Chapter 1

INTRODUCTION
The 18th and 19th century marked by the “industrial revolution” all over the world paved the way for the transformation of agricultural economy into industrial economy. From there onwards, the production from the industries became a basic income for most of the nations. Afterwards leaders of each nation were tried to develop the performance of the industries of their own country and still going on. In this circumstance, researchers of each country, with the help of government as well as the industrial management were trying to make the industries/or organization competent by applying psychological principles in the work settings wherever necessary.

Immense studies in the area of industrial/organizational discipline helped us to understand the relationship between different organizational variables and for helping the government/management in the process such as selection and placement, development of policies and interventions, to improve the performance of individual employees and to increase the productivity of the organization. The production of an industry/organization depends on different factors. Most of the factors that influence the organizational productivity are those factors that make the whole culture of the organization. Culture exist everywhere, and therefore exist in every organization also. It is the “character” of an organization which has an important role in determining the organizational behavior of every individual who works on it. Therefore, it is important to know more about “Organizational culture” to make our organizations in right direction.
Organizational Culture

Culture consists of everything in the social world that influences the behavior, feeling and cognitive activities of an individual. It is something, that is difficult to define, but everyone knows that there exists a culture that differentiates one group of people from other groups. Our behavior is greatly influenced by the culture in which we live. The culture is transferred from old generation to new generation through the process of socialization. Collins (1998) stated that culture is historically developed, socially maintained and individually interpreted. In the earlier times, anthropologists studied the culture in order to distinguish different groups existed in the society. The focus was to find out the influence of culture on the group activities of that society. Today, the studies in culture are not restricted to the subject anthropology alone, besides that, the study of culture is also extended to different fields which deals with human behavior such as sociology, psychology, organizational behavior etc. With this transformation, the term “culture” became one of the significant topics in all areas where human behavior is studied. In this way, the term became important in organizational psychology and renamed as “organizational culture” as it is related with organizational principles.

The nature of organizational culture

Organizational culture refers to the culture that exists in an organization, which connects all the employees to work together, to achieve something and differentiates the organization from other organizations in method of working. The concept of organizational culture has been evolving since the 1970s (Schein, 1990) and received a considerable research attention with the emergence of influential writings of scholars such as Katz and Kahn (1978), Pettigrew (1979), Hofstede
(1980), Schneider (1987, 1990) etc, Just like the term culture, organizational culture is also difficult to define but everyone can feel it.

Based on the peculiar characteristics of the “organizational culture”, different scholars tried to define the term according to their own point of view. Pettigrew (1979) has defined culture of organization based on cognitive systems made up of multifaceted set of beliefs, values and assumptions which help to explain how employees think and make decision. Later, Deal and Kennedy (1982) gave the most simple and meaningful definition to organizational culture. They defined it as “the way we do things around here”. After thirty decades, Smith, Farmer and Yellowley (2012) defined the term organizational culture in detail by stating it as the shared values, norms and behaviors that guide the individual employees to work within organization and to act as a cohesive group. The definitions state that culture exists in every organization in the form of values, norms and behaviors and influences the performance of the individual which in turn reflect in group performance.

Research suggests that each organization has their own characteristics which express their organizational culture in an aggregate form. Robbins, Judge and Sanghi (2009) expressed that organizational culture includes all the activities which encourage the employees to be creative, to take risks, to be the individual who shows precision and attention in each activities. All those characteristics expressed above indicate the characteristics of the individual employees, of the management and of the work pattern which define “organizational culture” as a whole.

All definitions and characteristics of organizational culture underlines that culture has a number of functions. First, it differentiates one organization from other organizations. Second, it creates a sense of identity and commitment among
members of the organization. Third, it bonds the employees together which ensures co-operation. Fourth, it shapes the attitude and behavior of the employees. All of the above functions points that organizational culture has a great role in determining the behavior of the employees which may influence the performance of the organization as a whole.

**Formation and maintenance of organizational culture**

As the organizational culture determine the organizational behaviors of the employee in the organization, it is important to study the formation of culture in an organization. Creation as well as maintenance of an ethical as well as positive organizational culture is important in every sense. This will contribute to the positive influence over employee performance. It is possible to develop ethical culture in every organization. But both the management and employees should co-operate each other. An ethical organizational culture will help in the development of a positive organizational culture. A positive organizational culture is related with the development of employees strength, practicing rewards than punishment and thereby enable the development of the individual.

An organization’s culture is the product of the philosophy of its founders. They created it and were successful in sustaining it through the process of selection of their employees. Employees who value organizations culture are hired and maintained in the organization and at the same time those don’t value were expelled from the organization by the management/authorities. Management or authorities will keep the culture alive through performance evaluation criteria, ‘training and development’ activities, and promotion procedures. The process of socialization also influences in maintaining the existing culture through the form of stories, rituals,
articles, etc. The nature of formed or maintained organizational culture directly or indirectly influences the performance of individual employee as well as the performance of the organization. Therefor different studies conducted in this area proves that there is a strong relationship between certain types of organizational cultures and effective organizational performance (e.g., Lorsch & McTague, 2016).

There are different viewpoints in the area of organizational behavior to address the nature of organizational culture. The most important and most addressed models related with organizational culture are described below.

**Models of organizational culture**

Organizational culture can be approached from different directions. One of the most discussed and important model related with organizational culture is based on work done by Quinn and Rohrbaugh (1983) which is known as competing values framework (CVF). The CVF explain organizational cultures along with two dimensions: structure and focus. The former one was related with flexibility of the organizations at one end and control at another end. The second one is related with individuals at one end and organizations function at another end. The four major quadrants defined by these two axes (structure and focus) were labeled as- Human Relations Model, the Open System Model, the Internal Process Model, and the Rational Goal Model. The same is also known as clan, adhocracy, hierarchy, and market cultures (Cameron & Quinn, 2006). Denison and Spreitzer (1991) labeled it as group, developmental, hierarchical, and rational cultures.

Another theory which discussed the organizational culture was associated with the work of Martin in the year of 2001. She conducted some extensive research on this topic and identified three theoretical perspectives in studies on organizational
culture and named them as “integration”, “differentiation”, and “fragmentation”. The integration perspective focuses on mutual consistent interpretations about the organization. The collectivity wide consensus is one of the hallmarks of this type of culture which suggests the “shared values" of the employees. The differentiation perspective focuses on cultural manifestations that have inconsistent interpretations among the employees. Sub culture which exists in these organizations may develop either harmony or conflict in the organization. Here, the ambiguity is depending on the nature of sub cultures which exist in the organization. In the fragmentation perspective, interpretations of cultural manifestations are ambiguously related to each other which place ambiguity, rather than clarity, at the core of culture.

According to Schein (2004), organizational culture is manifested at three levels- Cultural artifacts, Espoused beliefs and Underlying assumptions. Cultural artifacts are related with structures and processes in the organization such as dress, observable rituals and ceremonies. Espoused beliefs and values are formal organizational practices like strategies, goals and policies, which are formally developed. The third level, Underlying assumptions are related with unconscious thoughts, beliefs, expectations and theories.

**Organizational culture- determinant of employee performance**

The culture exists in the organization has an important role in determine the performance of the employee who is working in it. There are different studies which state the relationship between organizational culture and performance of the employee (Lee, & Yu, 2004; Glomseth, Gottschalk & Solli-Saether, 2007). Deal and Kennedy (1982) stated that if culture of organization is believed strong, where most of the employees incorporated the same sort of beliefs and values related with the
organization. Thus organizational culture may be strong or may be weak depending up on the “shared” meaning about organization’s mission and values by the employees. If most of the employees have the same opinions about the organization’s mission and values, the culture will be strong and will lead to good performance of the employee in the organization. If opinions vary widely, the culture will be weak and will lead low performance.

A strong culture with high ethical standards has a very powerful and positive influence on the performance of the employee. And at the same time, a weak culture will negatively influence the performance of the employee. In other words, a strong culture which guarantee formal rules and regulations, make the employees to act in a relatively uniform and predictable way whereas, a weak culture without formal rules and regulations, creates chaos in the organization. Peters and Waterman (1982) supported the above direction of strong culture by stating that organizations with the strong organizational cultures are highly successful in the business world.

Like organizational culture, work engagement is another hot topic in the area of organizational behavior which influences the performance of the organization. Next section of this chapter explains the nature and process of work engagement of the employees.

WORK ENGAGEMENT.

People working in an organization will have many attitudes towards his/her job, towards work environment and management. This attitude is collectively known as Job attitude in organizational psychology which becomes an important area in recent day’s organizational research. Organizational researchers are giving an important consideration to the variable as it has a significant effect on the individual
performance as well as the performance of the organization. Job attitude consists of different sub dimensions such as job satisfaction, job involvement, organizational commitment etc. Researchers are continuously working on the organizational factor like job attitude and its dimensions for years to know more about the same. Work engagement or employee engagement is one of the newly developed dimensions of job attitude.

**The nature of work engagement**

Researchers in the academic area are not sure about the first use of the term ‘engagement’. Schaufeli (2013) in his article, postulate that the term was first used in 1990’s by a Gallup Organization. In the current circumstances, it became one of the most discussed variable related with work settings and were popularly known as work engagement. It is the state of mind of an individual employee towards his or her work in an organization. Researchers are using the phrases “work engagement” and “employee engagement interchangeably, because these two terms are indicating the engagement of employee. But, there exist some differences between them. Work engagement mentions to the relationship of the employee with his or her work, whereas the other may also include the employee’s relationship with the organization. Therefore, work engagement is more specific.

Countless researchers tried to give diverse definitions to the term Work engagement. One of the popular definitions of the work engagement at the time of its evolvement was given by Kahn (1990). He conceptualized work engagement of employees in terms of “how the psychological experiences of work and work contexts shape the process of people presenting and absenting themselves during task performance”.
The most recent and popular definition of work engagement is given by eminent scholars Schaufeli, Salanova, Gonzalez-Roma and Bakker (2002). They forwarded that work engagement is “a positive, fulfilling, work-related state of mind that is characterized by Vigor, Dedication, and Absorption”. The definition itself states that, there are three dimensions which determine the nature of “work engagement” of an employee. Here, ‘Vigor’ is the strength or energy level of employee in his or her work. It includes high levels of energy and mental resilience for an individual while working, the readiness of them to spend their effort in his or her work, the ability of them to overcome fatigues and persistence in the face of difficulties. The second dimension of work engagement is ‘Dedication’. It is the devoted effort of the employee to complete his/her work. The dimension is characterized by a strong involvement of the individual in their work, escorted by feelings of enthusiasm, a sense of pride and inspiration. The last dimension is ‘Absorption’ which is related with the fascination of an employee towards his or her work. Those who characterized by the absorption is being fully engrossed in their work and having difficulties detaching oneself from it.

The concept of engagement is related with the concepts like extra-role behavior, personal initiative, organizational commitment, job involvement, job satisfaction, positive affectivity, workaholism etc., Schaufeli and Bakker (2004) tried to distinguish the construct work engagement from these similar constructs. All these variables are positive variables and the variable work engagement also considers as a positive variable in organizational research. An opposite variable to work engagement is “Burn out”. According to Maslach and Leiter (1997), engagement is characterized by energy, involvement, and efficacy which opposite to
the three burnout dimensions (exhaustion, ineffectiveness and cynicism). In another sense, engagement can be assessed by the opposite pattern of scores on the three dimensions of the Maslach Burnout Inventory (MBI; Maslach, Jackson, & Leiter, 1996). And hence, the work engagement and its sub dimensions are considered as opposites of burnout and its sub dimensions (Schaufeli & Taris, 2005). Therefore, contrary to the employees who experience burnout, engaged employees are more energetic and they are well connected with their work which in turn influence the performance the employees positively.

From different studies Bakker and Demerouti (2008) identified the four major reasons behind the good performance of engaged workers than that of non-engaged workers. They identified that engaged employees often experience positive emotions (eg: happiness, joy, and enthusiasm); experience better health (mentally and physically); create their own resources which will help them to perform well; and transfer their engagement to others.

There are different factors which foster the engagement level of an employee. Among them job resources play a primary role in determining the work engagement. Van den Broeck, Vansteenkiste, De Witte, and Lens (2008) states that job resources fulfill basic human needs, such as the needs for autonomy, relatedness and competence. The fulfilling of basic human needs plays an intrinsic motivational role which nurture employees’ growth, learning and development. There exists some extrinsic motivational role which determines work engagement. For example, Meijman and Mulder (1998) claimed that, job resources may play an extrinsic motivational role by fostering the work environments which increase the readiness to devote one’s efforts and abilities to the work mission.
Models of work engagement

There are number of models which emphasize work engagement directly or indirectly. The needs-satisfying approach which is forwarded by Kahn (1990) was one of the earliest models which explain the process of engagement. The model assumes that employees become engaged when the job is challenging and meaningful to the employee, when the social environment at work is safe, and personal resources like mental and physical energy are available. A similar viewpoint was forwarded by Saks (2006) who argues that when employees receive a decent salary, recognition etc, they feel obliged to respond in kind and repay the organization by engaging in their work. As, there emerges an exchange of organizations response and employees repay, the process were known as social exchange theory of work engagement.

Currently, the most important and discussed model that related with work engagement is Job-Demands Resources (JD-R) model which is forwarded by Bakker and Demerouti (2008). They forwarded the JD-R model of work engagement on different assumption based on different studies. The first assumption of them suggests that, the job resources create a motivational process that leads to work engagement, and further enable higher performance. Their second assumption is that job resources become more significant when the employees are met with high job demands. They also assume that job resources and personal resources independently or jointly predict work engagement of the employees. From these assumptions, they forwarded the model of work engagement. The model represents the influence of job resources (social support from colleagues and supervisors, performance feedback, skill variety, and autonomy) and personal resources (optimism, self-efficacy,
resilience and self-esteem) on work engagement of the employee. Both the resources can independently or jointly predict the engagement. The model states that both the resources have a positive impact on engagement when job demands are high. The job demands forwarded by them include optimism, self-efficacy, resilience and self-esteem. The work engagement, in turn, has a positive impact on performance of the employee.

Sonnentag, Dormann, and Demerouti (2010) came out with a new model of work engagement that is characterized by variety of time perspectives ranging from trait concepts (comprising stable positive views of life and work), to state and state-like concepts such as feelings of energy or absorption. They termed their model as “model of state work engagement” and tries to explain why one person feels more engaged at work on specific days and on other days not. The model proposes that proximal day-level personal resources such as state self-efficacy, self-esteem, optimism, positive affect, and energy play a core role in state work engagement. In addition to these proximal day-level personal resources, the day-level demands also increase day-level work engagement in the employee. High demands present on the day itself make it a necessity to focus one’s attention on the task at hand and to mobilize a high level of energy by decreasing the likelihood of getting distracted by extraneous cues and, therefore, foster absorption in one’s work. They suggest that day-level demands interact with day-level personal resources in predicting state work engagement (SWE). All these processes available at the specific moment, because constant high demands on a daily level and the growth of fatigue over the course of time will exhaust the person and cause lesser work engagement in the long run. The above idea is supported by the writing of Bakker and Albrecht (2018).
Recently, in an article, Bakker and Albrecht (2018) pointed that, even though major studies showed differences in work engagement between individuals as a function of working conditions, personal characteristics, and behavioral strategies, recent studies has shown that work engagement may also fluctuate within persons – across time and situations. According to them, “daily engagement refers to daily levels of vigor, dedication, and absorption that may fluctuate as a function of daily demands, resources, and proactive behaviors.” Thus, it became important to know the fluctuating levels of engagement when performing their work in today’s world. Besides these, they also forwarding some new trends in the literature related with work engagement like- studies related with leadership and engagement, increased number of intervention studies, etc.,

The reviews and theories which discussed above conclude that work engagement is a positive variable. Contradictory to this, there are a number of negative variables which may affect the individual employee negatively in an organization. Among different negative variables, work stress considered to be the most studied variable in organizational research.

**WORK STRESS**

Stress is a mental condition of an individual which produce different physical and psychological consequences. Each and every individual have to face it, because it happens every day and everywhere. But, the intensity of the stress may vary from individual to individual. Cox and Griffiths (1995) suggests three different types of ideas of the nature of stress. The first idea postulates that stress is the stimulus of the environment in the form of level of demand and termed as “engineering” approach. The Second is the physiological approach, which is based upon the physiological
changes that occur in the person when they experience stress. The third type is most popular idea of stress which is related with psychological process. Here in this approach the stress is not regarded of as a mere stimulus or response, but is itself the dynamic process that occurs as when an individual interacts with their environment.

In a broader sense, it is a dynamic state of an individual which includes a challenging opportunity and a demand or a resource related his or her requirements, and at the same times the consequence is uncertain as well as important to him or her (Robbins, 1999). It may be good or bad based on the result of that dynamic condition. The good stress is commonly known as ‘eustress’ which is essential for the achievement. Bad stress is commonly known as ‘distress’ which acts as a hindrance in achievement of something and becomes a problem to the individual. Perception of the stress, experience of the individual, support from others and personality of the individual determine the level of stress in an individual. As the stress happens everywhere and to every individual, the phenomenon may happen in work settings. Researchers calls this type of stress which happen in work setting as work stress, job stress, occupational stress etc.

The nature of work stress

Various scholars tried to define stress and to find out the causes and consequences of stress in a working environment. Rollinson (2005) defined workplace stress as the condition of an individual which emerge from the working environment that is different from normal working condition of him/ her. When work stress makes a deviation in the working condition of an individual, it becomes a problem to the organization as it will adversely influence the performance of the individual. In these circumstances, the stress which emerges from the work
environment became one of the essential areas of organizational research throughout the world.

There are different sources which develop stress in an individual employee. Generally, the sources are classified into environmental stress, organic stress, and personal stress. The environmental source consists of economic and political uncertainty and technological change. The organic source comprises task demand, role demand and interpersonal demand. And the last, Personal source includes family problem, economic problem and personality. (Robbins, Judge, & Sanghi, 2009). In 2010, Robbins discussed sources of stress under four major areas: Organizational factors, Extra/Non organizational factors, Group factors, and Individual/ personal factors.

Organizational factors are the most significant factor which has great potential to induce job-related stress in an individual. There are many factors within organizations that can create stress under the area of administrative policies and strategies, organizational structure and design, organizational processes and working conditions. The external environment such as social or technological change, family, race etc, also create stress in organizational life. Group Stressors underlined by them include lack of group cohesiveness lack of social support and conflicts. The personal factors include the individual characteristics like need for achievement, aptitudes, personality traits etc. The personal factors also include individual problems like families’ issues, economic problems, poor health, etc.

When the stress from different sources becomes excessive in nature, different problems like heart disease, anxiety, absenteeism, turnover, etc will arise which will
negatively influence the performance of the employees. As a result, the performance of the employees as well as the organization will come downwards.

**Models of work stress**

Work stress is one of the important topics in the area of organizational behavior; therefore several scholars developed different theories related with the nature and process of stress. Even though each theory has its own characteristics, all are structured around a common set of components that are linked in stress process. Lewin (1951) observed that an employee’s personal characteristics interacted with the work environment in which they work and may lead to strain. He hypothesized the interaction between the person and environment (PxE) is a significant determinant of people’s cognitive, affective and behavioral reactions. This concept was developed into the most popular theory of stress and known as “Person-Environment fit model” (French, 1973).

The Person-Environment fit model describes stress in terms of similarity between the need of the people and what they receive, as well as a similarity between their abilities and the demands placed upon them. Lack of mismatch creates stress in people which will negatively affect the health of them. For this reason, to attain good health, it is essential that the attitudes, skills, abilities and resources should match with the demands of the employees job, and that work environments should meet workers’ needs, knowledge, and skills potential. Mismatch in either of mentioned domains can result in problems related with stress and strain.

The Michigan Model and Conservation of Resources (COR) theory focused on the role of ‘individual’ and his ‘working environment’ in relation with work stress. The Michigan Model is based on a framework established by French and
Kahn at the University of Michigan in 1962. Like the P-E fit model, the Michigan Model also places much importance on the individual’s own subjective perceptions of stressors like role ambiguity, conflict, lack of participation, job security, workload, lack of challenge etc. The Conservation of Resources (COR) theory was forward by Hobfoll (1989) which is similar to P-E fit model but one key difference is that the P–E fit model emphases mainly on people’s perceptions of fit, while COR theory incorporates more objective indicators of actual fit. Lazarus's Transaction model was another famous model of stress (Lazarus & Folkman, 1984) based on person and environment.

Another theory introduced by Hackman and Oldham’s (1980), which focus on important aspects of job characteristics, such as skill variety, task identity, task significance, autonomy, and feedback. As the theory focus on these job characteristics, the theory was popularly known as “the job characteristics model”. These characteristics have a great influence over ‘critical psychological states’ such as experienced meaningfulness, and experienced responsibility and knowledge of outcomes. The theory proposed that positive or negative work characteristics give rise to mental states. Here, the negative job characteristics will lead to negative cognitive and behavioral outcomes.

A somewhat different, but more popular theory was proposed initially by Karasek (1979) and later expanded by Karasek and Theorell (1990). The initial model of Karasek known as Job Demands–Control (JDC) Model, which states that, to a certain extent excessive job demands or pressures have an impact on stress, these demands are not only the important contributors to stress, but also the ability of the employee to control the demands that they have to deal within. In another
word, there will be interactive effects of Demands and Control on stress levels. The initial theory was revised by Karasek and Theorell in 1990 to add social support in the model. Thus, the model became Job Demands–Control–Support (JDCS) model. The inclusion of support was based on extensive evidence which stated that support can play a significant role in alleviating stress among workers.

There are different theories which explain the nature of stress on the basis of demand and control model. Among the models, one of the most recent and popular model was by Palmer, Cooper, and Thomas (2004). They identified work stress as the product of different sources such as ‘work demands’ related with workload, work patterns and work environment; ‘control’ related with the involvement the employee has in the way they do their work; ‘support from colleagues and the organization’ in the form of encouragement, sponsorship and resources provided by the organization, line management and colleagues; ‘relationship with others’ which include promoting positive working to avoid conflict and dealing with unacceptable behavior; ‘role’ which refer to the nature of role of the employee within the organization; and ‘change’ which is related with how the organizational change is managed and communicated in the organization. Maladjustment with these factors may cause coronary heart disease, anxiety, depression, burnout etc in the individual which will result in reduced profit, increased accidents, etc.

Above discussed factors such as organizational culture, work engagement and work stress may directly or indirectly influences the performance of the individual employee as well the performance of the organization. Thus it is important to know more about the nature of performance and its connection with organizational culture, work engagement and work stress. Hence, to know more
about its relationships, the investigator has chosen these four variables for the present study. The following section explain nature of performance and its connection with organizational culture, work engagement and work stress

PERFORMANCE

The productivity/effectiveness of every organization is governed by the performance of each individual employee. It is related with the way to perform the job tasks according to the prescribed job description. In the opinion of Kavanagh (1982), it is a dynamic, multidimensional construct which indicate employee’s behavior in performing the requirement of a given organizational role. Based on the writings of Wright and others (Wright & McMahan, 1992; Wright & Snell, 1991), it is possible to draw out concept of work performance. Based on their works, the work performance can be interpreted as a system including three key elements arranged in sequence; inputs, human resource throughputs and outputs. Here, ‘inputs’ includes employee knowledge, skills and competencies; the human resource ‘throughputs’ is related with activities that transform inputs into outcomes, such as work effort and other behavior; and the last one ‘outputs’ include outcomes from work behavior, that is result.

There are many factors which influence the performance of the employees. Both the work environment and social environment influences the satisfaction level of the employee which will reflect on their behavior in the work place. The satisfaction level differs from individual to individual. And the needs of the individuals which cause satisfaction of the individuals differs from individual to individual and also differs from one society to another, and from one culture to another. Even though, understanding the work behavior of an individual in a
working environment and its assessment is very difficult and complex, it is indeed for an organization to improve its performance in the fast world.

The performance of the employee includes all the activities that are relevant in achieving organizational goals. Therefore, it is one of the most basic construct in the field of organizational psychology. Graduation marks or gold medals in the academic area alone are not the determinant of his or her performance in an organization. Besides these, the performance of the individual employee is the product of interaction of his or her physical abilities/health and mental abilities/mental health. In this information age, physical energy of individuals is hijacked by machines, but the organization still need mental energy of the employees.

As the performance of the individual is essential to the development of the organization, the managements and the researchers are continuously researching about the factors that are affecting the performance of the individual employee. From their studies, it can observe that, both the organizational factors like work stress, job commitment, quality of work life etc and social factors like family involvement, spouse relationship, gender role etc have a great role in determining the performance/ efficiency/ productivity of the employees.

There exist several formal and informal methods to assess the performance of the employees. Formal methods are more accurate in evaluating the performance of the employees than the latter one. According to Porter and Lawler (1968), there are three types of performance measurement- one is related with measure of output rates, amount of sales, etc,. The next type of performance measurement contains
ratings of individuals by someone other than the employee. The third type of performance measure is self-appraisal and self-ratings.

Rotchford (2002) forwarded three basic ideas related with employee performance - performance appraisal, performance development and performance management. Performance appraisal includes the method to assess the performance of the employees which enable management to take necessary actions to improve the performance of them. Performance development is the process of evaluating the performance of the employee in order to make them aware of their performance in the organization. Giving feedback to the employees about their performance will help them to improve their performance. Performance management incorporates both performance appraisal and performance development in order to make the employees capable of doing their work in a meaningful way that satisfies the requirement of the organization. Today, organizations regard performance management as a continuous, future-oriented and participative system which include the organizational process like monitoring, informal feedback from supervisors and peers, criteria setting, action-planning etc., (Bach, 1999; Williams, 2002).

There are different factors which influence the performance of the employees in an organization/industry. Organizational culture, work engagement and work stress shares an important area which studies the performance of the employees. Regarding organizational culture, studies have reported that organizational culture is one of the strong determinants of performance (Lee & Yu, 2004; Glomseth, Gottschalk & Solli-Saether, 2007). The relation between work engagement and performance was investigated by different scholars. Bakker, Schaufeli, Leiter, and Taris (2008) have found that work engagement is a strong predictor of performance.
In conclusion, there is a significant relationship between work engagement and performance of the employees. The link between work stress and performance also has a major role in organizational research. Most of the studies have reported that, stress brings subjective negative effects such as anger, fear and anxiety (e.g., Salam, Ojolenku, & Illesanmi, 2010) which will negatively influence the performance of the employees (Bashir, 2010; Chen, 2009).

**IMPORTANCE OF ORGANIZATIONAL CULTURE, WORK ENGAGEMENT, WORK STRESS AND PERFORMANCE IN ORGANIZATIONAL RESEARCH**

In the beginning of organizational research, most of the studies not focused on human related factors while addressing the performance of employees. After Hawthorn like studies, researchers understood the importance of human related factors which influence the performance of the employee as well as the productivity of the organization/industry. Among the human related psychological factors-organizational culture, work engagement and work stress has attracted different scholars while studying the performance of employees.

Organizational culture is the “character” of an organization which has an important role in determining the organizational behavior of every individual who works in it. The way employee perceives the culture of the organization has an important role in determining the organizational behaviors of the employee which will ultimately result in the increased performance of them. There are various studies in the existing literature related with organizational culture and its relation with other organizational variables like Personal effectiveness (George & Jayan, 2012), organizational commitment, job involvement, job identification (Singh, 2007), etc. Damanpour, Devece, Chen, and Pothukuchi (2010) stated that, organizational
culture also plays a mediating role in predicting psychological variables which also positively influence the performance of employees. Thus culture can directly or indirectly influence the performance of the individual who are working with in it.

Work engagement considered to be a positive organizational variable. As the work engagement is a positive work related state of mind which will influence the performance of the individual employee as well as the organization. It became one of the most discussed job attitude variables in organizational research. There are several studies in the organizational behavior as well as in management science, which evaluates the cause and consequences of work engagement of the employees. Simpson (2009) based on his meta-analysis, stated that both organizational factors and individual factors contribute to a greater extent towards engagement at work. Studies are there in the literature which tries to bring out the relationship between work engagement and other organizational variables like work related wellbeing (Sarath & Manikandan, 2014), job satisfaction (Rothmann, 2008), burnout (Nair, Sarath, Manikandan, 2013) etc., Chaudhary, Rangnekar, and Barua (2011) recorded organizational success, financial performance, and client satisfaction as important outcome of the work engagement.

Organizational culture and work engagement considered to be the positive variables which improve the performance of the employees. But, sometimes, the work stress like factors may negatively influence the performance of the employees. Selye (1956) in his book ‘The Stress of Life’ brought the concept of stress into the public domain. From there, it became one of the important areas of research in every area where man works. The studies related with work stress pointed that, it has a relation with organizational variables such as quality of life (Ranjit & Mahespriya,
2012), self-efficacy (Raveendran & Manikandan, 2012), employee commitment (Samuel, 2015), job satisfaction (Tharakan, 1992), burn out (Chand & Monga, 2007) etc., Researchers also studied different factors that cause stress at work place like work demand, control over demands, manager support, peer support, relationship, role and change (Swaminathan & Rajkumar, 2013), long hours of working (Ranjit & Mahespriya, 2012) etc.

The JD-R model which is forwarded by Bakker and Demerouti (2008) describes different factors which determine the work engagement and work stress of the employees in a work setting. Boles, Pelletier and Lynch (2004) stated that when the employees’ have the desire to work both physically and emotionally in a proper work place environment, then their performance of them will automatically increase. The proper work place with a good culture will motivate an employee (eg; work engagement) by reducing the risk factors (eg; work stress) and will positively influence the performance of them.

Existing literature also suggests that there are a number of studies which explore the relationship between organizational culture and work stress (Sarath & Manikandan, 2016) organizational culture and employee performance (Uddin, Luva & Hossian, 2013), work engagement and work stress (Sarath & Manikandan, 2015), stress and job performance (Warraich, Ahmed, Nawaz, & Khoso, 2014), work engagement and performance (Gorgievski, Moriano, & Bakker, 2014), etc.,

**INDUSTRIES IN KERALA**

The revenue from the production of goods or services is the backbone of any economy. The production of goods and services is accounted by different industries. There are different sectors of industries such as agricultural sector, mining and
quarrying sector, manufacturing sector, construction etc. The industrial revolution in the 18th century paved the way for development of industries in European and American continents. Industrial revolution not only limited to shake the economy of developed countries, but also influenced many developing countries like India.

Kerala is one of the Indian states that lie along the south west coastline of the country. According to Thomas (2004), there were different industrial units in Kerala in earlier days, but, investments in modern industries began in the Alwaye–Kochi constituency in the princely state of Travancore after the mid-1930s and made important changes in Kerala’s industrial structure, which comprised of only traditional small scale industries until then. After the formation of the state- Kerala, the Government of India, the State Government, and the private sector jointly showed their presence in the area of industrial development in the state.

In the state of Kerala, both the public undertakings- owned by state government and central government, plays an important role in the economy and society of Kerala. Public sector undertaken by government of Kerala is generally divided into manufacturing and non-manufacturing industries. The industrial production, of any industry, either manufacturing or non-manufacturing industries, depend on many factors. Human resource, machine, money, etc, are some of the major factors which influence the productivity of any organization. Among them, human resource or human power which is related with employees who is working in the industry has a great role in determining the productivity of an industry. Different studies tried to analyses human related factors which influence the performance of employees (Kitronza & Mairiaux, 2015; Khan, Dongping & Ghauri, 2014; Mathews & Khann, 2013) working in various industries like manufacturing sector, chemical
sector, electrical sector, textiles sector, handicrafts sector etc. Some studies explored the nature of organizational culture, work engagement, work stress and performance of employees working in different industries (Hon, Chan, & Lu, 2013, Jung & Yoon, 2014). The present study is trying to find out the influence of organizational culture, work engagement, and work stress on the performance of the employees of Kerala.

**Need and Significance of the Study**

The productivity of any organization is depends on the performance of the employees. As employees are human beings, their performance is influenced by different personal and organizational factors like organizational policies, work culture, relationship, work environment etc. Among them, organizational factors such as organizational culture, work engagement of the employee, and work stress experienced by the employee has very strong impact on individual performance as well the organizational performance. Organizational culture is refers to a shared meaning held by all the members of organization. It guides the relationship, emotional attachment, style of working etc. of the employees in the work setting. Different organizations have its own cultures which differentiate one organization from other organizations. The difference in the organizational culture makes differences in the performance of the employees. Another factor influencing the performance of the employee in organization is Work engagement. It is the emotional attachment of an individual towards his or her work which may influence the performance of the employees. The modern organizations require employees who show the characteristics of work engagement such as vigor, absorption and dedication. Work stress is strong variable that govern the performance of the
employee. The stress arises from the work-related tasks, workload, politics etc., will negatively influence the performance of the employees.

As the organizational culture, work engagement and work stress influence the performance of the employees, it is important to study these factors to improve the productivity of the organization. In the state like Kerala, where the industrial performance is very low compared with other states of the country, uncovering the influence of these variables on performance will help authorities to take necessary steps to improve the performance of industrial employees in the state. Thus there is a strong need to study organizational culture, work engagement, work stress and performance of the employee in the Kerala industrial context. The study will be significant in a state like Kerala, to improve the effectiveness of individual employees as well as the organization or industries in the competing world by introducing new methods related with study variables in the industry which may help the employees to increase their performance. The result will be magnificent for both the industrial sector and for the government.

**Statement of the Problem**

Compared to other Indian states, Kerala is rich in vast potential of intelligence and educated manpower and healthy natural resource endowment, but in fact the state remains relatively backward in the industrial production. To improve the productivity of our industries, it is essential to study the factors that influence the productivity. Organizational culture, work engagement, work stress and employee performance are some of the most prominent factors which influence the productivity of any organization/industry. The present study is an attempt to study these factors in Kerala context.
This study is entitled as “ORGANIZATIONAL CULTURE, WORK ENGAGEMENT, WORK STRESS AND PERFORMANCE OF INDUSTRIAL EMPLOYEES IN KERALA”.

Workable Definition

Every word has its own definitions. But some time one definition which is suitable for one situation may not be suitable for another situation. Therefore, it is important to define the variables based on the context of the study. The workable definitions of each variable under study are follows:

Organizational culture- is the social glue which holds the organization together through an enlightened leadership, sharing patterns of values and beliefs, mission, vision and strategy communicated by the management, along with team effectiveness and innovative and independent action of the employees (George & Jayan, 2010)

Work engagement- “… a positive, fulfilling, work-related state of mind that is characterized by Vigor, Dedication, and Absorption”. (Schaufeli, Salanova, González-Roma & Bakker, 2002)

Work stress- is a psychological condition of an individual in a work place which affects his or her normal working.

Performance- The performance of the employee includes all the observed activities that are relevant in achieving organizational goals, and can be measured with rating scales.