier employees for banks.

Keywords: Adaptability Culture, Participatory Culture, Consistency Culture, and Recruitment Culture.

CHAPTER I

INTRODUCTION

1.1 Background of the Study

Service and manufacturing businesses face significant challenges in predicting future changes due to the dynamic nature of the economic environment in developing countries. These issues and obstacles have driven companies to allocate significant amounts of time and resources in an unstable environment to achieve outstanding results. Continuous environmental shifts due to social, cultural, political, and economic changes can adversely impact organizational performance. These changes can hinder rapid growth, continuous process improvement, increased profitability, and the ability of the public sector to meet future development goals (*Nikpour, 2017*). Prior research has demonstrated that public sector organizations in developing nations encounter challenges in achieving optimal performance due to a multitude of factors. The corporate culture of an organization is seen as a vital intangible asset that is difficult for competitors to imitate or reproduce, and it has a substantial influence on the success of the organization (*Joseph & Kibera, 2019*). Academics propose that corporate culture serves two purposes: it helps firms adjust to changes in the outside world and fosters internal cohesion, as an organization's reaction to changing circumstances (both internal and external) depends on its existing culture. Hence, examining corporate culture can assist managers in gaining a deeper comprehension of organizational performance (*Joseph & Kibera, 2019*).

Academics have recently focused more on the relationship between organizational culture and corporate performance. The findings have been conclusive, as the two factors are highly associated. While some researchers have deemed the impact of culture on performance to be negligible, the majority of existing studies on the relationship between culture and performance in organizations have consistently found a strong and positive influence of culture on performance. Schein, 2016 (Prior empirical research has yielded inconclusive and ambiguous results on this matter, since certain studies have found that corporate culture does not have an impact on organizational performance (*Yesil & Kaya, 2013*). The influence of culture on performance is determined by the specific performance measurements used and the characteristics of the firms involved (Lim, et al.,). Corporate culture is a highly significant intangible asset that has a large impact on the overall

performance of organizations in developing countries. Therefore, the primary objective of this study was to assess the impact of corporate culture on the performance of energy sectors in developing countries. This study employed a quantitative research methodology to accomplish the predetermined objectives.

The study sample consisted of 408 personnel from General Electric Company of Libya (GECOL) who were selected throughout the data collection phase of this study. The impact of organizational culture on performance was assessed using Structural Equation Modelling (SEM). The study's findings demonstrated a notable and favorable influence of culture on corporate performance. This influence was particularly pronounced for administrative personnel compared to technical employees. This study provides suggestions for the future research trajectory and critiques its weaknesses. The majority of Nepalese company houses are held by families, resulting in a nascent corporate culture. Corporate culture thrives exclusively in organizations led by skilled individuals. When multinational corporations and bank workers resign from their current roles and transition to another company, they bring with them the cultural attributes they have gained (*Sorensen, 2022*). Over the past few years, Nepal's banking sector has seen a transformation from a sluggish, government-dominated business to a very dynamic, competitive, and lucrative one. The recent establishment of various international banks has intensified competition among commercial banks. In order to maintain a competitive edge and attract a larger client base, banks prioritize enhancing the quality of service provided to their consumers.

The banking sector has seen substantial transformation in the last decade due to the government's policy of deregulation, advancements in technology, and more competition. This has resulted in the emergence of novel client behaviors and posed fresh issues for bank operators. Simultaneously, several financial institutions, encompassing both banking and non-banking entities, have emerged. Primarily, it has been a protracted process for this condition to transform and evolve into a lucrative enterprise. Furthermore, the intense rivalry among banks significantly drives the continuous evolution of consumers' wants and behaviors. Although many cultural scholars have extensively written about the nature and definitions of culture, only a few number have made contributions to the study of culture and its impact on performance adaptability, participative culture, and consistency culture. The beta coefficient for the organization's mission culture is inversely correlated

with bank performance. Cultural variables such as consistency culture, participation culture, and adaptive cultures have a good influence on bank performance. This suggests that maintaining consistency across the firm enables people to make informed decisions.

This study examines the impact of cultural elements, including staff involvement, flexibility, innovation, stability, and retention, on bank performance. Similarly, a positive beta coefficient for participatory culture suggests that an increase in employee involvement in decision making and teamwork results in improved organizational performance. Similarly, the more quickly personnel acclimate to the new environment and circumstances, the more swiftly the allocated tasks will be completed, hence enhancing organizational performance. The performance of Nepalese commercial banks is significantly influenced by a culture that emphasizes participation, stability, and adaptability.

1.2 Problem Statement

The productivity of an organization is intricately linked to its overall corporate performance. Corporate performance, in turn, is significantly influenced by the strength and effectiveness of the incentive schemes implemented within the institution. Incentives are designed to encourage desirable behavior and enhance the quality of work. The psychological literature on corporate motivation suggests that well-structured motivational incentives can lead to improved corporate outcomes. However, there is a lack of comprehensive studies explaining how various incentive mechanisms impact corporate performance (*Torrington, 2009*).

A critical factor that could enhance corporate performance is the impact of the incentives provided to employees. Understanding this effect is crucial for research projects as it forms the foundation for investigating the relationship between incentives and corporate performance. It is essential for identifying issues and challenges at all stages of inquiry, analysis, and reporting. This understanding aids in developing research hypotheses and frameworks.

Among the various strategies to boost corporate performance, offering non-financial incentives to employees plays a pivotal role. Such organizational culture could be in the

form of Participatory Culture, Consistency Culture, Adaptability culture, etc., and is directed towards the following questions.

- What is the relationship between organizational culture (Adaptability Culture, Participatory Culture, Consistency Culture, and Recruitment Culture) and corporate performance of commercial banks?
- What is the impact of organizational culture (Adaptability Culture, Participatory Culture, Consistency Culture, and Recruitment Culture) on corporate performance in commercial banks?
- What is the current perception of bank employees about organizational culture?

1.3 Objectives of the Study

The main purpose of this research is to study the effect of incentives and motivation on the organizational culture and corporate performance of Nepalese commercial banks. The specific objectives of the research work are:

- To examine the relationship between organizational culture (Adaptability Culture, Participatory Culture, Consistency Culture, and Recruitment Culture) and corporate performance in Nepalese commercial banks.
- To analyze the impact of organizational culture (Adaptability Culture, Participatory Culture, Consistency Culture, and Recruitment Culture) on corporate performance in commercial banks.
- To examine the current perception of bank employees about organizational culture.

1.4 Research Hypothesis

The study was carried out based on the following Alternative hypotheses. With the help of hypotheses, the study was able to analyze the organizational culture and corporate performance in Nepalese commercial banks.

H₀: There is no significant relationship between organizational culture and corporate performance in Nepalese commercial banks.

H₀₁: There is a significant impact on organizational culture and corporate performance in Nepalese commercial banks.

1.5 Rationale of the Study

This study aims to analyze the organizational culture and corporate performance of commercial banks in Lalitpur. The findings of the study will help banks to increase profitability by identifying the motivating factors affecting corporate performance. The rationale of the study are:

- This study will provide banks with a clearer understanding of how organizational culture impacts overall corporate performance, enabling them to make informed adjustments to their practices and strategies.
- This study may further push the concerned stakeholders into revising the existing HR policies and norms, to create a conducive working environment within the bank.

1.6 Limitations of the Study

The major limitations of the study are as follows.

- If the researcher had considered all aspects of organizational culture and corporate performance, the results of this study would have been more credible.
- The respondents' biases and prejudices shall be influenced into the study. As a result, 100 percent accuracy cannot be guaranteed.
- This study has been based in a limited employee of the banks, with the assumption of representing whole banking employees Nepal. However, the findings may not generalize the whole banking sector.

CHAPTER II

REVIEW OF LITERATURE

The literature review is a systematic and critical summary of existing research in a particular field. It helps researchers understand how others have approached similar topics and what insights they have gained. By reviewing the literature, researchers can avoid duplicating efforts and build upon existing knowledge. It also provides a theoretical and methodological foundation for the current study. This chapter examines the literature on HRM practices, their outcomes, the impact of HRM practices on HR outcomes, and their relationship with organizational performance. Theories related to the influence of HRM practices on organizational performance are explored through an extensive review of books, articles, and online sources.

2.1 Theoretical Review

2.1.1 Concept of Organizational Culture

Siddhanta and Roy (2010) it is crucial for employees to align their views and behaviors with the organization's culture in order to sustain employee engagement. Employees have the ability to shape the culture of a firm, either strengthening or diminishing its competitive edge. Individuals are inclined to prefer employment with firms that possess a favorable image. It is imperative to foster such a culture as it instills a sense of pride among employees and enhances the organization's reputation, hence elevating levels of engagement. Proposed utilizing the social exchange theory to argue that a corporate culture that fosters support and fairness in compensation and benefits leads to increased employee engagement. Smith asserts that an organization's culture can enhance employee engagement by fostering a sense of belonging.

2.1.2 Organizational Culture and Corporate Performance in Nepal

In Nepal, organizational culture plays a crucial role in influencing corporate performance across various sectors. Studies have shown that organizations with strong and adaptive cultures tend to exhibit higher levels of employee engagement, productivity, and overall performance. The alignment of organizational values with employee behaviors fosters a cohesive work environment where individuals are motivated to contribute effectively toward organizational goals conversely, organizations struggling with fragmented or

weak cultures may experience lower employee morale and reduced performance outcomes.

Organization culture in Nepal affects the performance of organizations in all forms of industries. Organizations with highly adaptive and strong cultures have been noted to lead to effectiveness, considering the high engagement of employees and outcomes productivity going in line with the overall performance of the firms (*Dhungana & Shrestha, 2017*). It helps when the values set by the organization are consistent with the actions or behavior of its employees (*Lamichhane et al., 2015*). When there is a proper match, then there will be an environment that works harmoniously as one, because individuals will be motivated to contribute efficiently towards attaining organizational goals. Oppositely, in organizations with fragmented or weak cultures, there may be lower employee morale and reduced performance outcomes (*Shakya & Baral, 2018*).

2.1.3 Challenges and Opportunities in Managing Organizational Culture in Nepal

Challenges and Opportunities in Nepal. The description of the socio-economic and cultural context of Nepal characterizes organizational culture management as full of problems and opportunities. Traditional structures in the hierarchy and society could impact the dynamics within the organizations, thus affecting the extent to which progressive culture practices are adopted (*Pandey & Pradhan, 2019*). Thus, effective leadership and strategic human resource practices are central to ensuring change in culture and adaptation to such emerging market demands (*Subedi & Paudel, 2020*).

In this understanding, organizations that culturally diversify and further promote the inclusivity of employees at the workplace and put first their welfare are likely to make their competitive advantage more conducive to sustainable growth within the dynamic business landscape of Nepal (*Shrestha & Bhattarai, 2021*).

2.1.4 Organizational Culture and Corporate Performance

Extensive study consistently shows a correlation between an organization's culture and its financial success, confirming the recognized link between organizational culture and corporate performance. They found that organizations with cultures that gave equal importance to all three primary managerial groups consumers, stockholders, and managers at all levels - achieved much greater performance compared to those that did

not prioritize them. Additionally, they believed that the significance of corporate culture will increase in influencing the prosperity or downfall of companies in the upcoming decade. According to Denison's study of 34 major American corporations, firms with a participative culture achieve a Return on Investment (ROI) that is, on average, almost twice as high as those in companies with less effective cultures (*Denison, 1990*).

2.1.5 Improved Customer Service

To ensure the provision of optimal customer service, the goals of the customer service department must be in line with the overall goals of the organization. Failing to align these goals can result in the misallocation of resources, including time, money, and energy, which can ultimately hinder the ability of the firm to deliver exceptional customer service. Research suggests that setting goals that are either too low or too high might have a detrimental effect on employees' motivation and level of commitment. Every organization has both internal and external clientele.

It is essential not to underestimate the importance of delivering superior services to both internal and external customers. Offering exceptional services can enhance an organization's ability to meet the needs of external clients and boost their satisfaction levels. This highlights the significance of internal customer service, which involves fulfilling the expectations and requirements of the organization's employees. By doing so, employees are better equipped to deliver top-tier services and delight customers in the market.

2.1.6 Strong and Weak Organizational Culture

Business leaders cultivate a strong organizational culture to shape employees' attitudes and performance, as culture plays a key role in engaging and motivating individuals. In an organization with a strong culture, members consistently support its goals and principles, and new hires swiftly embrace and reflect these values. The organizational culture of the Global Academic Journal's Research Consortium (GAJRC), which consists of 155 members, plays a vital role in enhancing the consortium's financial performance and profitability. Asserts that a robust and robust organizational culture is a factor that might enhance organizational performance. Conversely, management that lacks a strong and efficient organizational culture can negatively affect output and profitability. When the corporate culture is poor, employees find it difficult to discern the organization's values

and choose the appropriate approach to conducting business (Childress, 2013). A weak organizational culture poses a threat to the sustainability of the organization as its members may behave in a manner that is not aligned with the management's objectives.

Developing the organizational working culture and formulating a set of standards and business practices are key components of the foundational efforts. Customers and other stakeholders utilize the company's people, culture, and work trends to differentiate it from rival organizations. Customers and other stakeholders see and utilize organizational culture as a distinguishing feature when evaluating the quality of firms.

2.1.7 The Role of Organizational Culture on Corporate Performance

It was suggested by Fusch and Gillespie (2012) that the cultivation of a positive culture in the workplace leads to improved organizational performance. It is important to note that organizational culture has a substantial impact on organizational performance. confirmed the existence of a strong association between the culture of an organization and the performance of that organization. Childress (2013) asserts that the culture of an organization has an effect on the performance of the organization and that this influence can be either beneficial or negative respectively. Researchers Unger et al. (2014) found that there is a direct association between the culture of a firm and its financial success. This finding suggests that a robust corporate culture is associated with improved financial outcomes. According to the findings of a different empirical study conducted by the effectiveness of organizational culture has a significant impact on 46 percent of the earnings of corporations. However, argue that the culture of an organization may relate to performance, and the cultural impact on fiscal performance becomes obvious in the long run. About an activity carried out within an organization and the outcome that emanates as a result of that action, the business managers use the term "organizational performance" to describe the action. This is an action and its consequence, which identifies or reflects the effectiveness of the organization in getting proper results. According to business managers, organizational performance refers to the ability of people within the organization to perform their jobs effectively. It is referred to as the ability of people to do jobs by professionals. Through the use of action performance, managers have been in a position to grade employees on high, medium, and low scales. Business managers use the term "organizational performance" when meaning the results measurable about an organization. Such outcomes include growth, profitability, and

productivity among others. The outcome can be judged against the aims and objectives that were intended for it. Content-wise, stated that five characteristics may be used to judge or measure the impact that organizational culture has on the performance of an existing organization. It is worth noting that the aspects include employee empowerment, focus on externality, inter-departmental collaboration, human resource orientation, and an inclination towards performance enhancement. Considering these main characteristics, the impact of the organizational culture on the performance of an organization can be effectively and accurately measured (*Unger et al., 2014*).

2.1.8 Measuring Organizational Culture Effectiveness

There are several ways that business managers can apply in measuring or quantifying their corporate culture. It remains important to use the right method of measurement since the management may use some of the measures that do not capture the complexity of culture within different kinds of businesses. The presence of divergent opinions and absence of a universally accepted framework for assessing the efficacy of a corporate culture. The six-factor approach to assess organizational effectiveness and performance. The six factors consist of adaptability, integrity, collaboration, result orientation, client orientation, and attention to detail. Additionally, three evaluation elements have been identified to assess the success of the organization's culture. The three components consist of (a) cultural congruence, (b) behavioral uniformity, and (c) cultural disparities. The six criteria identified by O'Reilly et al. provide a comprehensive and appropriate framework for assessing organizational values, beliefs, and norms. The evaluation result may reveal cultural disparities that highlight the divergence between the intended ideals and the values that are actually implemented.

Fusch and Gillespie (2012) proposed a performance analysis model to assess the discrepancy between the expected performance and the actual outcomes within the organization. The performance analysis model developed by Fusch and Gillespie demonstrates how business managers can find performance gaps by comparing the actual performance of an organization to the desired performance. An optimal organizational performance necessitates a comprehensive examination of the organization's vision, mission, strategy, and desired outcomes. The current performance review includes a concise examination of both internal and external elements, encompassing economic conditions, market dynamics, and customer relationships. Fusch and Gillespie

emphasized the significance of identifying performance gaps as a fundamental strategy for implementing efficient performance intervention methods. Fusch and Gillespie employed a work-life strategy as a performance intervention to effectively enhance corporate culture and performance. An approach for evaluating organizational culture encompasses five fundamental elements of organizational culture. The five essential components include (a) customer focus, (b) employee focus, (c) performance benchmarks, (d) dedication to change, and (e) company process alignment. Customer orientation encompasses the comprehension of clients by the organization's leadership and the provision of service to customers by personnel. Business organizational managers must possess well defined values to direct employee interactions with clients.

2.1.9 Concept of Corporate Performance

Corporate performance is frequently used as a dependent variable in many organizational studies, while its definition remains unclear and weakly defined. This is because business performance is contingent upon the interpretation of multiple stakeholders, who often have conflicting interests. The primary subjects of initial empirical studies on business performance were financial performance, market performance, and shareholder return. However, the practice of assessing performance based on these metrics was eventually questioned, as they may not be suitable for all firms, particularly those that have objectives other than maximizing profits.

Furthermore, financial performance does not encompass other facets of the firm. Kaplan and Norton (1992) developed the Balanced Scorecard (BSC) as a means to enhance the evaluation of a company's performance by incorporating nonfinancial metrics, such as customer happiness and the extent of learning and growth. This was undertaken to rectify the limitations of using financial performance as the sole metric for evaluating performance.

2.1.10 Measures of Corporate Performance Profitability

Profitability is a crucial indicator of business performance that requires careful consideration, as no organization can achieve growth and long-term existence without achieving profitability. The corporation is allowed to reinvest a portion of its revenues into the Global Academic Journal's Research Consortium (GAJRC). The profitability of GAJRC is evaluated using three metrics: return on equity, return on assets, and return on

investment. Asset management is quantified by the assessment of deliverable proceeds, total asset proceeds, and stock turnover. The often employed fiscal ratios for assessing performance, which are generally linked to profitability, are the conventional financial measurements.

2.2 Empirical Review

Gurung and Thapa (2024) conducted a study on Organizational Culture and Corporate Performance: A Study of Nepalese Commercial Banks. This paper tries to find out the relationship between organizational culture and corporate performance metrics in Nepalese commercial banks. Through a quantitative approach to research, the authors study how culture dimensions, such as customer orientation, innovation, and risk-taking behavior, are estimated to impact key performance indicators like profitability, market share, and customer satisfaction. The findings suggest that financial performance and market competitiveness are higher for banks that span a strong customer-oriented culture and innovation. Further, ethical organizational culture positively relates to the issues of long-term sustainability and stakeholder value creation. The study provides empirical evidence and managerial implications for aligning organizational culture with strategic goals to enhance the overall corporate performance of the Nepalese banking sector.

Subedi and Karki (2023) conducted a study on the Impact of Organizational Culture on Business Performance: Evidence from the Nepalese Banking Industry. It was an attempt to investigate how organizational culture determines business outcomes in the Nepalese banking industry. In doing that, adopting the case study method based on some dimensions related to leadership style, teamwork, and organizational values in more than one bank.

Results show that banks characterized by a more innovation-supportive, engaging, and adaptive organizational culture tend to have better business performance indicators. These include business performance metrics in terms of profitability, operational efficiency, and customer loyalty. Such cultures, characterized by rigidity or resistance to change, are associated with lower performance outcomes. The study offers insight into the strategic imperative of building a positive organizational culture as the source of sustainable competitive advantage within the dynamic Nepalese banking sector.

Rai (2021) looked at the Strength of Corporate Culture and its Impact on Commercial Bank Performance. This study was carried out to ascertain what factors influence corporate culture and how they impact the performance of a commercial bank in Nepal. This research work was therefore aimed at illustrating how participation, coherence, and adaptability cultures of Nepalese commercial banks, as perceived by their workers, impact organizational performance. A descriptive research design was employed to ascertain factual information regarding cultural factors that impact shareholder value. This study was conducted using a questionnaire survey. This study employed the 5-point Likert scale to examine the statistical measurement of corporate culture and organizational performance in Nepalese Commercial Banks. This study utilized a survey of 394 employees at Nepalese commercial banks to evaluate the corporate culture of the banks. The assessment focused on participatory, consistency, and adaptability aspects. The study revealed that adaptability had the most significant impact on organizational performance, whereas consistency had a weak influence, as indicated by their respective high and low beta values. The results indicated that the traits of adaptability and consistency were valuable indicators of organizational performance. It can be inferred that cultures that prioritize adaptability have a substantial influence on the effectiveness of a corporation in carrying out its operations. It increases the understanding of how cultural influences affect the performance of banks, which is often ignored by banks, especially in Nepal. Commercial banks should prioritize enhancing their competitive cultures by placing greater emphasis on fostering adaptable human values that are in line with their objectives.

Nnej (2021) examined the relationship between organizational culture and organizational performance. An organization that has prompted numerous studies to ascertain and establish its correlation with organizational success and sustainability. The concept of organizational culture has long been recognized as having a profound influence on several aspects of an organization, including its processes, personnel, and performance. It also plays a crucial role in fostering cohesion across different firm cultures within a corporate group structure (Kenny, 2012). The objective of this review paper is to ascertain the correlation between organizational culture and organizational performance. The aim is to assess the impact of organizational culture on organizational performance, specifically examining Schein's theory of organizational culture, Denison's organizational culture model, and the theory of organizational excellence proposed by Thomas Peters and

Robert Waterman. Studies indicate that when individuals demonstrate commitment and share the same norms and values as their organizations, it might enhance performance in pursuit of the overall organizational objectives. The review encompasses comprehensive analyses of the pertinent research concerning the influence of organizational culture on augmenting performance and productivity inside the organization. The review concludes that organizations' employees possess well-defined work ethics, share common beliefs and values, and are guided by the principles of consistency, adaptability, and effective communication. This fosters a sense of identity among employees, which in turn enhances their commitment to work and ultimately results in improved performance.

Barth (2021) conducted a systematic study to examine the influence of corporate culture in the banking industry. The study utilized the Competing Values Framework (Quinn & Rohrbaugh, 1983) to establish and evaluate different cultural aspects. The study demonstrates that banks characterized by a strong culture of competitiveness are more likely to adopt compensation plans that prioritize bonuses and are more assertive in nature. In contrast, banks that focus on achieving growth demonstrate greater returns on their stocks, whilst those that prioritize stability have a reduced danger of insolvency. The results support multiple theories on bank culture (Thakor, 2012; Song & Thakor, 2019) and emphasize the importance of corporate culture as a vital, albeit less tangible, element of governance that can improve banking performance and stability.

Yusoff (2020) study conducted the impact of organizational culture on firm performance in Malaysia. The survey utilized a structured questionnaire that included four sections on Hofstede's cultural dimensions: power distance, uncertainty avoidance, individualism, and masculinity. The performance of the top 100 Malaysian Public Listed Companies is evaluated using Return on Assets (ROA) and Earnings per Share (EPS) data extracted from their 2009 annual reports. The survey samples were selected using random stratified sampling and resulted in 145 valid replies. The findings suggest that while there are notable variations in the backgrounds of the respondents and the kind of companies they work for, there is no clear evidence of disparities in the perceived cultures of these companies. All four cultural characteristics examined in this study had an impact on the Return on Assets (ROA) and Earnings per Share (EPS) of the organizations analyzed. However, only one specific aspect, namely uncertainty avoidance, had a positive affect on both ROA and EPS. This study is predicated on the findings from a one-year period,

which has constraints in terms of interpreting the results. Therefore, additional research is important to elucidate the influence of culture on company performance.

Gupta et al. (2020) examined the role organizations play in influencing the performance of Indian banks. In particular, it aimed to investigate how different cultural practices and value systems had an influence on efficiency and prosperity among banking institutions. The mixed-methods study included both quantitatively led surveys and qualitatively led interviews among 150 bank staff. It has been seen that the proper implementation of different effective organizational culture strategies, such as strong leadership, open communication, and shared values, has significantly contributed towards bettering these performance-related measures along with an increase in employee satisfaction for Indian banks. The findings presented that the banks with a positive corporate culture achieved better performance measures with higher rates of employee satisfaction. It concluded that the setting and maintenance of an enabling culture are very important in improving the performance of banks in India.

Demirtaş et al. (2019) conducted a study on how organizational culture influences the performance of financial institutions in Turkey. The research was meant to establish which of the elements of organizational culture, including cultural beliefs and practices that influence the financial performance and operational effectiveness of banks and other financial institutions. In this study, a quantitative design was adopted whereby questionnaires were administered to 250 respondents working in various financial institutions in Turkey. Its findings pointed to a high, positive organizational culture that netted strong influence in both financial performance and operational efficiency. In relation, the research emphasized that, compared with banks that had developed less coherent cultures in pursuit of their goals and objectives, it is the ones that have very coherent cultures that are related to their goals likely to post better financial results and higher operational success. The research indicated that the development of an effective organizational culture was one such way of improving performance in the financial sector.

Ali et al. (2015), examined the effect of organizational culture on the performance of banks concerning employees. The current research work sought to establish how different elements of organizational culture, such as shared values, beliefs, and practices, interact

to influence job satisfaction, motivation, and overall performance among employees. In doing so, this study adopts a quantitative approach by administering a structured questionnaire to a sample of 200 workers drawn from various banks. The responses were analyzed in search of their relationship between corporate culture and employee performance. The findings gave a clear indication that a positive and supportive corporate culture has a great influence on the satisfaction and motivation levels of employees to perform better. This study found one of the critical requirements for attaining high levels of employee performance within the banking sector is the development of a strong organizational culture.

Denison (2021) conducted a study regarding the link between organizational culture and its influence on efficiency and effectiveness. Four relevant dimensions can be distinguished: The mission depicts the Long-term vision of the organization. Consistency is guaranteed as values and behavior are aligned. The adaptability of the organization to external changes can be measured. Involvement pays attention to the engagement and empowerment of personnel. Organizational cultures consistent with these elements typically show increased levels of productivity, innovation, and employee pride. The Denison model addresses some relevant ideas in enhancing an organization's performance, and sustaining competitiveness within the current business environment, through clarity of purpose, internal coherence, adaptive ability, and engagement of employees.

Raut (2011) examined the reasons for and consequences of privatization in Nepal from 1950 onwards. During this period, efforts were made to promote industrialization, professionalism, and institutional development through privatization, import substitution, and the establishment of public enterprises. However, these initiatives did not meet expectations due to the lack of a mature corporate culture. The study reveals a positive correlation between organizational culture and privatization in Nepal. The cultivation of a robust private company culture has the potential to enhance production through diversity, advance technology, minimize losses, alleviate the government's fiscal load, stimulate private sector investment, and elevate the quality of goods and services.

Muhammad (2011) studied the relationship between organizational culture and performance management practices in the Pakistani banking industry. The study utilized

an exploratory research approach to investigate the influence of cultural variables, namely involvement, consistency, and adaptability, on performance management practices. The hypothesis posited that organizational culture has a significantly positive relationship with performance management practices, and that cultural traits such as involvement, consistency, adaptability, and mission exert a significantly positive influence on performance management practices within organizations. The data were obtained through primary data collection using a questionnaire mailed to 60 personnel from 12 Pakistani banks, consisting of a combination of managers, assistants, and officers. A total of 42 usable responses were received. The sample comprises academic members of both genders. The study's primary findings indicate a considerable positive association between flexibility and mission in regard to PMP, as demonstrated by the utilization of Denison's organizational framework. The findings of this study revealed a substantial correlation between the variables, suggesting that they should be mutually reinforcing. Furthermore, the effectiveness of western management paradigms has been confirmed in the specific circumstances of a developing nation, and the level of engagement is strongly associated with the ability to maintain consistency and adaptation. Likewise, the many aspects of organizational culture possess a sense of positive.

Table 1

Summary of Empirical Review

S. N	Date	Article/Thesis	Authors	Objectives	Methodology	Findings
1	2024	Organizational Culture and Corporate Performance: A Study of Nepalese Commercial Banks	Gurung and Thapa	Investigates relationship between organizational culture and corporate performance in Nepalese commercial banks	Quantitative research approach; Analyzes cultural dimensions (customer orientation, innovation, risk-taking) and key performance indicators (profitability, market share, customer satisfaction)	Banks with customer-centric and innovative cultures achieve higher financial performance and competitiveness; Strong ethical culture positively correlates with sustainability and stakeholder value creation
2	2023	Impact of	Subedi	Examines	Case study	Banks fostering

		Organizational Culture on Business Performance: Evidence from Nepalese Banking Industry	and Karki	how organizational culture influences business performance outcomes in Nepalese banking	approach; Explores cultural dimensions (leadership, teamwork, organizational values) across multiple banks	innovation, employee engagement, and adaptability show superior performance metrics (profitability, operational efficiency, customer loyalty); Rigidity in culture linked to lower performance outcomes
3	2021	International Journal of Research in Management, Economics and Commerce	Rai	To examine the employee's performance in the organizational.	Descriptive research design	The finding of the study is that there is positive relationship between organizational culture and privatization in Nepal
4	2021	Organizational Culture and Organizational Performance: A Review of Literature senior department.	Nnej	It analyzes the relationship between the organizational culture and corporate performane.	Experimental research design	It finds the organizations employees have clear spelt out work ethics, are like-minded
5	2021	Impact of employee training on organizational performance. International Journal of Managerial Studies and	Barth	This paper empirically analyzes the role of corporate culture in banking	Cross sectional research design	find that banks with a more pronounced competition-oriented culture have stronger bonus-focused compensation

		Research				schemes.
6	2020	Corporate Culture and Its Effects on Organizational Performance: Multi-Group Analysis Evidence from Developing Countries European Journal of Business Management and Research	Yusoff	analyzed the influence of organizational culture on firm performance in Malaysia.	Cross sectional research design	The findings indicated that although there is a significant difference of the background of the respondent as well as the nature of the companies, there is no evident of the differences of company's cultures perceived by the respondents
7	2020	The Role of Organizational Culture in Enhancing Performance in Indian Banks.	Gupta, Kumar, & Yadav,	To investigate the role of organizational culture in improving the performance of banks in India.	Mixed-method approach; Surveys and interviews with bank employees in India.	Effective organizational culture practices lead to better performance and employee satisfaction.
8	2019	The Influence of Organizational Culture on the Performance of Financial Institutions in Turkey.	Demirtaş, Kılıç, & Osmanoğlu,	To analyze how organizational culture affects the performance of financial institutions in Turkey.	Quantitative study; Survey with 250 employees from financial institutions in Turkey.	Strong culture improves financial performance and operational efficiency in financial institutions.
9	2015	Impact of Organizational Culture on Employee Performance in the Banking	Ali & Ali	To explore the influence of organizational culture on employee	Quantitative approach; Questionnaire survey with 200 employees from various banks.	Organizational culture impacts employee performance: Positive culture enhances job

		Sector.		performance in the banking sector.		satisfaction and performance.
10	2012	Denison Organizational Culture Model	Denison, Hooijberg, Lane, & Lief	Establishes a model illustrating the relationship between organizational culture and efficiency	Conceptual framework development based on synthesis of existing literature and organizational theory	Identifies four dimensions of organizational culture: Mission (long-term direction), Consistency (values alignment), Adaptability (response to change), Involvement (employee engagement). Emphasizes that cultures aligned with these dimensions lead to higher organizational performance including productivity, innovation, and employee satisfaction (Denison & Mishra, 1995; Denison, 1990).
11	2011	Enhancing Rural Enterprise Services: A Case of Small Enterprises in Khalanga Bazaar, Internatio	Raut	To analyze the organizational culture in corporate performance	Exploratory research design	It got the awareness of the cultural impact on organizational performance that banks, particularly in Nepal

		nal Research Journal of MMC (IRJMMC): Vol. 4 No. 4 (2023)				
12	2011	Organizational Culture and Performance Management Practices: A Case of Pakistani Banking Industry	Muhamm ad	To explore the impact of organizational culture on performance management practices in Pakistani banks	Exploratory research approach: Primary data collected via questionnaire; Sample from 12 Pakistani banks	Positive relationship between organizational culture and performance management practices; Specific cultural traits like involvement, consistency, adaptability, and mission have significant influence on performance management practices

2.3 Research Gap

This study aims to examine the impact of organizational culture on the corporate performance of banks in Nepal. A literary analysis demonstrates the evolution of organizational culture and its impact on banks across the years. Gautam (2022) found that management in Nepal lacks genuine commitment to formal socialization programs, particularly about cultural integration. It demonstrates the urgent necessity to comprehend the significance of culture as a crucial factor for organizational effectiveness. There is a limited amount of study that investigates the issues related to culture and its consequences in the setting of Nepal. Hence, the present study focuses on the concerns related to organizational culture and performance. This study specifically investigates the influence of participation, consistency, and adaptability cultures of commercial banks in Nepal on their organizational performance.

Furthermore, the lack of comprehension about the management of organizational culture and its impact on corporate performance in commercial banks has resulted in a research knowledge gap. Due to the limited amount of study conducted on performance-based in organizational culture. This study was conducted to address the lack of research on the relationship between organizational culture and performance. While previous research and studies may not fully endorse the present situation of the sector, their measurements and conclusions can still be utilized to establish research criteria.

CHAPTER III

RESEARCH METHODOLOGY

It provides a comprehensive overview of the research design, including details on the population and samples, sources of data, collecting and data processing methods, as well as the procedure for conducting the study. Additionally, it outlines the data analysis tools and methodologies used in the research. It is essentially a survey-based study that aims to explore and describe a particular topic. The initial section of this chapter focuses on the methods used to collect data, as well as the sample and sampling frame. The second section focuses on the models employed for analysis. This section also includes the definition of variables and their anticipated direction. The data has been collected from the employees of the Bank of Lalitpur, Nepal. The employees in each organization have been identified and requested to complete the survey questionnaire under the assumption that they are capable of providing reliable information about the bank's corporate culture and its impact on performance. The study utilized primary data acquired from a structure.

3.1 Research Design

The research design for this study has utilized quantitative analysis, which focuses on numerical data, logical reasoning, and objective observations. The analysis is based on a survey of workers working in commercial banks located in Lalitpur. In order to assess the impact of organizational culture on corporate performance at banks, a descriptive cross-sectional survey has been deemed suitable. This type of survey provides data that describes the current state of phenomena at a certain point in time. Furthermore, the aim is to ascertain the profile of the participants and their assessment of the banking services, in addition to doing statistical analysis.

3.2 Population and Sample, and Sampling Design

The population encompasses the entirety of individuals, occurrences, or objects that the researcher intends to examine. The specification of a population involves determining the types of items included in the study, as well as their location and timing. The researcher conducted a study on the impact of organizational culture on corporate performance at the Commercial Bank of Lalitpur. The study covered all employees at all levels working in several branches of the bank in Lalitpur, totaling 410 employees.

Probability and non-probability sampling are distinct sampling methodologies outlined by Saunders, et.al (2011). The primary distinction between these processes lies in the fact that probability sampling ensures that every individual in the population has an equal and known chance of being selected, whereas non-probability sampling does not provide information about the likelihood of selection for each individual. The researcher is employing the convenience sampling technique, which is a type of probability sampling strategy. The respondents made their choices based on the criteria established by the researcher. The participants selected Commercial Bank as their choice, hence a convenience sample technique was employed.

In this work, the standard sampling method was utilized to determine the sample size using Slovin's Formula, which is commonly used when the population is known (Adam, 2020). The formula devised by Slovin is employed to determine the sample size (n) based on the population size (N) and a specified margin of error (e). The formula used to estimate the sampling size in a random sampling approach is as follows:

The poll incorporates data obtained from bank personnel. Based on the field tour of banks, there are a total of 20 commercial banks. The commercial bank has a total workforce of 410 workers. Thus we can calculate the sample size from it. which is below where, N=Total number of employees

e = the margin error in the calculation

$$\begin{aligned} \text{Sample size}(n) &= N / (1 + N * (e)^2) \\ &= 410 / (1 + 400 * 0.05 * 0.05) \\ &= 410 / 1.0025 \\ &= 202 \end{aligned}$$

Thus, above 202 are the sample size of total number of bank employees

3.3 Nature and Sources of Data

From various sources all the data relating to the study are collected. This study needs first-hand data to investigate the impact of organizational culture on corporate performance. As a result, the primary data gathering instrument in this study will be a survey questionnaire. A questionnaire, according to *Sekaran and Bougie (2016)*, is a pre-written set of questions to which respondents record their answers, which are usually limited to a few possibilities.

3.4 Instrument of Data Collection

The questionnaire is a well-organized group of questions designed to gather data on facts, degrees of knowledge, attitudes, requirements, and motives. Questionnaire design is regarded as more of an art than a science. In some circumstances, the questionnaire is also referred to as a survey or a data collection tool. They think the survey is one-size-fits-all, with results that could be different (Sekaran & Bougie, 2016).

The survey questions were broken into two portions to collect the data. Respondents' socio-demographic information is collected in the first portion of the questionnaire. The questionnaire's second section is labeled organizational culture. Because these are qualitative characteristics, a Likert scale is used. On the following variables, data was collected using a Likert scale:

- Components of Organizational culture
- Impact on Corporate Performance

The parameters described above were developed after a review of the literature from previous studies. According to previous studies, these characteristics have an impact on corporate performance. The qualitative element of these characteristics is measured using a rating scale of 1 to 5, with '5' representing strongly agree, '4' agree, '3' neutral, '2' disagree, and '1' representing strongly disagree.

3.5 Method of Analysis

This study requires primary data to examine the influence of organizational culture on corporate performance. The survey questionnaire served as the main tool for collecting primary data in this study. A questionnaire, as defined by Sekaran and Bougie (2016), is a predetermined collection of questions that respondents are asked to answer by selecting from a limited number of options. The initial part of the response letter comprised an introduction to the current researcher, a summary of the study project, and assurances regarding the anonymity of the respondent.

The second section has been divided into four segments. Section A comprises inquiries regarding respondents' personal demographic characteristics, including gender, age, and educational attainment. Section B encompasses queries about respondents' personal job-

related details, such as employment status, job positions, and departments. Section C consists of the organizational culture rating checklist, while section D encompasses the Likert scale format corporate performance checklists. The checklists provided an indication of the research questions addressed in the current study. The participants were instructed to evaluate the items using a 5-point Likert scale, which ranged from strongly agree to strongly disagree, with 5 being the highest level of agreement. The likert scale can be represented as follows: 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree (Sekaran & Bougie, 2016).

The data was encoded using SPSS software for Windows, which converts alphabets into numerical format and offers a variety of outputs. The data underwent statistical analysis employing techniques such as means, frequencies, and others. The analyzed data was utilized to draw conclusions concerning the study endeavor and determine the outcome. Microsoft Excel was utilized to manage and assess the data. The gathered data will be analyzed using correlational analysis in this study. Consequently, we will have the opportunity to analyze the relationship between the variables. In this research, we will utilize frequency distribution, bar graphs, and pie charts to present and analyze the data. Similarly, means and other statistical methods will be utilized.

3.5.1 Descriptive Statistics

In this study, descriptive statistics played a critical role in analyzing the impact of organizational culture on the corporate performance of Nepalese commercial banks. This analytical approach involved using fundamental descriptive tools such as means, standard deviations, and frequencies to summarize and interpret the data. Means calculations described central tendencies for variables concerning organizational culture and performance metrics; standard deviations, on the other hand, showed how much their values deviated.

First and foremost, the results organized in tables included numerical measures embedded e.g., simple statistical measures such as the average and variability. The tables allowed clear communication of central tendencies and response distributions about variables related to organizational culture dimensions, like adaptability, consistency, participatory culture, and their impact on performance outcomes such as financial performance, employee satisfaction, and operational efficiency. That presentation method enabled the

specifying in detail and approachably of how different organizational culture aspects influence corporate performance, allowing the factors that contribute towards effectiveness and success of Nepalese commercial banks to be evaluated comprehensively.

3.5.2 Mean

The mean refers to the central tendency, that is to say, the arithmetic average of the given values. Operationally, this involves adding up such values and then dividing the answer by the count of values represented in a dataset. In this present study, the means help to establish how participants have replied on average to various Likert scale questions, eventually allowing an understanding of what constitutes a middle opinion for most of the respondents. It computes the mean for every question, making the study more familiar with the overall perception and feelings of participants regarding QR code scanning in Nepal. The mean is therefore a summary form of the data, hence making the data analysis more solid and helping in drawing meaningful conclusions based on the participants' response.

$$\text{Mean} = \frac{\sum x}{n}$$

Where,

X = Value of responses of each independent or dependent variable

n = Number of responses

3.5.3 Standard Deviation

Standard deviation is a statistical measure that disperses or varies the dataset. It indicates how much each of the data differs from the meaning. The standard deviation computes the average amount by which individual data deviates or is spread out from the mean value. A small standard deviation shows that all of the data points are closer to the mean, hence there is less variability; a large standard deviation indicates greater dispersion. In this study, the standard deviation will be used to assess how homogeneous or dispersed the answers to various Likert scale questions are, helping to determine respondents' agreement or non-agreement. It plays a key role in understanding the overall distribution and variability of data, thus offering a deeper understanding of the research findings that help validate and demonstrate the reliability of the data analysis process.

$$\text{Standard Deviation}(\sigma) = \sqrt{\frac{\sum(X - \bar{X})^2}{n}}$$

Where,

X = Value of responses of each dependent or independent variable

\bar{X} = Mean value of responses of each dependent or independent variable

n = Number of responses

3.5.4 Correlation Analysis

Correlation analysis is the statistical tool that provides a relationship or association between two continuous variables. It helps one understand how changes in one variable correspond to those in another, and whether the relationship is positive or negative.

Basically, correlation analysis quantifies both the direction and strength of the linear relationship between variables. If there is a positive relationship between two variables, then when one variable goes up, the other goes up. On the other hand, if there is a negative relationship, then as one goes up, the other is likely to go down. The degree and direction of the relationship is typically figured and represented with a correlation coefficient, often symbolized by the letter "r.". The coefficient ranges from -1, for perfect negative correlation, to 1, for perfect positive correlation; 0 refers to no linear relationship. Correlation analysis is useful in many different areas of study, such as economics, psychology, and scientific research. It gives insight into certain regularities and variable dependencies that enable making better decisions and gaining insight into complex relationships. The correlation coefficient between two variables is also calculated by using the following formula:

$$\text{Correlation Coefficient}(r) = \frac{n \sum XY - \sum X \sum Y}{\sqrt{n \sum X^2 - (\sum X)^2} \sqrt{n \sum Y^2 - (\sum Y)^2}}$$

Where,

n = Number of responses

X = Value of independent variable

Y = Value of dependent variable

3.5.5 Regression Analysis

Regression analysis is a statistical approach for modeling and estimation of the relationship between a dependent variable and independent variables. Regression methods are mostly used to predict or estimate an outcome with the values of other variables in the research study. In other words, it simply helps one find the best-fitting mathematical equation that describes how changes in the independent variables relate to the dependent variable.

There are many types of regression analysis, but the one most popularly applied in practice is linear regression. In linear regression, the goal is to come up with a linear equation that best describes or demonstrates an underlying relationship between variables. Later, this equation may be used to make predictions of the future or understand how independent variable changes affect the dependent variable. Regression analysis is significant in many fields, for it allows a researcher or an analyst to discover patterns within the data and make very informed predictions or inferences about some very complex relationships. The following is the regression equation that was used in this study:

Regression equation:

$$Y_1 = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_n X_n + e_i$$

Where,

Y_1 = Dependent Variable (Corporate Performance)

a = intercept

X_1 = Independent Variable (AC)

X_2 = Independent Variable (CC)

X_3 = Consistency culture (CC)

X_4 = Recruitment Culture (RC)

B_1 = Slope of X_1

B_2 = Slope of X_2

B_3 = Slope of X_3

B_4 = Slope of X_4

e_i = Error terms

3.6 Research Framework and Definition of Variables

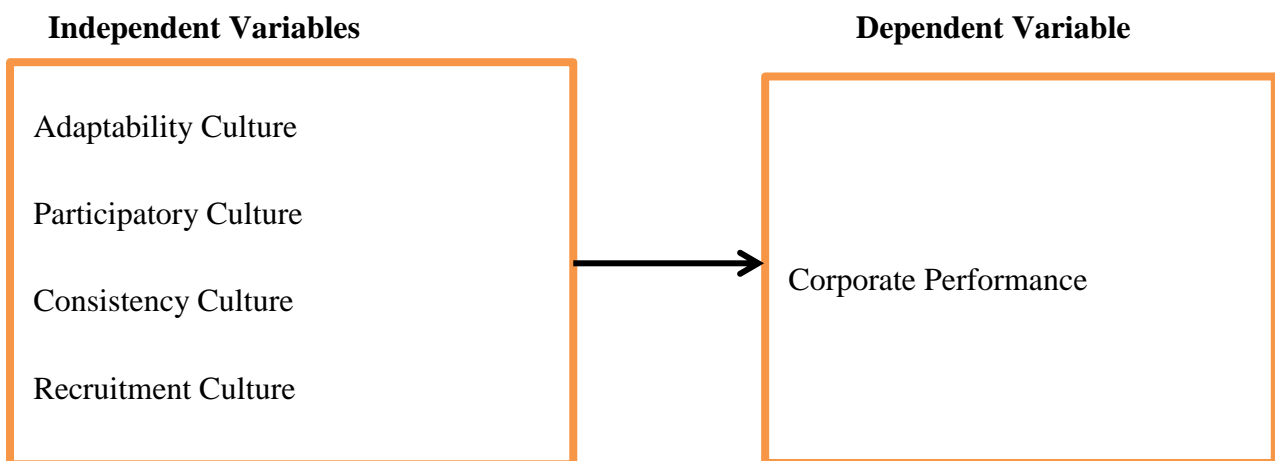
The research framework is an analytical tool that sets base for different spheres of applications. This helps in explaining the research process and its description on a basis. The basic goals of the research framework are to heighten the significance of research findings, relate them to theoretical constructs in the sphere of research, and generalize the findings.

The organizational culture, as an independent variable, has four types that relate to the dependent variable of corporate performance: adaptability culture, which refers to how well a firm responds to change; the participatory culture refers to employee participation in organizational decision-making; the consistency culture refers to the extent by which employees follow rules and procedures in undertaking tasks; and lastly, the recruitment culture talks about the way a firm recruits its employees.

The dependent and independent variables figure is shown below:

Figure 3.1

Research Framework of the Study



(Source: Denison 2012)

Independent Variables

Participatory Culture

The participative culture in Nepalese commercial banks can be defined as the organizational practice that allows banking employees to take part in decision-making and further empowers them to actively contribute towards strategic initiatives. This

enhances the sense of ownership among employees and aligns their interest with the broader goals of the bank. When they become highly engaged in making decisions, they mostly often bring diverse perspectives and insights that normally lead to better decision quality and innovative solutions. This collaborative approach is hypothesized to improve corporate performance by improving the morale of employees, creating job satisfaction, and increasing productivity. Other than that, participatory culture may increase an organization's potential to be responsive to the changing market and the needs of customers so that one can keep a competitive advantage. An important definition available in the literature has been given by Ouchi (1981), who views participatory culture as a system that emphasizes employee active participation in decision-making. Such a culture increases in its employees the degree of ownership and commitment that might result in better job satisfaction and productivity. The participatory culture is characterized by open communication, collaboration, and shared leadership.

Adaptability Culture

The adaptability culture in Nepalese commercial banks is related to the capabilities of an organization to respond to any external change efficiently and effectively. They comprise regulatory change, technological change, market fluctuation, and some others. A strong adaptability culture inspires proactiveness in decision-making with flexible strategies of operation and experimentation in terms of new ideas and approaches. Such a culture enhances innovation and the ability of continuous improvement in a bank, which quickly enables it to exploit opportunities and minimize risks. The adaptability culture is expected to enhance corporate performance by enhancing operational efficiency, entailing optimal resource allocation, and placing the bank strategically within the marketplace. Denison and Mishra, 1995, refer to adaptability culture as the ability of an organization to stay flexible and responsive to changes in the external environment. This involves the ability to innovate, adapt to market changes and fluctuations, and improve processes without ever ending, thus enhancing the likelihood of the organization's survival in dynamic environments.

Consistency Culture

The consistency culture in Nepalese commercial banks focuses on the maintenance of stability, reliability, and integrity of organizational practices. This includes consistency in ethical standards, laxity in regulatory requirements, and fairness in all decision-making

processes. A strong consistency culture instills trust in our stakeholders, by way of employees, customers, and investors, through the exuding of reliability and predictability in operations. This trust is imperative to hold on to long-term relationships and enhance our reputation as an organization. It is hypothesized that consistency in organizational practices has a positive impact on corporate performance, for the reason that this reduces uncertainty and improves the management of risk within a cohesive and harmonious work environment where employees feel safe and motivated to work. According to Denison (1990) consistency culture is referred to when there are clear, stable, and coherent values and norms existing together within an organization. This cultural consistency creates a strong sense of identity and direction, aligning employee behavior with organizational goals and promoting a predictable and reliable work environment.

Recruitment Culture

This refers to how an organization attracts, selects, and integrates new employees. For the commercial banks of Nepal, this encompasses how banks go about advertising their job openings, methods of assessment for candidates, and onboarding or integration processes for new hires. An effective recruitment culture aligns its hiring practices with the values and culture of the organization, hence impacting overall corporate performance. With this focus on recruitment culture, the study assesses how these practices bear on performance at commercial banks, including their ability to attract talent that best fits into the organizational environment and makes good contributions toward the success of the bank. According to Breaugh (2008) the culture of recruitment entails those practices and values that guide how an organization goes about attracting, selecting, and integrating new employees. A sound organizational recruitment culture ensures good hiring practices, enabling the selection of individuals whose values best fit with the organization. This creates good job fitting and high job satisfaction, and, hence, less employee turnover. This also recommends equity, diversity, and inclusion in hiring.

Dependent Variable

Corporate Performance

Corporate performance is simply the combination of general financial health and operational efficiency of the Nepalese commercial banking industry, reflected through some key performance indicators or metrics especially return on assets, return on equity, and net profit margins. These are very important measures to determine the effectiveness

of banks in efficiently using the available assets and equity to gain maximum profits while managing the operational costs along with the associated risks. The research will seek to establish how each of the following aspects of organizational culture participatory culture, adaptability culture, and consistency culture influences these selected performance metrics. If there is a participatory culture characterized by inclusive decision-making processes with employee involvement, then it should enhance quality decisions and operational efficiency, hence improving ROA and ROE. The adaptability culture may be centered on the agility of the bank concerning responding to changes in the market and technological developments, thus influencing resilience, innovation, and eventually overall profitability as reflected in the net profit margins. Value consistency culture in terms of fair treatment, clearly stated expectations and effective recognition practices is hypothesized to influence employee motivation and engagement, hence productivity and efficiency metrics.

This research aims to provide empirical insights to establish strategic recommendations concerning the optimization of organizational culture for improved financial performance and fostering sustainable growth in Nepali commercial banks. Kotter and Heskett, 1992 refer to corporate performance regarding financial as well as non-financial measures. Examples of financial performance indicators include profitability, return on assets, and market share. While some of these would be Non-Financial Measures, customer satisfaction indicators, employee engagement, innovation, etc. High corporate performance is sustained by a strong organizational culture since high morale is developed among people working in the organization; hence, their turnover rate diminishes as they become more proactive in a work environment.

CHAPTER IV

RESULTS AND DISCUSSION

This chapter provides an overview of the findings from the collected samples for different factors affecting the independent variables. The process involves the presentation and analysis of data gathered from a questionnaire. Data analysis is conducted using a range of statistical methods and methodologies to ascertain the impact of working culture on the corporate performance of the commercial bank. The conclusions drawn in this chapter are derived from the examination of the data, which includes both descriptive and inferential analysis.

4.1 Results

The researchers collected primary data from bank respondents in a methodical manner to prevent any ambiguity regarding the criteria involved. Data collection from the test samples was conducted to perform a sample analysis. Upon completion of data collection, it was noted that there are a limited number of missing values. Hence, a total of 410 samples were gathered and any responses with missing values were excluded from the data entry process. The data obtained from the participants is inputted into the SPSS software program for the purpose of conducting statistical analysis. The non-financial incentives and business performance were calculated. Correlation and regression analysis were conducted to examine the relationship between the employee performance key parameters and non-financial incentives. The analysis included calculating the combined arithmetic mean of these parameters.

4.1.1 Demographic Profile of Respondents

The demographic features of the respondents from the 410 responses received during the survey are summarized in the sections below.

Table 2

Demographic Profile of Respondents

Demographic Variables		Frequency	Percentage
Gender	Male	230	55
	Female	180	45
Age group	Under 20	40	9.75
	20-30	120	29.26
	30-40	140	34.14
	Above 40	110	26.85
Marital Status	Single	220	53.66
	Married	190	46.33
Academic Qualification	Intermediate	50	12.19
	Bachelor	210	51.21
	Master's and above	150	36.58
Position Level	Entry level	80	19.51
	Middle level	250	60.97
	Management level	80	19.51
	Total	410	100.0

(Source: Field Survey, 2024)

Table 2 shows the demographic profile of respondents. There was a total of 410 respondents. Out of them 230 were male in which occurred 55 percent. Likewise, 180 were female in which occurred 45 percent.

The age group of the employees generally falls under the demographic variables. The age group of employees working in the banking sector generally starts to work after the completion of plus two studies. Therefore, 1 respondent in the age group started from below 20 years of age which 9.75 percent. The vast majority of the 120 responders are

between the ages of 20 – 30, which occurred 29.26 percent. There were 140 people between the ages of 30 -40 which occurred 34.14 percent and 110 respondents are in the age group of above 40 years which occurred 26.85 percent. The majority of respondents fall under active working people. Therefore, it was easier for the researcher to conduct direct interaction with the respondents.

Marital status indicates that out of the 410 respondents,220 were single representing 53.66% of the total sample. Meanwhile,190 respondents were married accounting for 46.34 % of the sample.

Academic Qualification shows the 150 respondents which occurred the master's 36.58 percent. Likewise, 210 respondents were bachelor's level which occurred 51.21 percent. Similarly, 50 respondents were +2 education level which occurred the 12.19 percent.

The majority of the respondents, 250 respondents, were working at middle level in the bank which occurred 60.97 percent. The 80 respondents were in the management level position of the commercial bank of Nepal which occurred the 19.51 percent. 80 people were in the position of entry level which occurred the 19.51 percent out of 100 percent.

4.1.2 Descriptive Statistics

This section applies descriptive statistics to explore the relationships between organizational culture dimensions and corporate performance within the banking sector. It considers variables such as Adaptability Culture, Consistency Culture, Participatory Culture, Recruitment Culture, all being independent variables, while Corporate Performance is the dependent variable of interest. Descriptive mean values provide an insight into respondent central tendency perceptions regarding these variables and give an average feeling for organizational culture and performance. Standard deviation, however, measures the dispersion around these perceptions, hence giving a full view of diversity in the data set. This study constructs descriptive statistics to reveal subtle attitudes toward organizational culture and their possible impact on the corporate performance in the banking industry.

4.1.2.1 Summary of Descriptive Statistics

In this section, we present descriptive statistics on variables under study relating to organizational culture and corporate performance in the banking sector. AC, CC, and PC are treated as independent while CP as the dependent variable of interest. These descriptive statistics include measures of central tendency in the form of a mean and variability in the form of a standard deviation, thereby offering insights into perceptions and variability among respondents along these dimensions. Understanding these statistical measures will be very important in exploring how organizational culture and bank profitability may influence corporate performance within the context of the banking sector.

Table 3

Summary of Descriptive Statistics

Code	variables	N	Mean	S. D
AC	Adaptability culture	410	3.72	0.815
CC	Consistency culture	410	3.67	0.626
PC	Participatory culture	410	3.69	0.614
RC	Recruitment Culture	410	3.58	0.645
CP	Corporate performance	410	3.72	0.667

(Source: SPSS)

Descriptive statistics of the variables in Table 3 give an overview of the perception of bank employees about various dimensions related to the impact of organization on corporate performance. The mean of AC variables comes to 3.72, with a standard deviation of .815, which shows a medium to high extent of perceived benefit arising out of organizational culture. The mean for CC, which represents the culture of consistency, is 3.67 with a standard deviation of 0.726, thus showing a medium to high extent of perceived values obtained in organizational culture.

The average of the variable PC was 3.69 with a standard deviation of up to 0.614, showing that the level of benefits that people perceive within organizational culture ranges from moderate to high. The same is true for RC= Recruitment Culture, with a mean of 3.58, having a standard deviation of 0.645, indicating that the perceived benefits associated with organizational culture are at best moderate to high. PC = Participatory culture had an average of 3.72 with a standard deviation of 0.667, which shows it has a moderate to high level of perceived benefits associated with organizational culture.

4.1.2.2 Descriptive Study on Components of Participatory Culture

This section explores how different components of participatory culture within a Nepalese commercial bank influence its corporate performance. By analyzing employees' perceptions of participatory culture elements, the study aims to uncover how these aspects correlate with the bank's overall performance.

Table 4

Descriptive Study on Components of Participatory Culture

Statements	N	Mean	S.D.
I feel empowered to contribute to decision-making processes.	410	3.82	0.95
My opinions and ideas are valued in strategic initiatives.	410	3.76	1.03
Decision-making involves diverse perspectives and insights.	410	3.68	1.05
Participating in decision-making fosters a sense of ownership.	410	3.85	0.88
My involvement aligns my interests with the bank's broader goals.	410	3.79	0.91
Involving employees in decision-making enhances corporate performance.	410	3.73	1.02
My contributions to strategic initiatives are recognized and appreciated.	410	3.80	0.97

(Source: SPSS)

Table 4 the survey data indicates that employees of the Nepalese commercial bank have a generally positive view of participatory culture, which plays a significant role in corporate performance. Employees feel empowered to contribute to decision-making, as reflected by a high mean score of 3.82, and experience a strong sense of ownership with a mean of 3.85. They also appreciate recognition for their contributions, with a mean score of 3.80. However, while employees feel their involvement aligns with the bank's goals

(mean = 3.79), there is moderate perception of diverse perspectives in decision-making (mean = 3.68) and its direct impact on corporate performance (mean = 3.73). The variability in responses highlights areas for improvement, particularly in enhancing inclusivity and clarifying how participatory culture directly influences performance. Addressing these aspects could further leverage employee engagement for improved corporate success.

4.1.2.3 Descriptive Study on Components of Adaptability Culture

This section investigates how elements of adaptability culture within a Nepalese commercial bank impact its responsiveness to change. By assessing employees' views on training, innovation, and flexibility, the study seeks to understand how these factors contribute to the bank's overall adaptability and performance.

Table 5

Descriptive Study on Components of Adaptability Culture

Statements	N	Mean	S.D.
The bank provides training that meets changing needs.	410	3.74	1.00
Learning in my department addresses evolving challenges.	410	3.70	1.05
Training and development are encouraged and rewarded.	410	3.66	1.08
Training focuses on skills needed for market changes.	410	3.78	0.97
Training programs align with current industry practices.	410	3.82	0.93
The culture supports innovation and continuous improvement.	410	3.80	1.01
I feel supported in exploring new ideas for external changes.	410	3.72	1.04
Flexibility in strategies helps the bank seize opportunities.	410	3.77	0.99

(Source: SPSS)

Table 5 the survey data on adaptability culture within the Nepalese commercial bank highlights several key aspects of how the organization responds to changing needs and encourages continuous improvement. Employees generally view the bank's training programs positively, with a mean score of 3.82 for alignment with current industry practices, indicating that training is perceived as relevant and up to date. The mean score of 3.78 suggests that training effectively addresses skills needed for market changes. The bank also supports innovation and continuous improvement, reflected in a mean score of 3.80. However, there is moderate perception regarding the encouragement and rewarding

of training and development (mean = 3.66), and the bank's support in exploring new ideas for external changes (mean = 3.72). Training addressing evolving challenges received a mean score of 3.70, suggesting room for improvement in how learning opportunities are tailored to address these challenges. Overall, while the bank's adaptability culture is perceived positively, particularly in training relevance and support for innovation, enhancing the encouragement of development and support for new ideas could further strengthen its adaptability and responsiveness to external changes.

4.1.2.4 Descriptive Study on Components of Consistency Culture

This section explores how various components of consistency culture within a Nepalese commercial bank affect employee perceptions and organizational trust. By evaluating employees' views on recognition, fairness, and adherence to ethical standards, the study aims to understand how these factors contribute to a stable and motivating work environment. Key areas include how recognition for exceptional performance is valued and applied, the fairness in career progression, and the consistency in ethical practices and operational procedures.

Table 6

Descriptive Study on Components of Consistency Culture

Statements	N	Mean	S.D.
I feel recognized and appreciated when I exceed my responsibilities.	410	3.83	0.94
The organization values and acknowledges exceptional performance.	410	3.79	1.00
Recognition practices are applied consistently to all employees.	410	3.75	1.05
I understand how recognition and career progression work within the organization.	410	3.78	0.99
The organization ensures fairness in recognition and career advancement.	410	3.81	0.96
Consistency in practices enhances trust among stakeholders.	410	3.77	1.02
Ethical standards and regulations are consistently upheld in decision-making.	410	3.82	0.98
Consistency in operations fosters a secure and motivating work environment.	410	3.76	1.04

(Source: SPSS)

Table 6 description of employees' perceptions of the consistency culture related to recognition, fairness, and ethical practices at a Nepalese commercial bank. Generally

speaking, employees do feel recognized and valued when they go above and beyond in their responsibilities with a mean = 3.83, although the perception is that outstanding performance is valued by the organization with a mean of 3.79. However, this consistency in applying these recognitions was perceived a little lower with a mean of 3.75, which implies inconsistency in how such recognition is doled out. A mean of 3.78 for recognition and up-grading shows good understanding, while a mean of 3.81 shows confidence in how these are handled. In the same token, the consistency of practices is seen to support trust among stakeholders with a mean score of 3.77, and high ethical standards in running of the organization with a mean score of 3.82 support it. The working environment is regarded as secure yet motivating as manifested by consistency in operations with a mean of 3.76. Although the bank's culture with respect to consistency is generally very positive, there are areas especially in uniformity of recognition practices where improvements would very likely create enhancements in employee satisfaction and trust.

4.1.2.5 Descriptive Study on Components of Recruitment Culture

The dimensions that will be probed in this section of the study include the transparency, diversity, and organizational value alignment of the recruitment culture in a Nepalese commercial bank. This study is about how these aspects influence the effectiveness and inclusivity of recruitment procedures by way of analysis of employees' perceptions about recruitment processes. Key areas addressed are the clarity of recruitment procedures and communication, value for diverse backgrounds, and how recruitment practices align with organizational culture and core values.

Table 7

Descriptive Study on Components of Recruitment Culture

Statements	N	Mean	S.D.
The bank's recruitment processes are transparent and clearly communicated.	410	3.69	1.03
The organization values diverse backgrounds and perspectives in its recruitment practices.	410	3.73	1.00
Recruitment decisions are based on merit and align with the organization's values and goals.	410	3.77	0.97
The recruitment process identifies candidates who fit the organization's culture.	410	3.72	1.02
The organization regularly reviews and improves its recruitment strategies.	410	3.70	1.01
A well-defined recruitment culture enhances the quality of new hires.	410	3.75	0.99
Recruitment practices contribute to a positive and inclusive work environment.	410	3.78	1.00
The recruitment process reflects the organization's commitment to its core values and mission.	410	3.74	1.03

(Source: SPSS)

Table 7 Items measuring the recruitment culture in a Nepalese commercial bank regarding transparency, diversity, and value-based practices. The employees perceive the bank's recruitment processes to some extent transparent and clearly communicated, with a mean score of 3.69. Moreover, it values diverse backgrounds and perceives different perspectives as advantageous, with a mean = 3.73. It assures merit-based decisions which are in line with the values of the organization and obtains a mean = 3.77. These items also involve the extent to which the process of recruitment is effective in finding candidates that fit the culture of the organization, with a mean of 3.72, and is regularly reviewed for improvements with a mean of 3.70. A well-defined recruitment culture underlines the quality of new hires with a mean score of 3.75, while a score of 3.78 shows recruitment practices added to a positive and inclusive work atmosphere. Moreover, the recruitment process is considered to be reflective of the commitment towards the organizational value

and mission statement—this has been rated at 3.74. In general, findings from these data indicate that even though the responses represent a 'supportive' recruitment culture, there is an opportunity for further improvement into increased transparency and relevance based on organizational objectives.

4.1.2.6 Descriptive Study of Impact on Corporate Performance

This section evaluates whether organizational culture does, indeed, impact the performance of any commercial bank in Nepal. It elaborates on how various dimensions of organizational culture impact performance outcomes through an analysis that draws from employees' perceptions regarding satisfaction, alignment, and the overall impact of culture on work life, reduction in errors, absenteeism, and overall corporate performance. The key areas include the effect of a positive culture on work life, error reduction, absenteeism, and overall corporate performance.

Table 8

Descriptive Study of Impact on Corporate Performance

Statements	N	Mean	S.D.
I am satisfied with the organizational culture at my company.	410	3.80	0.95
A positive organizational culture increases corporate performance.	410	3.84	0.94
Commitment to the organization's culture correlates with corporate performance.	410	3.78	1.00
The organizational culture has improved my quality of work life.	410	3.77	0.98
A strong organizational culture can reduce employee absenteeism.	410	3.73	1.02
I am happy with the level of cultural alignment within my organization.	410	3.79	0.99
The organizational culture contributes to corporate performance.	410	3.82	0.97

(Source: SPSS)

Table 8 provides an overview of how employees perceive the impact of organizational culture on corporate performance within a Nepalese commercial bank. Employees report general satisfaction with the organizational culture, as reflected in a mean score of 3.80. They believe that a positive organizational culture enhances corporate performance, with a mean score of 3.84. There is also recognition that commitment to the organization's culture correlates with better performance (mean = 3.78) and that the culture has

improved their quality of work life (mean = 3.77). Employees are fairly happy with the level of cultural alignment (mean = 3.79) and see a contribution of organizational culture to corporate performance (mean = 3.82). Overall, the data suggests that while the organizational culture is perceived positively and linked to improved performance and work life, there is room to further strengthen cultural alignment and support to maximize its impact.

4.1.3 Reliability and Validity Tests

A Reliability Test is included in the Scale Measurement. Cronbach's alpha was used to determine how reliable the measurement apparatus was.

Table 9

Reliability Test

Cronbach's Alpha	N	Cronbach's Albpa
Adaptability culture	410	0.835
Participatory culture	410	0.843
Consistency culture	410	0.859
Recruitment Culture	410	0.845
Corporate performance	410	0.843

For each instrument, Cronbach's alphas were calculated. The results of the reliability analysis are shown in the table above. Cronbach's alpha is more than 0.6 for the independent variables (organizational culture) and the dependent variable Corporate Performance), indicating that the measurement is accurate. This study, clearly illustrates that the survey data collected from respondents is reliable considering the study's findings. This precise data assists us in reaching the study's objectives.

Furthermore, pivot research of the questionnaire is undertaken to confirm the data's validity, which enables us to design a robust questionnaire to extract the data needed for the study. Purposive sampling approaches are also used to select the respondents' sample, which means that only those respondents who are relevant to the study, i.e., private-sector employees, are chosen. This method also established validity, showing that the study's purpose will be reached effectively.

4.2 Pearson's Correlation Test

The correlation analysis quantifies the relative strength and weaknesses using the r value. If the value of r is less than or equal to 0.35, it indicates the presence of a weak correlation (Levin, 2008). Similarly, a moderate relationship exists if the r value falls within the range of 0.35 to 0.68. Strong correlations exist if the r value is greater than or equal to 0.68 (Levin, 2008).

4.2.1 Pearson Correlation Test for Organizational culture and Corporate Performance

Table 10

Pearson Correlation Test for organizational culture and corporate performance.

Variables		AC	CC	PC	RC	CP
AC	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	410				
CC	Pearson Correlation	.554**	1			
	Sig. (2-tailed)					
	N	410	410			
PC	Pearson Correlation	.757**	.380**	1		
	Sig. (2-tailed)					
	N	410	410	410		
RC	Pearson Correlation	.655**	.865**	.336**	1	
	Sig. (2-tailed)					
	N	410	410	410	410	
CP	Pearson Correlation	.538**	.668**	.721**	.493**	1
	Sig. (2-tailed)					
	N	410	410	410	410	410

** . Correlation is significant at the 0.01 level (2-tailed).

(Source: SPSS)

Thus, alternative hypothesis is accepted.

Table 10 indicates that there is a positive Pearson correlation between organizational culture and Corporate Performance. The p-value is 0.001, which is smaller than the alpha value of 0.01 (corresponding to a 99% confidence interval). Therefore, the correlation coefficients of .538, .668, .721, and .493 are statistically significant. Therefore, the null

hypothesis is rejected. Given the positive value, it can be inferred that there exists a positive correlation between organizational culture and corporate performance. The adaptability culture and corporate performance have a moderate correlation, with a correlation coefficient (r) of 0.538. Consistency culture and Corporate Performance have a moderate correlation, with a correlation coefficient of 0.668. These factors are the primary considerations in the study. Similarly, a significant correlation ($r=0.721$) can be observed between the participatory culture and corporate performance. The correlation between Recruitment Culture and corporate performance is moderate, with a correlation coefficient of $r=0.493$. Therefore, the flexibility of banks has a greater beneficial effect on corporations.

4.3 Multiple Regression Analysis

Regression analysis is used to establish the causal relationship between the variables. A causal link between two variables that are highly correlated is not always necessary. Regression analysis is necessary to ascertain a causal relationship between variables or among variables. The Pearson correlation coefficient demonstrated a significant positive correlation between all the variables examined and the dependent variable. However, it does not provide information on the extent to which each independent variable explains the variability in the dependent variable. In order to ascertain this, the researchers employed SPSS to carry out a regression analysis. Below is a significant table obtained from the output of SPSS.

Table 11

Regression coefficient table taking corporate performance as dependent variable

Model		Unstandardized		Standardize	t	Sig.
		Coefficients		d		
		B	Std. Error	Beta		
1	(Constant)	2.109	1.969		1.071	.286
	AC	.399	.114	-.304	-3.502	<.001
	CC	.712	.091	.684	7.832	<.001
	PC	.811	.078	.741	10.468	<.001
	RC	-.172	.117	-.149	-1.466	.145

a. Dependent Variable: CP

(Source: SPSS)

Table 11 shows that Adaptability Culture, Consistency Culture, and Participatory Culture are significant predictors of Corporate Performance. This is because the p-values for these independent variables are less than the alpha value of 0.05, as indicated in the last column (Sig.) of the table.

Specifically, Consistency Culture has a significant positive relationship with Corporate Performance, with a beta value of 0.712. This means that Corporate Performance increases by 0.712 units for each unit increase in Consistency Culture. Similarly, Participatory Culture also shows a significant positive relationship, with a beta of 0.811, indicating that Corporate Performance increases by 0.811 units for each unit increase in Participatory Culture. Adaptability Culture is positively related to Corporate Performance as well, with a beta value of 0.399. This suggests that Corporate Performance improves by 0.399 units for each unit increase in Adaptability Culture. In contrast, Recruitment Culture does not have a significant impact on Corporate Performance, as its p-value is greater than 0.05.

Test of economic model:

$$CP = a + \beta_1(AC) + \beta_2(CC) + \beta_3(PC) + \beta_4(RC) + e_i$$

$$CP = 2.109 - 0.304(AC) + 0.84(CC) + 0.811(PC) - 0.172(RC)$$

Table 12

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.868 ^a	.754	.747	1.13549

Predictors: (Constant, CC, PC, AC, RC)

Dependent Variable : CP

Model Summary generated using SPSS

Table 12 shows that the correlation coefficient, also known as the Adjusted R Square value, is 0.754. This suggests that the independent variables have an impact on the dependent variable, which is corporate performance. The remaining 24.6% of the variations in the dependent variable can be attributed to the impact of unidentified variables in the study. A value of r between 0.5 and 0.7 for the R-squared indicates a moderate effect size.

Table 13

ANOVA test results generated using SPSS

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	569.583	4	142.396	110.440	<.001 ^b
Residual	185.666	144	1.289		
Total	755.248	148			

(Source: SPSS)

a. Dependent Variable: CP

b. Predictors: (Constant), CC, PC, AC, RC

Table 13 The ANOVA results indicate a significant relationship between the predictors (CC, PC, AC, BP) and the dependent variable CP. The regression model, characterized by a high F-statistic of 110.440 with a p-value less than .001, demonstrates that the combined influence of these predictors significantly explains the variability in CP. Specifically, the substantial sum of squares for regression (569.583) compared to the residual sum of squares (185.666) suggests that the predictors account for a significant portion of the variance in CP. This statistical significance underscores the robustness of the model in capturing how CC, PC, AC, and RC collectively affect CP outcomes, providing strong evidence that their relationship is unlikely due to random chance alone.

4.4 Major Findings

- The demographic profile of respondents there were total 410 respondents out of them 230 were male in which occurred 55 percent. Likewise, 180 were female in which occurred 45 percent.
- Total respondents were 410 in which the master's level education were 150 respondents which occurred the 36.58 percent. Likewise, 210 respondents were bachelor's level which occurred 51.21 percent. Similarly, 50 respondents were +2 education level which occurred the 12.19 percent.
- The marital status data reveals that, out of the 410 respondents, 220 were single, representing 53.66% of the total sample, while 190 were married, accounting for 46.34% of the sample.
- The age group of the employees generally falls under the demographic variables. The age group of employees working in the banking sector generally starts to work after the completion of plus two studies. Therefore, 1 respondent in the age group has started from below 20 years of age which 9.75 percent. The vast majority of the 140 responders are between the ages of 30-40, which occurred 34.14 percent. There were 110 people aged above 40 which occurred 26.82 percent. Most respondents fall under active working people. Therefore, it was easier for the researcher to conduct direct interaction with the respondents.
- Majority of the respondents 250 were in the middle level position of the commercial bank of Lalitpur which occurred the 60.97 percent. 80 people were in the position of entry level which occurred the 19.51 percent out of 100 percent. 80 respondents were in the position of management position.

- The Pearson correlation between organizational culture and corporate performance is positive. The p-value is 0.001, which is smaller than the alpha value of 0.01 (corresponding to a 99% confidence interval). Therefore, the correlation coefficients of .538, .668, .721, and .493 are statistically significant. Therefore, the null hypothesis is rejected. Given the positive value, we can infer that there is a positive correlation between organizational culture and Corporate Performance. Additionally, there is a moderate correlation ($r= 0.538$) between adaptability culture and Corporate Performance. Consistency culture and Corporate Performance have a moderate correlation, with a correlation coefficient of $r=.668$. These factors are the primary considerations in the study. Similarly, there is a clear and significant correlation observed between the Bank's culture of adaptability and its corporate performance ($r=.721$). Recruitment culture is moderately correlated with corporate performance, with a correlation coefficient of $r=0.493$. Participatory culture has a greater positive influence on corporate performance compared to recruitment culture, consistency culture, and adaptability culture. Nevertheless, the data analysis indicates that the disparity is not substantial. Taking into account all relevant factors, the bank can exert a moderate level of direct influence on corporate performance.

4.5 Discussion

The study is primarily carried out with the objective of assessing organizational culture's effect on the corporate performance of commercial banks in Nepal, along with major key cultural dimensions: Adaptability Culture, Participatory Culture, Consistency Culture, and Recruitment Culture. Adaptability Culture is related to the creation of a supportive and flexible environment that enables a response to change and enhances performance. The participative culture refers to employee involvement in decision-making and performance recognition, thereby greatly enhancing motivation and job performance. A consistency culture with stability and clarity in policies and procedures will give a feeling of a reliable and safe workplace. It supports all-round performance. The recruitment culture is critical about attracting the best talent through effective hiring and training. This is identified with gaining a competitive advantage and improvement in outcomes pertaining to employees.

Dimensions looked at in this study, therefore, give managers practical insights into the formulations of policies aimed at staff retention and performance. It will also be helpful to future researchers who seek to understand the interaction between organizational culture and employee performance. This study will, therefore, form a good basis for researchers and learners of organizational culture management in regard to its effect on corporate performance as well as a framework for coming up with similar studies on topics relating to organizational culture management.

While going through the present research, the researcher was also able to find similarities with some previous research conducted by other scholars. For this, the researcher drew upon and examined works done by Khan and Parveen in 2014 and those of Premalatha in 2013.

According to the result of a research study conducted by scholars, Khan and Parveen (2014) compared the level of job satisfaction of employees in public sector banks with private sector banks in India. The factors that have been considered in this study include salary, promotion, and training. The questionnaire was used to find basic reasons for the satisfaction and dissatisfaction of employees based on Five-point Likert's scale. It was found that public sector bank employees were much more satisfied as compared to private sector bank employees. It was also found out that poor salary, lack of promotional avenues, poor job status, and non-recognition for good work have been big causes of dissatisfaction.

Sharma and Kumar 2020 provide useful insights on the role of organizational culture in the performance of commercial banks in Nepal. Their study underlined how these different dimensions of organizational culture seem to have an effect on another measurement of performance. For example, Clan Culture enhanced employee performance and satisfaction, leading to improved customer service and retention. Correspondingly, Market Culture had a direct interest in improving financial performance by keeping competitive positioning and customer satisfaction in clear focus.

The Adhocracy Culture also contributed to innovating and increasing revenue, while the Hierarchy Culture contributed to operational efficiency, cost management, and improvement in general performance. There is a great influence of leadership styles

together with communication patterns on organizational culture and its performance. On top of the positive side stands Transformational Leadership, influencing both, and open communication leading to higher levels of employee engagement and improved standard results of performance. The current researcher also supports the presence of a positive relationship between organizational culture management factors and corporate performance. The aforementioned result was obtained by analyzing the data extracted from employees of Commercial Bank of Nepal with the help of available tools and techniques within the SPSS Software. Pearson's correlation test was used to identify the relation between the variables in the present study. The model developed with the help of Cronbach's Alpha was used to check the reliability of data which was collected by distributions of the questionnaires to the concerned respondents. The method used by the researcher for validating data is a pilot study, and that is a procedure where testing and evaluation regarding the content of the questionnaire take place before the final exposure of the same to the targeted respondents. In the present study, One-way ANOVA test has been used in order to examine whether demographic variables are affecting the findings of this study. In addition, the researcher employed mean and standard deviation to clearly analyze each objective of the research study.

CHAPTER V

SUMMARY AND CONCLUSION

This chapter provides a comprehensive overview of the complete study conducted in a single chapter. In this chapter, the researcher will present a straightforward and precise interpretation of the study's findings. This chapter provides a clear and direct response to the study questions and objectives. It provides the reader with information on the primary contribution of the study. The text addresses any constraints or deficiencies of the investigation. Additionally, it provides suggestions for future research. The chapter provides a concise overview of the findings, as well as an analysis of the relationship between factors. Conclusions and comments, as well as recommendations for further research.

5.1 Summary

Corporate performance is highly significant in the contemporary world. In addition to its significance in the broader business landscape, corporate performance holds great importance in the banking sector. Enhanced employee performance can lead to the acquisition of a competitive advantage. Corporate performance is a significant concern for the entire banking industry. Moreover, this study has uncovered that elements of organizational culture have a substantial correlation with the performance of commercial banks. Establishing a strong organizational culture can inspire and drive people, resulting in enhanced business performance. The researcher utilized survey questionnaires as a data collection instrument to gather diverse information, taking into account the many aspects of corporate culture. The data collected from the survey questionnaires was carefully evaluated, presented, and used to reveal the impact of organizational culture on the overall level of corporate performance in a commercial bank. These findings are the main results of the study.

A study of 410 participants revealed that the organizational culture of the commercial bank of Nepal had a favorable influence on its corporate performance. Corporate performance is said to be enhanced when the bank consistently controls its culture and workers. The individual can be incentivized by implementing additional aspects of company culture. This study focuses on identifying several manifestations of

organizational culture. The rewards of the company culture encompass active engagement, core values, and acknowledgment. Thus, they are referred to as organizational culture. These cultures are not quantifiable in monetary or financial terms. Instead, they prioritize the satisfaction and comfort of employees when it comes to working in teams and making decisions. Assessing the requirements of the employees and gauging their level of satisfaction are crucial for managing staff turnover and ensuring stability in the work environment. Prior research has indicated that throughout the past two decades, employees were primarily driven by non-financial incentives, such as increased recognition, engagement in decision-making, job stability, and job training. As employees in an office have diverse interests and habits, they strive for a high-quality working culture that aligns with their demands. Hence, it is imperative for the management to consistently oversee the dynamic requirements of employees to ensure their satisfaction and motivation in their job.

Relationship Between Independent Variables and Corporate Performance

Out of the 410 participants, we discovered that the responses from the commercial bank were present. The responders holding intermediate level positions accounted for 60.97 percent, while those holding management positions were the smallest group at 19.51 percent. The percentage of respondents holding an entry-level position was 19.51 percent. The study focuses on examining the influence of organizational culture on corporate performance in commercial banks located in Lalitpur. The corporate culture encompassed employee participation in decision-making processes, recognition of performance, provision of training opportunities, fostering a supportive environment, ensuring a comfortable physical setting, and prioritizing workplace safety. The components mentioned above have been classified into two broad categories, namely organizational culture, due to the researcher's limited skills.

The Pearson correlation coefficients for the several types of organizational culture are as follows: 0.538 for adaptability culture, 0.668 for consistency culture, 0.721 for bank adaptability, and 0.493 for recognition positivity. The p-value is 0.001, which is smaller than the alpha value of 0.01 (corresponding to a 99% confidence interval). Therefore, the correlation coefficient for all the independent variables is statistically significant. Therefore, the null hypothesis is rejected. Given that this number is positive, we can infer that there exists a direct correlation between organizational culture and Corporate

Performance. Every single one, The scores of .538, .668, .721, and .493 exhibit a moderate to significantly positive connection. The Pearson connection between organizational culture and corporate performance is favorable. The p-value is 0.001, which is smaller than the alpha value of 0.01 (corresponding to a 99% confidence interval). Therefore, the correlation coefficients of .538, .668, .721, and .493 are statistically significant. Therefore, the null hypothesis is rejected. Given that the value is positive, we can infer that there exists a direct correlation between organizational culture and Corporate Performance.

The investigation results unequivocally indicate that the management of organizational culture in commercial banks has a moderate impact on corporate performance. Pearson's correlation result produced using the SPSS software indicates a moderate positive association between the company culture and the dependent variable of the study, which is corporate performance. It signifies that the success of the corporate sector in the commercial bank is also impacted by various other elements, including promotion, training, and development. Given that the variables taken have an alpha value of less than 0.01, it can be inferred that the variables are substantially correlated with each other, hence accepting the alternative hypothesis of the study. The null hypothesis, which asserts that there is no link between the variables, is rejected similarly.

5.2 Conclusion

The first objective of this study aimed to investigate how organizational culture dimensions specifically participatory culture (PC), adaptability culture (AC), consistency culture (CC), and recruitment culture (RC) influence corporate performance (CP) within Nepalese commercial banks. The analysis revealed significant positive correlations between these cultural dimensions and CP. In particular, participatory culture showed a strong influence with a β -value of 0.741, which indicated that having a workplace culture encouraging employee involvement and collaboration significantly improves the overall performance of any organization. The adaptability culture also had a positive, moderate influence with a β -value of 0.538, underpinning the capacity of an organization to be flexible and respond to market changes in a changing market environment if it is to have continued performance improvements. The results indicate that consistency culture has a strong positive correlation in improving corporate performance with a β -value of 0.684; hence, this establishes that a stable and reliable organizational environment is important

for long-term success. On the other hand, RC was negatively correlated to performance with $\beta = -0.172$, but large in magnitude, which implies that emphasis placed on recruitment practices alone does not necessarily lead to realization of broader organizational goals and aspirations. The meaning of this result is that while effective recruitment matters, it should be fitted into other strategic priorities for attainment of appropriate and efficient organizational performance.

The findings underline the imperative need for developing a balanced organizational culture where participative decision-making, adaptiveness to market dynamics, and consistency of practices are embedded in a synergistic way. Such a culture would contribute not only to enhanced engagement and satisfaction but also lend much-needed support to achieving sustainable growth and competitive advantage in the dynamic banking sector of Nepal.

The second objective was to assess how organizational culture dimensions namely, participatory culture; adaptability culture; consistency culture; and recruitment culture directly influence corporate performance in the commercial banks of Nepal. Through regression analysis, this study verified that these cultural dimensions actually exert a great influence on CP. Out of these, participatory culture had the strongest positive impact with $\beta = 0.811$, which means that providing an inclusive environment wherein employees are actively involved in decision-making processes has much to offer towards enhancing overall effectiveness and performance outcomes for any given organization. The adaptability culture was the next important culture in its effectiveness, with $\beta = 0.399$, hence organizational agility and ability to innovate to market changes are important if growth and competitive advantage have to be maintained. Consistency Culture (CC) had a very strong positive correlation co-efficient with corporate performance ($\beta = 0.712$), which points toward the importance of having consistent and predictable operational practices. In contrast, the Recruitment Culture (RC), despite being negatively correlated ($\beta = -0.172$), still seemed to have significant importance, with other important organizational factors not always aligning with a high emphasis on recruitment practices. Management must ensure recruitment is balanced against other cultural elements in order to maximize overall performance.

The third objective of this study is as follows: To understand the current status of employees' perception about the dimensions of organizational culture, i.e. participatory culture, adaptability culture, consistency culture, and bank's profitability Nepalese commercial banks.

The overall responses of the employees related to these cultural dimensions are by and large positive in nature, as the mean and the Cronbach's alpha values are high for these dimensions: PC = 0.843, AC = 0.835, CC = 0.859, RC = 0.845. These favorable perceptions indicate that such is the work environment where one would expect an overall emphasis on employee participation, change and innovation, consistency in operations, and financial stability.

The study explored how different dimensions of organizational culture participatory, adaptability, consistency, and recruitment affect corporate performance in Nepalese commercial banks. It found that participatory culture significantly enhances performance by fostering employee involvement and collaboration. Adaptability culture improves performance by enabling the organization to respond to market changes, while consistency culture supports long-term success through stable operations. Recruitment culture, though less positively influential, highlights the need to balance profitability with broader performance goals. Employee perceptions of these cultural dimensions were generally positive, indicating a supportive and stable work environment. The study's limitations include potential biases from online surveys, limited sector representation, and constraints related to academic research methods.

5.3 Implications

The outcomes of the current research are beneficial for the managerial implications for the bank, especially for the Human Resource Department and management to know the status of the effect of organizational culture rewards on corporate performance in the commercial bank of Nepal. Finally, based on overall major findings of the present research following factors could be developed by the human resource director for understanding the needs and expectations of the employees and facilitating them as per their needs:

- Firstly, Organizational culture if properly given, can increase corporate performance which helps to achieve organizational goals. So, to increase corporate performance, organizations should ensure fairness in the organizational culture system. No biases should be involved.
- Secondly, The Human Resource Department must evaluate the needs of the employees every year by considering their feedback about the factors of organizational culture and further additions of other benefits too.
- Thirdly, the employees of commercial bank have shown direct effect of organizational culture rewards about the adaptability culture, constancy culture, Bank adaptability employee involvement in decision making etc. Hence, the management can keep up the same facilities in the future too.
- The employees in the assistant position seem to be less motivated because their performance is less compared to those at the officer and manager level. Hence, the human resource manager can enhance open communication between the supervisors and the employees, providing adequate salary, promoting quality working environment so that employees at lower level can also be motivated which helps to increase performance.
- Overall, this research shows that the 2 independent variables have a positive impact on corporate performance. The commercial bank is recommended to importantly focus on the independent variables.

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APPENDICES
APPENDIX-I
QUESTIONNAIRE

Dear Sir/Madam,

I hope this message finds you well. I am currently pursuing my master's degree and conducting research on the “Impact of Organizational Culture on Corporate Performance of Nepalese Commercial Banks.” Your insights would be invaluable to my study. I kindly request your participation in a brief questionnaire related to this topic. Please rest assured that your responses will remain confidential and will be used solely for academic purposes. Your contribution will be highly appreciated and instrumental in enhancing our understanding of how organizational culture affects corporate performance in this sector. Thank you very much for your time and consideration.

Best regards,
Sagar Risal

Section A

Personal Information

Please fill the box with the appropriate option number as far as applicable.

Q1. Please specify your gender:

Male
Female

Q2. Your age (in years completed)

Under 20
20-29
30-40
Above 40

Q3. Your marital status:

Single
Married
Others

Q4. Please check out your academic qualification status as given below

- +2
- Bachelors
- Masters
- Mphil

Section B

Job Related Information

Please fill the box with the appropriate option number as far as applicable.

Q. Your positional level in organization –

- 1. Entry Level
- 2. Middle level
- 3. Senior level
- 4. Management Position
- 5. Executive position

A Organizational culture Management Rating Checklist

Q8. Please provide the numerical score to the following questions using a 5-point scale. A scale of 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Please cross (√) the box next to the number that best matches your opinion.

Components of Participatory Culture:

Components of Participatory Culture	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. I feel empowered to contribute to decision-making processes.					
2. My opinions and ideas are valued in strategic initiatives.					
3. Decision-making involves diverse perspectives and insights.					
4. Participating in decision-making fosters a sense of ownership.					

5. My involvement aligns my interests with the bank's broader goals.					
6. Involving employees in decision-making enhances corporate performance.					
7. My contributions to strategic initiatives are recognized and appreciated.					

Components of Adaptability Culture:

Components of Adaptability Culture	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. The bank provides training that meets changing needs.					
2. Learning in my department addresses evolving challenges.					
3. Training and development are encouraged and rewarded.					
4. Training focuses on skills needed for market changes.					
5. Training programs align with current industry practices.					
6. The culture supports innovation and continuous improvement.					
7. I feel supported in exploring new ideas for external changes.					
8. Flexibility in strategies helps the bank seize opportunities.					

Components of Consistency Culture:

Components Consistency culture	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. I feel recognized and appreciated when I exceed my responsibilities.					
2. The organization values and acknowledges exceptional performance.					
3. Recognition practices are applied consistently to all employees.					
4. I understand how recognition and career progression work within the organization.					
5. The organization ensures fairness in recognition and career advancement.					
6. Consistency in practices enhances trust among stakeholders.					
7. Ethical standards and regulations are consistently upheld in decision-making.					
8. Consistency in operations fosters a secure and motivating work environment.					

Components of Recruitment Culture:

Components of Recruitment Culture	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. The bank's recruitment processes are transparent and clearly					

communicated.					
2. The organization values diverse backgrounds and perspectives in its recruitment practices.					
3. Recruitment decisions are based on merit and align with the organization's values and goals.					
5. The organization regularly reviews and improves its recruitment strategies.					
6. A well-defined recruitment culture enhances the quality of new hires.					
7. Recruitment practices contribute to a positive and inclusive work environment.					
8. The recruitment process reflects the organization's commitment to its core values and mission.					

Impact on corporate performance:

Impact on Corporate Performance	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. I am satisfied with the organizational culture at my company.					
2. A positive organizational culture increases corporate performance.					
3. Commitment to the organization's culture correlates with corporate performance.					

4. The organizational culture has improved my quality of work life.					
5. I am happy with the level of cultural alignment within my organization.					
6. The organizational culture contributes to corporate performance.					

APPENDIX-II

Descriptive Statistics

Statements	N	Mean	S.D.
I feel empowered to contribute to decision-making processes.	410	3.82	0.95
My opinions and ideas are valued in strategic initiatives.	410	3.76	1.03
Decision-making involves diverse perspectives and insights.	410	3.68	1.05
Participating in decision-making fosters a sense of ownership.	410	3.85	0.88
My involvement aligns my interests with the bank's broader goals.	410	3.79	0.91
Involving employees in decision-making enhances corporate performance.	410	3.73	1.02
My contributions to strategic initiatives are recognized and appreciated.	410	3.80	0.97
The bank provides training that meets changing needs.	410	3.74	1.00
Learning in my department addresses evolving challenges.	410	3.70	1.05
Training and development are encouraged and rewarded.	410	3.66	1.08
Training focuses on skills needed for market changes.	410	3.78	0.97
Training programs align with current industry practices.	410	3.82	0.93
The culture supports innovation and continuous improvement.	410	3.80	1.01
I feel supported in exploring new ideas for external changes.	410	3.72	1.04
Flexibility in strategies helps the bank seize opportunities.	410	3.77	0.99
I feel recognized and appreciated when I exceed my responsibilities.	410	3.83	0.94
The organization values and acknowledges exceptional performance.	410	3.79	1.00
Recognition practices are applied consistently to all employees.	410	3.75	1.05

I understand how recognition and career progression work within the organization.	410	3.78	0.99
The organization ensures fairness in recognition and career advancement.	410	3.81	0.96
Consistency in practices enhances trust among stakeholders.	410	3.77	1.02
Ethical standards and regulations are consistently upheld in decision-making.	410	3.82	0.98
Consistency in operations fosters a secure and motivating work environment.	410	3.76	1.04
The bank's recruitment processes are transparent and clearly communicated.	410	3.69	1.03
The organization values diverse backgrounds and perspectives in its recruitment practices.	410	3.73	1.00
Recruitment decisions are based on merit and align with the organization's values and goals.	410	3.77	0.97
The recruitment process identifies candidates who fit the organization's culture.	410	3.72	1.02
The organization regularly reviews and improves its recruitment strategies.	410	3.70	1.01
A well-defined recruitment culture enhances the quality of new hires.	410	3.75	0.99
Recruitment practices contribute to a positive and inclusive work environment.	410	3.78	1.00
The recruitment process reflects the organization's commitment to its core values and mission.	410	3.74	1.03
I am satisfied with the organizational culture at my company.	410	3.80	0.95
A positive organizational culture increases corporate performance.	410	3.84	0.94
Commitment to the organization's culture correlates with corporate performance.	410	3.78	1.00

The organizational culture has improved my quality of work life.	410	3.77	0.98
A strong organizational culture can reduce employee absenteeism.	410	3.73	1.02
I am happy with the level of cultural alignment within my organization.	410	3.79	0.99
The organizational culture contributes to corporate performance.	410	3.82	0.97

Correlation Analysis

Pearson Correlation Test for organizational culture and corporate performance.

Variables		AC	CC	PC	RC	CP
AC	Pearson Correlation	1				
	Sig. (2-tailed)					
CC	N	410				
	Pearson Correlation	.554**	1			
PC	Sig. (2-tailed)					
	N	410	410			
RC	Pearson Correlation	.757**	.380**	1		
	Sig. (2-tailed)					
CP	N	410	410	410		
	Pearson Correlation	.655**	.865**	.336**	1	
CP	Sig. (2-tailed)					
	N	410	410	410	410	1
	Pearson Correlation	.538**	.668**	.721**	.493**	1
	Sig. (2-tailed)					
	N	410	410	410	410	410

** . Correlation is significant at the 0.01 level (2-tailed).

N =410

Regression Analysis

Regression coefficient table taking corporate performance as dependent variable

Model		Unstandardized		Standardize	t	Sig.
		Coefficients		d		
		B	Std. Error	Beta		
1	(Constant)	2.109	1.969		1.071	.286
	AC	.399	.114	-.304	-3.502	<.001
	CC	.712	.091	.684	7.832	<.001
	PC	.811	.078	.741	10.468	<.001
	RC	-.172	.117	-.149	-1.466	.145

a. Dependent Variable: CP

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.868 ^a	.754	.747	1.13549

Predictors: (Constant CC, PC, AC, RC)

Dependent Variable: CP

ANOVA

ANOVA test results generated using SPSS

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	569.583	4	142.396	110.440	<.001 ^b
Residual	185.666	144	1.289		
Total	755.248	148			

(Source:SPSS)

a. Dependent Variable: CP

b. Predictors: (Constant), CC, PC, AC, RC

IMPACT OF ORGANIZATIONAL CULTURE ON CORPORATE P...

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ABSTRACT This thesis examines the impact of organizational culture on the operational performance of commercial banks in Nepal. Focusing on four different aspects of organizational culture; adaptive culture, responsive culture, continuity culture, and recruitment culture, the study aims to provide a comprehensive analysis of their impact on organizational performance. The study demonstrates how cultural dimensions contribute to various aspects of organizational effectiveness including performance, employee satisfaction, and financial performance. This study has three objectives: First, to investigate the relationship between the level of culture and firm performance; second, to analyze the overall impact of organizational culture on the performance of commercial banks in Nepal; and third, to investigate the perceptions of bank employees regarding their organizational culture. Using a mixed methods approach, this study combines quantitative data from benchmarks with qualitative information from employee surveys to provide insights into how organizational culture affects bank performance. The findings show that certain cultural dimensions, especially cultural fit, and role-playing, play a significant role in enhancing performance by encouraging innovation, collaboration and employee participation. On the other hand, continuity culture and recruitment culture show different effects and point to the need for a better cultural approach to the unique challenges faced by Nepalese commercial banks. This study contributes to the existing knowledge and provides practical suggestions for bank managers to use organizational culture as a tool to enhance performance. By aligning cultural activities with organizational goals, banks can achieve better performance, greater employee satisfaction, and better overall performance. Using a mixed-method approach, the study provides a comprehensive view of the relationship between organizational culture and bank performance by integrating quantitative data from performance measures and qualitative insights from employee questionnaires. The results show that some cultural characteristics, in particular Adaptability and Participatory Cultures, are critical for improving performance because they encourage creativity, teamwork, and employee involvement. On the other hand, the effects of Recruitment Culture and Consistency Culture vary, which emphasizes the necessity of a well-rounded cultural strategy adapted to the particular difficulties faced by Nepalese commercial banks. This study adds to the collection of knowledge by providing bank managers with useful advice on how to use organizational culture as a tactical instrument for enhanced performance. The alignment of cultural norms with corporate objectives can lead to increased efficiency, enhanced performance overall, and happier employees for banks. Keywords: Adaptability Culture, Participatory Culture, Consistency Culture, and Recruitment Culture. CHAPTER I INTRODUCTION 1.1 Background of the Study Service and manufacturing businesses face significant challenges in predicting future changes due to the dynamic nature of the economic environment in developing countries. These issues and obstacles have driven companies to allocate significant amounts of time and resources in an unstable environment to achieve outstanding results. Continuous environmental