

THE EFFECT OF WORK CULTURE ON THE SATISFACTION OF EMPLOYEES

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Accepted date: 08-04-2018

Published date: 12-12-2018

To cite this document: Sarah, S. A., Azfahanee, Z., & Maznah, W. O. (2018). The Effect of Work Culture on the Satisfaction of Employees. *International Journal of Accounting, Finance and Business*, 3(15), 118-127.

Abstract: *Organization culture is unique for each organization. This is because cultures are created by the managers or leaders to ensure smooth performance of the organization as better job satisfaction leads to overall well-being of the organization. Therefore, this paper aims to identify the relationship between the four (4) types of organizational culture based on the Competing Value Framework (Clan, Adhocracy, Market and Hierarchy) and job satisfaction among academics in universities in Malaysia. The research was carried out by using the 5-point Likert Scale Measurement adapting the Organizational Culture Assessment Instrument (OCAI) that was utilized to measure data regarding Organizational Culture whereas to measure Job Satisfaction a five-item scale operational job satisfaction instrument was utilized. A sample of 100 academic staff was selected as the respondent by using simple random sampling. The goodness of measure of the data was analysed and subsequently Regression Analysis was conducted to determine the objectives of the study. The findings reveal that two variables namely Market and Clan culture have a positive and significant impact on job satisfaction with Market Culture being the most dominant culture impacting the job satisfactions among the academics in Malaysia. Optimistically, the findings will be able to shed some light in the marketing literature since it is projected that a dominant culture will influence on how an organization work, therefore identifying and strengthening this culture will bring the best from the employees from the organization.*

Keyword: *Competing Value Framework, Work Culture, Job Satisfaction*

Introduction

Universities are the place where future leaders are created. Ensuring the students are given maximum knowledge and supports requires a strong team of employees. Therefore, in order to achieve successful students' performance, universities need to improve its management style to ensure the employees are properly fed with information and enough facilities and support are given. This is to warrant employees feel satisfied and are happy working in the

environment. It is stated that a happy employee will give more in return compared to unhappy employees (Amjad, 2011). Steers and Sanchez-Runde (2017) also highlighted that organizational culture does make a difference in determining how people think and behave. When changes in the top management take place, often it leads to changes in the organization culture. Employees need to adapt to different methods of doing things at works when management change. Sometimes, a frequent change in the management team which brings a different culture may cause negative effects on the employees' job satisfaction.

Job satisfaction is closely related to supervision, motivation, environment, co-worker and the job itself. According to Amjad, Sabri and Ilyas (2011), employee's job satisfaction is one of the most important matters in the task of human resource management functions. For organization, employees are their greatest resources in order for the organization to become competitive because the employees play important role through their involvement and commitment. Therefore, it is important for organizations to recognize the organizational culture that will lead the employees to be satisfied with their job. It will then help the organization to be successful simultaneously (Amjad at al., 2011).

Thus, it is important for organizations to recognize the relationship between organizational culture and job satisfaction. According to Amjad at al. (2011), vast past research has been done to determine the linkage between organizational culture with job satisfaction (Lund, 2003; Rad *et. al.*, 2006; Chang & Lee, 2007; Shurbagi & Zahari, 2012a&& 2012b; Belias & Koustelious, 2014). Based on a research by Silverthorne (2004), he stated that on the level of job satisfaction of employees, organizational culture can play an important role as it can impact the employees' productivity and performance of the company as a whole. Achmad (2017) also added that work culture has a massive tendency to affect the performance of employees either positive or negatively. Furthermore, Tsai (2011) also states that a strong culture in an organization has codes of conduct and values for its employees, in which it helps the organization to accomplish its goals and mission.

According to Bellou (2010), the study on organizational culture and job satisfaction is important for organization since it is another attempt to understand what encourage the employee job satisfaction which will impact the overall well-being of the organization. Furthermore, Gregory (2009) also claimed that it is an essential success for any organization by ensuring employee has high satisfaction with their job. But unfortunately, research on organizational culture and its relationship with job satisfaction in particular in the education industry in Malaysia is still lacking. Focus to increase job satisfaction has always been on the tangible factors such as fringe benefits and external environment (Uchenna, Kwan, & Fenella, 2012).

Therefore, this present study aims to identify the relationship between the four (4) types of organizational culture based on the Competing Value Framework Theory by Cameron and Quinn (2006) and job satisfaction in the universities in the northern region of Malaysia. Besides, this study also aims to fills the gap on the most dominant organizational culture's effect on job satisfaction for the northern region universities in Malaysia. This is hopefully, to shed some light in the marketing literature as well as assist organizations to focus on developing and maintaining one culture that has the biggest impact on job satisfaction of employees.

Literature Review

Job Satisfaction among Academic

Job satisfaction is considered as one of the most important indicators in order to understand and measure how an employee feels about their work (Anand, S. 2018). Yucel and Bektas (2012) indicated that job satisfaction is the most frequent organizational variable that has been measured in empirical studies setting. To add on, according to Aziri (2011), job satisfaction represents one of the most complex areas faced by managers today's when it comes to managing employees. Ensuring employees are satisfied will bring lucrative advantages to organizations. Furthermore Aziri (2011) added that job satisfaction may serve as one of the organizational function indicators. According to Chang and Lee (2007), they established that organizational culture has a positive impact on the job satisfaction of employees if the culture matches with the needs of the employees.

Romanowski & Nasser (2010) mentioned that faculty member satisfaction relies partially on the university meeting their end of an unwritten contract as faculty members fulfill their perceived obligations to the university. Administrators exert a substantial influence on the culture and environment of higher education faculty. Roach & Sauermann (2010) stated that the environment in which academics' work is critical to their perceptions of the job and satisfaction.

In addition, it was reported by Lambert et al. (2008) and Adenike (2011) that the job satisfaction of academic staff can be shaped and inspired by the quality of the relationships between the academics and their supervisors, the quality of the physical environment of the workplace as well as the degree of fulfilment in their work. The poor feedback on one's performance, lack of reward and recognition for a job done well plus inadequate resources to execute their jobs and lack of personal growth and development are also factors which affect job satisfaction. (Fajana, 2002; Adenike, 2011). Besides, Skaalvik, E. M., & Skaalvik, S. (2017) added that different dimensions of job demand, work culture and resources motivate the academics.

Organization Culture

According to Yucel, Karataş and Aydin (2013) there is a relationship between organizational culture and excellence in work performance. Different researchers defined organizational culture differently; Schwartz and Davis (1981) defined organisational culture as "a set of expected behaviours that are generally supported within a group" and Cameron and Freeman (1991) presume organizational culture as something which is difficult to objectively assess because it is based on what is taken for granted, assuming individual shares within the organization. According to Lund (2003), the types of culture are arranged in order of rank where the highest rank is clan, followed by adhocracy, market and the lowest is hierarchy culture. Therefore, it is important for an organization to achieve the highest rank of organizational culture by implementing a clan culture. Tsai, Y. (2011), stated that organizational cultures were significantly (positive) correlated with leadership behaviour and job satisfaction.

Based on the research of Shurbagi and Zahari (2012), it was found that the relationship between four types of organizational culture and five facets of job satisfaction was positively significant. The Competing Values Framework developer, Cameron and Quinn (2006) suggest the four types of culture based on the theory which are Clan Culture, Adhocracy Culture, Market culture and Hierarchy Culture.

A Clan culture is a culture that possesses a very comfortable and pleasant to work, in which the whole organization extent their relationship with one another to family type bonding. The bond in the clan culture also cultivates an atmosphere where individuals share information willingly between them. Members who are in an organization which implements clan culture feel that the work environment is sociable and has a pleasant work atmosphere. (Gull and Fariha Azam, 2012).

Conversely, according Gull and Fariha Azam (2012), adhocracy culture is a culture which is entrepreneurial, energetic and provides a place for its worker and its own management to come forward with blazing work. Besides that, organizations which implements adhocracy culture also encourage freedom and individual initiative in its workplace.

On the other hand, in the market culture, the main concern and objective is to get the job done or most likely called as result orientation. According to Shurbagi and Zahari (2012b), market term refers to the type of organization that functions as a market itself. Employees who works in this culture are push to be very oriented and tend to be very competitive. The value driver in this culture is profitability and goal achievement. The strategies that this culture’s emphasis is towards market superiority and competitive advantage.

Finally, in hierarchy culture, their work place environment implements structure and formality. Hierarchy culture consists of seven characteristic that are highly effective in the accomplishment of the objectives such as hierarchy, accountability, separate ownership, meritocracy, specialization, rules and impersonality (Cameron and Quinn, 2006). Hierarchy culture is a culture which is very organized, well through procedure, rules and regulation and also methods on how things need to be done.

Conceptual Framework

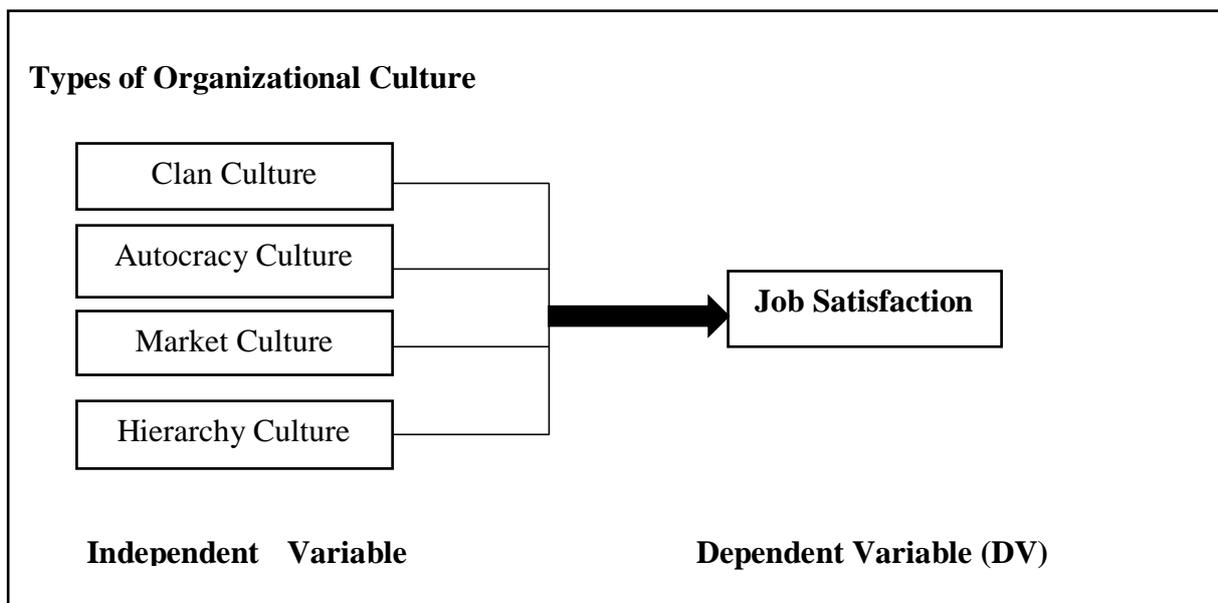


Figure 1: Relationship Between Four Types of Organizational Culture (Clan, Adhocracy, Market and Hierarchy) and Job Satisfaction

The figure above explains the relationship between the four types of Organizational Culture and Job Satisfaction. There are two variables that involve in this study in which they are independent variable and dependent variable. The independent variable consists of Clan Culture, Adhocracy Culture, Market Culture and Hierarchy Culture

Research Methodology

The research was carried out by using the 5-point Likert Scale Measurement. Organizational Culture Assessment Instrument (OCAI) was used to measure data regarding Organizational Culture whereas to measure Job Satisfaction a five-item scale operational job satisfaction instrument was utilized. A sample of 100 academic staff was selected as the respondent by using simple random sampling. According to Tabachnick and Fidell (2007) if there are four independent variables, the sample size to run a multiple regression analysis must at least be:

$$50 + (8 \times n)$$

In this calculation, n is the number of independent (IV) factors of the study. Therefore,

$$50 + (8 \times 4) = 82 \text{ samples}$$

Thus, to avoid any missing values or questionnaire that cannot be utilized due to respondent's negligence, the researcher collected 100 samples for the present study. In this research paper, there are 35 questions altogether being used to identify the employee's demographic profile, types of organizational culture that include clan culture, adhocracy culture, market culture and hierarchy culture and job satisfaction. The organizational culture questions were adapted from an instrument developed by Cameron and Quinn (2006), The Organizational Culture Assessment Instrument. While the Job Satisfaction data were adapted from Wright and Cropanzo (1998) in which it is a five-item scale operational job satisfaction instrument. The analyses are presented in next section.

Result and Analysis

Table 1 Summary of Frequency Table of Respondent

Profile	Frequency	Percentage (%)
Gender:		
<i>Male</i>	44	44.0
<i>Female</i>	56	56.0
Marital Status:		
<i>Single</i>	31	31.0
<i>Married</i>	64	64.0
<i>Divorce</i>	5	5.0
Race:		
<i>Malay</i>	88	88.0
<i>Chinese</i>	6	6.0
<i>Indian</i>	4	4.0
<i>Others</i>	2	2.0
Educational Level:		
<i>SPM</i>	1	1.0
<i>Diploma/STPM</i>	15	15.0
<i>Bachelor's Degree</i>	32	32.0
<i>Master Degree</i>	40	40.0
<i>PhD</i>	12	12.0

Income Level:		
<i>0-5000</i>	48	48.0
<i>5001 - 10000</i>	40	40.0
<i>10001 - 15000</i>	11	11.0
<i>15001 - 20000</i>	0	0
<i>20001 and above</i>	1	1.0
Years of service:		
<i>1 - 5 years</i>	19	19.0
<i>6 - 10 years</i>	37	37.0
<i>11 - 20 years</i>	30	30.0
<i>Above 21 years</i>	14	14.0

Referring to the table above, it shows the demographic data is dominated by female (56.0%), married (64.0%), Malay race (88.0%), Master's degree holder (40.0%), income of 0 – 5000 category (48.0%) and 6-10 years of service of (37.0%).

Table 2 Reliability Analysis Result of Clan Culture, Adhocracy Culture, Market Culture, Hierarchy Culture and Job Satisfaction

Variable	Total item	Item deleted	Cronbach's Alpha (After deleted)
Clan Culture	6	Non	0.886
Adhocracy Culture	6	Non	0.916
Market Culture	6	Non	0.865
Hierarchy Culture	6	Non	0.898
Job Satisfaction	5	Non	0.839

Table 2 shows no issues with the goodness of measure analysis where all the variables' value is above 0.7 and is indicated as good reliability value.

Table 3 Summary of Regression Analysis

Variable	Beta	Sig.
Clan Culture	0.279	0.019
Adhocracy Culture	0.088	0.360
Market Culture	0.301	0.010
Hierarchy Culture	0.104	0.370
R-square = 0.422		
Durbin Watson = 2.162		

Also known as the coefficient of determination, R-square is the proportion of variance in the dependent variable can be explained the independent variable. For the regression table, the R² shows that 42.2% of the four independent variables can explain the dependent variable. There are two variables that has significant relationship with Job Satisfaction namely the Clan Culture and the Market Culture. And the highest impact of the independent variables towards the dependent variables is by the Market Culture. The discussion of these findings is discussed in the following segments.

Hypotheses Analysis

Table 4 Summary of Hypothesis

Hypothesis	Result
H ₁ : There is a relationship between Clan Culture and Job Satisfaction in the northern region university in Malaysia.	Accepted
H ₂ : There is a relationship between Adhocracy Culture and Job Satisfaction in the northern region university in Malaysia.	Rejected
H ₃ : There is a relationship between Market Culture and Job Satisfaction in the northern region university in Malaysia.	Accepted
H ₄ : There is a relationship between Hierarchy Culture and Job Satisfaction in the northern region university in Malaysia.	Rejected
H ₅ : Clan Culture is the most dominant culture to Job Satisfaction in the northern region university in Malaysia.	Rejected
H ₆ : Adhocracy Culture is the most dominant culture to Job Satisfaction in the northern region university in Malaysia.	Rejected
H ₇ : Market Culture is the most dominant culture to Job Satisfaction in the northern region university in Malaysia.	Accepted
H ₈ : Hierarchy Culture is the most dominant culture to Job Satisfaction in the northern region university in Malaysia.	Rejected

Discussion and Implications

In this research study, the first objective is to identify the relationship between the four (4) types of organizational culture and job satisfaction among employees working in the northern region university in Malaysia. By using the Regression analysis method for the research Hypothesis Testing, the findings result shows that there are only two independent variables in which they are Clan Culture and Market Culture were significant in its relationship with Job Satisfaction.

The second objective of the study is to indicate the most dominant organizational culture adopted in the universities in northern in Malaysia. Based on the result of the study, it was discovered that the highest standard coefficient (Beta) is Market Culture with 0.301 and it has a significant relationship with Job Satisfaction. Therefore, obviously Market Culture is the dominant culture in the universities in the northern Malaysia. This result however is not aligned with past researches. Thus, it provides new contribution to the research findings on organizational culture and job satisfaction since it was not in line with other past researcher findings. Market culture is a culture where the employees are competing among each other; focus on goals and generating income. This is aligned with the current nation economic situation where academics are urged to focus on income-generation activities and compete rigorously but healthily among each other for promotion and work advantages. Therefore, although the finding is contradicted with past researches, but it justifies clearly with the existing conditions universities' in Malaysia are in.

The current study devotes understanding of an organizational culture and job satisfaction among employees in the universities in the northern region of Malaysia. The result of the present study specifies useful implication towards theoretical and practical perspective on organization culture towards job satisfaction. The results would be a guide for organizations which intend to retain and keep their employees by certifying job satisfaction. First and

foremost, results of the study have confirmed an understanding regarding the critical features of organizational culture which has an impact on its employee's job satisfaction. Aligned with Tsai (2011) who stated that a strong culture in an organization has codes of conduct and values for its employees, in which it helps the organization to accomplish its goals and mission. Therefore, understanding cultures and its impact on employee's satisfaction with their work will determine the success of the organization. Second, the result also has identified on ways in which the managers or leaders of the organization can assist to improve and increase employee job satisfaction in the organization. Thirdly, through this research it allows the manager to be aware and understand on the culture which is currently exist in the organization.

By understanding and being aware on what is currently being practice in the organization, the manager or leader of the organization would be able to identify and later introduce changes in the work culture which would motivate and create positive work behavior in the organization. According to Cameron and Quinn (2006), the basic step towards organizational culture change is through engaging and creating the competing values framework (CVF). Through this study, it will also provide insight to other researcher to study further on organizational culture and job satisfaction in other industries.

Conclusion

According to Al-Hamdan, Z., Manojlovich, M., & Tanima, B. (2017), organizational cultures lead to organizational outcomes, such as job satisfaction. The purpose of the study is to identify the relationship between the four (4) types of organizational culture and job satisfaction also the most dominant culture in the northern university of Malaysia. The results indicated that cultures do have a positive and strong impact towards job satisfaction of employees. It is essential for the managers or leaders of the organization to create a good and harmonious relationship with the employees. This action creates a culture where it makes the organization a very personal place and they feels at home for the employee. This could be done by the organization by allowing job autonomy to those who are experienced as well can lead and manage projects.

In order to decide on which culture fits with the organization, the leaders need to identify on which culture will mainly assist them to achieve their organizations objectives. This is important as different culture stimulates different work habits. By identifying which culture to adopt, it allows the management to focus on which training to invest and focus on and uplift the organization to a new level.

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