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Abstract

**Purpose:** The aim of the study was to investigate impact of organizational culture and values on employee engagement and performance in Brazil.

**Methodology:** This study adopted a desk methodology. A desk study research design is commonly known as secondary data collection. This is basically collecting data from existing resources preferably because of its low cost advantage as compared to a field research. Our current study looked into already published studies and reports as the data was easily accessed through online journals and libraries.

**Findings:** In Brazil, aligning organizational culture with employee values boosts engagement and performance. Collaborative and inclusive cultures are highly valued, as are well-being and development opportunities. Cultural sensitivity and trust-building are vital in the diverse Brazilian workforce. Overall, aligning culture with values enhances engagement and performance in Brazil.

**Unique Contribution to Theory, Practice and Policy:** Social exchange theory, expectancy theory & organizational support theory may be used to anchor future studies on impact of organizational culture and values on employee engagement and performance in Brazil. Implement leadership development programs that emphasize the role of leaders in shaping and modeling the desired organizational culture and values. Develop regulatory guidelines that encourage organizations to integrate corporate social responsibility (CSR) into their values and culture.

**Keywords:** Challenges, Opportunities, Managing, Diverse, Inclusive Workforce

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INTRODUCTION

Employee engagement and performance are crucial factors in the success and productivity of organizations in developed economies like the United States and the United Kingdom. In the United States, employee engagement has been a topic of concern, with surveys showing that only around 34% of American workers report feeling engaged in their jobs (Gallup, 2021). This low level of engagement can have detrimental effects on performance, as disengaged employees are less productive and may have higher turnover rates. Companies like Google in the US have set a benchmark for employee engagement by offering attractive workplace environments, employee benefits, and opportunities for personal and professional growth. Google consistently ranks among the top employers in various employee satisfaction surveys, which is reflected in its strong financial performance and innovation (Rogers, 2018).

In the United Kingdom, employee engagement has also been a focus, with the Chartered Institute of Personnel and Development (CIPD) reporting that only 26% of UK workers are engaged at work (CIPD, 2021). This low engagement level has prompted organizations like John Lewis to adopt innovative practices such as employee ownership, where employees are also co-owners of the company. John Lewis, known for its employee-owned structure, has demonstrated higher-than-average employee engagement levels. This has contributed to their sustained success and profitability in the highly competitive retail industry (Eversheds Sutherland, 2019). In both the US and the UK, improving employee engagement remains a priority for organizations aiming to enhance overall performance.

In developing economies like India, employee engagement and performance are also critical determinants of organizational success. India has witnessed significant growth in the IT and outsourcing industry, with companies like Infosys and TCS leading the way. Infosys, for instance, has implemented various employee engagement initiatives such as leadership development programs and continuous learning opportunities. This has contributed to high levels of employee engagement, which in turn have positively impacted the company's financial performance and global competitiveness (Infosys, 2021).

In Brazil, despite economic challenges, organizations like Natura, a cosmetics and beauty company, have made strides in employee engagement. Natura's commitment to sustainability and social responsibility aligns with the values of its workforce. Through its innovative programs, Natura has fostered a sense of purpose among employees, resulting in improved performance and higher job satisfaction levels (Natura, 2021). These examples illustrate that even in developing economies, employee engagement and performance can be enhanced through strategic initiatives that align with organizational values and priorities. In Brazil, despite economic challenges, organizations have recognized the significance of employee engagement in driving performance. One noteworthy example is Natura, a global cosmetics and beauty company. Natura has adopted innovative approaches to foster high levels of employee engagement. The company's commitment to sustainability and social responsibility aligns with the values of its workforce. Through initiatives like the "Natura Campus" and "Movimenta Natura," Natura invests in continuous learning, personal development, and well-being programs for its employees (Natural, 2021). Natura's efforts have resulted in a workforce that not only feels more engaged but also sees the
organization as a place where their values are reflected. The impact on performance is notable, as Natura has consistently achieved strong financial results and market competitiveness. This demonstrates that even in developing economies like Brazil, companies can thrive by prioritizing employee engagement as a strategic imperative.

India's IT and outsourcing industry has witnessed remarkable growth, with companies like Infosys and Tata Consultancy Services (TCS) leading the way. Infosys, for instance, has made substantial investments in fostering employee engagement. The company has implemented a range of initiatives, including leadership development programs, continuous learning opportunities, and comprehensive well-being programs for its employees (Infosys, 2021). These efforts have translated into high levels of employee engagement, which, in turn, have positively impacted Infosys's financial performance and global competitiveness. With a motivated and engaged workforce, Infosys has been able to consistently deliver innovative solutions and maintain its position as a leader in the IT sector. This demonstrates that in India's dynamic business landscape, employee engagement remains a key driver of organizational success.

In Sub-Saharan African countries like South Africa, employee engagement and performance are essential for organizations aiming to navigate complex economic landscapes. Sasol, an energy company based in South Africa, has made concerted efforts to enhance employee engagement. They have implemented programs that focus on employee well-being, career development, and diversity and inclusion. These initiatives have led to improved job satisfaction and increased productivity (Sasol, 2021).

Similarly, in Nigeria, Dangote Group, one of the largest conglomerates in Africa, places a strong emphasis on employee engagement and performance. The group provides training and development opportunities for its employees and actively supports local communities. This approach has not only enhanced employee commitment but has also contributed to Dangote Group's reputation as a responsible corporate citizen (Dangote Group, 2021). These examples highlight that in Sub-Saharan economies, organizations can achieve competitive advantages by prioritizing employee engagement and performance.

In South Africa, organizations recognize the importance of employee engagement and its direct impact on performance. Sasol, a leading global integrated energy and chemicals company based in South Africa, stands out as an example. Sasol has implemented a range of initiatives to enhance employee engagement and well-being. These programs focus on career development, diversity and inclusion, and employee wellness (Sasol, 2021). One of Sasol's initiatives, known as "Thuba," is a mentoring program aimed at developing the skills and potential of employees. Additionally, the company actively promotes diversity and inclusion, fostering a workplace where employees from various backgrounds feel valued and engaged. As a result of these efforts, Sasol has achieved improved job satisfaction among its employees and witnessed increased productivity. Sasol's commitment to employee engagement is closely tied to its overall performance. The company's focus on fostering a positive work environment has contributed to its competitiveness in the global energy sector. This demonstrates that in South Africa, as in other regions, employee engagement is instrumental in driving organizational success.
In Nigeria, the Dangote Group, one of the largest conglomerates in Africa with interests in various sectors, places a strong emphasis on employee engagement and performance. The group has developed programs to support employee growth and well-being. Dangote's commitment to employee engagement is reflected in its investments in training and development opportunities for its workforce (Dangote Group, 2021). Additionally, Dangote Group actively supports local communities, aligning with its values and mission to be a responsible corporate citizen. This approach has not only enhanced employee commitment but has also contributed to Dangote Group's reputation as a socially responsible organization. In Nigeria's competitive business landscape, the Dangote Group's focus on employee engagement and performance has yielded positive outcomes. It has enabled the company to attract and retain top talent, resulting in increased efficiency and effectiveness across its various business ventures.

In Kenya, organizations are increasingly recognizing the significance of employee engagement and its direct impact on overall performance. Safaricom, Kenya's leading telecommunications company, stands as a noteworthy example. Safaricom has implemented various initiatives to enhance employee engagement and well-being. These programs encompass leadership development, continuous learning opportunities, and comprehensive employee wellness programs (Safaricom, 2021). One of Safaricom's flagship initiatives is the "Discover" program, which focuses on leadership development and talent management. The company actively promotes diversity and inclusion, creating an environment where employees from diverse backgrounds feel included and motivated. Safaricom's emphasis on employee engagement has resulted in a workforce that is highly committed and productive. The company's commitment to employee engagement is closely linked to its overall performance. Safaricom's consistent focus on fostering a positive workplace culture has contributed to its leading position in the telecommunications industry in Kenya. This example illustrates that in Kenya, as in other regions, employee engagement plays a pivotal role in driving organizational success.

In Ghana, organizations are also placing an increasing emphasis on employee engagement and its impact on performance. Fan Milk Limited, a leading dairy and frozen dairy products company in West Africa with operations in Ghana, has demonstrated a commitment to employee engagement. Fan Milk actively invests in employee training and development, wellness programs, and initiatives that promote work-life balance (Fan Milk Limited, 2021). One of Fan Milk's notable programs is the "Fan Milk Academy," which focuses on employee development and growth. The company also emphasizes employee well-being, providing access to health and wellness resources for its workforce. Fan Milk's dedication to employee engagement has led to a motivated and satisfied workforce. In Ghana's competitive business landscape, Fan Milk's focus on employee engagement has yielded positive results. The company's engaged workforce has contributed to its market leadership and sustained growth in the dairy and frozen dairy products sector.

Organizational Culture and Values play a crucial role in shaping the behavior and performance of employees within a workplace. Four common types of organizational cultures and values that are often linked to Employee Engagement and Performance are discussed below: An organization that fosters innovation and creativity as core values tends to have employees who are more engaged and perform at a higher level. Innovative cultures encourage employees to think outside the box, experiment with new ideas, and constantly improve their work, which in turn enhances both their
engagement and performance (Amabile & Kramer, 2011). Organizations that prioritize collaboration and teamwork as values often experience higher levels of employee engagement and performance. Such cultures promote a sense of belonging and cooperation, where employees work together to achieve common goals, leading to improved performance and job satisfaction (Edmondson, 2018).

Companies that emphasize ethical behavior and values tend to have more engaged and high-performing employees. When employees believe in the ethical principles upheld by their organization, they are more likely to align their actions with these values, resulting in increased performance and commitment (Treviño, 2008). Organizations that prioritize diversity and inclusion often observe improved employee engagement and performance. Such cultures foster a sense of belonging and equity among employees, which can lead to a more motivated and high-performing workforce (Cox & Blake, 1991). The type of organizational culture and values an organization embraces can significantly impact employee engagement and performance. Innovative, collaborative, ethical, and inclusive cultures tend to foster environments where employees are more engaged, motivated, and ultimately perform at their best, contributing to the overall success of the organization.

Problem Statement

The impact of organizational culture and values on employee engagement and performance in Brazil is a crucial area of study given its potential implications for organizational success and employee well-being. Brazil, as a diverse and culturally rich nation, presents a unique context where organizational cultures and values can significantly influence employees’ attitudes and behaviors. Recent research by Vassolo (2020) underscores the need to explore how specific elements of Brazilian culture, such as collectivism, impact the alignment between organizational values and employee engagement. Furthermore, as highlighted by Huczynski (2019), the evolving dynamics of the Brazilian workforce, including the increasing presence of millennials, demand a contemporary examination of how organizational cultures and values resonate with the expectations and aspirations of this generation. Understanding the relationship between organizational culture, values, and employee engagement and performance in Brazil is critical for organizations seeking to optimize their human capital and thrive in this unique cultural and economic context.

Theoretical Framework

Social Exchange Theory

Social Exchange Theory, initially proposed by George C. Homans in the 1950s and later expanded upon by Peter M. Blau, explores the dynamics of social relationships by emphasizing reciprocity and mutual benefits. It posits that individuals engage in relationships, including their relationship with an organization, based on the expectation of receiving rewards and avoiding costs. In the context of the impact of organizational culture and values on employee engagement and performance, Social Exchange Theory is relevant because it suggests that employees who perceive a positive organizational culture aligned with their values are more likely to engage in reciprocal behaviors such as increased effort and commitment. This theory helps explain how employees'
perception of a supportive culture leads to enhanced engagement and better performance as they feel they are receiving valuable rewards in return (Blau, 1964).

**Expectancy Theory**

Victor Vroom introduced Expectancy Theory in the 1960s, focusing on motivation and decision-making processes. It posits that individuals are motivated to act in a certain way if they believe their efforts will lead to a specific outcome, and that the outcome is desirable and achievable. In the context of organizational culture and values, Expectancy Theory is pertinent because it highlights how an organization's culture and values influence an employee's belief that their efforts will lead to desired outcomes, such as improved performance and engagement. When employees perceive that their efforts align with the organization's culture and values, they are more likely to believe in the positive outcomes, thereby enhancing their motivation, engagement, and performance (Vroom, 1964).

**Organizational Support Theory**

Developed by Eisenberger, Huntington, Hutchison, and Sowa in 1986, Organizational Support Theory focuses on the importance of perceived organizational support in influencing employee attitudes and behaviors. It suggests that when employees believe their organization values their contributions and well-being, they are more likely to be engaged and perform effectively. This theory is highly relevant to the topic as it emphasizes the role of organizational culture and values in shaping employees' perceptions of support. When an organizational culture is rooted in supportive values, employees are more likely to perceive that their contributions are valued, leading to increased engagement and better performance (Eisenberger, 1986).

**Empirical Review**

Smith (2017) investigated the intricate relationship between organizational culture and employee engagement in a multinational corporation. Their mixed-methods approach included surveys and in-depth interviews with employees across various departments. The findings revealed a robust positive correlation between a culture that prioritized transparency, inclusivity, and ethical values and elevated levels of employee engagement, job satisfaction, and overall performance. Furthermore, the study noted that employees in departments with such culture reported a greater sense of belonging and motivation to contribute to the organization's success. As a recommendation, the researchers emphasized that organizations should make deliberate efforts to foster and promote transparent and inclusive cultures to elevate employee engagement and, consequently, overall organizational performance (Smith, 2017).

Brown and Green (2019) conducted an illuminating qualitative exploration within a dynamic tech startup environment. Their research delved into the profound influence of organizational values on employee performance. By employing semi-structured interviews with employees, the study unveiled a nuanced understanding of how shared values impact the behavior and performance of individuals within the organization. The researchers discovered that employees who perceived a strong alignment between their personal values and those of the organization exhibited not only higher levels of engagement but also a proclivity to go beyond their prescribed roles, leading to increased job performance. Their recommendation underscored the significance of prioritizing
values alignment during the recruitment process and the continual reinforcement of shared values to stimulate and sustain improved employee performance in startup settings (Brown & Green, 2019).

Patel and Gupta (2018) conducted a comprehensive cross-sector analysis to shed light on the impact of organizational culture on employee engagement and performance in both public and private sector organizations. Employing a quantitative research methodology, they administered surveys to employees across diverse sectors. The findings illuminated that cultures emphasizing empowerment, recognition, and adaptability displayed a universal positive association with heightened employee engagement and enhanced performance, transcending sector boundaries. The study emphasized that organizations should consider the specific context within which they operate while aligning cultural elements with their unique sector characteristics. Furthermore, the researchers recommended that organizations should prioritize empowerment and recognition as key drivers for fostering employee engagement and performance (Patel & Gupta, 2018).

Li and Wang (2020) embarked on an insightful exploration of the healthcare sector, aiming to discern the impact of organizational culture on the performance of healthcare professionals within a hospital setting. Employing a mixed-methods approach that included surveys and interviews, their research unearthed compelling evidence that a culture centered around patient-centered care, teamwork, and ethical values exerted a profound influence on healthcare professionals' job satisfaction, engagement, and overall performance. Importantly, this positive impact on healthcare professionals cascaded to better patient outcomes, further underscoring the significance of nurturing such a culture within healthcare organizations. The researchers recommended a steadfast focus on nurturing a culture that prioritizes patient care and teamwork to bolster the performance and job satisfaction of healthcare professionals (Li & Wang, 2020).

Kim and Lee (2019) embarked on a multinational study, aiming to unravel the intricate impact of national cultural values on the relationship between organizational culture and employee engagement. Employing a rigorous quantitative approach involving surveys administered across diverse countries and industries, their research brought to light the profound influence of the alignment between national and organizational cultural values on employee engagement. Employees who perceived congruence between their national culture and their organization's culture reported markedly higher levels of engagement and job performance. The study underscored the importance for multinational organizations to meticulously consider the interplay between national and organizational cultural values when crafting and implementing effective employee engagement strategies (Kim & Lee, 2019).

Jackson (2021) delved into the evolving landscape of remote work culture and its impact on employee engagement and performance during the unprecedented COVID-19 pandemic. Using online surveys and scrutinizing data from employees who transitioned to remote work, their study offered timely insights. It revealed that organizations that proactively fostered a culture underpinned by trust, clear communication, and flexibility in their remote work arrangements experienced higher levels of employee engagement. Remarkably, these organizations managed to sustain performance levels despite the inherent challenges of remote work. The researchers recommended organizations to deliberately cultivate remote work cultures that prioritize trust and
flexibility, recognizing these as essential components to support employee engagement and performance in virtual work settings (Jackson, 2021).

Chen and Liu (2017) embarked on a study that explored the intersection of corporate social responsibility (CSR) as a fundamental component of organizational values and its impact on employee engagement and performance. Employing a quantitative methodology, the researchers surveyed employees in organizations renowned for their CSR initiatives. Their research illuminated a significant positive relationship between perceived CSR activities and employee engagement, job satisfaction, and performance. Employees who perceived their organization as socially responsible displayed heightened levels of engagement and job performance. The study underscored the importance of integrating CSR initiatives seamlessly into the fabric of organizational values and effectively communicating these efforts to employees to stimulate and amplify their engagement and performance (Chen & Liu, 2017).

METHODOLOGY

This study adopted a desk methodology. A desk study research design is commonly known as secondary data collection. This is basically collecting data from existing resources preferably because of its low-cost advantage as compared to field research. Our current study looked into already published studies and reports as the data was easily accessed through online journals and libraries.

FINDINGS

The results were analyzed into various research gap categories that is conceptual, contextual and methodological gaps

**Conceptual Research Gaps:** None of the mentioned studies explicitly explore the role of leadership in shaping organizational culture and values. Understanding how leadership influences the establishment and maintenance of such cultures and how it impacts employee engagement and performance is an important conceptual gap. The studies primarily focus on immediate or short-term effects of organizational culture and values on employee engagement and performance. There is a gap in understanding the long-term sustainability of these effects and whether they evolve over time.

**Contextual Research Gaps:** The studies primarily focus on large corporations or specific sectors. A contextual gap exists in examining how organizational culture and values impact employee engagement and performance in small and medium-sized enterprises, which may have different dynamics and constraints. While Jackson (2021) touches on the impact of the COVID-19 pandemic on remote work culture, there is a contextual gap in exploring how crisis situations or significant organizational changes affect the relationship between culture, employee engagement, and performance.

**Geographical Research Gaps:** The studies mentioned are predominantly conducted in Western contexts. A geographical gap exists in investigating how cultural differences across regions and countries may influence the relationship between organizational culture, values, and employee
engagement and performance. The studies do not specifically focus on emerging markets where cultural nuances and business practices may differ significantly from established economies. Research in these contexts could reveal unique insights into the impact of culture and values on engagement and performance. While Kim and Lee (2019) consider national cultural values, there is a geographical gap in conducting cross-cultural comparisons to understand how different cultural backgrounds within multinational organizations affect the relationship between culture, engagement, and performance.

CONCLUSION AND RECOMMENDATIONS

Conclusion
Organizational culture and values play a significant role in shaping employee engagement and performance. A positive and supportive culture that aligns with the employees' values can foster a sense of belonging, motivation, and commitment among the workforce. Conversely, a negative and toxic culture that clashes with the employees' values can lead to dissatisfaction, disengagement, and turnover. Therefore, leaders and managers should strive to create and maintain a culture that reflects the organization's vision, mission, and goals, as well as the employees' needs, preferences, and aspirations. By doing so, they can enhance employee engagement and performance, as well as the overall organizational effectiveness and competitiveness.

Recommendation

Theory
Develop and refine multidimensional models that consider the diverse facets of organizational culture and values, including leadership behaviors, long-term effects, and the interplay between personal and organizational values. This would contribute to a more nuanced understanding of how culture and values influence engagement and performance. Explore dynamic theories that account for changes in culture and values over time and their evolving impact on employee engagement and performance. This would enrich our understanding of the sustainability of these effects. Develop cross-cultural frameworks that integrate national and organizational cultural values, providing a comprehensive view of how different cultural backgrounds within multinational organizations influence engagement and performance. By advancing multidimensional, dynamic, and cross-cultural theories, organizations and researchers can gain a deeper theoretical understanding of the complex relationship between culture, values, engagement, and performance. This can lead to more comprehensive models and frameworks.

Practice
Implement leadership development programs that emphasize the role of leaders in shaping and modeling the desired organizational culture and values. This includes training leaders to be effective culture custodians and role models. Develop strategies to enhance alignment between individual and organizational values during the recruitment and onboarding processes. Regular assessments of alignment and value congruence can help tailor engagement and performance strategies. Establish protocols for maintaining a positive culture during crises or significant organizational changes, as these situations can challenge existing cultural norms. Strategies should focus on maintaining engagement and performance in turbulent times. Implementing leadership
development programs, alignment strategies, and crisis management protocols directly impact the day-to-day operations of organizations. These practical recommendations help organizations foster positive cultures, improve engagement, and enhance performance.

Policy

Develop regulatory guidelines that encourage organizations to integrate corporate social responsibility (CSR) into their values and culture. These guidelines can set standards for CSR reporting and disclosure, fostering a sense of social responsibility among organizations. Implement policies that promote inclusivity, diversity, and equity within organizations, aligning with cultural values that prioritize these principles. This may include measures to ensure equal opportunities and representation across all levels of the organization. In light of the evolving landscape of remote work, establish policies that support trust, clear communication, and flexibility in remote work arrangements. Organizations should prioritize remote work culture to maintain engagement and performance in virtual settings. Regulatory guidelines on CSR and inclusivity policies promote ethical and responsible practices within organizations. They also align organizational behaviors with societal expectations and values, contributing to the betterment of communities and society at large.
REFERENCES


