

## **Organization Culture and its Impact on Firm Performance with Special Reference to Listed Companies in Sri Lanka**

**Minzan, M.N.M. <sup>1</sup> and Gunasekare U.L.T.P.<sup>2</sup>**

*<sup>1</sup>mminzan@gmail.com, <sup>2</sup>thamarag@kln.ac.lk*

### **Abstract**

The goal of this study is to identify the impact of organization culture on firm performance in listed companies in Sri Lanka. Further we set apart the findings relating to different industries and compared how firm performance changes in manufacturing and service organization as culture differs. The purpose of this study to know; how culture of an organization assists or hinders the organizational performance. Return on Investment and earning per share was used to measure the organizational performance.

Our main focus is on Hofstede's cultural dimensions theory and its role in increase organizational performance. Structured questionnaire used, which consisted of four parts of Hofstede's culture dimensions (power distance, uncertainty avoidance, individualism and masculinity) were employed. The samples was selected through random stratified sampling at sample size of 50 with companies covering both service and manufacturing industries in western region and survey data use from around 150 respondent which include both manager and employees.

Quantitative research approach was followed and adopted survey method in which a questionnaire is used to collect the data. Regression and mean models used to test the research hypothechs. The study variables consisted of both dependent variables and independent variables, with organization culture being the independent variable and performance as dependent variable. The findings revealed that culture has a strong impact on company financial performance while uncertainty avoidance and power distance clearly indicated major association with organizational culture

**Key Words:** Organization culture, financial performance, Hofstede model