



## **FORMATION OF CORPORATE CULTURE AND INCREASING EMPLOYEE ENGAGEMENT**

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**Annotation:** This article analyzes the concept of corporate culture, its place in the organization, the stages of its formation, and its direct impact on employee engagement. It is discussed that the healthy formation of culture in a corporate environment strengthens trust, teamwork, efficiency, and loyalty among employees, which in turn is a decisive factor in the stable and successful operation of the enterprise.

**Keywords:** corporate culture, employee engagement, motivation, team spirit, work efficiency, organizational environment, values

### **Introduction:**

One of the main factors of successful management in modern organizations is the formation of a healthy and positive corporate culture. This concept covers not only organizational values and ethical norms but also the relationships between management and employees, the culture of internal communication, organizational traditions, and the overall working environment. Corporate culture defines the organization's unique "internal spirit" and plays an important role in achieving its strategic goals. Especially in today's competitive labor market, increasing employee engagement, binding them to the organization, and strengthening loyalty is of unparalleled importance. A well-formed corporate culture is a means that reinforces stability within the organization, efficiency, and the spirit of striving for a common goal among employees. This culture directly affects processes ranging from the company's daily activities to strategic decision-making. Employees working in such an environment not only perform tasks but also consider themselves responsible for the company's success.

The strength of corporate culture affects employee engagement in three main directions: spiritual motivation, social connection, and opportunities for professional growth. Spiritual motivation means that an employee approaches their work with moral satisfaction and accepts the company's values as internal needs. Social connection implies trust and sincere relationships among team members. This creates warmth in the work environment and employees support each other. Opportunities for professional growth give each employee the chance to unlock and develop their potential. Organizations create conditions for employees to work on themselves through training courses, mentoring programs, rotation, and internal competitions.

Justice and transparency in the company's internal policy are also an integral part of culture. The openness of salary, promotions, competitions, and reward processes strengthens employees' trust. This, in turn, leads to more initiatives and active participation by them.

Modern companies implement approaches like "open-door policy" and "guiding leadership" to simplify communication between management and ordinary employees. In this process, leaders need to demonstrate the company's values in practice through their behavior and serve as role models. Otherwise, written values remain only on paper. The personal position and example of leadership are among the most important factors in developing corporate culture. If the leader adheres to organizational values, promotes honesty, openness, and mutual respect, this is automatically replicated among employees. Conversely, if the management does not keep its

promises, employees lose faith in values, and culture becomes artificial.

Also, adaptability in the organization — openness to changes and quick acceptance of new approaches — indicates the development of culture. Companies that keep pace with the times always take into account employees' feedback, strengthen teamwork through the use of technologies, remote work systems, and modern communication tools. Such approaches make employees feel valued and needed.

Improving the quality of internal communications is also important in strengthening corporate culture. This includes internal newsletters, "listening days for employees," online forums, and continuous feedback. Such systems not only give one-way instructions to employees but also create opportunities to listen to them and consider their initiatives. An employee who feels the importance of their opinion is not passive but active and responsible.

If the company widely promotes the value of "achieving success together," it strengthens attention not to individual but to team results. This helps healthy internal competition and the development of mutual assistance and advice exchange. Especially for new employees, such an environment helps greatly — they do not feel lonely and quickly adapt.

Many modern companies use management styles based on emotional intelligence to increase employee engagement. In this, the leader understands employees' mental states and supports them with a personal approach. This strengthens not only loyalty but also a trust-based management system.

Additionally, internal reward systems — for example, "Employee of the Month," "Best Team," "Award for New Initiative" — increase healthy competition, motivation, and satisfaction among employees. Such initiatives must always be carried out fairly; otherwise, these rewards can have the opposite effect.

Corporate culture is also strengthened through social responsibility projects. If employees actively participate in charity events, environmental campaigns, or projects working with students or youth organized by the company, they deeply understand the organization's values and feel connected to these values.

Moreover, elements like hybrid work mode, flexible schedules, psychologically healthy environment, and freedom to choose responsibility play an important role in increasing employee engagement. Especially representatives of the new generation (Generation Z) consider such opportunities as one of the most important motivators.

Another important aspect of strengthening corporate culture is ensuring inclusiveness in multicultural teams. Respectful cooperation of employees of different nationalities, genders, ages, or levels of experience brings not only cultural richness but also innovative approaches.

Corporate culture means the totality of shared values, beliefs, behavioral norms, and traditions within the organization. Each organization has its unique internal environment formed over many years of experience, management style, relationships among employees, and company strategy.

Positive corporate culture serves as a source of spiritual stability, motivation, and activity for employees. If open communication, respect-based relationships, and the opportunity to freely express opinions exist in the organization, employees' job satisfaction increases. They feel like important members of the team, which strengthens their initiative.

The main factors important in forming corporate culture are:

- Leadership style and commitment of management to values. The values demonstrated by the leader usually guide the whole team's spirit.
- Effective communication with employees: each employee at any level should freely express their opinion and be sure of being heard.
- Development of team spirit and cooperation culture. Focusing on team results rather than individual achievements strengthens trust and unity among employees.
- Recognition and encouragement: when each employee receives appropriate evaluation for their work, their attitude towards work strengthens.

- Increasing socialization level through corporate events, social projects, and sports activities.

In today's digital age, companies strive to maintain a healthy culture amid hybrid work styles, remote communication, and use of artificial intelligence. This condition plays a decisive role in company branding, attracting, and retaining workforce.

Organizations conduct anonymous surveys, feedback sessions, and annual evaluations to analyze employees' moods and team environment. Such approaches increase employees' active participation and help them respond positively to organizational changes.

Also, large companies select employees according to organizational values and culture. During interviews, not only qualifications but also character, social skills, and ability to work in a team are important. This creates a harmonious team in the organization.

### **Conclusion:**

The formation of corporate culture is important not only to improve the internal environment of the company but also to strengthen its external image. Organizations operating based on this culture have employees who feel valued, heard, and necessary. As a result, their engagement, initiative, and work efficiency increase. A healthy and fair organizational environment ensures long-term success and competitiveness.

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