

“THE ROLE OF HR IN SHAPPING ORGANISATIONAL CULTURE”

Dr. S. Namasivayam¹, D. Sanjai ²,

¹Professor & Head, Department of Commerce in Business Process Services

²Final year UG Students, Department of Commerce in Business Process Services

Dr. N.G.P. Arts and Science College, Coimbatore, Tamil Nadu, India

E-Mail Id: drnamasivayam2002@gmail.com¹, sanjaiz6383@gmail.com²

ABSTRACT

This study explores the critical role of Human Resources (HR) in shaping organizational culture and its impact on employee engagement, productivity, and overall business success. Organizational culture, defined by shared values, beliefs, and norms, influences how employees interact and contribute to company objectives. HR plays a central role in cultivating this culture through strategic recruitment, onboarding, training, performance management, and diversity and inclusion initiatives. Using both primary and secondary data collection methods, including surveys from 85 participants, the study reveals that HR practices significantly affect employee perceptions of recognition, motivation, inclusivity, and communication. Statistical tools like Simple Percentage Analysis and ANOVA were employed to interpret the data. Key findings highlight that recognition and clear communication are critical to fostering a positive workplace culture, while financial incentives and leadership development are major motivators. The study also identifies challenges such as inconsistent cultural alignment and resistance to change. It concludes that HR's active role in promoting ethical practices, innovation, and employee well-being is vital in sustaining a cohesive and high-performing organizational culture in an evolving business environment

KEY WORDS : Human Resources (HR), organizational culture, employee engagement, recruitment, training, performance management, diversity, equity, inclusion, work-life balance, leadership development, communication, motivation, recognition, policies, ethical practices, inclusivity, cultural transformation, organizational values, market dynamics, employee well-being.

INTRODUCTION

Organizational culture is a key element that shapes employee behavior, decision-making, and overall business success. It reflects shared values, beliefs, norms, and behaviors that influence daily operations and workplace interactions. A strong, positive culture boosts employee engagement, fosters innovation, and enhances productivity. In contrast, a weak or toxic culture can lead to disengagement, high turnover, and poor performance.

Human Resources (HR) plays a vital role in shaping and maintaining organizational culture. By designing inclusive policies, fostering a positive work environment, and aligning practices with the organization's mission and values, HR ensures that the culture supports long-term success. HR is responsible for hiring individuals who fit the company culture, developing training programs that reinforce desired behaviors, and implementing performance systems that reward cultural alignment.

Additionally, HR champions diversity, equity, and inclusion (DEI), creating a respectful and inclusive workplace where all employees feel valued. HR also acts as a bridge between leadership and staff, promoting open communication and addressing concerns. By supporting employee well-being, professional development, and work-life balance, HR helps instill a sense of purpose and belonging. In a rapidly evolving business landscape, HR's influence on organizational culture is more crucial than ever for sustainable growth and employee satisfaction.

STATEMENT OF THE PROBLEM

Organizational culture plays a vital role in determining employee satisfaction, engagement, and overall business performance. However, many Organization struggle to cultivate a strong and positive workplace culture due to ineffective HR practices, lack of leadership alignment, poor communication, and resistance to change. Inconsistent cultural values, unclear expectations, and the

absence of employee-centric policies can lead to low morale, high turnover rates, and decreased productivity.

Despite the recognition of HR's role in shaping culture, many companies face challenges in implementing strategies that foster inclusivity, collaboration, and innovation. The problem lies in HR's ability to align recruitment, training, performance management, and workplace policies with the organization's core values while adapting to evolving employee expectations and market dynamics. Furthermore, issues such as workplace conflicts, lack of diversity and inclusion, and ineffective leadership development can negatively impact cultural transformation efforts.

This study aims to explore the critical role of HR in shaping Organization culture, identifying key challenges, and providing solutions to create a strong, adaptive, and employee-centred work environment. By understanding HR's influence on culture, Organization can implement effective strategies to enhance employee well-being, drive business success, and sustain long-term growth.

OBJECTIVES OF THE STUDY

- Define and integrate Organization values into HR policies.
- Foster employee engagement through motivation and recognition.
- Promote diversity, inclusion, and equitable workplace practices.
- Develop leadership and talent through training programs.
- Strengthen communication and teamwork for a cohesive culture.

SCOPE OF THE STUDY

This study focuses on the role of Human Resources (HR) in shaping Organization culture and how it influences employee engagement, productivity, and overall business success. Organization culture plays a crucial role in determining workplace dynamics, and HR serves as a key driver in establishing and maintaining a positive, inclusive, and high-performance work environment. The study will explore how HR policies and practices contribute to cultural development within an organization. This includes recruitment, on boarding, training, and employee engagement strategies that help in fostering a shared set of values and behavioural norms. By understanding the role of HR in these areas, the study aims to highlight how Organization can build and sustain a strong and cohesive workplace culture.

SAMPLE SIZE

In this research, the sample size is 120.

METHODOLOGY

Both primary and secondary data were used for this study. Primary data was collected from one hundred and twenty respondents using a convenient random sampling method. Secondary data was gathered from websites, books, and journals.

REVIEW OF LITERATURE

Anderson & Brown (2025) examined future trends in HR's influence on organizational culture. Their study emphasized the growing role of HR in managing hybrid workforces, digital inclusion, and leveraging AI to drive engagement and employee experience in evolving workplaces.

Johnson & Lee (2024) investigated HR's role in fostering a data-driven culture by implementing AI-driven workforce analytics. Their study found that leveraging data to drive decision-making enhances strategic planning, talent management, and organizational agility.

Brown & Davis (2023) explored how HR can use AI-driven analytics to monitor and reinforce company culture. Their findings demonstrated that tracking employee engagement metrics, feedback

trends, and workplace sentiment through AI insights helps HR proactively address cultural challenges and maintain a positive work environment.

Garcia & Thomas (2022) discussed HR's role in shaping a purpose-driven organizational culture by aligning CSR initiatives with employee values. Their study concluded that organizations integrating CSR into their HR strategies enhance employee motivation, brand loyalty, and overall corporate responsibility.

Patel & Sharma (2021) studied the link between HR-driven sustainability initiatives and organizational culture, revealing that companies with strong environmental policies develop socially responsible workforces. Their research showed that green HR practices, including eco-friendly policies and sustainability training, create a corporate culture centered around environmental consciousness and ethical business conduct.

LIMITATION OF STUDY

While this study provides valuable insights into the role of Human Resources (HR) in shaping Organization culture, certain limitations may affect the scope and generalizability of the findings. One of the key limitations is the study's focus on medium to large Organization, which may not fully represent the experiences of small businesses or startups. Smaller Organization often have different HR structures, fewer formal policies, and more flexible cultural dynamics, which could influence the study's applicability to them.

ANALYTICAL TOOLS

- ❖ Simple Percentage
- ❖ One-way Anova

TABLE 1

SIMPLE PERCENTAGE

4.1.11	Financial incentives	23.5
	Growth opportunities	22.4
	Recognition	35.3
	Work-life balance	18.8
4.1.12	Never	15.3
	Occasionally	34.1
	Rarely	10.6
	Very frequently	40
4.1.13	Always	34.1
	Never	12.9
	Often	31.8
	Sometimes	21.2
4.1.14	Better work-life balance	23.5
	Increased financial incentives	36.5
	More recognition programs	27.1
	More training opportunities	12.9
4.1.15	Not inclusive at all	5.9
	Not very inclusive	20
	Somewhat inclusive	35.3
	Very inclusive	38.8

4.1.16	Agree	43.5
	Disagree	17.6
	Strongly agree	29.4
	Strongly disagree	9.4
4.1.17	No, and I am not interested	18.8
	No, but I am interested	15.3
	Yes, occasionally	40
	Yes, regularly	25.9
4.1.18	Always	34.1
	Often	35.3
	Rarely	9.4
	Sometimes	21.2
4.1.19	Hiring policies	32.9
	Leadership representation	30.6
	Training programs	12.9
	Workplace culture	23.5
4.1.20	No, and I am not interested	18.8
	No, but I am interested	24.7
	Yes, multiple times	29.4
	Yes, once	27.1
4.1.21	Not effective at all	21.2
	Not very effective	24.7
	Somewhat effective	28.2
	Very effective	25.9
4.1.22	Industry-specific training	14.1
	Leadership training	29.4
	Soft skills	27.1
	Technical skills development	29.4
4.1.23	Annually	23.5
	Monthly	37.6
	Quarterly	18.8
	Rarely or never	20
4.1.24	Career growth	36.5
	Certification opportunities	17.6
	Organizational expectations	15.3
	Skill improvement	30.6
4.1.25	Ineffective	10.6
	Not very effective	11.8
	Somewhat effective	35.3
	Very effective	42.4
4.1.26	Conflicting work styles	24.7
	Lack of clear communication	36.5
	Limited trust and engagement	25.9
	Unclear roles and responsibilities	12.9
4.1.27	Always	31.8
	Often	32.9

	Rarely	10.6
	Sometimes	24.7

INTERPRETATION

The majority of respondents (35.3%) consider recognition (awards, appreciation) the most effective form of motivation, followed by 23.5% who prefer financial incentives, 22.4% valuing growth opportunities, and 18.8% prioritizing work-life balance improvements. In terms of the frequency of recognition, 40% of employees report that recognition is given very frequently, while 34.1% say it happens occasionally. However, 15.3% report that recognition is never provided, and 10.6% say it is rare. The most common suggestion for improving employee engagement is increased financial incentives, with 36.5% in favor, followed by more recognition programs (27.1%) and better work-life balance (23.5%). Workplace inclusivity is another key area, where 38.8% of respondents feel their workplace is very inclusive, though 25.9% feel it lacks inclusivity. Furthermore, the majority of employees (72.9%) believe their organization actively promotes diversity in hiring and leadership roles, while 36.5% of employees are motivated by career growth to participate in training programs .

Figure 1 :

HOW EFFECTIVE ARE CURRENT TRAINING PROGRAMS IN IMPROVING SKILLS

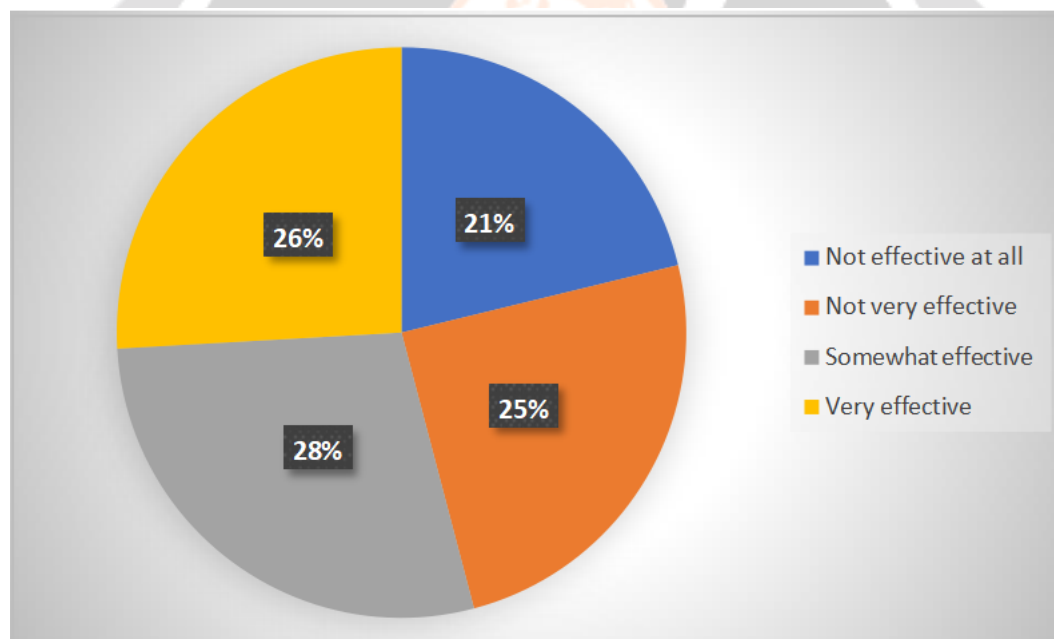


Figure 2 :

ASPECT OF DIVERSITY AND INCLUSION NEEDS IMPROVEMENT

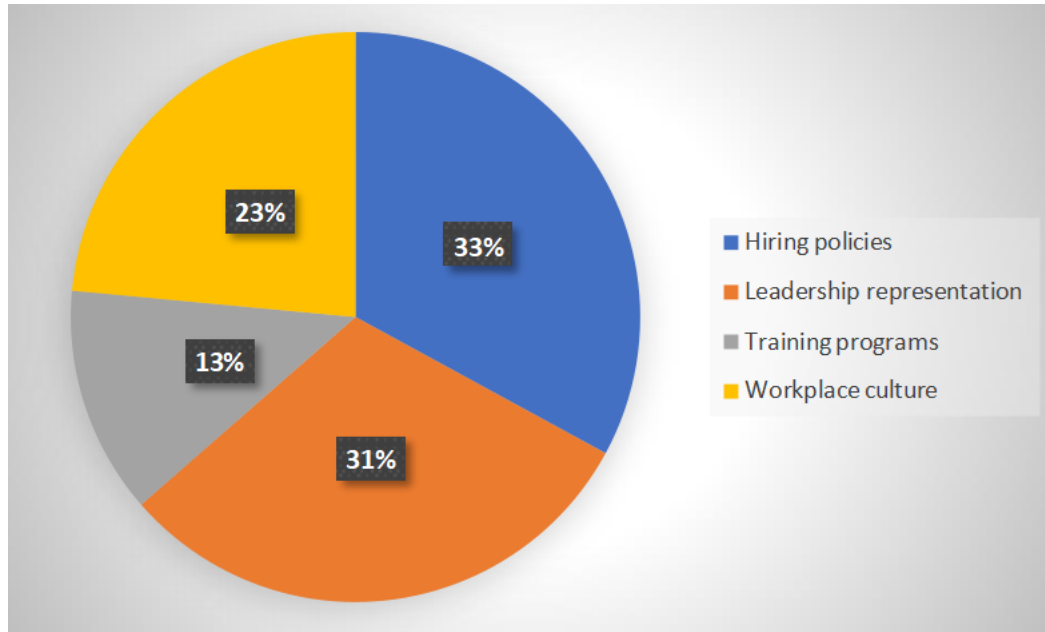


Figure 3 :
IMPROVEMENTS CAN ENHANCE EMPLOYEE ENGAGEMENT

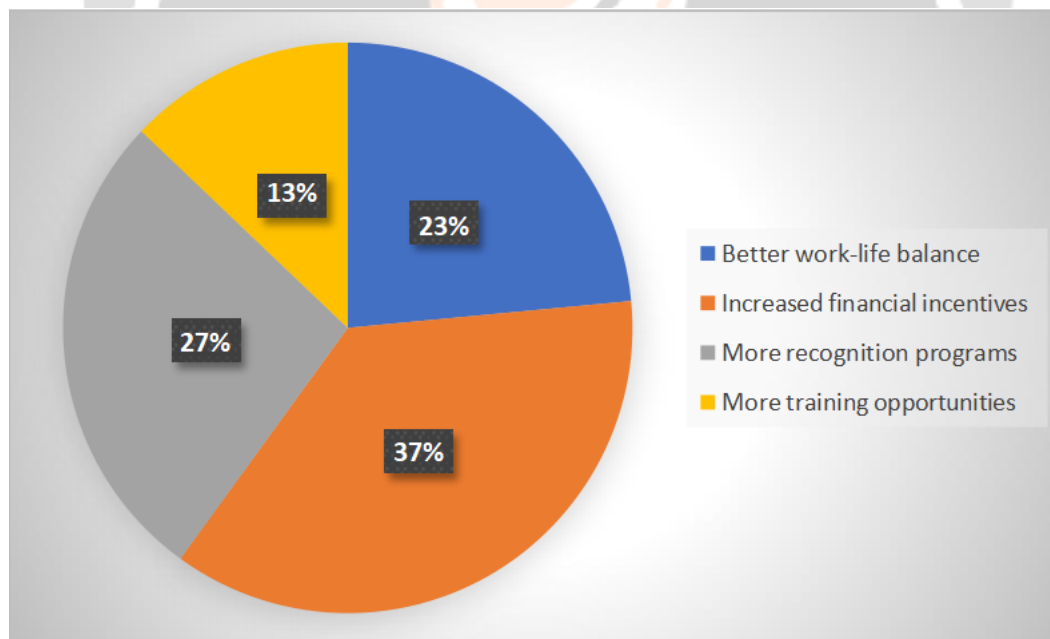


TABLE 2

ONE WAY ANOVA

PARTICULARS		Sum of Squares	df	Mean Square	F	Sig.
AGE VS COMPANY'S CORE VALUES	Between Groups	1.681	3	0.56	0.4	0.754
	Within Groups	113.566	81	1.402		

	Total	115.247	84			
ANNUAL INCOME VS EMPLOYEE SATISFACTION WITH RECOGNITION	Between Groups	14.066	4	3.516	4.279	0.003
	Within Groups	65.746	80	0.822		
	Total	79.812	84			

FINDINGS

The study findings suggest that a significant portion of respondents are young adults, with 54.1% aged 18–24, reflecting a younger workforce. A gender imbalance is also noted, as 68.2% of respondents are male. Most participants are unmarried (62.4%), with a sizable portion falling into the ₹1,00,000 - ₹2,00,000 income group (43.5%). The majority of respondents (71.8%) report a good understanding of their company's core values, with HR policies being viewed positively by 55.3% of respondents for reflecting organizational values effectively. While 41.2% receive frequent communication about these values, there is a need for more consistency in communication as noted by others who experience infrequent or no communication. Employee recognition is frequent for 40% of respondents, with recognition being considered the most effective motivator by 35.3% of participants.

In terms of inclusivity, 38.8% of respondents believe their workplace is very inclusive, but 25.9% feel it lacks inclusivity, indicating room for improvement in fostering a diverse environment. Regarding diversity and inclusion, 72.9% of respondents believe their organization promotes diversity, although 27% feel that efforts could be strengthened. The majority (65.9%) have received diversity and inclusion training, but 34.1% either haven't or aren't interested, pointing to an opportunity to enhance engagement in such initiatives.

Employee perceptions of recognition satisfaction vary significantly across income groups, with those in different income brackets showing distinct levels of satisfaction with recognition. The study also highlights that the company core values perception remains consistent across age groups, suggesting a uniform understanding of values across diverse demographics. Additionally, respondents show strong motivation for career growth and skill improvement, with 67.1% prioritizing personal development. Despite positive feedback on communication (77.7% viewing it as effective), 36.5% cited communication issues as barriers to effective team collaboration. Employee perceptions of company core values remain consistent across age groups, showing no significant difference. However, employee satisfaction with recognition varies significantly by income level, highlighting the need for tailored recognition strategies.

SUGGESTIONS

Human Resources (HR) can significantly impact organizational culture by implementing strategies that foster engagement, inclusivity, and growth. Regular feedback systems allow employees to express concerns and suggestions, ensuring a sense of belonging and value. HR can further enhance organizational culture by offering continuous learning and development programs that align with company values, thus ensuring employee growth while maintaining cultural alignment. By promoting unbiased hiring practices and diversity training, HR can improve inclusivity and create a respectful workplace. Strengthening team collaboration through team-building activities and open communication fosters stronger relationships and more effective teamwork. Promoting work-life balance via flexible arrangements and wellness programs ensures employees can manage personal and professional lives while contributing positively to organizational culture. Employee retention can be enhanced by recognizing and rewarding contributions, reinforcing behaviors that align with company values and encouraging long-term commitment. Mental health support through stress management and wellness programs fosters a healthy work environment. HR can facilitate organizational change by communicating effectively and supporting employees through transitions. Ethical leadership can be promoted by training managers to lead with integrity, ensuring organizational values are reflected in decision-making at all

levels. Lastly, trust within the organization can be strengthened by maintaining transparency and an open-door policy, ensuring employees feel heard and valued.

CONCLUSION

In conclusion, HR plays a critical role in shaping and maintaining a strong organizational culture that aligns with the company's values and goals. By focusing on recruitment, onboarding, and continuous employee development, HR ensures that employees are not only skilled but also culturally aligned with the organization. This creates a cohesive and motivated workforce that contributes to the overall success of the organization. Furthermore, HR's efforts to regularly engage employees through feedback systems and recognition programs help foster a sense of belonging and motivation, ultimately enhancing job satisfaction and retention. Additionally, HR's focus on diversity, equity, and inclusion (DEI) is essential in cultivating an environment where all employees feel respected and valued. By promoting fair hiring practices, offering DEI training, and creating inclusive workplace policies, HR ensures that the organization attracts and retains a diverse talent pool. This not only enriches the company's culture but also drives innovation and creativity by bringing diverse perspectives into decision-making processes. An inclusive culture promotes collaboration, strengthens teamwork, and contributes to a positive work environment for all employees. Lastly, HR's commitment to employee well-being, work-life balance, and ethical leadership strengthens organizational trust and transparency. By implementing flexible work policies, mental health support, and ethical decision-making frameworks, HR fosters an environment where employees feel supported and empowered to thrive. This approach not only enhances individual productivity but also boosts overall company performance.

