



Impact of Work Discipline on Organizational Performance: The Moderating Role of Organizational Culture in Pakistan

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ABSTRACT

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The purpose of this research is to investigate the relationship between work discipline and organizational performance, with a specific focus on the moderating role of organizational culture within Pakistan's textile industry. The study aims to understand how work discipline and organizational culture impact the performance of textile firms in this context. Data was analyzed using SPSS, employing descriptive statistics as well as factor and regression analyses. A questionnaire utilizing a Likert scale was used to gather data from the Punjab textile sector, with purposive sampling applied. While the research initially targeted 230 participants, 203 responses were ultimately analyzed. The results reveal a strong and positive correlation between work discipline, organizational culture, and organizational performance. Specifically, work discipline is positively associated with improved organizational performance. Furthermore, organizational culture is shown to positively influence performance, highlighting its role in moderating the relationship between work discipline and performance. These findings underscore the significant impact of both work discipline and organizational culture on enhancing organizational outcomes. In conclusion, organizational culture plays a critical moderating role, amplifying the positive effects of work discipline on organizational performance. It is also recommended that future studies be guided by current literature and consider aspects of organizational commitment.

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1.0 Introduction

In the current world business environment, organizations cannot afford to be stagnant but must always strive to achieve higher standards of performance (Ottesen et al., 2023). In this regard, work discipline has an important place because it impacts employee productivity, motivation and organizational performance. Work discipline means compliance with organizational policies, norms, and norms, to guarantee that employees meet their obligations efficiently (Bago et al., 2024). In particular, high level of discipline among employees enables organizations to achieve performance goals, improve organizational performance and sustain their success over time.

Organization performance is, therefore, a multifaceted concept that is made up of financial performance, customer satisfaction, and operational performance (Lwin, 2024). There is a clear relationship between work discipline and organizational performance since disciplined employees are always known to have positively impacted on the performance of the organization in these aspects. But this is not a direct relationship where work discipline determines the organizational performance; rather, there are internal and external factors that may mediate this relationship (Pap et al., 2022). Another important consideration in this respect is organizational culture, which mediates the discipline-performance link by exerting influence over the norms, beliefs, and procedures that define the behaviors of organizational members (Nafsiyah et al., 2024).

It thus becomes apparent that the organizational culture in a given organization refers to the set of norms, beliefs, and attitudes held by the institution in question regarding discipline and how this is perceived by the staff (Adinew, 2024). When accompanied by a positive company culture, work discipline can be even more effective in promoting professionalism, employees' responsibility, and obligation to achieve organizational objectives. On the other hand, a poor or an incompatible culture may undermine the efforts of discipline measures, and therefore, the expected performance results will be affected (Cairney et al., 2023).

Nonetheless, the moderation of organizational culture in the work discipline and organizational performance relationship, especially in developing countries such as Pakistan, has not been adequately investigated (Ahmed et al., 2021). Therefore, there is the research gap concerning the impact of organizational culture on work discipline and organizational performance since the organization's cultural, social, and economic contexts differ in Pakistan. This is why bridging this gap is significant to offer understanding and ideas on how organizations in Pakistan could possibly increase work discipline in order to improve organizational performance and develop the right culture (Muhammad et al., 2024). However, this area remains largely unexplored particularly in the context of Pakistani organizations; therefore, the present study intends to make a contribution by examining the link between work discipline and organizational performance with a special reference to the moderating effect of the organizational culture. The findings of this research will be useful to managers and policymakers who wish to enhance organizational performance by enhancing discipline and organisational culture (Iqbal et al., 2023). By knowing these dynamics, organizations can formulate ways and means on how discipline practices could fit the culture to achieve its objectives.

2.0 Literature Review

2.1 Work Discipline and Organizational Performance

Work discipline is generally accepted as one of the most important causes of organizational performance (Haryawan & Sopiah, 2024). Work discipline can be defined as the extent to which the employees stick to rules, policies, and procedures of the organization, which in turn creates a well-disciplined workforce with increased output, less absenteeism, and higher organizational effectiveness (Tremblay et al., 2024). Research proves that discipline in place promotes punctuality, adherence to the working schedule, and high levels of productivity among workers. This, in turn, benefits the organization through better output quality, customer satisfaction, and profitability. Studies conducted in developed countries suggest that work discipline is positively associated with organizational performance, while some works have shown that employee discipline affects the financial performance of an organization (Chen et al., 2022).

Nonetheless, the literature on developing economies, including Pakistan, is not very conclusive as the level of discipline is not uniform across various sectors and industries. For instance, Aslam et al. (2022) established that Pakistani organizations' work discipline is determined by socio-cultural parameters; external economic factors, which makes the correlation between discipline and performance less straightforward. In this regard, it is essential to examine how other variables, including organizational culture, may either enhance or hinder the use of discipline in enhancing organisational performances (Ahsan, 2024).

2.2 Organizational Culture as a Moderator

Organizational culture is defined as the shared values, beliefs and principles that influence people's behavior in an organization. It has been described as a strong moderator on the link between work related factors and organizational performance (Schein, 2010). Studies have established that when an organization establishes a positive culture, employees tend to become disciplined and adhere to the core values of the company (O'Reilly et al., 2020). Conversely, a weak or damaged organizational culture can act against the efforts of establishing discipline hence leading to poor performance.

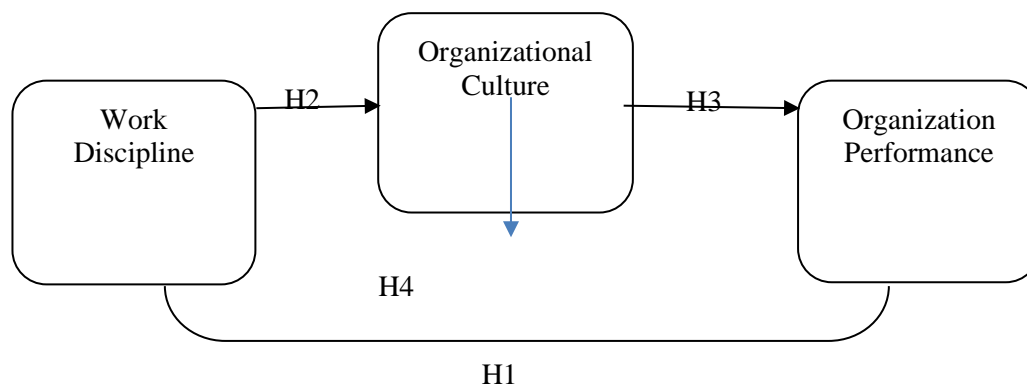
Several papers have examined the moderating role of organizational culture in various organizational processes. For example, Nguyen and Nguyen (2020) found that organizational culture moderates the leadership-performance relationship by creating a positive workplace environment. Equally Jones and George (2019) note that, there is a positive correlation between employee engagement and organizational results when supported by culture of trust and openness. Nevertheless, the literature review has revealed that the moderation of organizational culture in the interaction between work discipline and organizational performance has not been adequately explored. observed in a study conducted on Malaysian organizations about the use of disciplined workforce for better performance, it was revealed that the organizations that give emphasis on innovation and employee welfare were able to manage the disciplined workforce effectively. This finding suggests that culture moderates the relationship between discipline and performance in that culture can either enhance or diminish the effect of discipline on performance (Schepers & Van der Borgh, 2020).

Regarding the given context of Pakistan, the organizational culture may be a reflection of the traditional autocratic hierarchy and the role of authority that could potentially shape the notion and practice of discipline. Khan et al. (2020) confirmed that the organisations in Pakistan which foster collaboration and empowerment received higher performance improvements particularly in the knowledge-based industries. This implies that enhancing the right culture could be instrumental in enhancing the positive relation between work discipline and performance (Shahzad et al., 2023).

2.3 Work Discipline, Organizational Culture, and Organizational Performance in Pakistan

The current research explores the link between work discipline and organizational performance, which has been well-documented in international literature, although there are few studies on Pakistan (Khan et al., 2024). It can be understood that in the context of developing countries such as Pakistan, cultural factors, economic uncertainties, and the institutional environment can influence issues such as work discipline and organizational performance in a special way (Hassan et al., 2020). Due to the fact that many Pakistani organisations are highly bureaucratic, the issue of Work Discipline may also be influenced by the authoritarian and power distance culture in Pakistan. Thus, it may affect organizational performance in a manner that is not observed in developed economies (Qazi et al., 2024).

The literature review established that organizational culture has a moderating effect on the relationship between work discipline and organizational performance, especially within the context of Pakistan. According to Tariq et al. (2021), those Pakistani organizations that have incorporated aspects of teamwork, employee health and work creativity are likely to experience improved work discipline, which leads to enhanced work performance. This means that, creating a proper organizational culture as a key competitive advantage for boosting the effectiveness of work discipline in the attainment of organizational objectives (Zeb et al., 2021). However, the specifics of this moderation remain an area of much research, and therefore, is a significant area for further research.



Hypothesized Framework

3.0 Methodology

This research employs the survey research technique with a correlational research design to analyze the impact of work discipline, organizational culture and organizational performance on textile sector of Punjab, Pakistan. Questionnaires were administered on employees in eight textile organizations listed in the stock market and the respondents hailed from different

departments. The respondents of the survey were from Mahmood Textile Mills Ltd. , Fazal Textile Mills Ltd. , Sarena Textile Mills, Rantex (Pvt) Limited, Hassan Textile Limited, Amina Fabrics Ltd, Quetta Textile Mills Limited and Shujabad Weaving Mills Ltd. The survey yielded 203 usable questionnaires out of over 230.

The data were collected by administering questionnaires through face-to-face interviews, online questionnaires, and e-mails. The questionnaire used was in a 5-Likert scale that ranges from 1 (strongly disagree) to 5 (strongly agree). Targeted respondents were from the senior management level, the companies sampled included CEOs, CFOs, directors, general managers, and assistant managers. The study used purposive sampling in order to reach specific individuals mainly being the upper managers and employees in the marketing, production, Human Resource and finance departments.

The instruments used for measuring the variables were adapted from prior studies: work discipline from Dewi Wahyu (2008), organizational performance form Ramayah et al, and organizational culture from Van Den Berg & Wilderom (2004). To test the hypotheses, statistical tools were applied for analyzing the data, with special emphasis placed on the mediating effect of organizational culture on the relationship between work discipline and organizational performance.

4.0 Findings and Results

Table 1: Reliability Test

Scale	Cronbach's Alpha	No. of Items
Work Discipline	0.892	13
Organizational Culture	0.912	9
Organizational Performance	0.962	17

Table 1 presents the Cronbach's Alpha coefficients for the Work Discipline, Organizational Culture, and Organizational Performance scales. All the values are above the minimum threshold of which is the acceptable level 0.70, which shows satisfactory reliability for the scales applied. The lowest reliability coefficient was for Organizational Performance (0.962), which means that the responses for this scale were highly consistent within the organization

Table 2: Correlation Analysis

Correlation Matrix	WD	OC	OP
WD	1	0.815**	0.765**
OC	0.815**	1	0.825**
OP	0.765**	0.825**	1

Significance (2-tailed) is at the 0.01 level

All the correlations as presented in Table 2 are significant at 0.05 level. 01 level. Work Discipline (WD) is highly related with Organizational Culture (OC) at 0.815 and with Organizational Performance (OP) at 0.765. Likewise, OC has positive correlation with OP with the correlation coefficient of 0.825. These results support the hypotheses that the key variables are positively related, thus there is no problem of multicollinearity.

Table 3: Regression Analysis Results (Direct Effects)

Hypothesis	Beta	R-Square	P-Value	Results
H1: WD → OP	0.765	0.585	0.000	Accepted
H2: WD → OC	0.815	0.660	0.000	Accepted
H3: OC → OP	0.825	0.670	0.000	Accepted

As presented in Table 3, the results of regression analysis for each hypothesis are highly significant, indicating the existence of relationship between the variables. The R-square value for the direct effect of Work Discipline (WD) on Organizational Performance (OP) is 0.585, meaning 58.5% of the variance in OP is explained by WD. Similarly, WD explains 66% of the variance in OC. The present study reveals that Organizational Culture (OC) has accounted for 67% of the variance in OP. This was because the result showed that the independent variable explained 67% of the variance in OP. All the relationships are statistically significant at P-value < 0.01, thus supporting the hypotheses.

Table 4: Moderation Analysis

Model	R	R Square	Adjusted R Square	Std. Error	R Square Change	Sig. F Change	Durbin-Watson
1. WD → OP	0.765	0.585	0.582	0.518	0.585	0.000	1.898
2. WD → OC → OP	0.833	0.695	0.691	0.439	0.110	0.000	1.909

The results of the moderation analysis are presented in Table 3 below. The R-square value for the model where Work Discipline (WD) was directly predicting Organizational Performance (OP) was 0.585. The R-square goes up to 0.695 when Organizational Culture (OC) mediate the relationship. The results of the current study show that the addition of OC as a moderator increases the amount of explained variance, $R^2 = 0.695$. The large change in R-square (0.110) implies that

OC has a critical moderating effect on the relationship between WD and OP. The Durbin-Watson statistic is 1.909, which indicate that there is no autocorrelation in the residuals, and thus the model is appropriate.

5.0 Discussion and Conclusion

In light of the findings, Work Discipline (WD) and Organizational Culture (OC) are identified as the two factors that have major impacts on Organizational Performance (OP). The available research presented in the paper suggests that increased work discipline and positive organizational culture can produce positive performance results for organizations.

A positive correlation between work discipline and organizational performance emphasizes on the need to have well-structured and consistent work practices. Those employees who stick to organizational norms and regulations as well as demonstrating high level of discipline are likely to contribute a lot to the achievement of the organizational objectives. This comes in line with prior studies that have shown how compliant employees are likely to improve on the organizational operational performance and production. The results indicate that there is possibility to enhance organizational performance by emphasizing the role of norms and standards concerning the employees' conduct. Where the issue of time is of essence and quality delivery is paramount then work discipline can be encouraged into noticeable changes in output.

Likewise, the effect of organizational culture on performance establishes the importance of developing a favorable organisational culture. Commitment, creativity, and responsibility that were adopted in the company's culture enhance motivation among the employees and productivity in their work. When the employees identify with the values and mission of the organization, they are likely to work harder and be committed towards their work thus leading to improved performance. The results suggest that the improvement of organizational culture positively influences the organisational performance. This supports the notion that organizational culture is more than a passive context for business operations, but it is a key that defines the behavior of employees and the success of an organisation.

The paper also shows that one of the most critical factors that determine the degree of connection between work discipline and organizational performance is organizational culture. This is an indication that although work discipline is key in an organization, it is most effective when accompanied with a positive organizational culture. It is only possible to achieve the intended changes in performance for organisations that have a culture of supportive measures such as disciplinary measures without any support. On the other hand, a positive culture that supports discipline will increase the advantage of having structured work practices. This shows that while organisations must maintain discipline, they must also develop the culture to support and encourage the staff.

The present study has some significant managerial implications for organisations. First, there should be implementation of the workplace disciplinary procedures that include the formulation of rules and regulations to be followed in a workplace. It can also assist in the provision of clues on the expectations from the employees and the standards that they are supposed to meet. Furthermore, there is an importance of organizational culture that encourages cooperation,

acknowledges success, and is in harmony with the staff's values. It is through the use of this dual approach that there could be an increase in the performance of the employees and thus success of the organization.

However, this study has its own limitations which is a general drawback of most studies done in a single center. A limitation that can be deemed relevant is the use of data collected from a self-administered survey that is prone to social desirability or self-perception biases. Future research could also use both quantitative and qualitative data to ensure that there is a richer answer to the questions about the link between work discipline, organizational culture, and performance. Also, this research is confined to the textile industry in Punjab, Pakistan, which can also be considered a source of weakness. Extending the study in other settings may also be useful in substantiating the generalizability of the findings in other settings.

Hence, this study establishes that work discipline and organizational culture are key factors that influence organizational performance. Through proper management and changing the culture of organizations people can improve their performance and get the results that are wanted. Future research should look into the following issues, which have been highlighted as limitations of this study: Future research should investigate other factors that may affect these variables. In the case where an organisation uses an effective blend of strict disciplinary measures and organisation culture that is liberal, the gains are likely to be massive.

Muhammad Shaukat Malik: Problem Identification and Theoretical Framework

Tahmina Akhtar: Data Analysis, Supervision and Drafting

Aroosa Aiwan: Methodology and Revision

Conflict of Interests/Disclosures

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