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A STUDY ON IMPACT OF WORK CULTURE AND EMPLOYEE SATISFACTION IN INDIAN FMGC FIRMS

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ABSTRACT

The Fast-Moving Consumer Goods (FMCG) sector in India operates under intense competitive pressure, making work culture a critical determinant of employee satisfaction and retention. This study examines the prevailing work culture in Indian FMCG firms and analyzes its impact on employee satisfaction among 102 employees using a structured questionnaire. Data were analyzed using percentage analysis and chi-square tests. Findings indicate that the majority of employees are young, highly educated, and employed in sales roles with monthly incomes below ₹15,000. Most respondents rated their work environment positively, reported effective communication, and felt highly secure in their jobs. However, a notable 47.1% expressed uncertainty about staying in the organization beyond two to three years, signaling underlying retention risks. Salary, recognition, and career growth emerged as the primary motivators. The study concludes that while work culture is broadly positive, organizations must address retention challenges through improved compensation, career development opportunities, and employee engagement to sustain long-term performance.

KEYWORDS: work culture, employee satisfaction, FMCG firms, employee retention, workplace environment

INTRODUCTION

The Fast-Moving Consumer Goods (FMCG) sector is one of India's largest and most dynamic industries, encompassing food and beverages, personal care, and household products. Characterized by rapid product turnover, intense market competition, and a vast workforce operating across both urban and rural markets, the sector places significant demands on its employees. Work culture the shared values, norms, leadership practices, communication patterns, and reward systems that shape organizational behavior plays a pivotal role in determining employee satisfaction in this high-pressure environment. Satisfied employees are more productive, more loyal, and less prone to absenteeism and turnover, all of which have direct implications for organizational effectiveness. Conversely, an

unfavorable culture characterized by long working hours, inadequate recognition, and limited work-life balance can accelerate attrition and erode performance. Despite the strategic importance of the FMCG sector, empirical studies examining the relationship between work culture and employee satisfaction remain limited. This study seeks to address that gap by examining employee perceptions in selected Indian FMCG firms, with a focus on identifying the cultural factors that most strongly influence satisfaction levels.

STATEMENT OF PROBLEM

Focusing on how work culture impacts employee satisfaction specifically within the Indian FMCG sector. The Indian Fast-Moving Consumer Goods (FMCG) sector is highly competitive and fast-paced, requiring employees to work under constant pressure to meet performance targets and market demands. While FMCG companies focus extensively on productivity, sales growth, and market expansion, issues related to work culture and employee satisfaction often receive limited attention.

An unfavorable work culture characterized by long working hours, high work pressure, inadequate communication, limited work-life balance, and insufficient recognition can lead to employee dissatisfaction, stress, and high attrition rates.

Employee satisfaction is a critical factor that influences organizational effectiveness, employee retention, and overall performance. In the FMCG sector, dissatisfaction among employees may result in reduced motivation, lower productivity, absenteeism, and frequent job switching, which adversely affect organizational stability and growth. Despite the importance of a positive work culture, there is a lack of adequate empirical studies

Therefore, the problem addressed in this study is to examine the existing work culture in Indian FMCG firms and analyze its effect on employee satisfaction. The study seeks to identify key cultural factors contributing to employee satisfaction or dissatisfaction and to suggest measures for improving work culture to enhance employee well-being and organizational success in the Indian FMCG sector.

OBJECTIVES OF THE STUDY

1. To study the nature of work culture prevailing in Indian FMCG firms.
2. To assess the level of employee satisfaction among employees working in the FMGC sector in India.
3. To identify the key factors of work culture that influence employee satisfaction.
4. To examine the relationship between work culture and employee satisfaction in Indian FMCG firms.

5. To analyze the impact of demographic variables such as age, gender, experience, and job position on employee satisfaction.

SCOPE OF THE STUDY

The scope of the study is confined to examining the work culture and its influence on employee satisfaction in the Indian FMCG sector. The study focuses on key dimensions of work culture such as leadership style, communication, teamwork, organizational support, work–life balance, and reward systems, and how these factors affect employees' satisfaction levels. It covers employees working at different hierarchical levels in selected FMCG firms across India, considering demographic variables such as age, gender, educational qualification, and work experience.

The study is limited to understanding employees' perceptions and does not evaluate organizational performance or financial outcomes. The findings of the study are intended to provide insights for improving.

The study is undertaken to understand the role of organizational work culture in shaping employee satisfaction within the Indian FMCG sector. It focuses on selected FMCG companies and analyzes various cultural factors such as management practices, employee relations, job security, performance appraisal, and workplace environment. The scope of the study includes employees from different departments and job roles to capture diverse opinions and experiences.

The research is restricted to the present working conditions of the FMCG sector in India and relies on primary data collected from employees. The results of the study aim to assist management in identifying areas for improvement in work culture to enhance employee satisfaction and retention.

RESEARCH METHODOLOGY

The research methodology outlines the systematic approach adopted to study the relationship between work culture and employee satisfaction in the Indian FMCG sector. The present study is descriptive and analytical in nature, as it aims to describe the existing work culture and analyze its impact on employee satisfaction.

1. Research Design

A descriptive research design has been used to understand employees' perceptions regarding work culture and their level of satisfaction. This design helps in collecting details information about the current conditions prevailing in FMCG organization.

2. Area of the Study

The study is confined to selected rural areas of Coimbatore district, Tamil Nadu, where agriculture is a primary occupation and farmers actively participate in marketing their produce.

3. Nature and Sources of Data

The research is based on both primary and secondary data sources.

- **Primary Data:** Primary data is collected directly from employees working in selected FMCG companies through a structured questionnaire. The questionnaire consists of questions related to employee demographics, work culture factors, and job satisfaction levels. Most of the questions are measured using a five-point Likert scale ranging from strongly agree to strongly disagree.
- **Secondary Data:** Secondary data is collected from various sources such as research journals, books, company reports, websites, and previously published studies related to work culture and employee satisfaction in the FMCG industry.

4. Sampling Technique

The population of the study consists of employees working in FMCG companies in India. For the purpose of this research, a convenience sampling method is used to select respondents due to time and accessibility constraints.

5. Sample Size

A sample size of 102 employees is considered for the study.

6. Tools for Data Collection

The collected data is analyzed using statistical tools such as percentage analysis, mean analysis, and correlation analysis. Charts and graphs are also used to present the data clearly and effectively.

7. Tools for Data Analysis

The collected data are classified, tabulated, and analyzed using appropriate statistical tools such as:

- Percentage analysis
- Ranking method
- Weighted average method (if used)
- Charts and tables for presentation

8. Period of the Study

The study was conducted over a period of two months during the academic year 2025–2026.

LIMITATIONS OF THE STUDY

The present study on work culture and employee satisfaction in FMCG firms in India has certain limitations that may affect the overall findings of the research.

- Firstly, the study is based on a limited sample size, and the data is collected only from a small number of employees.
- Secondly, the research uses the convenience sampling method for selecting respondents. Since respondents are chosen based on accessibility and willingness to participate, it may lead to sampling bias
- Another limitation is that the data collected in the study is based mainly on self-reported responses from employees through questionnaires. The accuracy of the results depends on the honesty, understanding, and willingness of respondents while answering the questions.

There may be other external factors, such as personal issues, economic conditions, and organizational changes, that influence employee satisfaction but are not included in the study. Despite these limitations, the research provides useful insights into the relationship between work culture and employee satisfaction in FMCG firms.

REVIEW OF LITERATURE

1. Sharma (2024)

Sharma examined the relationship between work culture and employee satisfaction in FMCG companies in India. The study found that a positive organizational culture significantly improves employee motivation and retention. It highlighted the role of leadership and communication in shaping workplace environment. The research emphasized employee engagement practices. The author suggested strengthening participative management.

2. Kumar and Singh (2023)

Kumar and Singh analyzed factors influencing employee satisfaction in FMCG firms. Their findings revealed that salary, job security, and career growth opportunities are key determinants. The study stressed the importance of fair compensation systems. It also noted that recognition programs enhance employee morale. The authors recommended performance-based incentives.

3. Reddy (2023)

Reddy focused on the impact of work-life balance on employee satisfaction. The study showed that employees with better work-life balance reported higher productivity. However, long working hours in FMCG firms reduced satisfaction levels. The research highlighted the need for flexible work policies. The author suggested employee-friendly scheduling systems.

4. Verma and Gupta (2022)

Verma and Gupta studied organizational culture in Indian FMCG companies. Their research indicated that a supportive work environment leads to higher employee commitment. The study also observed that teamwork and trust are essential for satisfaction. It recommended strengthening

internal communication. The authors emphasized employee involvement in decision-making.

5. Patel (2022)

Patel investigated employee engagement practices in FMCG firms. The study found that engaged employees contribute more effectively to organizational goals. It highlighted the importance of training and development programs. The research showed a positive link between engagement and satisfaction. The author suggested continuous skill development initiatives.

ANALYSIS AND INTERPRETATION OF DATA

4.1 Demographic Profile

Table 1: Demographic Profile of Respondents (n = 102)

Variable	Category	Respondents (%)
Age	18–25 years	90.2%
	26–35 years	7.8%
Gender	Female	74.5%
	Male	25.5%
Marital Status	Single	78.4%
	Married	21.6%
Education	Undergraduate	78.4%
	Postgraduate	15.7%
Job Role	Sales	39.2%
	Marketing	20.6%
Experience	Less than 1 year	53.9%
	1–3 years	36.3%
Monthly Income	Below ₹15,000	54.9%
	₹15,000–30,000	33.3%
Employment Type	Permanent	59.8%
	Temporary/Contract	40.2%

The sample is dominated by young, single, undergraduate employees in sales roles with less than one

year of experience and monthly incomes below ₹15,000. This profile reflects the predominantly entry-level and early-career composition of the FMCG workforce, which carries important implications for retention strategy.

4.2 Work Culture and Satisfaction Indicators

Table 2: Key Work Culture and Satisfaction Findings

Dimension	Dominant Response	Respondents (%)
Overall Work Environment	Very Good	59.8%
Management Communication	Very Effective	48.0%
Teamwork Encouragement	Always	36.3%
Job Security	Very Secure	48.0%
Work-Life Balance	Very Well Managed	33.3%
Workload Manageability	Always Manageable	38.2%
Primary Work Motivator	Salary	29.4%
Job Motivation Level	Highly Motivated	53.9%
Intent to Stay (2–3 years)	Not Sure	47.1%

The data presents a broadly positive picture of the work environment: nearly 91% of respondents rated the work environment as very good or good, 80% found communication effective or very effective, and 84% felt very secure or secure in their jobs. Workload was considered manageable by the majority, and most employees reported managing work-life balance well. However, the most concerning finding is employee retention intent: only 30.4% confirmed they would stay for the next two to three years, while 47.1% were uncertain and over 22% indicated a likelihood of leaving. This suggests that despite a positive day-to-day experience, deeper structural factors including career growth prospects and compensation are not sufficiently compelling to generate long-term commitment.

4.3 Motivation Drivers

Table 3: Employee Motivation Drivers

Motivator	Respondents (%)
Salary	29.4%
Recognition	27.5%
Career Growth	25.5%
Work Environment	14.7%
Job Security	2.9%

Salary (29.4%), recognition (27.5%), and career growth (25.5%) together account for over 82% of employee motivation, indicating that both financial and non-financial incentives are essential. The relatively low weighting of job security as a standalone motivator despite 78% reporting high job security suggests that security is a baseline expectation rather than a differentiator. The near-equal distribution among the top three motivators implies that no single intervention can address employee motivation comprehensively; a multi-pronged HR strategy is required.

4.4 Chi-Square Analysis

Table 4: Chi-Square Test — Gender Distribution

Gender	Observed (O)	Expected (E)	(O-E) ² /E
Female	76	51	12.25
Male	26	51	12.25
χ^2 Calculated	24.50	Critical Value (df=1)	3.841

Table 5: Chi-Square Test — Department Distribution

Department	Observed (O)	Expected (E)	(O-E) ² /E
Sales	21	20.4	0.02
Marketing	40	20.4	18.83
HR	6	20.4	10.17
Production	17	20.4	0.57

Department	Observed (O)	Expected (E)	(O-E) ² /E
Others	18	20.4	0.28
χ^2 Calculated	29.87	Critical Value (df=4)	9.488

Both chi-square tests yield calculated values significantly exceeding the critical values at the 5% significance level. The gender test ($\chi^2 = 24.50 > 3.841$, $df = 1$) confirms that the sample has a statistically significant female skew, which may reflect the gender composition of the firms surveyed. The departmental test ($\chi^2 = 29.87 > 9.488$, $df = 4$) reveals an uneven distribution across departments, with Marketing significantly over-represented and HR under-represented, reflecting the sales-and-marketing-intensive nature of FMCG operations. These distributional asymmetries should be considered when generalizing findings.

FINDINGS

- Most of the respondents (29.4%) consider salary as their primary motivator.
- Majority of the respondents (27.5%) are motivated by recognition.
- Most of the respondents (25.5%) are motivated by career growth opportunities.
- Very few respondents (2.9%) consider job security as a key motivator.
- Majority of the respondents (over 82%) are influenced by a combination of salary, recognition, and career growth.
- The distribution of motivation factors suggests that no single factor alone drives employee motivation.
- The calculated chi-square value for gender (24.50) is higher than the critical value (3.841), indicating a significant difference in gender distribution.
- Majority of the respondents are female, showing a gender imbalance in the sample.
- The calculated chi-square value for department (29.87) exceeds the critical value (9.488), indicating significant variation in departmental distribution.
- Most of the respondents are from the marketing department, showing over-representation.
- Very few respondents belong to the HR department, indicating under-representation.
- The uneven distribution across gender and departments may affect the generalization of the study findings.

SUGGESTIONS

• Improve Work Environment

Organizations should create a positive and supportive work environment to enhance employee satisfaction and productivity.

- **Enhance Salary and Benefits**

Provide competitive salaries, incentives, and benefits to improve employee motivation and reduce dissatisfaction.

- **Promote Career Growth Opportunities**

Offer promotions, training, and development programs to help employees grow within the organization.

- **Strengthen Communication**

Ensure clear and transparent communication between management and employees to build trust and reduce misunderstandings.

- **Encourage Teamwork**

Promote team-based activities and collaboration to improve relationships and work culture.

- **Employee Recognition Programs**

Recognize and reward employee performance regularly to boost morale and motivation.

- **Ensure Job Security**

Provide stable employment policies to increase employee confidence and long-term commitment.

CONCLUSION

Work culture plays a crucial role in influencing employee satisfaction across organizations. A positive and supportive work environment helps employees feel motivated, productive, and committed to their work. Key factors such as effective communication, supportive leadership, recognition, and work-life balance significantly contribute to how employees perceive their workplace. When employees feel valued and respected, they are more likely to perform better and contribute to organizational success. On the other hand, a poor work environment can lead to low morale and reduced productivity. Employees today not only expect fair compensation but also seek emotional support, growth opportunities, and a friendly atmosphere at work.

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