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# A STUDY ON THE RELATIONSHIP BETWEEN ORGANISATIONAL CULTURE AND EMPLOYEE ENGAGEMENT AND RETENTION

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**ABSTRACT**

*This study examines the relationship between organisational culture, employee engagement, and employee retention at STANCO Solutions Pvt. Ltd. Organisational culture plays an important role in influencing employee attitudes, motivation, commitment, and workplace behaviour. A positive organisational culture helps employees feel valued, respected, and emotionally connected to the organisation, which improves engagement and retention.*

*The study focuses on factors such as leadership behaviour, teamwork, communication, recognition, innovation, and work–life balance. Data was collected from 106 employees using a structured questionnaire. Statistical tools such as percentage analysis, correlation, and regression analysis were used for interpretation.*

*The findings reveal that supportive leadership, transparent communication, teamwork, and fair treatment positively influence employee engagement and employee retention. Employees who experience a healthy work environment show higher motivation, loyalty, and willingness to continue working in the organisation. The study concludes that a strong organisational culture improves employee satisfaction, strengthens emotional attachment, reduces turnover intention, and contributes to long-term organisational success.*

**KEYWORDS:** *Organisational Culture, Employee Engagement, Employee Retention, Leadership Behaviour, Workplace Culture.*

## INTRODUCTION

Organisational culture refers to the shared values, beliefs, attitudes, and practices followed within an organisation. It influences employee behaviour, communication, teamwork, and decision-making processes. A strong organisational culture creates a positive work environment where employees feel motivated, respected, and committed toward organisational goals.

Employee engagement refers to the emotional connection and involvement employees have toward their work and organisation. Engaged employees are more productive, motivated, and committed to achieving organisational success. Employee retention refers to an organisation's ability to retain employees for a longer period by providing a supportive and satisfying work environment.

In modern organisations, maintaining employee engagement and retention has become a major challenge due to increasing competition and changing employee expectations. Organisations with supportive leadership, fair treatment, recognition systems, teamwork, and work–life balance are more successful in retaining talented employees.

This study focuses on analysing the relationship between organisational culture, employee engagement, and employee retention at STANCO Solutions Pvt. Ltd. The research aims to understand how organisational culture influences employee motivation, emotional attachment, and loyalty toward the organisation.

## OBJECTIVES OF THE STUDY

**Primary Objective**

To study the relationship between organisational culture and employee engagement and retention.

**Secondary Objectives**

- To analyse employees' perception of organisational culture.
- To examine the impact of organisational culture on employee engagement.
- To study the influence of organisational culture on employee retention.
- To assess the role of leadership behaviour in shaping organisational culture.

## NEED OF THE STUDY

Organisational culture plays an important role in improving employee engagement and retention. A positive work culture increases employee motivation, commitment, satisfaction, and loyalty toward the organisation. However, weak organisational culture may lead to employee dissatisfaction, low engagement, and high turnover intention.
The study is needed to understand the impact of organisational culture on employee engagement and employee retention. It also helps identify the importance of leadership, communication, teamwork, and recognition in improving workplace culture and employee satisfaction.

## SCOPE OF THE STUDY

The study focuses on analysing the organisational culture followed at STANCO Solutions Pvt. Ltd. It covers employee opinions regarding leadership behaviour, communication practices, teamwork, work–life balance, recognition, employee engagement, and employee retention.
The study helps management understand employee expectations and improve workplace culture for better organisational performance.

## LIMITATIONS OF THE STUDY

- The study is limited to employees of a single organisation.
- The sample size is limited to 106 respondents only.
- Some employees were hesitant to provide complete information.
- Responses may contain personal opinions and bias.
- Time constraints limited deeper analysis and wider data collection.

## REVIEW OF LITERATURE

Al Mehrzi and Singh (2021) explained that supportive leadership and communication improve employee engagement and organisational commitment. Anitha and Begum (2022) stated that teamwork and participative management positively influence employee retention. Bakker and Albrecht (2021) highlighted that positive organisational culture improves employee motivation and productivity.

Bibi, Ahmad, and Majid (2021) found that supportive work environments and employee development programs reduce turnover intention. Kalia and Verma (2022) emphasized that recognition and collaborative culture increase employee engagement. Sharma and Sharma (2023) concluded that flexible work policies and supportive leadership help organisations retain skilled employees.

These studies indicate that organisational culture significantly influences employee satisfaction, engagement, and long-term retention.

## RESEARCH METHODOLOGY

### Research Design

The study uses descriptive and correlational research design to analyse the relationship between organisational culture, employee engagement, and retention.

### Sources of Data

### Primary Data

Primary data was collected through a structured questionnaire distributed among employees of STANCO Solutions Pvt. Ltd.

### Secondary Data

Secondary data was collected from journals, books, company reports, and published articles.

### Sample Size

A total of 106 employees participated in the study.

### Sampling Technique

Convenience sampling method was used for data collection.

### Tools Used for Analysis

- Percentage Analysis
- Correlation Analysis

- Regression Analysis

## DATA ANALYSIS AND INTERPRETATION

### Major Findings

- Majority of respondents are male employees.
- Most respondents belong to the age group of 26–30 years.
- Majority of employees are undergraduate degree holders.
- Most employees agree that leadership communicates a clear vision and direction.
- Employees believe that communication within the organisation is transparent.
- Majority of respondents feel that employees are treated fairly and respectfully.
- Teamwork and collaboration are encouraged in the workplace.
- Employees agree that the organisation supports work–life balance.
- Most employees feel motivated and emotionally connected to the organisation.
- Majority of respondents intend to continue working in the organisation for the next few years.
- Employees rarely think about leaving the organisation.
- Most respondents would recommend the organisation as a good place to work.

## REGRESSION ANALYSIS

The regression analysis indicates that organisational culture has a significant positive impact on employee engagement and employee retention. Employees who experience fair treatment, innovation, and supportive leadership show stronger emotional attachment and commitment toward the organisation.

## CORRELATION ANALYSIS

The correlation analysis shows a positive relationship between leadership behaviour and teamwork within the organisation. Effective leadership communication improves collaboration and employee involvement.

## SUGGESTIONS

- The organisation should strengthen employee recognition and reward systems.
- Leadership development programs should be introduced to improve employee–manager relationships.
- Career growth opportunities and training programs should be enhanced.
- Team-building activities should be conducted regularly to strengthen collaboration.
- Flexible work practices should be implemented to improve work–life balance.
- Innovation and idea-sharing initiatives should be encouraged among employees.
- Transparent communication practices should be maintained to build employee trust and commitment.

# CONCLUSION

The study concludes that organisational culture has a significant influence on employee engagement and employee retention at STANCO Solutions Pvt. Ltd. A positive organisational culture improves employee motivation, satisfaction, emotional attachment, and loyalty toward the organisation.

The findings reveal that supportive leadership, teamwork, fair treatment, recognition, and transparent communication positively influence employee engagement and retention. Employees working in a healthy organisational culture are more committed and willing to continue working in the organisation for a longer period. The study also highlights that leadership behaviour plays an important role in strengthening teamwork and collaboration among employees. Organisations that focus on building a supportive and employee-friendly culture can improve workforce stability, reduce turnover intention, and achieve long-term organisational success.

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