



Adjoining the Relationship Between Organizational Culture and Employee Engagement in the Software Sector

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Abstract. This investigation seeks to examine the relationship that exists between the culture of the organization and the degree of engagement displayed by the employees in their line of work in software companies rated in the state of Telangana, and hence ensuring the creation of the culture of perceptions that can be positive in boosting employee engagement. The concept of organizational culture has been considered an efficient way of understanding the human systems. These scholars used both qualitative and quantitative data in their research study as the mixed-method approach. A sample population of software firms located in Hyderabad, a Telangana area, was used to select the respondents using a purposive sampling technique to come up with 150 respondents. Once this was selected, a simple random sampling technique was applied so that it could carry out the study. The data collection was done using technological tools such as the surgeries with the closed-ended question and the semi-structured interviews. The qualitative information was evaluated through theme-analyses, whereas the quantitative information was evaluated with the assistance of the inferential and descriptive statistics. The employee opinions of the two were positive when it came to matters of the organization culture that included aspects like involvement, consistency, adaptability and mission on the other hand, there was the employee engagement where issues like vigour, absorption and dedication were involved.

Keywords: Employee Engagement, Organization Culture, Software Companies, Organizations, Employees.

1 Introduction

Organizational Culture is a set of values, beliefs, attitudes, and behavior used to describe a company or an institution. It involves customs and culture that determine how people in the organization treat each other, how they treat their work and their views concerning the mission and purpose of this organization. Organizational Culture is also regarded as the personality of an organization, which shapes the level

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of engagement of the employees, decision making processes, and the general performance of the organization [1].

1.1 Importance of Organizational Culture

Firms that have good work ethics attract the attention of job seekers who seek permanent employment and are willing to grow within the firm. Organizational culture facilitates a healthy, well-organized working place that facilitates success of companies.

1. **Employee Engagement:** The favorable organizational culture creates a feeling of belonging and cause among members of staff. The employees become more engaged and committed to their work as soon as they feel appreciated, supported or identified with the current values and objectives of the company.
2. **Performance and Productivity:** Good organization culture may increase motivation, morale and productivity among employees. As workers get inspired by some common values and feeling of being part of a team; it is more possible that they will be more willing to work together, freely communicate, and work towards excellence in their jobs. This helps in increasing the level of performance and organizational success.
3. **Innovation and Adaptability:** Organizational Culture is very critical in allowing innovation and flexibility. The culture that facilitates innovativeness, taking risks, and never-ending learning makes employees midwife to test out something by being equipped to challenge what is happening, take chances and adjust to the market dynamics. This helps the organization to remain competitive and agile in the dynamically changing business environment.
4. **Decision-Making and Problem-Solving:** Problem-solving and decision-making are critical in attaining organizational success. An environment that supports every other person leads to an open flow of communication and the people communicate freely putting forward their thoughts and ideas without fear. Finally, open work culture can be encouraged, which promotes decision-making quality through the possibility of the input of different alternative solutions and guarantees greater efficiency and the use of the most effective solution.
5. **Customer Satisfaction:** Customer-centric culture positively influences the customer satisfaction. It helps to increase the level of satisfaction and loyalty since employees will deliver excellent service by encouraging them to do it and give them a working environment that makes them feel they are valued and that they have interest. Besides, it is also capable of keeping the business relevant to the changing needs of customers.

1.2 Employee Engagement

Engaging employee has become the main challenge of most organizations across the globe. The importance of employee engagement to the prosperity of organizations is paramount, especially to the Software industry. Employee engagement is an important attribute of human resource management, because it is directly proportional to the organizational productivity. Work engagement denotes a state of the

psychological feelings which are noted to be vigour, dedication, and preoccupation in the work resulting in increased job satisfaction, productivity, and commitment. Organizational culture, job characteristics, and personal characteristics are some of the factors that affect work engagement [2]. There is meaning and purpose to work in job characteristics like autonomy, task variety, and feedback. Work engagement is facilitated by organizational culture which is backed with recognition and growth opportunities. Personal characteristics such as self-efficacy and optimism constitute the state of mind and attitudes to work. Work engagement is good to both the employees and organizations and this results in higher job satisfaction and productivity. The utilization of culture within the Information Technology industry improves employee engagement, morale, retention, and output through an open and non-judgmental working environment, which influences the employee behaviour and productivity [3].

1.3 Relationship between Organizational Culture and Employee Engagement

In the modern hectic and competitive business environment, organizational culture has become extremely significant in the promotion of employee engagement and eventual success. The interrelation between these two elements of a successful workplace has been extensively studied and understood, which is why HR specialists cannot ignore the need to utilize it. An organizational culture does not just determine values, beliefs, and behavior of employees but also implements a sense of belonging and purpose and is therefore associated with greater motivation, productivity, and satisfaction of the workforce. As a culture builder, it is the role of HR professionals to create and preserve a positive and inclusive working environment that facilitates employee engagement. The adoption of a culture that will lead to increased engagement and make the company a successful organization can be proactive with the use of measures like effective communication, the feeling of common cause, employee empowerment, and employee recognition and appreciation. This paper is going to discuss the relationship between organizational culture and employee engagement and offer HR professionals helpful tips and ideas to improve the culture of their workplace and be able to think about the future [4].

1.4 Organizational Culture and Its Influence on Employee Engagement

The influence of organizational culture on employee engagement is vast. When workers are connected to the culture that is present in their organization, they get a higher level of belonging and commitment. This emotional bonding has the capacity of increasing the engagement levels, which cause performance and productivity. With open communication, employees are made to feel heard and valued and this makes them trust and create engagement. Likewise, organizations with strong cultural beliefs toward collaboration and teamwork may also foster a feeling of camaraderie, which adds to the level of engagement [5]. Conversely, disengagement may be caused by a culture that is not congruent with the values held by the employees. In case employees feel that they do not belong or their efforts are not appreciated, then they tend to be disengaged and this impacts their performances and organizational productivity. That is why it is very important that the HR professional should know the prevailing

organizational culture and how it affects engagement. Through this they will be able to come out with areas that need improvement and come up with strategies that will make the culture stronger that will lead to engagement and ultimately organizational success.

2 Literature Review

Positive and supportive culture is crucial to an organization's success. Organizational culture boosts employee morale, engagement, and productivity. Strong leadership, clear principles, open communication, and a supportive work environment boost employee engagement and satisfaction. Strong organizational culture boosts the company's reputation and turns employees into brand evangelists. Rewards and recognition also foster an engaged work culture and promote employee performance. Organizational culture moderate employee engagement, however Sri Lankan university faculty have not studied this. Thus, this paper seeks to determine how organizational culture moderates the effects of rewards and recognition on employee engagement and organization image. Sri Lankan administrative workers from 15 national universities were studied. Primary data was collected via a Google form questionnaire with 68.9% valid responses. Using SmartPLS3, partial least square structural equation modeling was used to examine data. The results showed that rewards and recognition and company image boost employee engagement. However, organizational culture moderate predictor-dependent associations. Corporate culture negatively impacts employee engagement and company image. This study sheds light on how company culture affects employee engagement through brand image, rewards, and recognition. This analysis can help university administration and government policymakers relax their rules [6].

The problem of software engineer churn is one of the tech industries. It is not surprising that this situation has influenced productivity of the company, continuity of project life and stability of workers. Research on the turnover rates of software engineers has shown this to have one of the highest rates. Poor working conditions like dissatisfaction, absence of career growth, poor salaries and poor working culture are the predominant reasons. Even though the demand of the software developers is high, it has been hard to retain good people. This has broken the product development and has cost companies. This is caused by the imbalance in the recruitment as well as the employee engagement. Fast recruitment is being used by many companies. Nevertheless, onboarding, career development, and work culture have been mostly overlooked as the determinants of the retention in the long-term. Early employee turnover has been associated with lack of onboarding and career growth. Also, job dissatisfaction is highly caused by bad leadership and administration. This forces a lot of engineers elsewhere where there are better opportunities [7].

Agility in an organization and staff engagement must be explored in various dimensions in the digital era. This involves changing towards a new business model which adapts very fast to changes in the environment. To ensure organizations are successful, expansive, and evolve, then it must be aware about how employee

engagement contributes to organizational agility. The study explores the implication of employee engagement to organization agility through digital age. A case study was done in a Serbian company of software development. The data collection was performed through interviews. Organizational agility was increased by engaged technical support staff as demonstrated in qualitative data gathered in May 2023. The technical support specialists get access to valuable information about the clients and recognize upgrades and improvements of the software. Organizational agility requires strong employee engagement. This concept is the capacity of an organization to adapt quickly and efficiently both to the external and internal changes to attain profitability [8].

Organizational culture is relevant when there are optimal outcomes of the organization yet little has been known about its effects on employee engagement in the Balkan state and specifically North Macedonia. This paper discusses the impact of culture on company on employee energy, devotion, and absorption. It was a survey on 152 workers in North Macedonian public secondary schools. The analysis of the data was conducted with the help of SPSS. The findings show that there is a relationship between company culture and employee engagement, such as energy, devotion, and absorption. The authors conclude that OC is good contributor to EE aspects beyond the educational environment. This work contributes to the knowledge base on this subject matter significantly, as it helps to comprehend the issue of company culture and its interactions with the workforce in terms of non-profit engagement better [9].

This study analyzes the organizational culture and UAE entity performance. This relationship is assessed by a conceptual framework that is specific to UAE. The experts held discussions and surveys to come up with a hierarchy of identifiers and indicators of organizational culture and performance within the UAE. The culture-performance model of an organization was analyzed and experimented. Organizations located in the UAE were the source of 131 responses. The research established positive relationship between corporate culture and performance, and more so, work contentment. The works also suggest that there is no significant difference in the way the public and the private organizations operate. The use of positive organizational culture constructions is different with every concept. The positive aspect of corporate culture is goal accomplishment, employee loyalty and devotion, and collaboration. This is ground breaking research on organizational culture and performance in the corporate and governmental sphere of the UAE. Such a study would assist managers to concentrate on the aspects of culture that enhance the performance of organizations [10].

Human resource offers knowledge, skills, and capabilities to the firm and this proves that people are an asset. Loyalty and passion of the employees play a very critical role in the organization growth and sustainability. The commitment to following company goals is Employee involvement. Employee efficacy relies on the capacity of the employees to provide the intended outcome. Positive employee orientations of the organization whereby employees can try new ideas and are consulted heavily in making of decisions are likely to involve employees and work more diligently in the attainment of business objectives. This paper examines the role of organizational culture and employee participation with regards to effectiveness [11].

3 Research Methodology

This study utilized an approach, which was based on exploratory and descriptive models. In the study, the research methodology applied was the case study approach because it enables an in-depth and detailed analysis of a research problem in a practical setting. Such a research objective can also be achieved in a form of approach by adopting analytical approach as it is used to quantify the association between several factors or phenomenon. The population to be used in this study is the number of summative crafts of employees in the chosen software firms within Hyderabad, Telangana. The study population was approximately 150 employees. The sample was comprised of all the workers of the chosen software firms in Hyderabad. A quantitative analysis was adequate with a sample size of 150. The closed-ended questionnaires specifically designed to collect data among the employees were used to gather the data and were distributed at Software Companies. The information was relayed to and out of the respondents with the issue of questionnaires being disseminated via email. The quantitative information was evaluated by using either descriptive statistics or inferential statistics. A survey that entailed a 15-item Likert scale was used to measure the employee views on organizational culture and engagement.

4 Analysis and Interpretation

The study aims to evaluate the perceptions of organisational culture (involvement, consistency, adaptability, and mission) and employee engagement (vigour, absorption, and dedication) in Software Companies in Hyderabad:

Table 1: Descriptive Statistics: Dimensions of Organizational Culture & Employee Engagement

Dimension	Mean	Standard Deviation	Minimum	Maximum
Organizational Culture	3.664	0.633	1.00	4.91
Adaptability	3.746	0.681	1.00	5.00
Mission	3.718	0.814	1.00	4.93
Involvement	3.619	0.667	1.00	5.00
Consistency	3.548	0.672	1.00	4.88
EmployeeEngagement	3.882	0.690	1.00	5.00
Dedication	3.981	0.916	1.00	4.93
Vigour	3.850	0.779	1.00	5.00
Absorption	3.825	0.671	1.00	5.00

From the above table 1, it can be inferred that the mean of the organizational culture (Mean = 3.664) reflects that the workers at the hospitals have positive perceptions of organizational culture. An in-depth analysis of the sub-dimensions of organizational culture further revealed that employees had a positive perception of adaptability (Mean = 3.746), followed by mission (Mean = 3.718), involvement

(Mean = 3.619), and, finally, consistency (Mean = 3.548), which had the least yet above-average impact.

In addition, it means that the dialogue of employees is of heightened degree (Mean = 3.882). The thorough research on the aspects of employee engagement showed that the level of dedication among employees (Mean = 3.981), then vigor (Mean = 3.850), and absorption (Mean = 3.825) reported by the study, though the smallest, are above average. Compared to a possible highest achievable score of 5, it is also clear that both criteria can be improved. The high average mean of the organizational culture in this survey implies that the employees have positive attitudes towards corporate culture. The high average scores reflect the fact that the people depicted great adaptability enabling them to effectively maneuver their ways to find the best solutions. This also means that the companies are seen by the employees as like promoting creativity in the employees. Avoidance to organizational change leads to development of adaptive strategies to support the changing requirements of the software industry. This enabled the organizations to examine the business environment and easily respond to current trends as well as forecast impending changes.

According to this study, the employees bore high average scores of missions meaning that the employees understood the strategic objectives of the software companies to which they belonged. This means that the employees feel that the companies have long term purpose and direction. Sense of purpose helps one institution to influence behavior by realizing a projected future state. The high average scores give evidence that the employees quickly become used to the changing needs of the company and have been considered to make a positive influence on the company. Moreover, it implies that the employees were encouraged to communicate with the members of different departments within the company. The research also revealed positive scores as far as the judgment on consistency were concerned. It means that the employees of the organizations demonstrated high standards of consistency in their values and actions in the course of the execution of their duties. This element develops a culture and a system of corporate values that make an internal governance system founded on consensus support which outline acceptable and non-acceptable practices. The study revealed high averages in the ratings of employee engagement, which shows that the levels of employee engagement are good in the organizations. The high mean scores of dedications show that the employees are obsessed with the organization and they see meaning and purpose in their work. The employees felt that their employment had a great meaning and role. The results shown in the research found that the mean scores in vigour are high meaning that employees are highly motivated, strong in terms of mental resilience, highly invested in their work, and enduring in the presence of adversities.

Employees in the software industry who are full of life in their work create enthusiasm among their co-workers encouraging them to overcome challenges in their undertakings. The research found that mean scores of absorptions by the employees were high, which shows that the employees were greatly engaged in the work they did. The study also revealed that when employees are at position of work, they do not care about their environment.

Table 2: Correlation between Organizational Culture and Employee Engagement

Dimension	r/p	Employee Engagement
Organizational Culture	r	0.433
	p	0.000*

Note: $p < 0.01$, r indicates a strong positive correlation

Table 2 shows that there are substantial and direct links between involvement and consistency, flexibility, mission, vitality, absorption, and commitment, respectively among the 1% significance. This implies that the greater the engagement, the more the impact will trickle-down hence enhancing consistency, flexibility, mission, vigor, absorption, and commitment. This means that engagement of the employees was attributed to consistency, flexibilities, mission, zeal, immersion, and pledge within the software firms.

Table 3: Intercorrelation amongst sub-dimensions of Organizational Culture and Employee Engagement

Dimension	Organizational Culture				Employee Engagement			
	Involvement	Consistency	Adaptability	Mission	Vigor	Absorption	Dedication	
Involvement	1.00							
Consistency	0.695	1.00						
Adaptability	0.645	0.678	1.00					
Mission	0.669	0.738	0.822	1.00				
Vigor	0.215	0.223	0.445	0.402	1.00			
Absorption	0.277	0.159	0.505	0.440	0.739	1.00		
Dedication	0.59	0.204	0.518	0.433	0.588	0.683	1.00	

It can be inferred based from table 3 that there are strong, significant, and direct relationships between adaptability and mission, vigor, absorption, and dedication as the above-mentioned relationships have significant and strong relationships at the 1% level of significance. The results revealed that mission, vigor, absorption, and dedication will equally rise with an increase in the adaptability. The findings depicted that adaptability had a positive impact on absorption, mission, vigor, absorption, and dedication between the employees at the software companies.

Moreover, the direct relationships between mission and vigor, absorption as well as dedication at the level of 1% significance are significant and strong respectively. It found out that the more the mission increased further, the more vigor, absorption and dedication will also increase. The findings portrayed the mission had a positive impact on the organizational vigor, absorption, and commitment among the workers. This result indicated that there will be a proportional acceleration in commitment with a unit increase in absorption. The outcomes showed that absorption affected dedication among the employees positively.

5 Suggestions for Improving Organizational Culture

- Define Core Values:

Core Values refer to the basic ideas and beliefs that form the basis of a behavior and decision-making of a person. On top of that, these principles are the identity of the company defining the culture and philosophy of the firm. The set values are regarded as the main tool of guiding employees to make the right decisions and communication with the customers, partners, and with each other.

- Foster Open Communication:

Open Communication should be nurtured through the setting of a climate where the employees feel free to express their ideas, concerns, and feedback without the fear of rejection or censure. This will include instituting two-way communication channels like regular team building sessions, suggestion boxes, anonymous feedback systems, and the open-door policies. With the company aiming to achieve corporate objectives and goals, good communication enables transfers of information, coordination of efforts and initiatives, conflict management and resolution and improvement of the company and its goals.

- Promote Collaboration:

Teamwork is an element of promoting cooperation and teamwork between workers with the goal of achieving unified goals and objectives.

- Provide Training and Development:

Training and development opportunities should be availed to improve the organizational culture. This is by providing employees with a chance to enhance their skills and knowledge. The personal development accompanied by the support of the organizations boosts the morale of its workers and develops a culture of continuous improvement.

- Encourage Work-Life Balance:

It includes establishing a place where workers can nullify work responsibilities and at the same time take care of their personal and family health. This is usually achieved through accommodating schedule and genial policies. The benefits of work life balance are less stress, increased morale/productivity, and retention.

6 Conclusion

The software company also promotes flexibility, involvement, and stability of the staff, and they can work through difficult challenges. The culture of the organization and the engagement of the employees are essentially linked. The study revealed that the staff of the software sector had positive attitudes towards organizational culture and participation. The culture will be more dynamic and organized to increase the level of employee engagement, thereby improving the performance of the staff [12].

Organizational culture and engaged personnel are the cornerstones in improving the level of organizational success and employee experiences. The research developed criteria that could assist the management of software companies to introduce propositions to build engagement and perceptions of organizational culture

by the workforce members to tighten the relationship between these two variables [13]. The analysis has shown that the companies were not clear in their approach to strategy. The report recommends managers at software companies to remain in constant communication with their employees using different channels. It is necessary to communicate to the employees the strategic direction of the company. The strategies and plans of the company should be shared, exhibited, and followed by the staff members. The report also recommends effective communication within the firm management to reduce the uncertainty of employees and solve problems amicably. The more employees understand their job and organizational goals, the more effort they will give to them. The research has found that the workers in the organization do not know whether they will be motivated to come to work in the morning. This paper recommends that the management should aim at creating a favorable work culture that focuses on the emotional health of the employees and extending positive feedback and training them on the skill to handle the challenges presented by their work. The research notes that the same can be nurtured by offering employees resourceful training and development opportunities that will boost their perceptions towards their duties and give them ample information about their profession.

The further research can be a comparative study of the software companies in several Indian states in relation to the quality of service provided, or even between software companies in the developed and emerging economies. The current research provides objective facts of the positive relationship between the organizational culture and employee engagement. The results contribute to the literature and add more knowledge of conflict management and motivation of the work, and commitment of employees. It is proposed that the employees have positive perceptions towards the organizational culture and employee engagement in this study.

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