



SCHOOL OF POSTGRADUATE STUDE COURSE: STRATEGIC MANAGEMENT ACADEMIC YEAR 2024/2025

Course: Human Resource Management

Academic Year: 2024/2025

Research title: Organizational Behavior and Culture

Student Name: Ahmed Sa'ad Abdirahman

ID: 20

Department: Project Management

Submission Date: 28/05/2025

Lecturer: Prof: Marjan Usama Ismael

1.0 Introduction.

In modern organizational settings, success is no longer determined solely by strategies and financial resources, but also by how individuals within the organization behave and interact. Organizational behavior refers to the study of human actions within an organizational environment, focusing on how individuals and groups influence and are influenced by the structures, systems, and culture around them. Equally important is organizational culture, which includes the shared values, norms, and practices that shape the identity of an organization and influence day-to-day activities.

This research seeks to explore the dynamic connection between organizational behavior and culture, and how this relationship affects employee performance, job satisfaction, and overall organizational effectiveness. As businesses navigate challenges such as globalization, technological shifts, and workforce diversity, understanding how behavior and culture interact has become a strategic priority. The aim is to investigate how these elements align or conflict, and how they can be managed to support a positive, high-performing organizational environment.

1.1 Background Study

The study of how people behave in organizations has been a growing area of interest since the early 20th century, originally driven by the need to improve productivity and employee well-being. Early research in organizational behavior highlighted the importance of social and psychological factors in the workplace, moving beyond the purely mechanical view of labor. Over time, this field expanded to examine communication patterns, decision-making processes, leadership styles, group behavior, and organizational change.

In parallel, the concept of organizational culture emerged as a key area of focus, particularly in response to the realization that tangible strategies are often deeply influenced by intangible cultural elements. Organizational culture encompasses the collective mindset of the organization—its beliefs, attitudes, and accepted practices—which shape the behavior of its members. A strong, clearly defined culture can guide behavior, foster commitment, and create a sense of identity, while a weak or misaligned culture may lead to confusion, resistance, and disengagement.

Although both organizational behavior and culture have been studied extensively on their own, the intersection between them presents a critical area of exploration. How culture influences behavior—and vice versa—is especially important when organizations face transformation, such as mergers, leadership transitions, or digital innovation. Understanding this interplay can help leaders design systems and practices that align individual behavior with organizational goals, thereby creating a more adaptive and productive workplace.

This research aims to contribute to that understanding by examining how organizational behavior and culture interact in practical contexts, identifying challenges, and proposing strategies to leverage their relationship for sustainable organizational success.

1.2 Objectives of the Study

The primary aim of this research is to explore the relationship between organizational behavior and organizational culture, and how their interaction affects overall performance. The specific objectives include:

To define and analyze organizational culture and behavior.

To identify key factors that influence organizational behavior.

To examine c

onnection Between Organizational Behavior and Culture and Its Impact on Performance

.

1.3 Significance of the Study

Understanding the connection between organizational behavior and culture holds significant value for both scholars and practitioners. For organizations, this knowledge offers practical insights into how to foster environments that promote productivity, employee well-being, and innovation. By identifying how cultural values influence behavior, leaders can design interventions that improve communication, teamwork, and motivation.

Furthermore, in a globalized and diverse workforce, awareness of cultural factors can help manage differences, reduce conflicts, and build inclusive workplaces. This research contributes to creating a framework for managing change effectively by aligning cultural practices with desired behaviors, thus enhancing organizational adaptability.

Academically, the study fills gaps in existing literature by focusing on the dynamic relationship between behavior and culture rather than treating them as separate entities.

This holistic approach provides a more comprehensive understanding that can inform future research and organizational development initiatives.

2.0 Understanding Organizational Behavior.

The organization is a forum for gathering a group of people who have a common goal. While definitive Behavior in Organizations itself is a study that concerns aspects of human behavior in an organization, or a particular group. Where everyone has different characteristics and typologies. In an organization everyone who has their own interests and goals, competes to achieve their respective interests in the organization. This is also marked by the differences that exist about all kinds of traits within the organization members, for that an employee or manager is required to be smart to know the kinds of subordinate characters and colleagues, so that they can interact well and become a manager who is able to know the direction of thinking of all employees working. Organizational Behavior is a discipline that 2 Organizational Behavior: Structure and Culture (**Tini Mogea**) studies the behavior of individual and group levels in an organization and its impact on performance (both individual, group, and organizational performance) (Robbins & Timothy A. Judge, 2010).

2.1 Definition of Organizational Behavior

Organizational Behavior (OB) refers to the study of the attitudes and behaviors of individuals and groups inside an organization. OB evaluates how employees interact with one another, perform their jobs, and react to various workplace events. Furthermore, OB also analyzes how aspects, such as leadership, communication, and organizational structure, impact the behavior of individuals and groups within an organization.

Organizational behavior is a field of study that includes the theories, methods and principles of a variety of disciplines used to study individual perceptions and actions while working in groups and within the organization as a whole (Gibson, 1996: 6).

Organizations can improve employee motivation, productivity, and overall performance by understanding and managing organizational behavior. OB is an interdisciplinary field that draws on knowledge and methods from psychology, sociology, anthropology, and other social sciences to help organizations create a positive and productive work environment for their employees.

3.1 Understanding Organizational Culture

Cultures of an organization is based on the systems that may help to define how employees take decision and think (Pettigrew, A.1979). Organizational culture at its peak becomes a source of competitive advantage for organizations, since it affects commitment of people at work, both individual and collective process of learning and capability development, and it arises from the underlying assumptions, beliefs, norms, values and attitudes (**Aycan et al.,1999**).

3.2 Definition of Organizational Culture.

Organizational culture is defined as "the set of shared, taken-for-granted implicit assumptions that a group holds and that determines how it perceives, thinks about, and reacts to its various environments". Organizational culture shows the basic and radical characteristics of an organization. Thus, it can become a source of sustainable competitive advantage if that culture is valuable, rare, and imperfectly imitable. Organizational culture can create values since it can simplify information processing, decrease the supervision cost and smooth the bargaining between employees. Organizational culture is related to effectiveness indicated by some important organizational Culture 41 outcomes. organizational culture from four traits: involvement, consistency, adaptability and mission; effectiveness was measured by subjective and objective items. These items were mostly related to financial outcomes, except one subjective item – employee satisfaction. Organizational culture has much more influences on organizational performance by impacting the psychological states of individual employees, working groups and even the whole organization. Actually, this complies with the paradigm shift to humanism in business and psychological insights should become the basis for management (Xiaoxia Zhang and Bing Li, 2013).

4.0 Factors Influencing Organizational Behavior

Organizational behavior is shaped by various internal and external factors that determine how individuals and groups act within a workplace. These factors not only influence employee attitudes and performance but also interact with the broader organizational culture to define the work environment. The main influencing factors include:

4.1 Organizational Culture

Organizational culture is a major influence on behavior, as it sets the norms and expectations for how employees interact and make decisions. A strong, positive culture promotes trust, collaboration, and accountability, while a weak or toxic culture can lead to confusion, resistance, and disengagement.

4.2 Leadership Style

The behavior of leaders and managers has a direct impact on employee motivation, trust, and performance. Supportive, transformational leaders tend to inspire better performance and innovation, whereas authoritarian or inconsistent leadership can negatively affect morale and productivity.

4.3 Communication Patterns

Effective communication enhances clarity, reduces conflict, and promotes alignment with organizational goals. Poor communication, on the other hand, can create misunderstandings, inefficiency, and a lack of engagement among team members.

4.4 Work Environment

The physical and psychological environment—such as workspace design, access to resources, job safety, and emotional support—affects how comfortable and motivated employees feel. A healthy environment supports positive behavior and performance.

4.5 Motivation and Rewards.

Incentives, recognition, and opportunities for advancement strongly influence behavior. When employees feel valued and fairly rewarded, they are more likely to be productive and loyal. Lack of motivation can lead to disengagement and high turnover.

4.6 Team Dynamics

The way individuals interact within groups affects cooperation, conflict resolution, and overall performance. Factors such as team composition, trust, and shared goals contribute to how team members behave and perform collectively.

4.7 Individual Differences

Personal attributes such as values, attitudes, personality, education, and experiences also influence behavior. Employees with different backgrounds may respond differently to the same organizational conditions.

4.8 Organizational Structure

The hierarchy, roles, and reporting relationships in an organization can shape behavior by defining responsibilities and levels of autonomy. A flexible structure can foster innovation, while a rigid one may limit initiative and adaptability.

4.9 External Environment

Factors such as market conditions, competition, economic trends, and social influences also affect organizational behavior. External pressures may lead organizations to change their internal processes, expectations, and culture.

5.0 Connection Between Organizational Behavior and Culture and Its Impact on Performance

Organizational behavior and organizational culture are deeply interconnected elements that shape the functioning and success of any institution. While organizational behavior focuses on how individuals and

groups act within an organization, culture defines the environment in which this behavior takes place. The shared values, beliefs, and expectations embedded in an organization's culture directly influence employee behavior, attitudes, and interactions.

5.1 The Link Between Behavior and Culture

Organizational culture acts as a guiding framework that shapes the behavioral norms expected from employees. For example, in a culture that values teamwork and collaboration, employees are more likely to adopt cooperative behaviors and support one another. In contrast, a culture that emphasizes competition may encourage individualism and performance-based rivalry.

Culture also informs decision-making processes, communication styles, and leadership approaches—all of which affect how employees behave in various situations. In return, the

collective behavior of employees over time reinforces or reshapes the existing culture. This dynamic relationship means that culture and behavior continuously influence one another.

5.2 Impact on Employee Performance

When there is alignment between organizational behavior and culture, employees tend to perform better. A positive culture that supports open communication, fairness, and recognition encourages employees to be more engaged, motivated, and committed to their roles. This leads to improved productivity, innovation, and quality of work.

Conversely, a mismatch between expected behavior and cultural values can create confusion, stress, and resistance, which hinders performance. Employees who feel disconnected from the organizational culture may lack the motivation to go beyond basic responsibilities, leading to underperformance.

5.3 Impact on Job Satisfaction

Organizational culture significantly affects how satisfied employees feel at work. A supportive, inclusive, and ethical culture contributes to higher job satisfaction by fostering trust, respect, and a sense of belonging. When employees feel valued and aligned with the organization's values, they are more likely to enjoy their work and remain loyal to the organization.

On the other hand, cultures that tolerate favoritism, poor communication, or lack of support can lead to dissatisfaction, burnout, and increased turnover. Organizational behavior influenced by such negative cultural traits often reflects low morale and disengagement.

5.4 Impact on Organizational Effectiveness

The combination of positive organizational behavior and a strong, adaptive culture contributes directly to overall effectiveness. Organizations with well-aligned behavior and culture tend to experience higher efficiency, better teamwork, faster decision-making, and stronger employee retention. This alignment enables the organization to respond more effectively to challenges, market demands, and internal changes.

In contrast, cultural and behavioral misalignment can weaken organizational performance by fostering internal conflict, reducing adaptability, and increasing operational inefficiencies.

6.0 Conclusion

This study has examined the dynamic relationship between organizational behavior and organizational culture, emphasizing their significant impact on employee performance, job satisfaction, and overall organizational success. Organizational behavior reflects how individuals and teams act within a work environment, while culture provides the underlying values and norms that shape those actions.

The findings highlight that a well-aligned organizational culture promotes positive behavior, fosters collaboration, and encourages motivation and loyalty among employees. In contrast, misalignment between behavior and culture can result in low morale, poor performance, and high turnover rates. Therefore, understanding and actively managing this relationship is critical for leaders and decision-makers who seek to enhance productivity and sustain long-term success.

7.0 Recommendations

Based on the findings and analysis of the relationship between organizational behavior and culture, the following recommendations are proposed to enhance employee performance, job satisfaction, and organizational effectiveness:

7.1 Strengthen Cultural Alignment:

Organizations should clearly define their core values and ensure that these values are reflected in day-to-day practices, communication, and decision-making processes. A strong, consistent culture helps align employee behavior with organizational goals.

7.2 Invest in Leadership Development:

Leaders play a central role in shaping culture and guiding behavior. Organizations should invest in leadership training programs that promote ethical, inclusive, and motivational leadership styles.

7.3 Promote Open Communication:

Transparent and honest communication fosters trust and helps employees feel more connected to the organization's vision and culture. Encouraging feedback and dialogue at all levels can reinforce positive behavior.

7.4 Encourage Employee Engagement:

Engaged employees are more likely to adopt behaviors that support organizational values. Providing opportunities for growth, recognition, and participation in decision-making can enhance engagement.

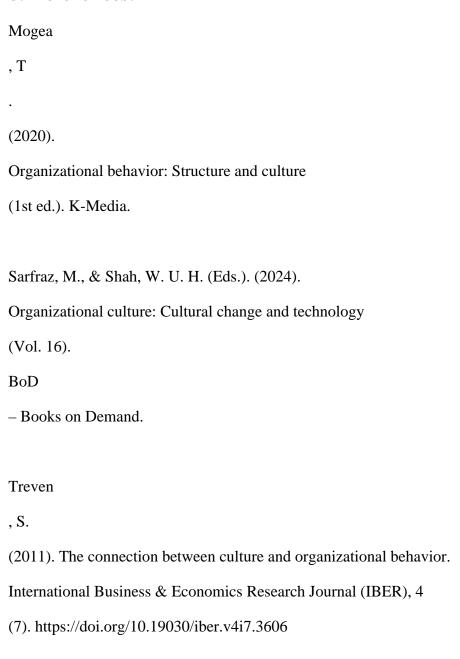
Regularly Assess Organizational Culture:

Periodic evaluations of the existing culture and employee behavior can help identify gaps or areas needing improvement. Surveys, interviews, and feedback tools can be used to monitor cultural health and behavioral alignment.

7.6 Support Diversity and Inclusion:

Embracing a diverse workforce enhances creativity and promotes a culture of respect and acceptance. Inclusive practices can lead to more dynamic team behavior and improved organizational outcomes.

8. References.



Neumann, M.,
Kuchel
, T., Diebold, P., & Schön, EM. (2024).
Agile culture clash: Unveiling challenges in cultivating an agile mindset in organizations
arXiv
•
https://arxiv.org/abs/2405.15066
•
Government Office for Science. (2021).
Understanding the behavioral drivers of organizational decision-making: Rapid evidence assessment
. HM Government.
$\frac{https://www.gov.uk/government/publications/understanding-the-behavioural-drivers-of-organisational-decision-making}{decision-making}$