

The Performance Imperative: Culture, Health & Productivity

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Introduction

Performance. It is the set of metrics by which organizations are judged — some objective, some subjective; some internal, some external. As a culture, we have learned that we can compare anything — even apples and oranges — by distilling the comparative factors down into quantitative markers. Beyond the numbers lies the true measure of corporate performance—how effective and efficient are the people within the company in accomplishing the company’s mission. To be sure, inefficiencies exist in organizations where the statistical data used to compare them to other organizations may show a viable level of production in aggregated data.

Culture

Culture may be regarded as a way of life for a group of people, whether focused on an organization or a community. In organizations, culture has to do with how employees *perceive* their organization’s characteristics, not whether they like them. Organizational culture plays an important role in employee productivity through job satisfaction, the overall environment, and motivation.

To ensure that employees or members of an organization operate at their optimum level of performance, the culture of an organization is the starting point in providing the right environment. If the work environment is positive and encouraging, engagement and productivity tend to increase. In a stressful or otherwise negative environment, employee quality of life

suffers and productivity decreases (Staglin, 2019). Four functions of organizational culture were identified by Schein (2009): providing a sense of identity to members; improving the readiness of members and strengthening organizational values; and shaping behavior through a control mechanism” as cited in Ahmed and Shafiq (2014). Organizational culture “is not just for a competitive advantage, it has become a sine qua non for organizational success, allowing companies to attract and retain top employees” (Sadri & Lees, 2001)

The strength of organizational cultures influences productivity. Strength includes the veracity of responsibility and accountability within the organization, such as adherence to policies and the degree to which employees or members are held to those standards; the actions and example set by leaders is key to maintaining cultural strength. But beyond simple adherence to policies and procedures, a strong organizational culture derives from members of the organization following patterns of behaviors that have proven to be *beneficial to the whole organization* in both content and context (Ashipaoloye, 2014). Cultures where employees’ goals are aligned with organizational goals are considered successful cultures (Okiakaose, 2018). In a weak culture, employees adhere to policies and procedures out of a sense of fear of the consequences for failing to do so, predominantly because they derive little or no satisfaction from their jobs (Maseko, 2017).

Employee Health and Productivity

Regardless of the scope and content of steps taken by organizations to instill a positive culture in the workplace, the reality is that a group or groups of individuals comprise the organization. With each of these individuals comes a unique set of circumstances—capabilities, motivation, family life, hopes and dreams, and respite activities. Each of these factors—and more—merge with corporate culture and serve to enhance or detract from an organization’s productivity.

The Business Case

The link between health and employee productivity is a key factor for business performance and asset management. Over the last decade, schema to alleviate the problem of increased healthcare costs and gain a better ratio between productivity days and sick leave have faced little effectiveness. These efforts have been exacerbated by both internal and external factors, including employee population age diversity, increased work-related stress as companies reach for increased productivity in response to the global marketplace, and unhealthy behaviors of employees (Kirsten, 2010).

Qaisar, Mariam, and Ahmad (2018) found a relationship between levels of employee overall wellness, employee productivity, organizational productivity, and worksite wellness. The study included 108 managers from 22 organizations. After analysis of the collected data, it was found that both internal organizational dynamics and external employee wellness contributed directly to levels of organizational productivity. While many companies operate with a productivity deficit because of lack of employee wellness, companies with programs to enhance wellness—both within and external to the organization—found higher productivity levels, less absenteeism, and lower healthcare costs (Pescud et al., 2015).

Summary

Culture matters. It matters in our individual lives and extends into the workplace. We bring our home cultural background with us to work and, in many cases, take part of the organizational culture home with us. This manifests in attitude, satisfaction, and overall well-being as our holistic culture merges both organizational and individual content and context. Both positive and negative culture may influence overall quality of life—an influence that will manifest in productivity over time. Culture plays a direct role in employee wellness and productivity, which reflects in the level of organizational productivity.

Taking a proactive approach to employee wellness may provide benefits in both productivity and healthcare cost control. Lack of action certainly fails to address productivity deficits faced by organizations.

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