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Hara Shinzo Cherian, Tanaka Keigo Chawla & Kakuei Katsura Lee

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[1*]Hara Shinzo Cherian, [2]Tanaka Keigo Chawla & [3]Kakuei Katsura Lee
[1*]Postgraduate Student, Waseda University
[2&3]Lecturers, Waseda University
*Email of the corresponding author: haracherianshi@gmail.com

Abstract

The automotive industry in Japan is known for its competitiveness and demanding work environment, which can potentially impact employee engagement and organizational culture. Organizational culture refers to the shared values, beliefs, and behaviors that mould the overall working environment and atmosphere within a company. It plays an important role in employee engagement, which is the extent to which workers are emotionally committed to their work, the organization's goals, and its success. A positive organizational culture fosters employee engagement by providing a supportive and inclusive environment where employees feel valued, motivated, and empowered to contribute their best. This, hence, leads to increased productivity, higher job satisfaction, and lower turnover rates, ultimately benefiting the organization as a whole. Leadership plays a crucial role in driving employee engagement and shaping organizational culture. The study adopted the descriptive research design. The target population was 5 automotive firms in Japan. The study did sampling of 3 respondents that were selected from the target population of 5 automotive firms in Japan. Questionnaires were used to collect the data. The study concluded that factors such as long working hours, hierarchical structures, and traditional management practices impact employee engagement and the development of a positive culture. These challenges need to be addressed by automotive firms in Japan to create a work environment that promotes employee well-being, encourages open communication, supports work-life balance, and embraces innovative approaches. It was recommended that automotive firms in Japan should prioritize creating a work environment that encourages open communication and collaboration among employees at all levels. To enhance employee engagement and promote a positive organizational culture, automotive firms in Japan should invest in employee development and well-being programs.

Keywords: *Employee Engagement, Organizational Culture, Automotive Firms, Japan*

1.0 Background of the Study

Employee engagement and organizational culture play crucial roles in the success and sustainability of automotive firms in Japan (Hardcopf, Liu & Shah, 2021). In the context of the Japanese automotive industry, employee engagement refers to the emotional and intellectual commitment that employees have towards their work and the firm. It encompasses their level of motivation, dedication, and involvement in their roles. On the other hand, organizational culture represents the shared values, beliefs, norms, and practices that define how work is conducted within the company. Employee engagement is vital in the automotive sector as it directly impacts productivity, quality, customer satisfaction, and innovation (Waheed, Waheed, Ahmad & Karamat, 2023). Engaged employees are more likely to go the extra mile, show higher levels of job performance, and contribute to a positive work environment. In the context of automotive firms in Japan, employee engagement is crucial for maintaining a competitive edge in the market and ensuring long-term success.

Organizational culture sets the tone for employee behavior and shapes the work environment (Boudlaie, Mahdiraji, Shamsi, Jafari-Sadeghi & Garcia-Pereze, 2020). In the automotive industry, a positive organizational culture is characterized by open communication, teamwork, mutual respect, and a focus on continuous improvement. It plays a significant role in fostering employee satisfaction, motivation, and commitment. A strong organizational culture aligned with the values and goals of the company helps in attracting and retaining talent, promoting innovation, and adapting to industry changes. Employee engagement and organizational culture are closely interconnected. A positive organizational culture provides a conducive environment for employee engagement to flourish (Salvioni & Almici, 2020). Engaged employees contribute to the development and reinforcement of a positive organizational culture by actively participating in decision-making, sharing ideas, and aligning their behaviors with organizational values. Conversely, a culture that promotes employee engagement can reinforce and sustain high levels of engagement among employees.

Employee engagement and a positive organizational culture have a direct impact on productivity and performance within automotive firms (Ganyang & SE, 2019). Engaged employees are more likely to exhibit higher levels of job satisfaction, commitment, and loyalty, leading to increased productivity and better overall performance. A positive organizational culture that supports and recognizes employee contributions fosters an environment where employees feel valued and motivated to perform at their best. Despite the importance of employee engagement, there are challenges specific to the automotive industry in Japan that may hinder its attainment (Dasgupta & Dey, 2021). Factors such as long working hours, high performance expectations, and a hierarchical work structure can create barriers to employee engagement. These challenges need to be identified and addressed to develop an environment where workers feel empowered, valued, and encouraged. Similarly, developing and maintaining a positive organizational culture in automotive firms in Japan can be challenging. Traditional management practices, resistance to change, and cultural norms that prioritize hierarchy and conformity may impede the development of a dynamic and inclusive culture (Sagiv & Schwartz, 2022). Overcoming these challenges

requires a proactive approach to drive cultural change and foster an environment that promotes collaboration, creativity, and continuous improvement.

Leadership plays an important role in driving employee engagement and shaping organizational culture (Jain, Jayakumar, Christy, Singh & Inamdar, 2023). Leaders in automotive firms in Japan need to demonstrate authentic leadership behaviors, such as effective communication, empathy, and support, to foster employee engagement. They should also act as cultural ambassadors, promoting values that align with the organization's mission and encouraging a positive work environment. Prayuda (2020) mentioned that to enhance employee engagement in automotive firms in Japan, organizations can implement strategies like providing opportunities for career development, providing work-life balance initiatives, recognizing and rewarding employee contributions, and promoting a culture of trust and open communication. Regular feedback, coaching, and mentoring programs can also contribute to employee growth and engagement.

Automotive firms in Japan can foster a positive organizational culture by promoting transparency, encouraging collaboration and teamwork, facilitating knowledge sharing, and fostering a learning mindset (Palumbo & Douglas, 2023). This can be achieved through clear communication channels, cross-functional projects, continuous learning opportunities, and a supportive work environment that values diverse perspectives and encourages innovation. Achieving and sustaining employee engagement and a positive organizational culture is an ongoing process. Baumgartner, Hartl and Hess (2021) argued that automotive firms in Japan should establish mechanisms to continuously monitor and measure employee engagement levels, assess the effectiveness of culture-building initiatives, and identify areas for improvement. Regular surveys, focus groups, and performance evaluations can provide valuable feedback and help organizations make data-driven decisions to enhance engagement and culture.

1.1 Statement of the Problem

Employee engagement is a critical factor for automotive firms in Japan as it directly influences productivity, performance, and overall organizational success. However, the specific relationship between employee engagement and organizational culture in the context of automotive firms in Japan remains relatively unexplored. Understanding how employee engagement affects the development and maintenance of a positive organizational culture is important for creating a work environment that encourages employee motivation, commitment, and satisfaction. Therefore, this research aims to investigate the effect of employee engagement on organizational culture in automotive firms in Japan, exploring the interplay between these two factors and their implications for organizational performance.

Organizational culture in automotive firms is influenced by various factors such as leadership styles, communication practices, and shared values. A positive organizational culture fosters employee well-being, collaboration, and innovation. However, the challenges associated with developing and maintaining a positive organizational culture in automotive firms in Japan need to be identified and addressed. This study aims to delve into the specific challenges that hinder the attainment of high levels of employee engagement and a positive organizational culture. By

identifying these challenges, the research seeks to provide insights into the unique cultural aspects and organizational dynamics within the Japanese automotive industry, which can help organizations develop strategies to overcome barriers and cultivate an engaged workforce and a thriving organizational culture.

The automotive industry in Japan is known for its competitiveness and demanding work environment, which can potentially impact employee engagement and organizational culture. Factors such as long working hours, hierarchical structures, and traditional management practices may pose challenges to fostering high levels of employee engagement and a positive organizational culture. This research will investigate these specific challenges, exploring the impact of cultural and organizational factors on employee engagement and the development of a positive organizational culture within automotive firms in Japan. The findings will provide valuable insights for managers and leaders in the industry, enabling them to implement strategies that enhance employee engagement, improve organizational culture, and ultimately contribute to the overall success and sustainability of automotive firms in Japan.

2.0 Literature Review

Rakatu, Chandra and Soma (2021) conducted study to examine the topic of organisational culture and employee engagement in order to provide a summary of the effects of culture on employee commitment. In recent years, businesses have begun to formally adopt strategic management practices, including the integration of strategic processes with human capital management. Since Barney's 1991 creation of the Resource-Based View of the Firm, the aforementioned skills, abilities, and competencies of individuals have been widely recognized as 'capital' and the most valuable assets in any given business. Human resource management systems and professionals throughout the globe have recently been using a variety of operational techniques designed to provide their organizations an edge in the marketplace. In order to differentiate themselves from their more established competitors, more and more businesses are emphasizing the need of cultivating a healthy corporate culture and encouraging employee participation.

Wood, Oh, Park and Kim (2020) argued that understanding how the organisational environment affects work engagement requires a deeper familiarity with the larger elements that effect on engagement at work. The factors that influence employee enthusiasm at work are not well understood, though. This research used a multilevel framework to investigate how four distinct forms of company culture affect workers' dedication to the job. It was hypothesized in both the organisational culture literature and the study on employee engagement that this connection would seem different depending on the culture of the organisation. Thirty-five Norwegian businesses had their culture evaluated, and 463 of their workers were polled on their level of interest in their jobs. The hypothesized connections were statistically evaluated using multilevel approaches. A favourable correlation between clan culture and employee engagement was found to be somewhat significant. However, the hypothesized connection between the other three culture types and workplace engagement was not supported. Although the results are mixed, they do suggest that clan culture is a modest predictor of professional involvement. The findings raise the possibility that the perceived simple link between organisational culture and employee engagement is

oversimplified. It will be important for future research to account for mediating factors when examining the connection between the two ideas.

According to Gabel-Shemueli, Westman, Chen and Bahamonde (2019), employees that are invested in their work are a key ingredient in the success of many companies. Actively invested workers give their whole emotional, intellectual, and physical attention to the roles they play in the company. The research highlights the role that organisational culture and communication play in employee engagement achieved by means of conventional HR procedures. An organization's culture may be bolstered by ensuring that everyone knows what they're supposed to be doing, has a pleasant place to work, is encouraged to contribute individually and collectively, and is properly rewarded and acknowledged. In addition, this helps us understand the need of timely, accurate, and trustworthy information dissemination from management, as well as the importance of open communication channels inside the company.

Lee (2020) conducted research to examine how levels of employee engagement influenced the correlation between organisational culture and service quality in Kazakh educational institutions. Both descriptive and causal research methods were used in this investigation. A total of 225 professors from four different chartered institutions' business programmes were sampled using a multi-stage sampling technique. Descriptive and inferential statistics were used to determine the data. Multiple regression and correlation analyses were conducted to quantify the strength of the association. The association between organisational culture and service quality at Kazakh universities was not significantly moderated by employee engagement. Based on the results of this research, university administration should work to make workers' daily tasks more interesting and difficult. Moreover, Nahar and Nigah (2018) study noted that employees are considered organisational resources because of the knowledge, skills, and talents they offer to the company. As a result, the dedication and loyalty of employees are important to an organization's success. Employee engagement is defined as a level of dedication and interest in the success of the organisation. The efficiency of a company is measured by its ability to achieve its goals. In companies with a strong focus on its employees, those workers are more likely to feel invested in the company's success and to be willing to go above and beyond to achieve its objectives.

Chawla (2020) conducted research to better understand the factors that lead to an engaged workforce in the recruiting sector. The survey instrument and the study's variables both originated in a thorough analysis of the aforementioned literature. We used a convenience and snowball sampling technique to acquire data from 364 recruiting agencies in Gujarat's main cities. SPSS 22.0, and ADANCO 2.0.1 were used for both descriptive and inferential statistical analysis of the data. A robust organisational culture was found in recruiting consultancies across a range of variables including Values & goal clarity, autonomy, human resource orientation, team orientation, external orientation, and customer focus. Employees were found to be highly involved in their organisation based on their levels of enthusiasm, commitment, and concentration. Employee engagement was substantially associated with both a focus on human resources and a clear statement of values and objectives. Organisational culture was shown to have a substantial correlation with zeal and commitment. Analysis of mediation with many types of engagement variables showed partial mediation for each kind of component. The results of this research

contribute significantly to our knowledge of the aspects of organisational culture that influence employee engagement within the recruiting industry. Theoretically, this study adds to what is already known about how company culture influences workers' commitment to their jobs. The main model used to establish the connection has improved our understanding of the association between organisational culture and workers engagement. This thesis has added to the body of literature on the topic of the relationship between organisational culture and employee engagement by focusing on recruiting organizations, a relatively new and specialized subset of the service sector.

Cherian, Gaikar, Paul and Pech (2021) performed study on the effect of company culture on morale and productivity in United Arab Emirates. Employee Performance is directly impacted by the level of employee engagement that exists within an organisation. The impact of the factors in this investigation is examined by means of a causality analysis. Multistage sampling is an integral part of this quantitatively descriptive study. A total of 251 people were polled by questionnaire at 9 government bank branches in United Arab Emirates. SmartPLS (Partial Least Square) was used to conduct the analysis, which included the use of measurement models and hypothesis testing. Employee engagement and productivity are shown to benefit from an organization's culture in a clear and substantial way. Employee engagement is another important indirect way in which organisational culture affects performance. The results may be used by bank managers, practitioners, and academic institutions to foster a more positive work environment and enhance employee engagement and productivity.

Misoska, Stefanovska-Petkovska, Bojadjiev and Mileva (2021) discovered that little is known experimentally regarding the influence of OC on EE in the Balkan nations, and notably in the Republic of North Macedonia, despite the relevance of OC for positive organisational impacts. To fill this need, the researcher sought to investigate the connections between OC elements and the drive, interest, and immersion that make up EE. A total of 152 workers at the Republic of North Macedonia's public secondary schools were surveyed for this investigation. SPSS was utilized to do statistical analysis on the collected data. The results revealed a number of OC factors are strongly correlated with EE characteristics including zeal, commitment, and immersion among workers. Overall, the research found that OC positively influenced EE aspects in and out of the classroom. The findings of this research provide important contributions to our knowledge of the OC-EE connection in NGOs.

3.0 Research Methodology

The study used the descriptive research design. The target population was 5 automotive firms in Japan. The study did sampling of 3 respondents that were selected from the target population of 5 automotive firms in Japan. Questionnaires were used to collect the data.

4.0 Research Findings and Discussion

4.1 Correlation Analysis

The results presented in Table 1 shows the correlation analysis

Table 1: Correlation Analysis

		Organizational Culture	Employee Engagement
Organizational Culture	Pearson Correlation	1.000	
	Sig. (2-tailed)		
Employee Engagement	Pearson Correlation	.293 **	
	Sig. (2-tailed)	0.000	0.000

The correlation results from Table 1 show that the employee engagement was positively and significantly related with organizational culture (r=.293, p=.000). This concurs with Gabel-Shemueli, Westman, Chen and Bahamonde (2019) who mentioned that an organization's culture may be bolstered by ensuring that everyone knows what they're supposed to be doing, has a pleasant place to work, is encouraged to contribute individually and collectively, and is properly rewarded and acknowledged. In addition, this helps us understand the need of timely, accurate, and trustworthy information dissemination from management, as well as the importance of open communication channels inside the company.

4.2 Regression Analysis

The section includes model fitness, analysis of variance and regression of coefficient. The findings in Table 2 show the model fitness

Table 2: Model Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.293a	0.269	0.159	0.0011525

The findings from Table 2 reveal that employee engagement was found to be satisfactory in explaining the organizational culture of automotive firms in Japan. This was supported by the coefficient of determination, which is R square of 0.269. It indicates that employee engagement explain 26.9% of the variations in the organizational culture of automotive firms in Japan.

Table 3: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.98	1	3.98	3.367	.000b
	Residual	5.91	5	1.182		
	Total	9.89	4			

The findings in Table 3 indicates that the overall model was statistically significant. The results show that organizational culture is a good predictor in explaining the employee engagement among the automotive firms in Japan. This was supported by an F statistic of 3.367 and the reported p-value of 0.000 which was less than the conventional probability significance level of 0.05.

Table 4: Regression of Coefficient

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.591	0.173		3.416	0.046
Employee Engagement	0.796	0.342	0.712	2.327	0.024

According to the findings in Table 4, it was discovered that employee engagement was positively and significantly associated to organizational culture (β=0.796, p=0.024). This was supported by a calculated t-statistic of 2.327 that is larger than the critical t-statistic of 1.96. These results indicates that when employee engagement increases by one unit, the organizational culture of automotive firms in Japan will increase by 0.796 units while other factors that influence the organizational culture of automotive firms remain unchanged. Cherian, Gaikar, Paul and Pech (2021) reported that employee engagement and productivity are shown to benefit from an organization's culture in a clear and substantial way. Employee engagement and a positive organizational culture have a direct impact on productivity and performance within automotive firms. A positive organizational culture provides a conducive environment for employee engagement to flourish

5.0 Conclusion

In conclusion, this study has explored the relationship between employee engagement and organizational culture in the context of automotive firms in Japan. The findings shed light on the importance of employee engagement in shaping a positive organizational culture and its

subsequent impact on organizational performance. It is evident that engaged employees contribute to the development of a strong and cohesive organizational culture, characterized by shared values, effective communication, collaboration, and innovation. Such a culture enhances employee motivation, commitment, and satisfaction, leading to increased productivity and overall organizational success.

However, this study also identified several challenges that hinder the attainment of high levels of employee engagement and a positive organizational culture in the Japanese automotive industry. Factors such as long working hours, hierarchical structures, and traditional management practices were found to impact employee engagement and the development of a positive culture. These challenges need to be addressed by automotive firms in Japan to create a work environment that promotes employee well-being, encourages open communication, supports work-life balance, and embraces innovative approaches. By overcoming these challenges and implementing strategies to enhance employee engagement and nurture a positive organizational culture, automotive firms in Japan can position themselves for long-term success and competitiveness in the dynamic global market.

This research provides valuable insights into the complex dynamics of employee engagement and organizational culture in the Japanese automotive industry. It emphasizes the importance of prioritizing employee engagement and creating a positive organizational culture to drive performance and sustain competitive advantage. By leveraging the findings of this study, automotive firms in Japan can develop targeted interventions and policies that promote employee engagement, improve organizational culture, and foster a thriving work environment for their employees. Ultimately, such efforts will contribute to the growth, innovation, and long-term success of automotive firms in Japan's dynamic and globally competitive automotive market.

6.0 Recommendations

Automotive firms in Japan should prioritize creating a work environment that encourages open communication and collaboration among employees at all levels. This can be achieved by promoting transparent communication channels, facilitating regular feedback and dialogue, and encouraging cross-functional teamwork. By fostering a culture of open communication, employees will feel empowered to express their ideas, concerns, and suggestions, leading to increased engagement and a positive organizational culture. To enhance employee engagement and promote a positive organizational culture, automotive firms in Japan should invest in employee development and well-being programs. This can include providing training and growth opportunities, promoting work-life balance initiatives, and offering wellness programs. By investing in their employees' personal and professional growth, firms show their commitment to their workforce, which in turn fosters higher levels of engagement, job satisfaction, and overall well-being. Such initiatives lead to a positive organizational culture where workers feel valued, supported, and encouraged to contribute their best efforts.

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