



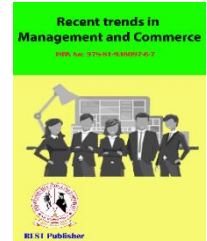
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Does Organisational Culture Improve Performance of a Start-up – A Review

Shameera MK

MES KalladiCollege, Mannarkkad, Palakkad, Kerala, India.

Abstract: To thrive and gain a competitive advantage in the highly competitive global market, a company must establish a strong startup culture, which creates a workplace environment that values innovation and creativity in problem-solving. This study looks into the significance of improving startup culture in a competitive environment to improve organizational performance, and production, and thus yield higher returns. Based on previous literature resources, findings indicate that personality, workplace, and innovation led to the performance of startups. The method is used for subjective content examination in any text data. Creating a pleasant working environment is a critical behavior that companies should consider adopting and implementing to achieve a beneficial startup culture full of productivity and massive returns.

1. Introduction

The adoption of a startup culture in an organization is critical to its success. A company must establish a strong startup culture to thrive and gain a competitive advantage in the highly competitive global market. Startup culture fosters a work environment that values innovation and creativity in problem-solving. It promotes open communication by providing equal and transparent opportunities for everyone to access and share knowledgeable communication resources and tools to provide quality services (Todeschini, Cortimiglia, Callegaro-de-Menezes, & Ghezzi, 2017). This culture results in an organizational design with little or no middle-level management between employees and directors. To improve collaboration and communication, a flat organizational structure increases each employee's responsibility within the firm and eliminates unnecessary levels of management. To achieve the corporation's long- and short-term strategic plans, purpose, and targets, it should cultivate and embrace a culture that encourages collaboration among its employees to avoid in-process and operational efficiency errors that can harm a company's image and confidence in the eyes of society.

(Doppelt & McDonough, 2017). Because the quality of goods and services provided determines an entity's efficiency, any company should assess and improve its culture by focusing on action points, developing policies and standards, and training employees on tactics and approaches to improve overall organizational performance. Startup culture is important in business because it takes into account for the personalities and interests of the people who make up the institution's crew (Wagemans, Witschge, & Deuze, 2016). Furthermore, because people come first, startup cultures frequently have a better work-life balance and greater flexibility than corporate cultures. Flexibility ensures that employees have a full work-life balance by balancing work and social activities. This means they can do other things as long as they are willing to give their best effort to the entity. A company's culture is heavily influenced by its employees. Companies with a strong sales force are more likely to have a customer-focused and outgoing culture than those with a large number of introverted employees (Gravett & Caldwell, 2016). A politicized or even toxic culture will emerge in a company with uncertain or distrustful employees. A startup's culture is shaped by its leaders, beginning with the co-founders. The management creates an organizational chart and gathers the support staff. They decide who is rewarded and promoted within a company. Their actions set a good example for the rest of the team, and the rest of the group followed suit, having a large impact on the company. In terms of corporate culture, this study will look into the importance of fostering startup culture in a competitive business environment to improve organizational performance, and production, and thus yield higher returns. The study aims to investigate the importance of enhancing startup culture in a competitive business environment. The study's goal is to investigate the necessary factors to develop a strong startup culture model. The bottom line is that if these factors are effectively improved, they can lead to high levels of innovation and thus competitiveness among

competitors. Most studies have concentrated on the factors required for developing startup cultures in a competitive business environment; however, a few have concentrated on how these required factors can be improved. Culture enhancement is the process of improving a factor's quality and value. establishing values, leading by example, transparency, appropriate recruitment, and creating a conducive environment.

2. Literature Reviews

literature review highlights previous findings on the subject. According to the literature, entrepreneurial and organizational culture are critical in assessing and researching this technologically advanced era. Entrepreneurial culture is founded on an organization's employees' attitudes, abilities, and values. Previous research provides a foundation for this study by outlining various methods for strengthening start-up culture. The research provides a thorough understanding of the impact of organizational values, leadership, hiring and recruitment, communication, and workplace environment on business competitiveness. The study goes on to investigate how these five factors can be enhanced or improved to achieve better results. Entrepreneurial and organizational culture are important areas to evaluate and research in this technologically advanced era (Danish, Asghar, Ahmad, & Ali, 2019). In business, entrepreneurial culture refers to the attitudes, abilities, values, and authority that employees in a company have that influence the success of that company. The study sought to investigate what influences organizational culture, with a focus on business flexibility to change and self-efficacy (individual perception of ability to maintain skills and vital capabilities). Extraordinary levels of personal efficacy are attained through consistent performance achievements and dealing with difficulties and challenges through hard work and focus (Katzenbach & Smith, 2015). The study looks at various aspects of self-efficacy in task performance and concludes that people have high self-efficacy in one area but low self-efficacy in another.

Startup cultures, invention, and innovation are all closely related. It is highly recommended to evaluate the businessman's intrinsic traits and minority ethnic business, as well as the investor's cultural components (Stephens, Butler, Garg, & Gibson, 2019). Because of the innovation aspect of this culture, new entrants in the business environment are posing competition to dominant firms. According to studies, the most obvious reason to start a new business is the opportunity to innovate and grow. Growth generates returns for the company and is dependent on the creativity displayed by a businessman or woman. Previous research (Lazarova, Punjab, & Mannasseh, 2020) on developing corporate culture and improving productivity in a startup business discovered a distinction between a startup and organizational culture. There are some peculiarities to establishing a startup's corporate culture. This process entails developing a clear company strategy, defining short-term goals, and identifying employees who share a similar mindset and cultural fit in an organization. The recruitment process is also crucial in obtaining the most qualified employees with significant expertise to foster a positive, innovative, and supportive culture in a business (Mazzei, Flynn, & Haynie, 2016). According to the study, organizational culture is one of the most important factors influencing a company's success. Regardless of the efforts or activities undertaken, any new company will have some form of business culture. Founders are frequently focused on cash flows and results, but one of the most important determinants of a company's success is its culture. Startup employees are multitaskers who are willing to go above and beyond to achieve the company's goals (Lewrick, Link, & Leifer, 2018). This study also found that a company's culture should be updated and changed as it expands. Startups have a reputation for making significant changes quickly (Kuckertz, Brändle, Gaudig, Hinderer, etc.). Previous studies on startup culture features related to the corporate culture model (Kwiatkowski & Miriam, 2016) found that corporate culture has a major impact on whether a company will gain a competitive edge and affects important aspects of company performance, like leadership and innovation. Only two influencing factors as how culture affects self-efficacy and openness to change were examined in previous study, leaving potential for future studies to examine additional factors pertaining to personality, the workplace, and innovation. Therefore, some reviews of personality, the workplace, and innovation that affect startups' performance constitute the basis of this study.

3. Research Design

Baxter (2018) defines qualitative analysis as a research method for analyzing qualitative data. In contrast to quantitative data, qualitative data is non-numerical (Questionpro, 2021). It is the type of data obtained through observation, focus groups, and face-to-face methods. The data only describes qualities and characteristics in narrative form, providing approximations rather than specific figures (Questionpro, 2021).

Establishing organization culture that promotes Start-ups:

companies should create and implement mechanisms to foster a startup culture (Wu, Straub, & Liang, 2015). This can be accomplished by defining and discussing company values as early as possible with all stakeholders. To succeed, an organization should consider what the most important thing to work. It can request that its employees

consider and write down the corporate values that they believe are important to an organization. Leading by example is the most effective way to instill values in employees. Assume an entity is concerned about the quality of its products. In that case, it should solicit detailed feedback from users on how they want the product to function, as well as establish feasible standards and provide workers with ample time and resources.

The personality of founders and the performance of Start-ups

Differences in entrepreneurial activity are thus discussed in the context of cultural, personal, and institutional factors that interact at the regional level to produce a multifaceted entrepreneurial environment. There are strong indicators that poor entrepreneurship has a cultural component. Through the lens of cultural factors and personality traits, the goal of this research is to shed more light on possible reasons for personality differences affect entrepreneurial performance, particularly for innovative start-ups. Franco, M., & Prata, M. (2019) conducted a study on the Influence of the individual characteristics and personality traits of the founder on the performance of family SMEs found that Only extraversion, conscientiousness, and openness to experience have been found to have a positive influence on performance, whereas neuroticism has a negative influence. There are also some implications for theory and practice. De Jong, A., Song, M., & Song, L. Z. (2013) conducted a study How lead founder personality affects new venture performance: The mediating role of team conflict. The purpose of this empirical study of 323 new ventures is to investigate how task and relationship conflict in the founding top management team mediates the effect of lead founder personality on new venture performance. The findings show that (1) openness and agreeableness increase task conflict while decreasing conscientiousness, and (2) openness, extraversion, and conscientiousness decrease relationship conflict while increasing neuroticism. Furthermore, task conflict improves venture performance while relationship conflict degrades venture performance and diminishes the positive effect of task conflict. Furthermore, task and relationship conflict do not affect new venture performance and only partially mediate the effects of openness and neuroticism. Openness and neuroticism have a direct impact on new venture performance, as well as an indirect impact on task performance. McCarthy, P. X., Gong, X., Braesemann, F., Stephany, F., Rizioiu, M. A., & Kern, M. L. (2023) conducted a study on "The impact of founder personalities on startup success" "attention has shifted to internal factors relating to the firm's founding team, such as their prior experiences and failures, their centrality in a global network of other founders and investors, and the team's size. However, the effects of founders' personalities on the success of new ventures are largely unknown. Results demonstrate that founder personality traits are an important factor in a firm's ultimate success. Researchers rely on detailed information about the success of a large global sample of startups (n = 21,187). The study discovered that the Big Five personality traits of startup founders differ significantly from those of the general population across 30 dimensions. A preference for variety, novelty, and trying new things (openness to adventure), as well as being the centre of attention (lower levels of modesty) and exuberant (higher activity levels), are key personality traits that distinguish successful entrepreneurs. Authors don't find a single 'Founder-type' personality; instead, six distinct personality types emerge. Findings also show that larger, more personality-diverse teams in startups have a higher chance of success. The findings highlight the importance of personality type diversity as a novel dimension of team diversity that influences performance and success. Freiberg, B., & Matz, S. C. (2023) Founder personality and entrepreneurial outcomes: A large-scale field study of technology startups. With seven of the ten largest companies rooted in technology and venture capital investments totalling approximately \$300 billion per year, technology startups play an important role in the economy. However, key startup outcomes (for example, whether a startup raises venture capital or is acquired) remain difficult to predict, particularly in the early stages of venture formation. The paper investigated the impact of an important, yet understudied, factor that can be observed from the start of a startup: founder personality. Researchers use digital footprints to predict psychological traits to investigate how a founder's personality is related to critical startup milestones. Results provide large-scale, ecologically valid evidence that founder personality is associated with outcomes across all phases of a venture's life (i.e., from raising the initial funding round to exiting) by observing 10,541 founder-startups.

Workplace and Performance

Hosseini, E., Tajpour, M., Salamzadeh, A., & Ahmadi, A. (2022). Team performance and the development of Iranian digital start-ups: the mediating role of employee voice. The constant change in the workplace and daily work-related activities necessitates the exchange of comments and ideas, as well as an increased need for continuous learning. Thus, firms that pay no attention to employee voice face serious disadvantages, because a firm cannot operate in a dynamic environment and will eventually lose its competitiveness in this contentious business environment. As a result, the purpose of this study is to discuss the impact of team performance on the development of digital start-up companies, with employee voice serving as a moderator. This is quantitative applied research in terms of objective. This study's statistical population consists of the employees of 113 international Iranian digital start-up companies in the medical sector, accounting for 15% of the country's total

exports. Using the Cochran formula, the sample size was determined to be 201 people. A standard questionnaire with 24 questions on a

five-point Likert scale was used to collect the data. Finally, Smart PLS 3 software was used to analyze the data. The findings revealed that cognitive empowerment, emotional commitment, creating an innovation climate, and sharing knowledge, along with the mediating role of employee voice, all positively influence a firm's success and survival. In other words, firm team performance is an attitude toward employee loyalty and a continuous process that can lead to firm development through individual contributions in decision-making processes. The main factor can be considered team performance. Farahdiba, D., Mahirah, N. M. S., & Maengkom, P. A. N. (2022). Factors Influencing Creative Employees: An Integration of Transformational Leadership Theory in The Case of Start-up Employees in Indonesia. A start-up must attract and retain employees with a high level of creativity in today's competitive business environment. This study looks into the effects of intrinsic motivation, transformational leadership dimensions, and personal factors on employee creativity. Furthermore, the role of the workplace's physical space in moderating the relationship is investigated. This study employs a quantitative strategy for data analysis, utilizing the Partial Least Squares (PLS) method with the assistance of SmartPLS.101 employees of Indonesian start-ups with less than a year of experience took part in this study. Employee inventiveness was found to be increased by inspiring motivation, idealized influence, intellectual stimulation, and personal consideration. According to the findings, however, when the physical work environment was moderated between the four dependent variables: inspirational motivation, idealized influence, intellectual stimulation, and individual consideration of employees' creativity, the results did not improve. The dimension of transformational leadership used in this study is a leader's idealized influence and intellectual stimulation on their employees. Sengupta, S., Sharma, S., & Singh, A. (2021). Authentic leadership fostering creativity in start-ups: Mediating role of work engagement and employee task proactivity. In the context of start-ups, this study investigates the effect of authentic leadership (AL) on employee creativity, as well as the mediating role of work engagement (WE) and employee task proactivity (ETP). The structural equation modeling was used to analyze data collected from 300 leaders and 300 employees of Indian start-ups. The findings indicate that AL has a direct and significant impact on creativity, which is mediated by WE and ETP. It is critical for a start-up that employees perceive their founders or leaders to have a high moral perspective, a clear sense of self-awareness, and transparency in their interactions with their followers. Such behaviors inspire followers to invest soulfully in their work and act proactively, which leads to creativity. For any new business, such behaviors inspire followers to invest soulfully in their work and act proactively, which leads to creativity. A strong form of positive leadership, as well as high levels of creativity from employees, are required for any start-up to succeed.

4. Innovation and Performance

Camison -Haba S, Clemente -Almendros JA & Gonzalez- Cruz, T (2019) examined a study entitled "How do technology-based firms become also highly innovative firms? The Role of Knowledge, technological and managerial capabilities, and Entrepreneurs Background" analysed 326 Spanish industrial firms during the period 1998- 2014 about Education, knowledge, technology, and managerial capabilities. The study gave insight into some factors that have a prominent role in determining the success rate of a company such as a high level of Knowledge, technological capabilities, a Skilled management team with experience, a Strong power position, and prior technical and managerial training. These factors are needed to promote technology and innovation in a business leading to the performance of startups. Ximena Alejandra Flechas Chaparro, Ricardo Kozesinski, Alceu Salles Camargo Junior (2020) carried out a study entitled "Absorptive Capacity in Start-ups-A systematic literature review". Presented qualitative research to find out absorptive capacity in Start-ups by reviewing 220 documents that focused on three main concepts i.e., Knowledge, Innovation, and performance. observed a relationship between three clusters. To bring new knowledge into the innovation process, firms develop their Absorptive capacity. Studies found that Startups are resource-limited hence there is a need to develop partnerships with universities, research labs, and ecosystems for gathering new knowledge. The study concluded that to gather new information and knowledge networking, direct personal contact and proximity to the environment are essential. Vijay Vyas conducted a study entitled "Innovation, Incremental Innovation and Climb Down: A Strategy for Survival and Growth of New Firms" The paper found that technological innovations have opened plenty of Chances for start-ups and also improved the margin of competition & increased efficacy. A firm's innovation ability is directly interlinked with the productivity, profitability & growth of an enterprise. For small businesses, imitation provides a better chance for survival. The paper focused on key strategies needed during that pre-start-up phase. The paper concluded that imitation provides a better chance of survival for small businesses. Incremental change should be the main strategy if everyone has the resources, skills, and experiences. Manocha Sanjay (2012) Innovation meets the ever-changing needs of clients. A business' longevity depends on Completing tasks & it has a positive impact on innovation. Particularly small businesses contribute to the economy since they

are directly related to communities. This study examined the position of innovative Startups in the economy, entrepreneurship, and invocation. Data from secondary sources were used in this descriptive research design. The study found that innovative entrepreneurship affects the economy at three levels, i.e., aggregate consumer and firm level. An increase in jobs, new investments, and income is included under the aggregate level. At the consumer level, products were improved through innovation in response to consumer needs at low prices. To compete with other companies, innovation is required at the firm level. Entrepreneurial skills include innovation that leads to performance.

5. Conclusion

Developing corporate principles early in your company's existence can have a long-term and positive impact on your organization and culture, and it's easier to make and implement drastic change decisions. Simultaneously, your staff is small (Alves & Alves, 2015). After all, piloting a speedboat is a lot easier than piloting a thousand-passenger cruise liner. It is natural for a company's work team to grow as well. It may become more difficult to reach an agreement on how your company's values should be designed. Organizational values enhance a company's public image because core values define its identity (Zameer, Tara, Kausar, & Mohsin, 2015). This will attract innovative and creative employees as well as new and existing clients, allowing for a successful business. To foster a startup culture, a company should create a pleasant working environment with refreshments for its employees (Waters-Lynch & Potts, 2017). This will increase their motivation and productivity while also allowing them to enjoy their work time. It also shows employees that taking breaks is not only acceptable but even encouraged. Everyone nowadays prefers to work in a relaxed environment (Pandita & Singhal, 2017). It is critical to provide a beautiful setting for your employees to relax in when they need to take a break. Employees who work harder and stay put for longer periods will benefit your company. Leading from the front appears hierarchical, whereas leading from the back appears punishing. Coaches and mentors direct the action on the sidelines (Kouzes & Posner, 2018). It also shows employees that taking breaks is not only acceptable but even encouraged. Everyone nowadays prefers to work in a relaxed environment (Pandita & Singhal, 2017). It is critical to provide a beautiful setting for employees to relax in when they need to take a break. Employees who work harder and stay put for longer periods will benefit your company. They serve as role models for personal behavior and show how to win. A company's leaders should lead from the side to improve its startup culture. Entrepreneurs establish both businesses and cultures.

The founders should define the goals and ideals that must be followed. So, it is the tone and attitude of the company that distinguishes it as promising. They serve as role models for personal behavior and show how to win. They congratulate loudly while quietly reprimanding. A company's leaders should lead from the side to improve its startup culture. Entrepreneurs establish both businesses and cultures. The founders should define the goals and ideals that must be followed. So, as a business leader and creator, the tone and attitude that distinguishes the company as promising and valuable are set by what and how you express that scenario. The culture of a company influences who and how you hire, where you deploy skills, and how you plan succession. A company requires individuals who can fit both the vision and the function; individuals who understand both the mission and the process. When it comes to hiring, asking the right questions is essential. It is recommended that employees be hired based on their ability to fit with the company values and organizational culture rather than their experience. It is suggested that the interviewing panel design questions based on the company's core values to understand how the candidate will contribute to their job and organizational culture. It is suggested that the interview employ a behavioural interview approach in which candidates participate in an activity as part of the interview process (Li, Wilbarger, & St Louis, 2017). Instead of simply asking questions, the goal is to push the candidate out of their comfort zone and provide an opportunity to evaluate their behavior. Being transparent with employees is about the quality of communication rather than the quantity. Improving employee transparency through communication entails improving information quality, such as making it simple and to the point (Wells & Walker, 2016). Leaders must provide accurate information without concealing anything. Full disclosure demonstrates trust in employees, resulting in a sense of value and belonging (Yue, Men, & Ferguson, 2019). To ensure that the timing and setting are correct, the communication must be accompanied by effective body language and tonal variation. Managers should also send the message through multiple channels to ensure that it is properly reinforced. Communication is two-way, so all parties involved must understand it.

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