

## **Organisational Culture and Employee Productivity in Selected Banks in Ijebu Ode Area of Ogun State, Nigeria**

**Ariyo Oladayo Olajide**

Department of Business Administration  
Faculty of Administration and Management Sciences  
Olabisi Onabanjo University,  
Ago-Iwoye, Ogun State, Nigeria  
E-mail: ariyo,oludayo@oouagoiwoye.edu.ng  
Phone: 08056184501

### **Abstract**

*This study examined the effect of organisational culture on employee productivity in two selected banks in Ijebu Ode area of Ogun State, Nigeria, with consideration to the relationship and impact of involvement, adaptability, consistency and mission organisation culture on employee productivity. Hence, the study adopted a descriptive research method, also known as survey methods, which deals with the use of a questionnaire to elicit information and data from the study respondents. A simple random sampling method was used to select 60 respondents who are staff of two selected banks (GTbank and Access Bank) in Ijebu Ode area of Ogun State. Data were obtained from the respondents using a structured questionnaire that was analysed using descriptive mean analysis and regression analysis. Findings from the study, however, revealed that there was a significant relationship between the dependent and independent variables; thus, organisational culture is an influencing factor of employee productivity among staff of the two selected banks in Ijebu Ode, Ogun State. The study has also found that organisations with strong cultures help employees build "social currency" based on track record, reputation, knowledge of involvement in the organisation, and network; they provide continuity and clarity with respect to their vision. Hence, organisational culture is instrumental to the productivity of employees. It was recommended that, to further its employee identification with the organisation, management should involvement employee in decision-making that affects them, giving them the authority and ability to manage their own work.*

**Keywords:** Employee, productivity, organisation, culture, adaptability.

### **Introduction**

The term culture refers to a general state or habit of mind closely allied to human perception. A cultured employee could be one who, in character, behaviour, speech and compartment, could not be impeached but whose image and personality are examples to most members or groups of the organisation. Culture is that vast apparatus, partly material and partly spiritual and partly human by which human societies are organised into permanent and recognisable groupings (Agbo & Okeoma, 2020). Organisational culture comprises the shared set of beliefs, expectations, values, norms and work routine that influence how members of an organisation relate to one another and work together to achieve organisational goals. In essence, organisational culture reflects the distinctive ways organisational members go about performing their jobs and relating to others inside and outside the organisation. It may, for example, be a distinctive way in which customers in a particular hotel are treated from the time they are greeted at check-in until their stay is

completed, or it may be the shared work routines that research teams use to guide new product development.

An organisation's current customs, traditions and general way of doing things are largely due to what it has done before and the degree of success it has had with those endeavours. The founders of an organisation traditionally have a major impact on that organisation's early culture. They have a vision of what the organisation should be. They are unconstrained by previous customs or ideologies. The small size that typically characterises new organisations further facilitates the founders' imposition of their vision on all organisational members (Omukaga, 2016). Culture creation occurs in three ways. First, founders hire and keep only employees who think and feel the same way they do. Second, they indoctrinate and socialise these employees to their way of thinking and feeling. And finally, the founders' own behaviour acts as a role model that encourages employees to identify with them and thereby internalise their beliefs, values and assumptions. When the organisation succeeds, the founders' vision becomes seen as a primary determinant of that success. At this point, the founder's entire personality becomes embedded in the culture of the organisation. Culture at this level is the real driver for superior performance and a definite source of competitive advantage that is very difficult for competitors to emulate. The reason – companies could copy the management system in place, but not the underlying.

Afsar & Umrani (2019) explain that to ensure maximum productivity of the employees, an appropriate organisational culture has to be developed, a culture that promotes interdepartmental collaboration and the formation of functional teams to carry out specific tasks. Furthermore, the employees must also be motivated to effectively carry out their tasks. There is no doubt that organisational culture significantly affects these productivity constructs, which in turn determine the overall organisation's performance. Organisational leaders who do not understand the productivity of employees risk declining performance in the short term and compromising the implementation of functional strategies aimed at improving profit margins in the long term (Ramdhani et. al., 2017). Therefore, understanding the link between organisational culture and employee productivity in terms of commitment, motivation, and leadership effectiveness is a subject that ought to be fully explored to understand how culture can be leveraged to enhance organisational profitability.

Employee productivity denotes the efficiency of an employee in carrying out a particular task. Lăzăroiu (2015) adds to this definition by explaining that employee productivity is also assessed by the goods and services provided in unit time. Increased productivity implies that the number of goods and services provided per unit time has increased, compared to a previous point in time, without compromising quality. Among other things, Becker et al. (2018) explain that the productivity of employees can be increased through investment in advanced technologies, which aid in increasing the rate of execution of specific tasks and improve overall output. On the other hand, Hartnell et al. (2015) explain that labour is also a unit of production, and that the increment of the employees bears a significant factor in enhancing the overall production of a firm; however, this increases organisational costs, which must be highly controlled. In most cases, the number of employees is usually optimal, which implies that their increment would result in insignificant marginal output; this necessitates the need for empowering and promoting the productivity of the existing employees.

A strong organisational culture supports adaptation and develops employee productivity by motivating them towards a shared goal and objective, and finally shaping and channelling employees' behaviour in that specific direction. Although certain parameters are taken into consideration to understand the impact of organisational culture on employee productivity, which include: employee participation, innovation and risk-taking, reward systems, openness to

communication, and customer service orientation, the culture of an organisation depends on its environment, objectives, belief system and management style. In adopting a collaborative culture in the execution of its activities, corporate organisations should empower their employees to exercise greater control/autonomy over their work, thus influencing their job productivity, commitment, self-confidence and self-esteem. It is against this background that it becomes relevant to discuss organisational culture and employees' productivity.

### **Objectives of the Study**

The main objective of this study is to examine organisational culture and employee productivity in selected banks in Ijebu Ode area of Ogun State, Nigeria

The specific objectives of this study are to:

- i. examine the effect of organisational culture on employees' productivity
- ii. find out the impact of adaptable organisational culture on employees' productivity
- iii. investigate the relationship between consistent organisational culture and employees' productivity
- iv. ascertain the extent of influence of mission organisational culture on employees' productivity.

### **Research Hypothesis**

In consideration of the above objectives, the following hypothesis was stated:

**Ho<sub>1</sub>:** There is no significant effect of organisational culture on employees' productivity.

### **Methodology**

#### **Study Area**

Two banks in Ijebu Ode, namely Access and Guaranty Trust Holding Company Plc. (GTCO), were selected as the study area for this research. Ijebu-Ode is a town in Ogun State, South-Western geopolitical zone in Nigeria, close to the A121 highway. The city is located 110 km by road north-east of Lagos. It is within 100 km of the Atlantic Ocean in the eastern part of Ogun State and possesses a warm tropical climate. It has an estimated population of 222,653 (2007 Census).

Access Bank plc, commonly known as Access Bank, is a Nigerian multinational commercial bank owned by Access Bank Group. It is licensed by the Central Bank of Nigeria, the national banking regulator. Originally a corporate bank, they expanded into personal and business banking in 2012. Guaranty Trust Holding Company Plc., also known as GTCO Plc, is a multinational financial services group that offers retail and investment banking, pension management, asset management and payments services, headquartered in Victoria Island, Lagos, Nigeria. GTCO Plc was created in July 2021 following the corporate reorganisation of Guaranty Trust Bank PLC (or GTBank) into a Holding Company. In this study, the target population is employees of Access Bank and GTCO (GTBank) in Ijebu Ode, Ogun State.

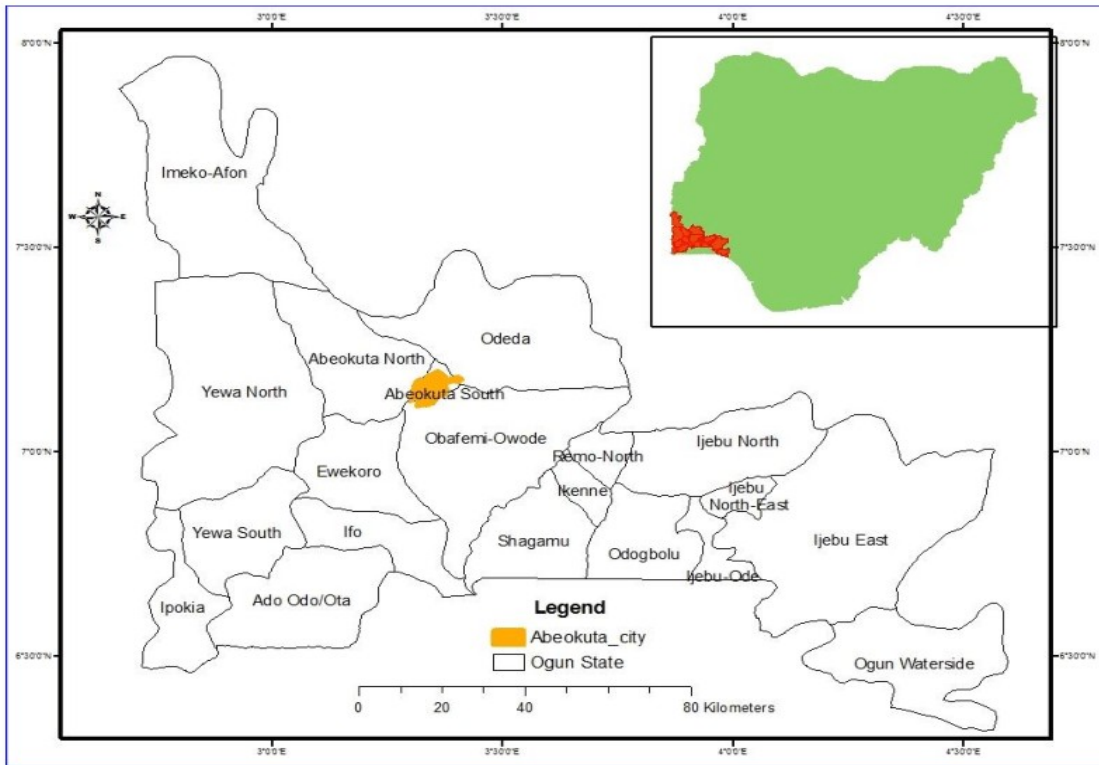


Figure 1: Map of Ogun State showing Ijebu Ode Area.

### Sample Size and Procedure

Sample size is a smaller set of the larger population (Cooper & Schindler, 2006). Determining sample size is a very important issue for collecting an accurate result within a quantitative survey design. Since the study population is finite, a multistage sampling technique was used to select the sampled respondents. In the first stage, five major first-generation banks were selected from the Ijebu-Ode Area. They are First Bank, United Bank of Africa, Wema Bank, Guaranty Trust Bank and Access Bank. In the second stage, due to a large number of respondents, and for effectiveness, two banks (Guaranty Trust Bank and Access Bank) were randomly selected from the above banks, while in the third stage, 30 respondents each who are staff of the banks were randomly selected from two banks in Ijebu Ode area of Ogun State. Hence, a total number of 60 respondents who are confirmed staff were randomly sampled from the population as the sample size for this study.

### Data Collection/Instrument

This research data was collected using a structured questionnaire. The questionnaire comprises both open and closed-ended questions in line with the objectives of the study. A four-point Likert scale was used for closed-ended questions. The questionnaire contained two sections. The first section sought to establish the respondents' demographic data, while the second section sought to establish the respondents' opinions on the relationship between organisational culture and employee productivity.

### Instrument Validity and Reliability

Validity is generally defined as the degree to which a measure of a construct is consistent and dependable. The validity of the instrument was achieved through content validity. The researcher approached senior researchers and colleagues in the field, as well as the supervisor, for corrections and adjustments. The reliability of the instrument was evaluated using test-retest and Cronbach's alpha to analyse reliability, and the reliability coefficient of 0.78. Hence, the research instrument is applicable.

### Methods of Data Analysis

Before processing the responses, data preparation was done on the completed questionnaires by coding the data. The data collected were analysed using both descriptive and inferential statistics. The descriptive statistical tools helped in describing the data using mean and standard deviation analysis. Data analysis was carried out using Statistical Package for Social Sciences (SPSS version 23.0) to generate quantitative reports, which were presented in tabular forms. Also, regression analysis was used to tabulate the hypotheses formed from the study.

### Results and Discussion

#### Socio-Demographic Characteristics of Respondents

Data in Table 1 showed that 53.3% of respondents were female compared to 46.7% of respondents who were male. According to the survey, women made up the majority of the respondents. Investigation into the respondents' age reveals that 21.7% of them were under the age of 30, 45% were between the ages of 30 and 45, 33.3% were between the ages of 46 and above. 55.0% of respondents claimed that they were single, 40% were married, and 5% were divorced/widow, according to a marital status study. The level and position distribution shows that 20% of the respondents are managerial staff, while the remaining 80% are non-managerial staff.

**Table 1: Responses from Socio-Demographic Respondents**

Variables	Categories	Frequency	Percentage (%)
<b>Gender</b>	Male	28	46.7%
	Female	32	53.3%
<b>Total</b>		<b>60</b>	<b>100%</b>
<b>Age</b>	Below 30 years	13	21.7%
	30-45	27	45.0%
	46 & above	20	33.3%
<b>Total</b>		<b>60</b>	<b>100%</b>
<b>Marital Status</b>	Single	33	55.0%
	Married	24	40.0%
	Divorced/Widow	3	5.0%
<b>Total</b>		<b>60</b>	<b>100%</b>
<b>Educational Qualification</b>	O'Level	-	0.0%
	Diploma	14	23.3%
	Degree/HND	40	66.7%
	M. Sc & Above	6	10.0%
<b>Total</b>		<b>60</b>	<b>100%</b>

<b>Years of Employment</b>	below 2 yrs	12	20.0%
	2-5yrs	16	26.7%
	6-10 yrs	24	40.0%
<b>Total</b>	above 10 years	8	13.3%
		<b>60</b>	<b>100%</b>
<b>Level/Position</b>	Managerial	12	20.0%
	Non Managerial	48	80.0%
<b>Total</b>		<b>60</b>	<b>100%</b>

Source: Field Survey Data, 2024

### Analysis of Research Data

The study sought to establish the levels of agreement among employees on the research items relating to the impact of organisational culture on employee performance. The components of organisational culture include involvement, adaptability, consistency and mission culture. A four-point Likert scale was used where 1 = strongly disagree, 2 = disagree, 3 = agree, and 4 = strongly agree. Averages of the items adopted were established in order to provide generalised feelings of the respondents. Means less than 2.5 implied that the respondents disagreed with the items, while means greater than 2.5 implied that the respondents were in agreement with the items. The standard deviation, on the other hand, describes the distribution of the responses in relation to the mean. It provides an indication of how far the individual responses to each factor vary from the mean.

### Organisation Culture

From Table 2, on the level of agreement with the involvement culture practices in the selected banks, it was revealed that the capabilities of employees constantly improve due to training (2.78). There are sufficient problem-solving skills (2.56), as well as a high level of co-operation (2.69), and the culture of the banks provides every employee with a feeling of being part of a team ( $x=2.95$ ). Further, work is divided so everyone can achieve personal goals ( $x=3.21$ ); the majority of the employees are highly involved in their work ( $x=3.47$ ); information is widely shared with employees when needed in the study area ( $x=3.62$ ).

**Table 2: Mean Descriptive Analysis of Involvement in Organisational Culture**

S/N	Research Items	Mean (x)	Std. Dev	Remarks
1	The capability of employees in my bank is constantly improving through adequate training	2.78	.793	Agreed
2	Employees of our bank have sufficient skills to do the job, so problems arise once in a while	2.56	.614	Agreed
3	In my bank, all the departments have a high degree of cooperation	2.69	.675	Agreed
4	The culture of my bank provides every employee with the feeling that they are part of a team	2.95	.838	Agreed
5	Work is divided by following a scheme that everyone can see the importance of their work, while achieving the goals of the bank	3.21	.917	Agreed
6	The majority of the employees are highly involved in their work during banking hours	3.47	.982	Agreed

7	Information is widely shared with employees in times of need	3.62	1.021	Agreed
8	The planning process in our bank involves everyone to some degree	2.48	.525	Disagreed

Source: Field Survey Data, 2024

The findings in Table 3 present data on the level of respondents' agreement with the adaptability culture in their workplace. However, it was revealed that operations of the banks are very flexible easy adaptaion to new technology ( $x = 3.15$ ); improvements related to work are constantly adopted in the banks ( $x = 3.29$ ); the bank culture is open for bringing change in terms of its operations ( $x = 2.87$ ); the bank accepts customer recommendations and suggestions as a positive feedback ( $x = 3.53$ ); the banks never ignored the interest of customers while making decisions ( $x = 3.24$ ); and direct customer contact is encouraged in the banks ( $x = 3.31$ ).

**Table 3: Mean Descriptive Analysis of Adaptability Culture**

S/N	Research Items	Mean (x)	Std. Dev	Remarks
1	I think the basic operations of my bank are very flexible, and we can easily adapt to new technology	3.15	.976	Agreed
2	We respond very well to our competitors and changes in the banking environment	2.37	.502	Disagreed
3	In my bank, improvements related to work are constantly adopted	3.29	.597	Agreed
4	Our bank culture is open to bringing change in terms of its operations	2.87	.824	Agreed
5	My bank accepts customer recommendations and suggestions as positive feedback	3.53	1.051	Agreed
6	My bank never ignores the interests of customers while making decisions	3.24	.0997	Agreed
7	Direct customer contact is encouraged in my bank	3.31	.874	Agreed

Source: Field Survey Data, 2024

The result in Table 4 presents data on the level of respondents' agreement with consistency culture in their workplace. However, it was revealed that the banks approach to run basic operations is very consistent and simple ( $x = 3.67$ ); all departments work together to achieve goals of the bank ( $x = 2.83$ ); the staffs/banks tried to wind up difficult issues in a simple way ( $x = 2.91$ ); the employees do what was asked to be done ( $x = 2.59$ ) and also that there is a clear set of rules to follow ( $x = 3.46$ ).

**Table 4: Mean Descriptive Analysis of Consistency Culture**

SN	Research Items	Mean (x)	Std. Dev	Remarks
1	Our approach to running basic operations of our bank is very consistent and simple	3.67	1.027	Agreed
2	All departments work together to achieve the goals of the bank	2.83	.893	Agreed
3	We never give up in case of disagreements; we just work hard with a winning attitude	2.19	.451	Disagreed
4	We tried to wind up difficult issues in a simple way	2.91	.912	Agreed
5	The employees of my bank do what they say	2.59	.645	Agreed
6	In my bank, there is a clear set of rules to follow	3.46	.972	Agreed

Source: Field Survey Data, 2024

Data in Table 5 presents data on the level of respondents' agreement with the mission culture in their workplace. However, it was revealed that the innovative ideas are encouraged in the study area ( $x = 2.95$ ); the bank provides a clear future strategy ( $x = 3.17$ ); ambitious but realistic goals are settled by top management in my bank ( $x = 3.04$ ); the bank continuously tracks progress against the stated goals ( $x = 2.68$ ); there is a shared vision of what our bank will be in future ( $x = 3.21$ ); and vision of the bank creates excitement and motivation for our employees ( $x = 2.56$ ).

**Table 5: Mean Descriptive Analysis of Mission Culture**

SN	Research Items	Mean (x)	Std. Dev	Remarks
1	In my bank, innovative ideas are encouraged	2.95	.838	Agreed
2	The strategy of my bank provides other banks to change the way they compete in the industry	2.47	.572	Disagreed
3	My bank provides a clear future strategy	3.17	.846	Agreed
4	Ambitious but realistic goals are set by top management in my bank	3.04	.798	Agreed
5	We continuously track the progress against the stated goals of our bank	2.68	.594	Agreed
6	We have a shared vision of what our bank will be in future	3.21	.917	Agreed
7	Vision of our bank creates excitement and motivation for our employees	2.56	.544	Agreed

Source: Field Survey Data, 2024

### Employee Productivity

Based on the analysis presented in the Table 6, the level of employee productivity based on the respondents agreement revealed that it is the employee's priority to produce quality work regardless of the number of tasks assigned ( $x = 2.79$ ); the bank employees tried their level best to provide customers the best services ( $x = 3.16$ ); the bank organization supports to achieve personal goals along with the organizational goals ( $x = 2.61$ ). It also shows that the employees feel they are making progress in their professional career ( $x = 2.86$ ); use advice of others and experiences to perform routine tasks ( $x = 2.93$ ); perform well both in team and as individuals ( $x = 3.08$ ); performance is not affected by the consensus decisions made that require a prior agreement ( $x = 2.99$ ); and that job performance improves when competitiveness are encouraged ( $x = 3.07$ ).

**Table 6: Mean Descriptive Analysis of Employee Productivity**

S/N	Research Items	Mean (x)	Std. Dev	Remarks
1	If I am given an increased number of tasks, I can produce the same output	2.45	.510	Disagreed
2	It's my priority to produce quality work regardless of the number of tasks assigned	2.79	.741	Agreed
3	I try my level best whenever I interact with the customer to provide them with the best services	3.16	.941	Agreed
4	I think that my organisation supports me to achieve my personal goals along with the organisational goals	2.61	.585	Agreed
5	If I compare the point from where I started my professional career to this point, I think I am making progress in my career	2.86	.639	Agreed
6	I present new creative ideas to solve the problems	2.42	.492	Disagreed
7	I use the advice of others and my experiences in order to perform my routine tasks	2.93	.861	Agreed
8	I am able to perform both in a team and as an individual	3.08	.920	Agreed
9	My job performance is not affected by the consensus decisions made that require a prior agreement	2.99	.874	Agreed
10	My job performance improves when competitiveness is encouraged to bring the best in me	3.07	.918	Agreed

Source: Field Survey Data, 2024

The results in Table 7 showed that employee productivity had a mean of 2.836 and SD = 0.608, indicating no difference in employee productivity among staff of the banks selected in the study. The study also showed that there is a positive culture of involvement, where the Mean = 2.845 and SD = 0.615. Moreover, the findings from the level of adaptability indicate that respondents agreed (Mean = 3.109; SD = 0.991) to be "adaptable" to the organisation. The result also showed that overall, consistency Mean = 2.942 and SD = 0.757, since many respondents strongly agreed that organisational culture is consistent. Mission had a mean of 2.869 and SD = 0.713, suggesting that respondents agreed moderately with a positive organisational mission culture. Lastly, the overall

mean for total organisation culture is 2.938 and S.D = 0.683, which shows and averagely positive organisation culture among the selected banks in the study area.

**Table 7: Descriptive statistics summary (N = 65)**

Variable	Mean	Std. Dev
Employee Productivity	2.836	.608
Involvement	2.845	.615
Adaptability	3.109	.991
Consistency	2.942	.757
Mission	2.869	.713
Total Org. culture	2.938	.683

### Test of Hypothesis

The null hypothesis was tested using ANOVA at 5% level of significance.

**Ho:** There is no significant effect of organisational culture on employees' productivity.

The model summary in Table 8 shows the correlation coefficient and coefficient of determination. The results show that the R value of .884 indicates a high degree of correlation, while the R<sup>2</sup> value of .781 indicates that 78% total variation recorded in employee productivity was explained by involvement culture practices in the organisation. The significance of the model (model fit). The significance value of .000b (P <0.05) shows that overall, the regression model statistically significantly predicts employees' productivity very well.

**Table 8: Regression Analysis of the Effect of Organisational Culture on Employees' Productivity**

REGRESSION		ANOVA					
Model	Source	Sum of Squares	df	Mean Square	F	Sig.	Remarks
R = .884 <sup>a</sup>	Regression	69.677	1	69.677	27.345	.000 <sup>b</sup>	Sig.
R <sup>2</sup> = .781	Residual	147.633	58	2.548			
Adj. R <sup>2</sup> = .779	Total	217.310	59				

a. Dependent Variable: Employee Productivity

b. Predictors: (Constant), Involvement culture

#### Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	20.705	.797		25.977	.000
	Involvement culture	-.795	.043	-.884	-18.684	.000

Source: Field Survey Data, 2024

#### Conclusion

The organisational culture, typified in the measures of involvement of employees, adaptability and mission, plays significant positive roles in employee performance, in terms of the attainment of their quantitative and qualitative targets, with the resulting satisfaction they derive from working with the organisation. For instance, employees in the organisation demonstrate their involvement in decision-making, which enables them to create their sense of identity while they internalise the mission of the banking system in the study, which contributed more to their productivity levels. When companies shift to the more open forms of participative management, they begin the process of empowering their employees; hence, the employees will perform better. Employees are human beings with feelings; if they are treated with dignity and respect by the organisation, they will tend to identify with the organisation and by extension, give their all efforts to the organisation.

#### Recommendations

Based on the findings of this study, the following recommendations were made:

- (i) The organisation needs to invest in training and development of its employees to improve their human capability at all levels. At the same time, the management should emphasise the input and participation of its employees.
- (ii) Senior executives set the tone by exerting core values that form the overall dominant culture shared by the majority of the members in the organisation. If this is adhered to, the different functions and departments of the organisation will be able to work well together to achieve common goals.

## References

- Afsar, B., & Umrani, W. A. (2019). Does thriving and trust in the leader explain the link between transformational leadership and innovative work behaviour? A cross-sectional survey. *Journal of Research in Nursing*, 25(1), 37-51.
- Agbo, M. U., & Okeoma, M. E. (2020). Impact of organisational culture on employee productivity (A study of Nigerian Breweries Plc, Enugu), Enugu State, Nigeria. *International Journal of Research and Innovation in Social Science (IJRISS)*, 4(6), 140-141. [www.rsisinternational.org](http://www.rsisinternational.org).
- Becker, T. E., Kernan, M. C., Clark, K. D., & Klein, H. J. (2018). Dual commitments to organisations and professions: Different motivational pathways to productivity. *Journal of Management*, 44(3), 1202-1225.
- Cooper, D. R., & Schindler, P. S. (2016). *Research methods in business administration* (12th ed.). McGraw-Hill.
- Hartnell, C., Ou, A., & Kinicki, A. (2015). Organisational culture and organisational effectiveness: A meta-analytic investigation of the competing values framework's theoretical suppositions. *Journal of Applied Psychology*, 96, 677-694.
- Lăzăroiu, G. (2015). Work motivation and organisational behaviour. *Contemporary Readings in Law and Social Justice*, 7(2), 66-75.
- Mohammad J. U., Rumana H. L. & Hossian S. M. (2018). Impact of organisational culture on employee performance and productivity: A case study of telecommunication sector in Bangladesh. *International Journal of Business and Management*, 8(2), 1833-8119.
- Omukaga, A. A. (2016). *Effects of organisational culture on employee performance at AON Limited, Nairobi, Kenya*. [Master's Dissertation], University of Nairobi, Kenya.
- Ramdhani, A., Ramdhani, M. A., & Ainissyifa, H. (2017). conceptual framework of corporate culture influenced on employees commitment to the organisation. *International Business Management*, 11(3), 826- 830.