

ORGANIZATIONAL CULTURE'S ROLE IN PERFORMANCE ENHANCEMENT: AN INVESTIGATION FOCUSED ON THE BANKING INDUSTRY

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ABSTRACT

The key role of Organizational Culture to institutional success is widely recognized, yet the very specific mechanisms by which certain cultural typologies influence performance are not entirely understood, especially in the tightly regulated and hierarchical environment of the banking sector. This research proposes to close this gap by exploring the impact of popular cultural typologies mentioned in Handy's investigation (Role, Power, Task and Person Culture) on different dimensions of operational performance such as clarity of objectives, organizational vision and conformity to tasks and responsibilities. This study will explore the mechanisms through which organizational culture serves as a driving force for performance, and to a significant extent, the way it impacts the communication processes within the management system. Utilizing quantitative survey, evidence collected from bank employees, this paper aims to establish connections between cultural typologies and operational efficiency by using Partial Least Squares Structural Equation Modeling (PLS-SEM) and the Importance-Performance Map Analysis (IPMA). Several hypotheses have been formulated not only to check the strength of such cause-and-effect relations but, more importantly, to prioritize those specific characteristics within organizational culture typologies where managerial efforts will have the highest influence towards productivity improvement. The results provide solid theoretical and practical guidance for actual and future managers regarding the strategic development of organizational culture in order to increase employee productivity.

KEYWORDS: *banking sector, cultural types, management, organizational culture, performance.*

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1. INTRODUCTION

The concept of organizational culture is a point of departure for every single organization, regardless of its size. For the majority of companies, it is the base upon which the company's approach to doing business and attitude will later be built. Organizational culture is clearly one of the decisive factors in an organization's success, along with other forces such as the quality, price, promotion of a product and management vision (Naidoo & Govender, 2022).

Classic authors such as Hofstede (1991), who articulated the cultural dimensions of different nations and Handy (1990), who explained the four predominant cultural types, have been highly influential. They have previously investigated the concept of organizational culture and its specific elements. Meanwhile, Cacciattolo (2014) elaborates on how different cultural models start, develop, interact with one another and also how they affect organizational performance. However, there remains a large research gap in understanding the specific cultural characteristics of the European region and especially in the Romanian banking sector. On the other hand, banks that tend to be

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more adaptive overall, as well as having forward-looking cultures are more likely to have long term success and to align better with environmental focused policies (Tudorache, 2024). According to this view, culture is dynamic and evolves in response to powerful factors such as management direction and leadership. Savić et al. (2023) examine how adaptive organizational cultures contribute to improved performance under dynamic conditions with emphasis on the role played by leadership in creating, establishing and promoting values that support strategic alignment and employee commitment. When there is a shared culture among employees, communication improves and resistance to change decreases.

Given that this topic has been discussed extensively and in a wide range of contexts, the present paper will focus predominantly on the banking environment. It also examines its influence on Romanian and European banks, where relatively few studies have been performed, especially on the cultural-performance correlation (Gutterman, 2023). This paper's purpose is to conduct a detailed analysis of organizational culture in commercial banks for a better understanding of the context.

The following research is based on a series of questions, such as:

RQ1. What is the type of organizational culture that prevails in banks?

RQ2. How does organizational culture impact the achievement of goals?

RQ3. In which ways does each of the types of organizational cultures in the banking sector influence employee performance?

Methodologically, a semi-structured questionnaire was used in order to determine the outcomes. It contained eight affirmations, each evaluated with four up to five Likert-scale items, along with two short answer type questions, forming the basis for quantitative assessment. The data analysis was conducted using SmartPLS 4 (Ringle et al., 2024), which facilitated the creation of specific IPMA charts to better visualize the study's results. All results will be presented in tables and figures, along with their interpretation for a better understanding of the content.

2. LITERATURE REVIEW AND KEY CONCEPTS

2.1 Theoretical Foundations regarding Organizational Culture and its Typologies

The organizational culture lacks general agreement because it is quite wide-ranging and complex. Probably the most simple and generic definition, as given by Lundy and Cowling (cited in Sun, 2008, p. 1), reads "the way we do things around here." Organizational culture reflects common values, beliefs, and attitudes of organizational members. A successful organization is built on a strong culture that influences the behavior of employees and provides a basis for appropriate rewards. Meanwhile Lubis and Hanum (2020) describe organizational culture as the final sum of values and norms that all employees own, which cannot be separated from the internal and external environment. However, the more skilled, capable and motivated employees are, the better the company performs (Freedheim & Weiner, 2021).

There are many typologies of organizational culture investigated in the literature, among which Handy's (1990) classification is the main focus of this paper, as it emphasizes how control is exercised over employees. Therefore, the following four kinds of culture can be identified: Power culture, Role culture, Task culture, and Person culture.

- *Power culture* centers on control as a key element of the company's approach to doing business. This culture is usually observed in small and medium-sized businesses (although in some cases it can also be seen in large businesses too). Some other types of companies where it can be perceived are fiscal focused ones, or in businesses operating in the real estate market. Often, the power of rules and regulations is weaker compared to the control exercised through the persuasion of the leaders (Cacciattolo, 2014).
- *Role culture* is dependent on the presence of a solid employee hierarchy, where each employee has been assigned specific tasks and, along with those tasks, the skills and responsibilities

required. Stability, where there is a powerful resistance to change, is vital. Handy himself compares this type of culture with a Greek temple because it has a strength-based structure. Powerful control can be observed in certain departments like acquisitions or finance. Individual power is fairly limited, varying by level within the established and fixed hierarchy, while bureaucracy is well-rooted and strong (Cacciattolo, 2014).

- *Task culture*, as mentioned by Otieno et al. (2016), is based on cooperation between workers and in the way workers collaborate and interact with each other. In companies with this type of organizational culture, power is mostly concentrated in the key connection points, with emphasis placed on getting the task finished without flaw or delay. There is a defined and established place for every employee in this culture, adequately measured resources, and there is an assessment on the basis of task completion. This is the type of culture that exists in organizations where the lower ranked managers are directly engaged in task execution, control and finalization, and are not merely motivators, but rather operational drivers.
- *Person culture* is relatively uncommon by nature, as it assumes individual employees are the most valuable, since they are the ones to complete organizational objectives. In this typology, employees are more valuable than control mechanisms and bureaucratic power. As Gutterman (2024) mentioned, worker input is most valuable for process optimization and performance improvement, as employees are considered the foundation of the company, as they bring various skill sets to perform work where they see fit. Limited control mechanisms enable them excellent coordination and decision-making authority in the organization. Given all their accumulated knowledge and experience, they can easily get themselves a new job.

According to Cacciattolo (2014), all the four cultures serve distinct roles for different organizations, depending on the situation and firm, and what works in one will not necessarily work as well within another. Similarly, an equally qualified employee that will perform really well in one culture is likely to not be able to work just as well in a completely different one.

2.2 Specific Characteristics of Organizational Culture in the Banking Sector

As broad as organizational culture is, its applicability in the financial sector remains limited. When referring to the banking sector, organizational culture can mainly be discussed from two central perspectives: conformity and transformation. Firstly, business success depends on internal and external factors. Context determines whether a culture can be sustained in the long-term and whether some minor or major adjustments are needed. Secondly, one more essential function within the banking environment is performed by the paradigm, as mentioned by Samal et al. (2019), it has a significant impact on the organization's general strategy as well as on its particular sub-strategies. Also, in order to provide a robust and effective long-term culture, one should be aware of its specific characteristics. These include not just myths but rituals, symbols, concepts, assumptions, and values. Additionally, Willcoxson and Millet (2000) distinguished some major factors like the following:

- "Recruitment" reinforces the company's culture, while selection and replacement are methods of changing it drastically.
- "Socialization" is a key factor that allows employees to develop professionally and be introduced into the culture.
- "Performance management and reward systems" are great methods of reinforcing good or extinguishing bad attitudes.
- "Leadership and modeling" establish organizational culture and tend to eliminate negative attitudes in time through the guidance of a clear direction and vision.
- "Participation" is an element which involves all the employees, helping to reinforce and maintain the culture over a duration of time.
- "Interpersonal communication" transfers the values of the organization from one person to another, encouraging teamwork and integration.

- "Structures, policies, and procedures" must be aligned to the overall general strategy of the organization, towards the establishment and maintenance of organizational culture.

Later, Damci (2024) demonstrated even further that organizational culture is not only just an abstract set of values and beliefs, but rather an entire system developed, maintained and modified by different Human Resources (HR) practices through the years, connecting the previous factors to the HR's strategic control. Similarly, Awasthy and Singh (2023) emphasize that culture and bank culture specifically are not actually static since they respond and evolve from responses to management decisions, regulations, macroeconomic influence and even market changes.

According to Thakor (2016), banking culture means much more than a set of beliefs, ideas, attitudes, and values, it is a very critical dimension that needs to be considered before making major decisions, especially strategic decisions. Organizational culture in banking is the manner in which things are accomplished, the behavior of the employees, the risks that are taken or avoided. It also represents the manner in which motivation and rewards are managed. It is also interesting that banks are faced with the necessity to build and establish a corporate culture, often discussed in relation to two major goals: restoring public trust in large banks and enhancing financial stability.

Schein (2010) observed and noted that even in banks, there are two main subcultures: one lending-focused and the other investment-focused. However, there is also a production-oriented subculture, but only in those banks for which this is a real function. Major banks, in reality, tend to develop their own departmental subcultures, based on their general style of problem-solving and their unique experiences.

Specialized literature also suggests that, apart from cultures and subcultures, banks possess different risk cultures as well, defined by how the organization manages its own risk, whether it is avoided, minimized, or accepted. These groups are not always distinctly separated, since bank experience is also a significant factor. To have a great, if not perfect, risk culture, employees have to be motivated and aware of their tasks. There should also be open communication to help in raising risk concerns and aligning overall views to ethical standards (Kunz & Heitz, 2021).

From a practical standpoint, one of the finest examples of poor risk management, provided by Kunz and Heitz (2021), is Barings Bank, where a single employee was taking very high risks and was even allowed to conduct fraudulent transactions. This failure also reflected a clear lack of supervision from upper management, typically linked to groupthink. To avoid such cases, random checks and audits should be regularly performed.

Some other well-known case is Lehman Brothers, whose bankruptcy is contested even to this day. One of the main reasons that led to its failure was its weak organizational culture marked by the absence of skilled employees, insufficient control, no incentives for employees, lack of motivation, no accountability on the part of senior management, and a lack of adequate measures to handle possible risks. Together, these factors marked the failure of the bank and contributed to the global financial crisis in the late 2000s (Kunz and Heitz, 2021).

Song and Thakor (2019) argue that not all banks require some regulatory measures for culture because internal practices at large banks tend to influence smaller ones. Although the importance of banking culture is realized, it cannot be directly enforced by regulatory authorities due to the inability to measure culture, and therefore bank management is forced to use tools such as capital requirements and deposit insurance.

Overall, organizational culture can be a complex phenomenon, observed in the form of different behaviors and attitudes. To understand a bank's culture, it is also necessary to observe the actions of various financial institutions affecting the organization's safety, along with its long-term sustainability. Hence, although organizational culture is a well-established concept, in the banking sector, organizational culture needs to be studied with reference to the role of administrators in managing financial resources, identifying potential risks, and how financial and managerial risks are perceived by banks (Song and Thakor, 2019).

2.3 Development of Research Hypotheses

While role culture has been historically widespread in the banking industry, today's banking is increasingly focused on measurable performance and effective realization of clear and well-determined strategic objectives. Task culture is focused on efficiency, productivity, and goal realization which tend to align accordingly with performance enhancement measures used in financial institutions. This hypothesis attempts to verify if the task culture has become the most common type in today's banks, as trends noted by Deninson and Neale (2000) suggest. Accordingly, the following hypothesis is proposed:

Hypothesis H1: The dominant culture in the banking sector is the task-oriented culture.

In formal and rigorous environments like the banking industry, employees are expected to be disciplined and adhere to well established rules. Muriuki (2017) defines compliance as an ethical behavior where respect for rules and stability is accorded more priority than the interest of individuals. This article generalizes this concept to the banking industry, which has internal procedures as well as strict regulations provided by the National Bank of Romania. This hypothesis expects a high and positive correlation between a strong role culture and high conformity behavior. Consequently, the following hypothesis is proposed:

Hypothesis H2: The role culture positively influences bank employees' conformity with their tasks and responsibilities.

There is a focus on hierarchy and central control in decision-making in banking. Subordinates are known to accept commands and tasks from top management, which is, in term, a sign of high power culture. Denison and Neale (2000) suggest that performance is achieved through mission, vision, involvement, and consistency, all of which are led by leadership. This hypothesis concludes that power culture tends to reinforce employees' belief in clear goals. As a result, the following hypothesis is proposed:

Hypothesis H3: Power culture has a positive impact on employees' perception of setting and monitoring objectives within the banking sector.

Person culture focuses on the individual, his autonomy, and open communication. Kunz and Heitz (2021) argue that these types of cultures encourage personal initiative and place their focus on decentralized decision-making. In banking, this could result in workers being more responsible and taking calculated risks in professional decisions. This hypothesis tests whether individuality and self-expression are related to the organization's general management vision. Thus, the following hypothesis is proposed:

Hypothesis H4: Person culture exerts a significant influence on bank employees' perception of management vision.

This hypothesis examines whether the workers sensing a strong task culture are also perceiving an increase in goal and vision clarity. Task culture focuses on competence, responsibility, and producing measurable results. Schein (2010) emphasizes that different shared cultural values create a stable foundation for performance. In banks, the employees must understand the mission and purpose of the organization initially to work effectively and to accomplish their own objectives. Correspondingly, the following hypothesis is proposed:

Hypothesis H5: Task culture exerts a significant influence on the clarity of management vision as perceived by bank employees.

3. MATERIALS AND METHODS

The primary aim of this research paper is to identify the directional influences between concepts, as well as to test the strength of these relationships between organizational culture typologies and significant organizational factors, for instance: management vision, setting and monitoring objectives, and conformity with tasks and responsibilities. These correlations aim to assist future and existing managers in the decision-making process.

Data obtained from the questionnaire administered to the respondents from commercial banks in Romania is presented, analyzed, and interpreted the data obtained from. Data was collected through an online questionnaire created using Google Forms. The response was anonymous and did not ask for any type of personal contact information. The survey had four parts: introduction, demographics, independent variables and dependent variables.

For each of the cultural types variables, the items were formulated by the authors describing the specific characteristics associated with each type, meanwhile, for performance-oriented variables tested items have been used. Management Vision was measured using Denison and Neale (2000), based on identifying the alignment of the organization's mission, vision, and goals at the individual level. Conformity with Tasks and Responsibilities was assessed by Muriuki (2017), with self-reported compliance with responsibilities, with expected scores on the higher range of the Likert scale. Setting and Monitoring Objectives was evaluated by using Denison and Neale (2000) items in identifying organizational strategy and activity.

Between March 23 and April 30, 2025, data was collected through a 16-item online survey administered to the employees of four banks. Distribution was done through client relations departments. Participation was entirely voluntary. Respondents were bank employees from different departments, 18 to 60 years of age, with working experience ranging from a few months up to over 10 years.

Responses were captured and recorded in Google Sheets and processed in PLS-SEM 4 (Ringle et al., 2024), and Excel 2024. To determine the mean and the standard deviation, Excel was used, while all the tables below were created by using PLS-SEM.

Partial Least Squares Structural Equation Modeling (PLS-SEM) was applied to examine construct relations as well as the strength of correlations between specific variables. PLS-SEM is more appropriate for a preliminary investigation in addition to complex multiple item type models. PLS-SEM permits measurement, as well as structural model examination at the same time, ensuring both reliability and validity. Its application in the study offers reliable interpretation of organizational culture impact on performance factors (Hair et al., 2022).

The findings give a clear picture of organizational culture's impact on operational performance in banks. They indicate how different types of cultures (Person, Power, Role, and Task cultures) affect employee decision-making, teamwork, and goal realization. To further study these patterns, IPMA was used to determine specific cultural dimensions that require improvement for an overall enhanced organizational performance (Hair et al., 2024). The assessment also considers teams and management levels differences and provides a helpful guide to prioritizing efforts that increase the alignment between strategic and culture practice objectives.

4. RESULTS

4.1 Sample Characteristics and Descriptive Statistics

The testing sample includes 105 Romanian bank employees, of which 52.4% were females, aged between 18 and 60, with experience ranging from less than 1 year up to over 10 years. Most of them are regular employees from different departments (85%), while managers make up to 15%, covering a variety of departmental and functional roles. The age breakdown shows a prevalence of 30–39 years (41.9%), followed by 18–29 (31.4%), 40–49 (21.9%), and 50–59 (4.8%). Work experience is segmented around 3–5 years, with smaller percentages in <1 year and >10 years having approximately 11% each, while 1–2 and 6–10 years have 22.9% and 23.8% respectively. Most employees (77.1%) are originally from urban areas, reflecting the higher concentration of banks and personnel in cities, as well as the online delivery of the survey in capital branches. The test sample provides a good representation across demographics, job roles, and experience levels.

Table 1 shows high total mean values across most of the presented constructs, which indicate definite directions toward organized and task-oriented organizational cultures. The top score is

Conformity with Tasks and Responsibilities ($M = 4.51$, $SD = 0.59$), which reflects regular execution of routines and tasks by employees. Task Culture ($M = 4.12$, $SD = 0.72$) and Management Vision ($M = 4.03$, $SD = 0.70$) are among the top scores, indicating coordination and long-term strategy focus. Person Culture has the smallest mean ($M = 3.31$, $SD = 0.84$) and highlights the least concern about personal autonomy. Standard deviations register low to medium scores, which indicate similar views between respondents.

Table 1. Construct mean and standard deviation

Construct	Indicator	Mean	Standard Deviation
Person Culture	CPE	3.31	0.84
Power Culture	CPU	3.98	0.71
Role Culture	CR	3.99	0.75
Task Culture	CS	4.12	0.72
Conformity with Tasks and Responsibilities	SR	4.51	0.59
Setting and Monitoring Objectives	SUB	3.83	0.72
Management Vision	VO	4.03	0.70

Source: Authors' calculation based on survey data

Task culture illustrates the highest mean from all the others (4.12). These findings suggest that task culture is the dominant cultural type in the entire banking system. However, the differences between cultural types are not statistically significant. Hypothesis 1 is not confirmed despite the observed trend.

4.2 Model evaluation

The PLS-SEM model was specified by including the four types of organizational cultures as exogenous constructs, their considered effects as endogenous, and the structural relationships in line with the purpose of the research, namely to highlight the effects of the organizational culture in banking, as well as the hypotheses formulated. All latent constructs were specified as reflective.

To evaluate the measurement model, reflective indicator loadings, internal consistency reliability, convergent validity and discriminant validity were considered (Hair et al., 2019). Relying on data mentioned in Table 2, reflective indicator loadings (with one exception) were all found above 0.708, suggesting acceptable indicator reliability. Furthermore, composite reliability ranges from 0.837 to 0.901, while all Cronbach's alpha values are above the recommended threshold of 0.7, supporting acceptable to good internal consistency reliability. In terms of measurement model validity, all AVE values above 0.5 (Table 2), heterotrait-monotrait ratio of the correlations below 0.85 and Fornell-Larcker criterion (Table 3) support its convergent and discriminant validity.

Table 2. Construct reliability and convergent validity

Construct	Indicator	Loadings	Cronbach's alpha	rho_a	rho_c	AVE
Person Culture (CPE)	CPE1	0.895	0.854	0.862	0.902	0.697
	CPE2	0.830				
	CPE3	0.750				
	CPE4	0.858				
Power Culture (CPU)	CPU1	0.809	0.853	0.858	0.901	0.694
	CPU2	0.809				
	CPU3	0.849				
	CPU4	0.864				
Role Culture (CR)	CR1	0.779	0.855	0.860	0.902	0.698
	CR2	0.903				
	CR3	0.865				
	CR4	0.790				

Construct	Indicator	Loadings	Cronbach's alpha	rho_a	rho_c	AVE
Task Culture (CS)	CS1	0.829	0.853	0.857	0.901	0.694
	CS2	0.852				
	CS3	0.845				
	CS4	0.805				
Conformity with Tasks and Responsibilities (SR)	SR1	0.806	0.900	0.910	0.927	0.719
	SR2	0.725				
	SR3	0.870				
	SR4	0.914				
	SR5	0.909				
Setting and Monitoring Objectives (SUB)	SUB1	0.802	0.832	0.837	0.882	0.601
	SUB2	0.816				
	SUB3	0.721				
	SUB4	0.706				
	SUB5	0.823				
Management Vision (VO)	VO1	0.818	0.877	0.878	0.911	0.671
	VO2	0.804				
	VO3	0.829				
	VO4	0.840				
	VO5	0.805				

AVE: average variance extracted; rho_a and rho_c composite reliability

Source: Authors with SmartPls (v4) (Ringle et al., 2024)

Table 3. Discriminant validity

Construct	CPE	CPU	CR	CS	SR	SUB	VO
CPE	0.835	0.468	0.576	0.825	0.496	0.477	0.783
CPU	0.404	0.833	0.619	0.641	0.414	0.663	0.465
CR	0.494	0.532	0.836	0.731	0.623	0.555	0.584
CS	0.706	0.554	0.628	0.833	0.681	0.508	0.835
SR	0.436	0.367	0.547	0.604	0.848	0.429	0.637
SUB	0.411	0.556	0.467	0.435	0.373	0.775	0.721
VO	0.681	0.411	0.509	0.727	0.570	0.620	0.819

AVE: diagonal cells; Fornell-Larcker criterion: lower-left corner; Heterotrait-monotrait ratio: upper-right corner

Source: Authors with SmartPls (v4) (Ringle et al., 2024)

Analyzing the structural model below (Figure 2 and Table 4), collinearity, explanatory power and significance and relevance of path coefficients were examined (Hair et al., 2019). First, examining VIF values, all were found below 3, thus suggesting collinearity between predictor constructs is not an issue. Furthermore, coefficients of determination of endogenous constructs support the explanatory power of the structural model. Organizational culture can explain 41.2% in variance of conformity with tasks and responsibilities, 37.0% of setting and monitoring objectives and more than half of variance in management vision.

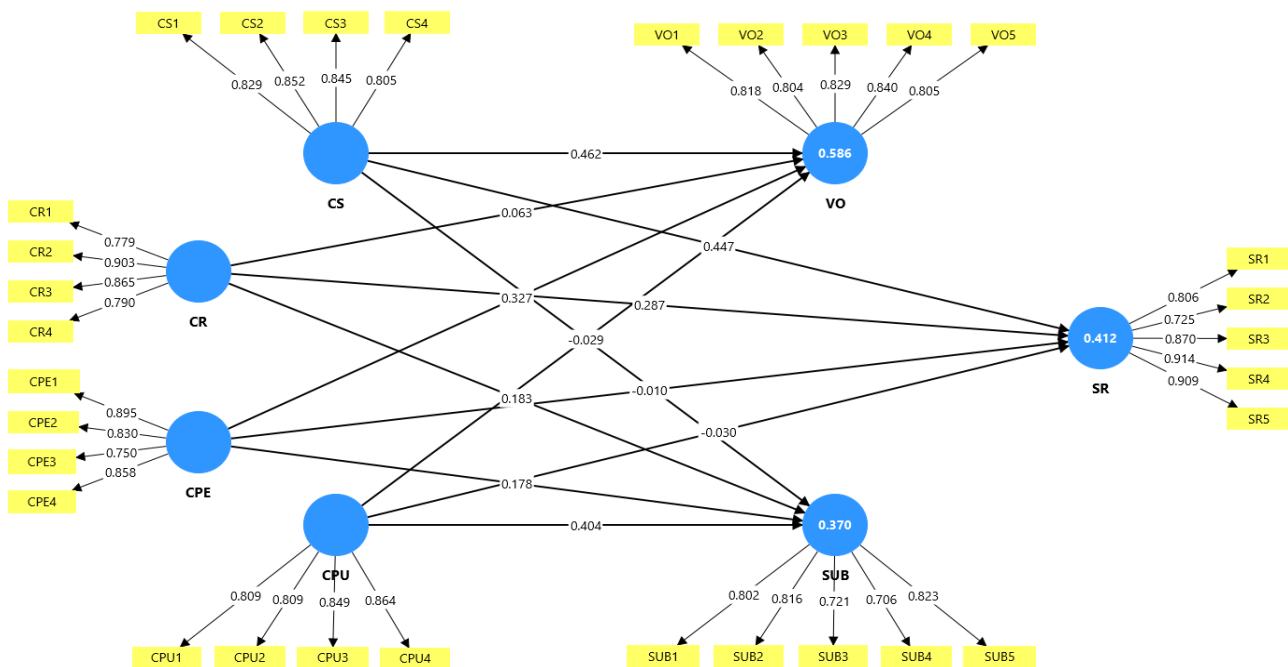


Figure 1. Structural model

Source: Authors with SmartPLS 4 (Ringle et al., 2024)

4.3 Testing research hypotheses

Focusing on research hypotheses, CR has a positive effect on SR ($\beta = 0.286, t = 2.870, p < 0.01$), supporting H2. CPU impacts positively SUB ($\beta = 0.405, t = 3.100, p < 0.001$) supporting H3. CPE influences VO positively ($\beta = 0.330, t = 3.080, p < 0.001$) supporting H4. CS affects VO positively as well ($\beta = 0.464, t = 3.791, p < 0.001$) supporting H5.

However, considering the practical significance, denoted by the effect size (f^2), only CPU and CS have small effects on SUB ($f^2 = 0.165$) and respectively VO ($f^2 = 0.189$) (Cohen, 1988).

Table 4. Testing research hypotheses

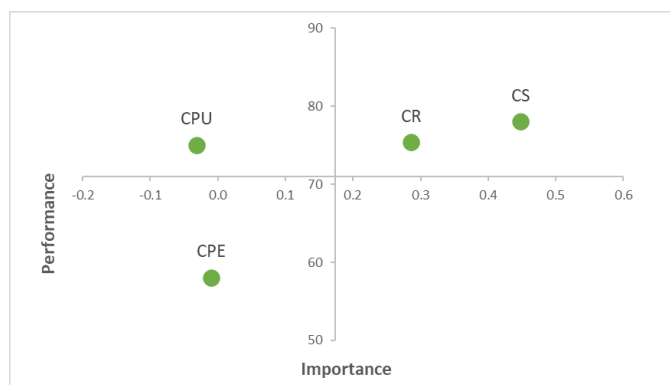
Hypotheses	Relationships	Path coefficient	Standard errors	t-test	Effect size	Coeff. of determination	Decision
-	CPE → SR	-0.010	0.111	0.086	0.000	0.412	-
-	CPU → SR	-0.031	0.098	0.315	0.001		-
H2	CR → SR	0.286**	0.100	2.870	0.078		Supported
-	CS → SR	0.448***	0.131	3.432	0.124	0.370	-
-	CPE → SUB	0.178	0.146	1.224	0.025		-
H3	CPU → SUB	0.405***	0.131	3.100	0.165		Supported
-	CR → SUB	0.184*	0.100	1.834	0.029		-
-	CS → SUB	-0.033	0.154	0.213	0.001	0.586	-
H4	CPE → VO	0.330***	0.107	3.080	0.129		Supported
-	CPU → VO	-0.013	0.100	0.129	0.000		-
-	CR → VO	0.062	0.075	0.822	0.005		-
H5	CS → VO	0.464***	0.122	3.791	0.189		Supported

* - $p < 0,05$; ** - $p < 0,01$; *** - $p < 0,001$

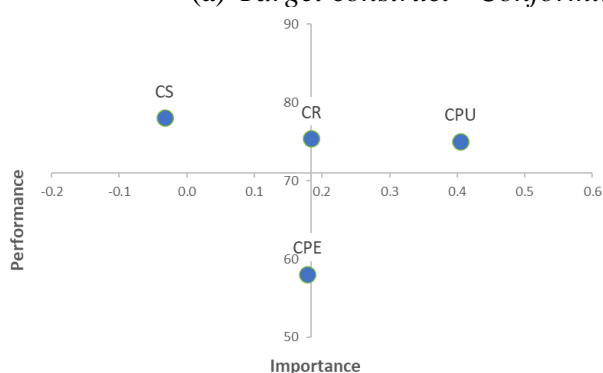
Source: Authors with SmartPls (v4) (Ringle et al., 2024)

4.4 Importance-Performance analysis

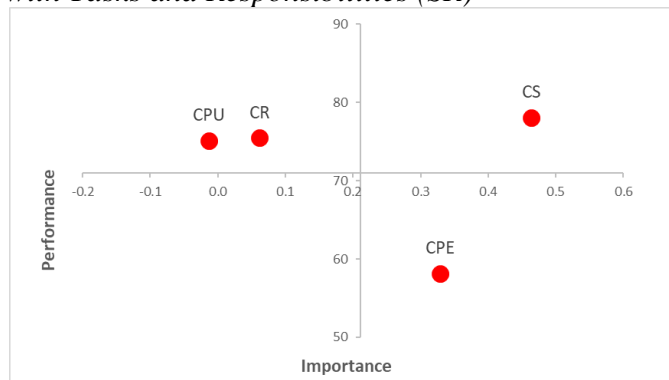
To get more insights into the effects of banking organizational culture and identify possible managerial priorities able to strengthen conformity with tasks and responsibilities, setting and monitoring objectives and management vision, IPMA was applied. For each desired effect, Figure 2a-c contrasts the total effects of organizational cultures (Importance), with their rescaled mean scores (Performance), thus identifying the desired culture types with higher effects and possibilities to be strengthened (Hair et al., 2024).



(a) Target construct - Conformity with Tasks and Responsibilities (SR)



(b) Target construct - Setting and Monitoring Objectives (SUB)



(c) Target construct - Management Vision (VO)

Figure 2. Importance-Performance charts

Source: authors

Therefore, banks wishing to enhance the conformity with tasks and responsibilities (see Figure 2a) should keep the present direction in terms of role culture and especially task culture. Also, banks willing to strengthen their approach related to setting and monitoring objectives (see Figure 2b) should aim to maintain the current direction of their power culture and role culture respectively. Regarding banks wishing to increase their perceived management vision among employees, they should aim to apply corrective actions to elements that belong to person culture while maintaining the current direction of their task culture.

5. DISCUSSIONS

The primary aim of this study is to interpret the findings to the general literature on banking organizational culture. The results above are compared with existing research, and particular insights are highlighted. The discussion also generates practical implications for managers in banks who wish to enhance performance and employee commitment to organizational goals.

The results indicate that task culture dominates the organizational culture of Romanian banks, however since the results weren't statistically significant Hypothesis 1 remains unvalidated. This may be due to the similar scores across all cultural types and the limited sample size. Nevertheless, task culture exerts the strongest influence on working behavior. Employees show rigid conformity to duties and tasks, which in term indicate routine compliance and adherence to regulations. Management vision scores are also pretty high, reflecting that long-term strategic goals are well-defined and communicated within the organization. Person culture has the lowest mean, suggesting minimal attention to individual autonomy and decision-making. The numbers above suggest a culture that tends to prioritize overall performance and efficiency over personal power, reflecting the realities of this highly regulated sector. These findings are in line with previous work in the field (Naidoo and Govender, 2022; Thakor, 2016), while also offering a new perspective that aids in the understanding of banking culture. They are also consistent with Banihashemi et al. (2016), who illustrated that a strong and balanced culture can significantly influence performance and with Tudorache (2024), who emphasized the role of sustainability initiatives in shaping bank practices and long-term competitiveness. Further, other research including Ghimire et al. (2021) highlights similar findings, noting that adaptability and flexibility within organizational culture significantly impact performance. Likewise, Opoku et al. (2022) investigated entrepreneurial culture in the banking sector and demonstrated its role in fostering professional excellence.

The structural model is reliable and valid for all the latent constructs. From a managerial perspective, the validity suggests that organizational culture can be analyzed and understood, rather than being an abstract concept. The model also serves as a diagnostic measuring tool, enabling managers to enhance those characteristics that lead to an increase in performance. In other words, leaders can use this to identify various cultural dimensions and focus and those that most effectively increase productivity. These results suggest that person, power, role, and task culture constructs and organizational results (task conformity, objective setting, and management vision) are detected consistently and represent distinctive dimensions of the underlying theoretical paradigm. Table 2 and 3 demonstrate that each construct is meaningful as well as reliable, indicating that employees' perceptions of the four cultural types are well-defined.

By understanding the cultural dimensions that most strongly influence workers behavior, leaders can introduce targeted enhancement measures like specialized training, performance evaluation systems, and stronger feedback mechanisms that align employee activity with organizational objectives. Developing these cultural components has been shown to support strategic alignment, functional efficiency, and long-term competitiveness within the banking system, consistent with Ghimire et al. (2021).

The testing of research hypotheses delivers specific effects of organizational culture on key outcomes of Romanian banks. Role culture and task culture significantly influence conformity with tasks and responsibilities, confirming that formal and performance focused environments promote routine obedience and task accomplishment, since both cultures rely on structure, value efficiency and have well-defined expectations. This matches previous studies emphasizing the importance of formalized procedures and coordination in banking (Muriuki, 2017). Power culture directly and strongly affects setting and monitoring targets, showing the effects of hierarchical control and centralized decision-making on affecting employees' alignment with organizational objectives. Even though his type of culture is mainly observed in smaller businesses, some elements of it can be seen in the banking sector. Similarly, task and person culture positively affect management vision, suggesting that employee involvement and task orientation are associated with employees' understanding of strategic objectives. However, Samal et al. (2019) found that openness to organizational change is equally or even more important for improving performance, indicating that an exclusive focus on structure might limit banks responsiveness to external variables.

Following the validation of the hypotheses, each will be discussed individually in the order presented. Although Hypothesis 1 was not confirmed, the observed trend adds to Denison and

Neale's (2000) research that contemporary banking organizations are increasingly moving from traditional role-based structures and towards a more task-oriented culture. This reflects the organizational focus on performance indicators, strategic goal alignment, and effectiveness. The validation of task culture as the dominant type suggests that banks appreciate competency, accountability, and results-driven practices. These findings highlight the managerial need to deepen performance-based systems and to reduce bureaucracy. The confirmation of Hypothesis 2 aligns with Muriuki's (2017) conceptualization of conformity as an ethical orientation based on rule adherence and stability. In the banking sector, where procedural strictness and regulation are of essential significance, the discovery of a positive relationship between role culture and employee conformity is expected. Hypothesis 3 follows Denison and Neale's (2000) reasoning that leadership plays a central role in driving organizational performance through vision, mission, and consistency. The confirmation that power culture positively affects employees' experience of goal-setting and monitoring validates the study prior. This means that leadership structures with clear chains of command and decision-making authority can enhance clarity and alignment, considering open communication is part of the process. The validation of Hypothesis 4 is consistent with the argument of Kunz and Heitz (2021), who point out that person culture, marked by autonomy and self-expression, can lead to greater individual initiative and participation. This finding suggests that even within formal institutional practices, managerial efforts at open communications and recognition of personal autonomy can enhance the assimilation of organizational vision. Hypothesis 5 draws from Schein's (2010) research that organizational performance is supported by shared cultural values. The established confirmation of a positive relationship between task culture and management vision clarity reiterates that workers are more likely to understand and commit to the organizational strategic direction if they operate in a medium of measured results. For managers, this reiterates the importance of integrating open communication into performance management systems for an increase in productivity.

IPMA further illustrates managerial priorities. To enhance task compliance, a combination of role and task culture is essential, highlighting the necessity of having and supporting formal procedures as well as monitoring performance. To achieve both goal setting and monitoring, increasing power and role culture can reinforce clarity and responsibility, demonstrating the impact of formal authority and routine. To improve employees' management vision, banks should focus on person culture factors like encouraging feedback, individual initiative, open feedback, while maintaining strong task culture practices already in use. Overall, these findings confirm that cultural interventions can enhance organizational performance and support operational efficiency as well as long-term strategic focus.

These findings identify the dominant role of organizational culture in shaping both bank overall performance and employee behavior. Results indicate that task and role cultures to support conformity with duties and ensure a steady and clear adherence to procedures. Enhancing the ability to guide and monitor employees requires strengthening power and role cultures, which emphasize defined hierarchies, structures and control mechanisms that align individual efforts to organizational objectives. In order to increase employees' awareness of management vision, leaders should focus on person culture dimensions like open communication, initiative, and participative decision-making, while also keeping existing task-oriented practices favorable to efficiency. Through the strategic management of these cultural dimensions, bank managers can improve operating performance and focus workers' behavior on specific strategies (Sarros et al., 2002).

6. CONCLUSIONS

The purpose of this study was to examine correlations established between organizational culture typologies and key organizational factors (management vision, objective setting, and task conformity) to aid in decision-making. To achieve this, data was collected via a 16-item anonymous

online questionnaire from workers of four Romanian commercial banks and analyzed using SmartPLS version 4 and Excel 2024, employing well-established and validated items.

The study confirms that task culture exists predominantly in Romanian banks. Task culture is also positively influencing management vision, while role culture raises conformity with tasks. Power culture facilitates the setting and monitoring of objectives, meanwhile person culture has a positive but smaller effect on management vision. Overall, Romanian banks operate primarily with a focus on task and role types. Their emphasis is on structure, performance, and goal congruence at the organizational level.

6.1 Theoretical implications

The paper attempted to understand the unique characteristics of banking organizational culture in the context of complex relationships established between the organizational culture typologies organizational culture typologies and bank performance attitudes of the employees.

On a practical level, when bank employees clearly know what they are supposed to do, they work significantly more towards achieving high performance and realizing established goals. Accordingly, managers can use these results to focus on clarifying goals, tasks, general vision, improving standards, and making finer and more precise goals in a drive to increase subordinates' motivation as well as individual and group productivity.

The study contributes to theory by linking the cultural typologies to measurable outcomes, offering a framework for regulated industries. It also demonstrates that task and role cultures are dominant and clarifies their impact on performance. To proceed towards the strong culture phase, there is a requirement for close collaboration between top, middle, and lower management, as well as executives, to build existing values and attitudes and prevent negative long-term effects.

6.2 Managerial implications

The research provides results that are worthy of considering for bank management, since the results of this research are contrary to what the banks explicitly affirm, but rather align with scientific research results. More specifically, even though the bank culture appears to be invisible, it is actually an established culture that tends to standardize employees and make them act in accordance with standard rules and procedures. In addition, disagreements are deep-seated in the majority of organizations, they are masked by the banking discipline that unifies workers. Since the study relied only to some degree on topics addressing motivation of the employees or job satisfaction, the specific extent of worker satisfaction with this homogenization remains unknown.

From a performance perspective, a focus on the task culture is recommended while selectively applying aspects of the power, role, or person cultures which are not hostile to the principles of the task culture. First and foremost, efforts should be directed towards leadership practices that lead to maximum performance, effectiveness, understanding, acceptance of criticism, and open communication. Managers should make sure that they build clear structures, performance goals, and communication channels.

These results emphasize the influence of cultural determinants on some of the most significant performance factors in banking, and that task and role culture's factors play a crucial part in influencing employees' conformity to duties, alignment with objectives, and understanding of management vision. From a managerial point of view, this suggests that building effective task and role culture can considerably enhance organizational cohesion and staff performance.

This research contributes to management practice through the creation of a base to make decisions, set objectives, and enforce compliance with standards. The diversity of attitudes of the respondents towards cultural typologies and issues of performance was mediocre even though the results indicated a dominant task culture. Although differences may exist between individuals, the overall mean tends to make them similar.

6.3 Research limitations and future research directions

There are several significant limitations of the study that must be taken into account when interpreting these results. A key limitation is that responses are self-reported, which contributes to an increase in the level of subjectivity. To assess correlations among vision, goals, and among tasks and responsibilities, items asking respondents about their performance, productivity, and goal understanding were used. The issue is that respondents may overestimate (more likely) or underestimate themselves, and thus the results may not reflect reality.

A second important limitation is the sample size. The number of individuals who filled in the questionnaire is rather limited compared to the number of employees working in banking nationally and across Europe. Data was gathered only from those employees working at Bucharest or Ilfov branches. Furthermore, even though the dominant culture was the task culture, the differences were rather minor to moderate, and therefore the results cannot be generalized at a national level. Some other limitations include the small number of variables assessed and the limited number of items for each construct.

Subsequent research's focus would be to analyze other performance variables such as motivation, satisfaction, technology, or leadership. Expanding samples, using qualitative methods like interviews, and investigating cultural factors such as values or attitudes could bring a new perspective in a better understanding of the organizational culture model within banks.

Comparative studies between Romanian, EU banks, and smaller banks against auditing firms, might highlight some different structural contrasts. Another direction would be to focus on specific indicators such as employee productivity, or even profitability ratios, as these would more likely demonstrate organizational and managerial effects. Digitalization and technology like artificial intelligence should also be investigated for their effects on banking culture.

Overall, this study highlights the relationship between organizational culture and organizational performance and provides justification for further research on how culture impacts employees' experience. It also contributes by demonstrating how cultural typologies translate into measurable outcomes, offering both theoretical and practical guidance.

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