Investigating the Relationship between Organizational Culture and Employees

Job Satisfaction

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ABSTRACT

The main purpose of this study is to examine the relationship between the dimensions of organizational culture and employee job satisfaction at Islamic Azad University (IAU) which is located at Iran, region one. The population comprised of all employees of 31 branches of IAU located at region one. Data was collected by structured questionnaire, designed based on the Robbins’ 10 criteria indexes, through 550 respondents who selected randomly through clustering sampling. Two types of statistical testing were employed, descriptive and inferential statistics. Correlation analysis was used to test the relationships between dimensions of organizational cultures with job satisfaction. The results showed that there is a significant and positive relationship between organization identity, managerial support, risk taking ability, participation, organizational communication, control and organizational integration with job satisfaction. However, the relationship between individual creativity, conflict, and reward system with job satisfaction was not supported in this study. The result of this study is useful for managers to increase productivity in the company by the factors of organizational culture.

Keywords: Organizational culture, job satisfaction, employees
1. INTRODUCTION

The importance of organizational culture as a subject in management and business research has been supported for the past few decades. In fact organizational culture influences individually and organizationally desired outcomes such as loyalty, commitment, and satisfaction (Chow et al., 2001).

It has confirmed that influencing the thoughts, feelings, interacting, and performances are the significant contribution of organizational culture (Yusof & Juhari, 2000). There are considerable studies on organizational literature that have been tried to investigate the relationship between corporation cultures and employee’s satisfactions in different enterprises (Nasirpour et al., 2010; Chow et al., 2001; Mansor & Tayib, 2010; Voon et al. 2011, Lund, 2003; Gray et al., 2003; Sheridan, 1992). However, there is not enough literature that recognizes organizational culture studies in higher learning organizations, particularly on job satisfaction amongst employees.

This study aims to examine the relationship between organizational culture aspects which is broken down into 10 dimensions with job satisfaction among university staffs of Iranian IAU, region one. The reminder of this article is as follows. The literature review is discussed in the next section, followed by the methodology. Next, the result is explained. Conclusion and suggestion are provided in the last section.

2. LITERATURE REVIEW

According to Robbins and Coulter (2005), the organizational culture is defined as the beliefs, shared values, or perceptions, which employees have within an organizational unit. Daft (2005) also stated that organizational culture is a set of key values, assumption, understanding, and norm that members of an organization are sharing and with the new members. Moreover, Robbins (2004) has suggested ten criteria indexes for measuring the organizational culture including organizational identity, risk taking ability, organizational integration, management protection, organizational collectiveness, innovation, bonus system, aggressiveness, control, and organizational connection.
Robbins (2005) defined job satisfaction as a feeling of the collection in individual level that holds towards his or her job. Rad et al. (2006) suggested that several factors impact on employee job satisfaction. They also showed that there is a positive relationship between employee satisfaction and organizational culture. Lund (2003) conducted an empirical survey to examine the impact of the organizational culture on job satisfaction in marketing professional area in a cross-section of firms. The results showed that job satisfaction levels are varied in different typology of organizational culture.

Several studies found different factors affect people orientation in organization including innovation, teamwork, stability, attention to details, orientation toward people, communications, employee involvement, training and development, rewards, effective decision-making, trust, supportiveness, risk-taking for creativity, and competitiveness (Chatman & Jehn, 1994; Gray et al., 2003; Nasirpour et al., 2010).

De et al. (2009) stated that organizational identity has a powerful influence on turnover intention. Therefore, organizational identity and job satisfaction are the important factors by which a company wishes to reduce turnover rate. Improving job satisfaction may contribute to reduce the turnover intention. Thus, according to Chang and Lee, (2007) higher identity degree to organizational cultures leads to higher job satisfaction. Therefore, according to these observations, the first hypothesis puts forth as below.

**H1:** there is a significant positive relationship between organizational identity and job satisfaction.

As their empirical study among the police officers in Slovenia, Nalla et al. (2011) illustrated that the officers who had perceived their occupational roles as a more challenging and risky nature are significantly more satisfied than the officers who had found their work as a simple or repetitive. Lambert and Hogan (2010) investigated the perceptions of organizational innovation still had significant associations with job stress, job satisfaction, and organizational commitment. They
suggested that perceptions of organizational innovation probably allow employees to have a greater sense of involvement at work as well as feeling that things may change for the better. In addition, they came up with the idea that one of the best ways to use perceptions of innovation to decrease job stress and increase job satisfaction and organizational commitment is the climate of actual innovation within a correctional organization. Hence, it can be concluded that risk is associated with the job satisfaction. In this sense, in following second hypothesis is offered to test this relationship.

**H2:** Risk orientation ability has significant effect on employee's job satisfaction.

Organizational integration shows a perspective of team orientation in an organization in which staffs are able to coordinate and cooperate within and across units. Organizational integration contributes to the job satisfaction (Maznevski et al. 2002). Kashefi (2009) in his elementary data analyses substantiated a hypothesis that internalization has simultaneously produced positive psychological outcomes such as the job satisfaction. Lashbrook (1997) illustrated that, the leadership style plays an essential role in employee job satisfaction. Tsai (2011) stated that a close interaction between the leadership and employees could make a greater contribution to team communication and collaboration. Moreover, close interaction also encourage employees to achieve the objectives declared by the organization (Tsai, 2011). The results showed that the close interaction would enhance the job satisfaction.

Jill et al. (2003) suggested that the organizational cultural, including employee participation, had strong relationship with job satisfaction. Noorderhaven et al. (2002) stated that innovation and cooperation have positive relationship with job satisfaction. Although based on Beugelsdijk et al. (2006), there are negative relationship between predictability and rule-oriented behavior in the firm and innovation orientations. Walter (1999) argued that the atmosphere at the workplace in which favorable interpersonal relationship is raised affect to attract and retain employees especially who focus in a friendly relationship (Gyau & Spiller, 2007). Based on the above literature the relation
between integration, individual creativity, and participation with the job satisfaction could be derived as the below hypotheses.

**H3:** Organizational integration has a significant effect on employee`s job satisfaction.

**H4:** there is a significant relationship between the participation and the job satisfaction.

**H5:** Individual creativity has a significant effect on the job satisfaction.

Babin and Boles (1998) stated that perceived managerial support had a significant negative relationship with role conflict and role ambiguity, but have a direct positive relationship with job satisfaction. However, Nalla et al. (2011) proposed that there were no significant relationship between management support/supervision and job satisfaction, therefore, suggested that the reform scales introduced during the last few decades have had no significant impact on bringing a cultural change in the police organization. In this regard, previous theories can lead us to the next hypothesis.

**H6:** The management support has a significant effect on the job satisfaction

Gray et al. (2003) indicated that dominant culture characteristics and job satisfaction strongly associate with reward and supportiveness. Moreover, Nystrom (1993) found that in a strong culture, in which the reward system is more active, employees are more satisfied in their job. Yoon et al. (2002) stated that pay could be construed as a reward that is extrinsic to the job itself. They argued that intrinsic job rewards have more impact on the job satisfaction rather than the extrinsic factors. Furthermore, in some researchers the relationship between conflict and job satisfaction has been studied. For example, the negative relationship between conflict and job satisfaction had revealed by Ghiselli et al. (2001). Aryee et al., (1999) has found no significant relationship between conflict and job satisfaction. However, Zhao et al. (2012) has found a positive relationship between these variables. Therefore, the next hypotheses are derived from the literature:

**H7:** Reward system has a significant impact on the job satisfaction.
H8: There is a significant relationship between conflict and the job satisfaction.

According to control theory developed by Judge and Bono (2001), employees who work based on their expectation have additional effort and can easily obtain their goal, although they reduce the level of standard or even cease the work. Their founding revealed that there is a significant relationship between job satisfaction and level of control in the workplace. In addition, based on Bond and Bunce (2003), job control is associated with productivity and occupational health and imposing more control in workplace affects decreasing of stress. In fact, setting the low-level control will lead to increasing workers’ health problems such as heart disease. However, locus of control is very imperative to be perceived and accepted by personnel. Therefore, they found that there is a positive relationship between the level of job control and job satisfaction. In this sense, the following hypothesis could be provided.

H9: Direct control affects significantly on the job satisfaction.

According to Irwin and More (1994) and Goldhaber (1993) organizational communication contributes to job satisfaction positively. Leslie and Fretwell (1996) revealed the greater employee satisfaction has a direct positive relationship with increasing the communication level. The positive relationship between the organizational communication and the job satisfaction are constantly concerned within the literature (see for example: Akkirman and Harris, 2005; Brunetto and Wharton, 2006; Carrière and Bourque, 2009; Wagenheim and Rood, 2010). Therefore, the following hypotheses was derived to be examined in this research.

H10: The relationship between organizational communication and the job satisfaction is significant.

By reviewing the aforesaid scientific studies, there can be found that there is a significant relationship between organizational culture and job satisfaction. From the literature, it was found that the dimensions of organizational culture play an important role in promoting the job satisfaction in the organization extent. Moreover, based on the proposed hypothesis, the development of a
theoretical organizational culture model in measuring the job satisfaction, which is the main purpose of this study, is presented. The conceptual framework design focusing on the organizational culture including all of the ten identified criteria dimensions is illustrated at Figure 1. Studying the relationship between the organizational culture and job satisfaction in an Iranian organization provides an opportunity on making a comparison between the conditions and situations with other organizations in the global level.

Figure 1: Research framework

3. RESEARCH METHODOLOGY

The survey method used in this study to examine the link between organizational culture and job satisfaction. This correlation study was performed in 2014 and it involved 31 university branches in IAU, region one. The population of this study is the employees of IAU, region one and number of employees in those university branches were N=2139. Considering the founding by Hersey and Blanchard (1988) that showed around 60% of employees have low organizational culture, a population size of 574 subjects was determined with sub-sample method due to having the
heterogeneous sample in the university branches’ population by random distribution. In this research, the sampling size is provided below based on the Cochran formula provided by Burns and Bush (2003) in which the Confidence Interval was 90%.

\[ n = \frac{z^2 PQd^2}{1 + 1/N(PQ/d^2-1)} \]

The survey instrument provided in this study tests the relationship between 10 dimensions of organizational culture with job satisfaction. Data was compiled using a checklist of the evaluation from performance index proposed by Robbins (2004) organizational culture questionnaire.

The questionnaire consists of two sections includes demographic data (including 5 questions) and organizational culture of employees (including 29 questions) based on the model criteria indexes (organizational identity, risk taking ability, organizational integration, participation, managerial support, individual creativity, reward system, conflict, direct control, organizational communication) corresponding with job satisfaction. The questionnaire was designed based on the 4-point Likert scale (1= Very little to 4= Very much). Before questionnaires were distributed, they had been tested through pilot test by choosing a small sample included 20 employees from different branches. The questions were analyzed by Cornbach Alpha’s Coefficient to remove some irrelevant questions and finally the reliability and validity of the questionnaire structure were confirmed through the experts’ judgment. The questionnaires, which roughly answered within ten minutes by respondents, were sent over to 31 university branches and were randomly distributed among the employees. Only 550 valid questionnaires were returned back which makeup more than 95% of all distributed questionnaires. The SPSS software was employed for data analysis. Frequency and percentage as the category of descriptive statistic and Pearson correlation as statistic inferential were used. Correlation analysis was used on the relationships between criteria dimensions of the organizational cultures and the job satisfaction.
4. RESULTS AND CONCLUSIONS

Demographic information is presented at Table 1. Out of 550 subjects under study, 154 persons (28%) were women and 396 persons (72%) were men. Regarding to education level, most respondents (55%) were in group of master degree. Among the sample 121 person(22%) single, 429 persons (78%) married. The average age of the respondents was 47.5 years (standard deviation=1.14), the mean of work experience was 9.5 years (standard deviation=1.14 years).

Table 1: Demographic information of respondents

<table>
<thead>
<tr>
<th>Biographic file</th>
<th>Percentage</th>
<th>Frequency</th>
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</thead>
<tbody>
<tr>
<td><strong>Sex</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>396</td>
<td>72%</td>
</tr>
<tr>
<td>Female</td>
<td>154</td>
<td>28%</td>
</tr>
<tr>
<td><strong>Work Experience</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>29</td>
<td>5%</td>
</tr>
<tr>
<td>1-2 years</td>
<td>39</td>
<td>7%</td>
</tr>
<tr>
<td>2-4 years</td>
<td>96</td>
<td>18%</td>
</tr>
<tr>
<td>4-6 years</td>
<td>85</td>
<td>15%</td>
</tr>
<tr>
<td>6-8 years</td>
<td>181</td>
<td>33%</td>
</tr>
<tr>
<td>More than 8 years</td>
<td>120</td>
<td>22%</td>
</tr>
<tr>
<td><strong>Marital Status</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Single</td>
<td>121</td>
<td>22%</td>
</tr>
<tr>
<td>Married</td>
<td>429</td>
<td>78%</td>
</tr>
<tr>
<td><strong>Educational Level</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diploma</td>
<td>38</td>
<td>7%</td>
</tr>
<tr>
<td>Associate degree</td>
<td>110</td>
<td>20%</td>
</tr>
<tr>
<td>Bachelor</td>
<td>94</td>
<td>17%</td>
</tr>
<tr>
<td>Masters</td>
<td>302</td>
<td>55%</td>
</tr>
<tr>
<td>PhD</td>
<td>6</td>
<td>1%</td>
</tr>
</tbody>
</table>
Chohen (1988) stated that the relationships between variables are based on below standard:

- **Small** \( \gamma = 0.10 \) to \( 0.29 \)
- **Medium** \( \gamma = 0.30 \) to \( 0.49 \)
- **Large** \( \gamma = 0.50 \) to \( 1.0 \)

Among all ten dimensions of organizational culture in correlation with job satisfaction, in the P value of less than 0.1, the highest score were for organizational identity \( (\gamma = .764) \) and integration \( (\gamma = .612) \) and the lowest score was for participation \( (\gamma = .318) \), and the rest correlations were medium and large.

<table>
<thead>
<tr>
<th>Correlation(Spearman r)</th>
<th>Coefficient Correlation</th>
<th>Sig(2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Identity</td>
<td>.764</td>
<td>.000</td>
</tr>
<tr>
<td>Risk taking</td>
<td>.359</td>
<td>.086</td>
</tr>
<tr>
<td>Integration</td>
<td>.612</td>
<td>.001</td>
</tr>
<tr>
<td>Participation</td>
<td>.318</td>
<td>.071</td>
</tr>
<tr>
<td>Individual Creativity</td>
<td>.359</td>
<td>.228</td>
</tr>
<tr>
<td>Management Support</td>
<td>.491</td>
<td>.009</td>
</tr>
<tr>
<td>Reward System</td>
<td>.268</td>
<td>.243</td>
</tr>
</tbody>
</table>
In this research it was clear that the organizational identity had significant direct impact on job satisfaction among employees of IAU, region one (γ=.764, Sig. <.1). This hypothesis had been evaluated by four questions. More than 60 percent of respondents agreed with the first question labeled “To what extent staffs of IAU are loyal to their organizations?” In addition, in the second question, “To what extent staffs of IAU referred themselves to their organization?”, more than 62 percent of respondents answered as high and very high. However, only 48 percent of the respondents liked to stay at the university and 45 percent of them were proud of their university. It means even though the most of staffs in IAU are loyal to their university, they don’t like to continue their work there. The result of this study is consistent with previous findings that the organizational identity has significant effects on job satisfaction (Chang & Lee, 2007; De et al., 2009).

Furthermore, the effect of risk orientation on job satisfaction was supported in this study (γ=.359, Sig. <.1) which supported the previous studies (Nalla et al., 2011). This dimension is supported by three questions in this study. In this case 40% of respondents believes that employees in the IAU, region one extremely follow the rules and regulations, while, 20% of them agreed much and very much with this sentences that they take a risk in their work. 66% of them do not interest to do the tasks or responsibilities, which are no supported by the rule and regulations.

Another hypothesis that was not rejected, examined the relationship between organizational integration and job satisfaction and by three questions it was revealed that integration in the organization has a significant effect on job satisfaction (γ=.612, Sig. <.1). The three questions measured the integration variable in the IAU, region one and most respondents agreed with all
questions. The previous findings supported the result of this study that the organizational integration has significant effects on job satisfaction (Kashefi, 2009; Maznevski et al. 2002).

The relationship between participation and job satisfaction was support in this study ($\gamma=.318$, Sig. <.1). Three items supported this hypothesis. More than half of respondents (53%) agree that the participation atmosphere exist in the university. However, more respondents believe that the employees participation do not affect to change the managers' decisions. Therefore, the satisfaction level of participation was not high. The result of this study in the relationship between participation and job satisfaction is match with the previous researches (Jill et al., 2003; Tsai, 2011).

Management support and its effect on the job satisfaction was another hypothesis tested in this research and was not rejected ($\gamma=.491$, Sig. <.1). For this hypothesis, two questions had designed. Results showed that the most of staffs believes that managers’ support of employees were medium. More than 65% of respondents believed that their managers’ support were low and very low. Nonetheless, they were satisfied with their support. The result of this study in the relationship between management support and job satisfaction was supported by several previous studies (such as Babin & Boles, 1998), and consist with few studies such as Nalla et al. (2011).

In addition, it was cleared that the high level of direct control affected the high level of job satisfaction ($\gamma =.491$, Sig. < .1). Three questions had been designed for this hypothesis. First question was labeled as “To what extent managers try to direct control over the staffs?” Most of the respondents answered this question as high and very high (53% and 12% respectively). Only two percent of them believed that they were not controlled directly by their managers. Moreover, most of the respondents (69%) agreed with the second question which titled as “To what extent self-control can be used instead of written rules?” Finally, the third question was designed to test the respondents’ desire about the effect of control on job satisfaction. In this sense, the result showed that the direct control had a significant impact on job satisfaction. Therefore, it was revealed that
although employees accepted that the direct control influences the job satisfaction, self-control was the main purpose of direct control with employees. The result of this study in the relationship between control and job satisfaction match with previous studies (Bond & Bunce, 2003; Judge & Bono, 2001).

Furthermore, the relationship between organizational communication and job satisfaction was supported in this research ($\gamma = .361, \text{Sig. } < .1$) which supported by previous scholars (Akkirman and Harris, 2005; Brunetto and Wharton, 2006). Two items supported this dimension of organizational culture. In the first question, the majority of respondent believes that the university does not provide information about the problems to employees. Although 90% of them believed that job information has a significant effect on job satisfaction.

As shown in Table 2 in the significant level of 0.1, hypotheses 5, 7 and 8 were not supported. The reason may affect these hypotheses to do not support the previous studies is related to the leadership style of managers in the branches of the IAU, region one. In fact, most managers of the IAU in all branches just follow the rules provided by the head quarter of IAU and are not flexible in their contact with the subordinates. Moreover, because of this reason reward system does not affect job satisfaction in the branches. Employees know that they received reward in the regular manner every two or three months. Consequently, they are not encouraged to work harder to get more reward. In addition, according to Noorderhaven et al. (2002) creativity in predictable and rule-oriented situation does not occur. Therefore, the result of these three hypotheses supported the Noorderhaven et al. (2002) finding of the rule orientation works in organizations.

Consequently, in this research employees believed that the organizational identity is the most important factor thereby employees can be satisfied, followed by organizational integration. These two factors have a significant impact on staff's job satisfaction. In spite of having the positive effects among all factors on the job satisfaction, their influences are not high. Furthermore, employees
believe that the positive effect of management support is as equal as the effect of controlling system. They think that the organizational communication, taking risk, and participation approximately have equal influences on the job satisfaction. However, the linkage of individual creativity, reward system, and conflict was not supported in this study.

5. SUGGESTION

This study supports the previous studies on the roles of job satisfaction related constructs (Chow et al., 2001; Mansor and Tayib, 2010; Nasirpour et al., 2010; Voon et al. 2011). It highlights the organizational culture as an important factor in predicting job satisfaction. Theoretically, this study provides a framework for evaluating the interactions between organizational culture (including ten dimensions such as control, risk orientation, organizational communication, participation, organizational identity, individual creativity, reward, conflict, management support, and integration) and job satisfaction. To managers, job satisfaction is an important factor to increase organizational productivity. Therefore, some factor by which managers can increase job satisfaction must be considered. In this study, it was concluded that reward system, individual creativity, and conflict have not effected on job satisfaction. Therefore, the system by which the rewards are provided, employees are participated in the decision-making and affect employees conflict must be modified. Moreover, self-control was considered as important factor in job satisfaction, which suggested for more investigation in future researches. Based on the findings of this research, future research could be conducted by adding managers of the organization along with the employees as the respondents in order to cover all aspect related to this subject. In this regard, researcher could analyze the impact of components of organizational culture on the job satisfaction by investigating in both managers’ and employees’ point of view at the same time.
REFERENCES

15. generalized self-efficacy, locus of control, and emotional stability—with job satisfaction and