A Study on Employee Job Satisfaction with Respect to Organization Culture

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Abstract- **Understanding the relationship between employee job satisfaction and the culture of the organization is crucial to improve the performance of the organization. Improving the performance requires high motivation and a hunger for success. Motivated employees contribute highly in the overall growth of an organization. Thus, understanding the factors of employee motivation becomes paramount for every organization. While the money factor as in such pay rises are considered the biggest motivators, not all highly paying companies enjoy similar success rates. One of the missing recipes for them could be their lack of focus on their organization culture. Though organization culture in itself cannot be the sole reason for the difference, it could just be that extra motivating factor that your employees seek. This paper thus examines the correlation between employee job satisfaction and organization culture with respect to manufacturing industry.**

Keywords- **Job Satisfaction, Organization Culture.**

I. INTRODUCTION

Job is an important aspect of an individual's life and it occupies a lot of personal and professional time compared to any other activity. Satisfaction is the pleasure felt after a need is fulfilled. One would suppose a person is satisfied when his or her expectations or desires or requirements have been met. Job satisfaction describes how much extent an individual is pleased, comfortable or satisfied with his or her job. It is a pleasurable or positive emotional state resulting from the appraisal of one's job or job experiences. In current organizations, job satisfaction is a crucial subject of attention which is very considered by the higher authorities, policy makers and top executives because this issue is related to many other significant and important issues of organizations. Employees are the core assets and key part of any organizations by which all means of production are handled. This is the prime objective of the organizations that they should make and implement such type of policies that can make an employee to satisfy with his/her job which is assigned to them. As a human being, this is human nature that employee are satisfied or dissatisfied based on what work they are assigned to. It is also very sensitive as organizations nowadays are facing with many types of employee related problems and challenges i.e. organizational performance, organizational commitment, employee turnover, employee productivity etc. Keeping in view the significance and importance of job satisfaction in organizations, many scholars had focused on elaborating the construct of job satisfaction, its measurements, theories and its significance in current organizational issues. Satisfaction level is influenced by many factors. Some of these factors include the level of pay and benefits, the alleged fairness of the promotion system within a company, the quality of the working conditions, leadership and social relationships, the diversity of tasks involved, the opportunity and challenge the job presents, and the clearness of the job description/requirements. Thus job design aims to enhance job satisfaction and performance methods include job rotation, job enlargement and job enrichment. Other influences on job satisfaction include the management style, employee involvement, empowerment, etc.

II. THEORETICAL BACKGROUND

Scholars had offered various types of views and opinion regarding the theories of Job Satisfaction. In the followings, theories of Job Satisfaction presented by various such intellectuals are mentioned.

II-1 MASLOW NEEDS HIERARCHY THEORY

One theory of human motivation that has received a enormous deal of publicity in the past was developed by Abraham Maslow. Maslow (1943) conceptualized that people are driven by unsatisfied needs that shape their behavior. In his theory Maslow classified human needs into fivecategories that ascend in a definite order as follows.

- Physiological needs
- Safety and security needs
- Belonging and love needs
- Esteem needs and
- Self - actualization needs

He suggested that after a person has moved from a lower to a higher level of need, the higher level needs suppose to be less importance since they have been adequately met. At a lower tier, essential life sustaining requirements as food, clothing and shelter were identified. Next were physical and security need were considered, thirdly social acceptance, belongings and love, fourth was self esteem needs and recognition by people and finally fifth was self actualization need such as personal autonomy and self direction. According to Maslow the needs of an individual subsists in a coherent order and that the basic lower level requirements must be satisfied before these higher level, then once the basic needs are fulfilled, they no longer serve as motivators for the individual. The more a job allows for development and attainment of higher level needs, the more likely the individual is to report satisfaction with his or her job.

II-2 HERZBERG MOTIVATION THEORY

This theory was developed by Frederick Herzberg, Manusner, Peterson and Capwell (1959) in extension to Maslow's work. Herzberg and his colleagues revealed in their theory that job satisfiers were linked with the job content and job dissatisfaction were associated to job context. The satisfiers were worded as motivators while dis-satisfiers were termed as hygiene factors. While hygiene factors were responsible for preventing dissatisfaction, motivators were essential to keepemployee satisfy. Factors such as achievement, recognition, responsibility etc. are satisfiers, the presence of which causes satisfaction but their absence does not result in dissatisfaction. On the other hand, factors such as supervision, salary, working conditions etc. are dis-satisfiers, the absence of which causes dissatisfaction. Their presence however, does not result in job satisfaction.

II-3 ALDERFER ERG THEORY

Clayton Alderfer's (1969) theory is referred to as ERG theory and is based on the three needs: Existence, Relatedness and Growth. Existence is referred as providing individuals physiological and safety needs. Relatedness is the desire to keep good interpersonal relationships to which Maslow marked as social and esteem needs. Growth needs are an intrinsic need for personal development based on the self actualization needs of Maslow. According to ERG theory a person'sbackground or cultural surroundings may cause the relatedness requirements to outweigh to unfulfilled existence needs. It is also possible that the intensity of growth needs will enhance withan increase in the degree to which they are satisfied.

II-4 VROOM EXPECTANCY THEORY

Victor Vroom (1964) proposed an expectancy theory which is also known as VIE theory to explainwork motivation. In his theory he point out three variables as:

- Valance
- Instrumentality
- Expectancy

Vroom's theory of Job Satisfaction was equivalent in that it looked at the interaction between personal and workplace variables; however he also incorporated the elements of workers' expectation in his theory. The core of this theory is that if workers put forth much effort and give better and enhanced performance at work, then they will be compensated accordingly. Discrepancies that arise between expected compensation and actual outcome leads to dissatisfaction. If employees receive less than they expect or otherwise feel as if they have been treated unduly, then dissatisfaction may occur. Conversely, overcompensation may also lead to dissatisfaction and employee may experience feeling of guiltiness. In Vroom's formula each variable is given a probability value, and when all three factors are high, employees will be more satisfied and have more motivation.

II-5 PORTER-LAWLER MODEL

The Porter-Lawler model was developed by Lyman W. Porter and Edward E. Lawler III (1967). It was an expansion of Vroom's Expectancy theory. In their model Porter Lawler endeavored to explore the complex relationship between motivation, satisfaction and performance. They pointed out that efforts made by any employees did not directly result in performance. Their model was comprehensive explanation of work motivation. The model describes that performance in an organization is depended on these factors:

- Employee have willingness to perform a work and should be motivates to do a task.
- Motivation alone cannot ensure successful performance of a task. The employee should also have the capabilities and skill to perform a job successfully.
- The employee has a clear perception of his role in the organizations and an accurate knowledge of the job requirements.

II-6 EQUITY THEORY

James Stacy Adams (1963) propounded the equity theory. Equity theory describes that the degree of equity or inequity perceived by an employee with reference to his work situation plays a key part in work performance and satisfaction. Equity theory was based on three main hypotheses. First that people develop beliefs about what comprises a fair and equitable return for their contribution to their jobs. Secondly, people tend to compare what they perceive to be the exchange they have with their employers to that which they perceive, co-workers have with their employers. Thirdly, equity theory holds that when people believe that their own treatment is not equitable in comparison to their colleagues, with whom they are comparing themselves, they feel inequity.

III. RESEARCH METHODOLOGY

The research methodology involves the survey questionnaire, the response data collection and defining the hypothesis for data analysis method employed.

III-1 SURVEY QUESTIONNAIRE

A questionnaire mainly with questions focusing on organization culture and it's impact on the employee satisfaction was developed and used for subsequent detailed processing. In the study, a questionnaire containing questions has been divided under two categories.

- Organization Culture
- Employee Job Satisfaction

The ratings of responses to the question are mainly based on the scale, ranging from 1 – strongly disagree to 5 – strongly agree. The dimensions of employee satisfaction that are focused touches upon following factors.

- General satisfaction(working hours, conditions of work and reputation)
- Employee relationships(relationships with co-workers)
- Remuneration, benefits and work culture

III-2 RESPONSE DATA COLLECTION

Data samples are bases on the responses that were recorded through google form surveys. To improve the understanding of the questionnaire items, some questions with complex words were edited by replacing words on the basis of keeping it simple as possible.

The questions put forth were chosen based on the determinants falling under organization culture and employee satisfaction categories.

III-3 DEFINING HYPOTHESIS FOR ANALYSIS

The analysis method for research used here is *Karl Pearson's Coefficient Correlation*. The hypothesis based on which the results are obtained are defined as follows:

Ho: Organizational culture is not positively related to employee satisfaction

Ha: Organizational culture is positively related to employee satisfaction

IV. ANALYSIS AND INTERPRETATION

▪   *Responses - Organization Culture based questions*
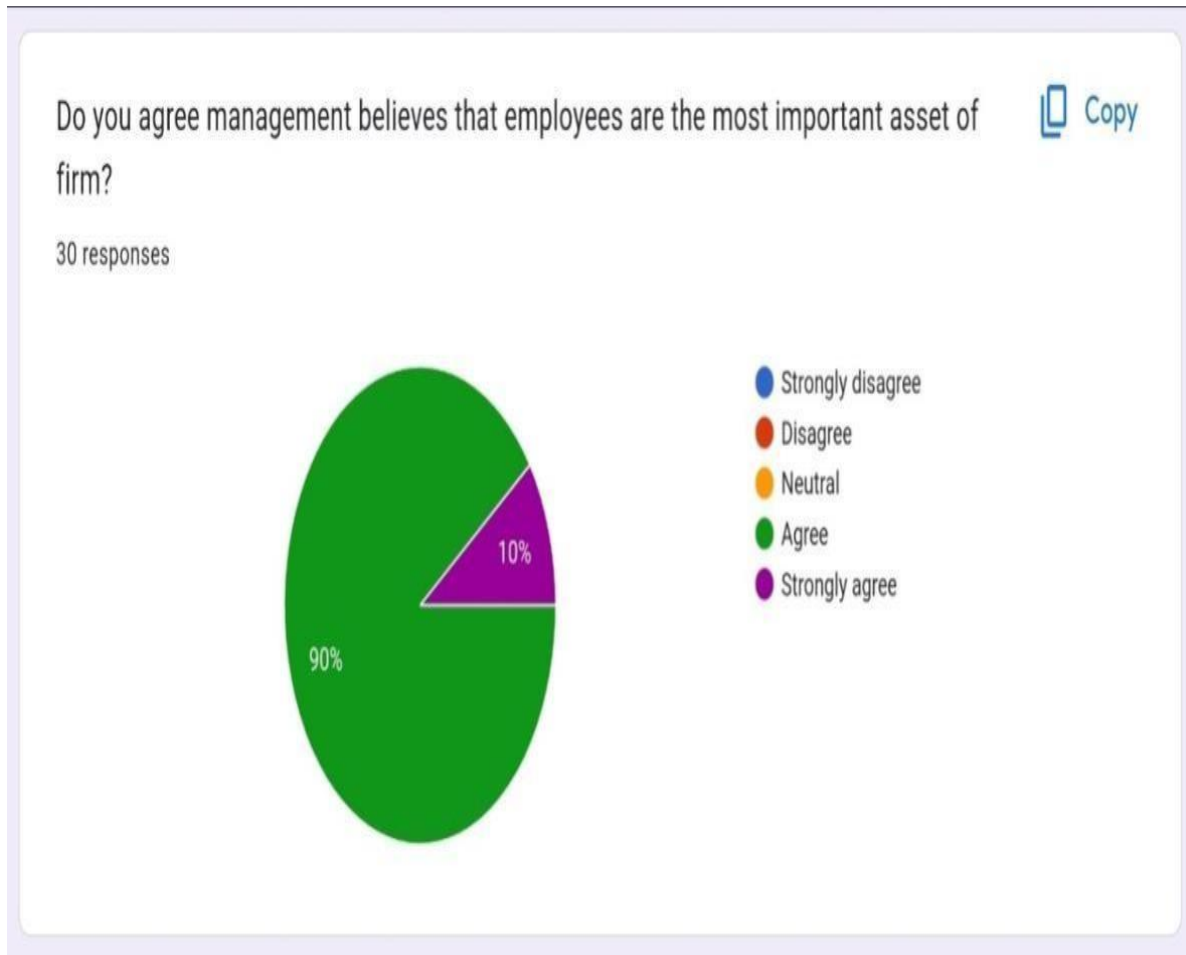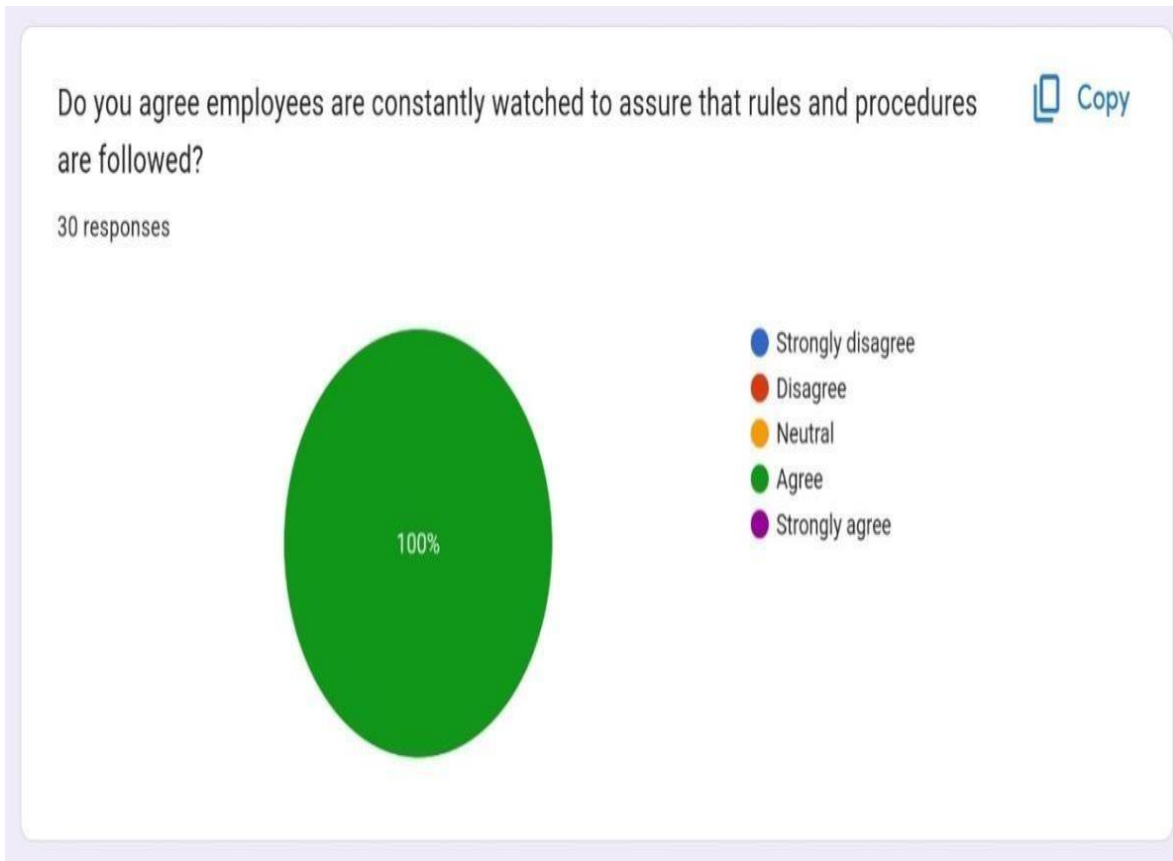

Fig. 1: Responses for Question 1

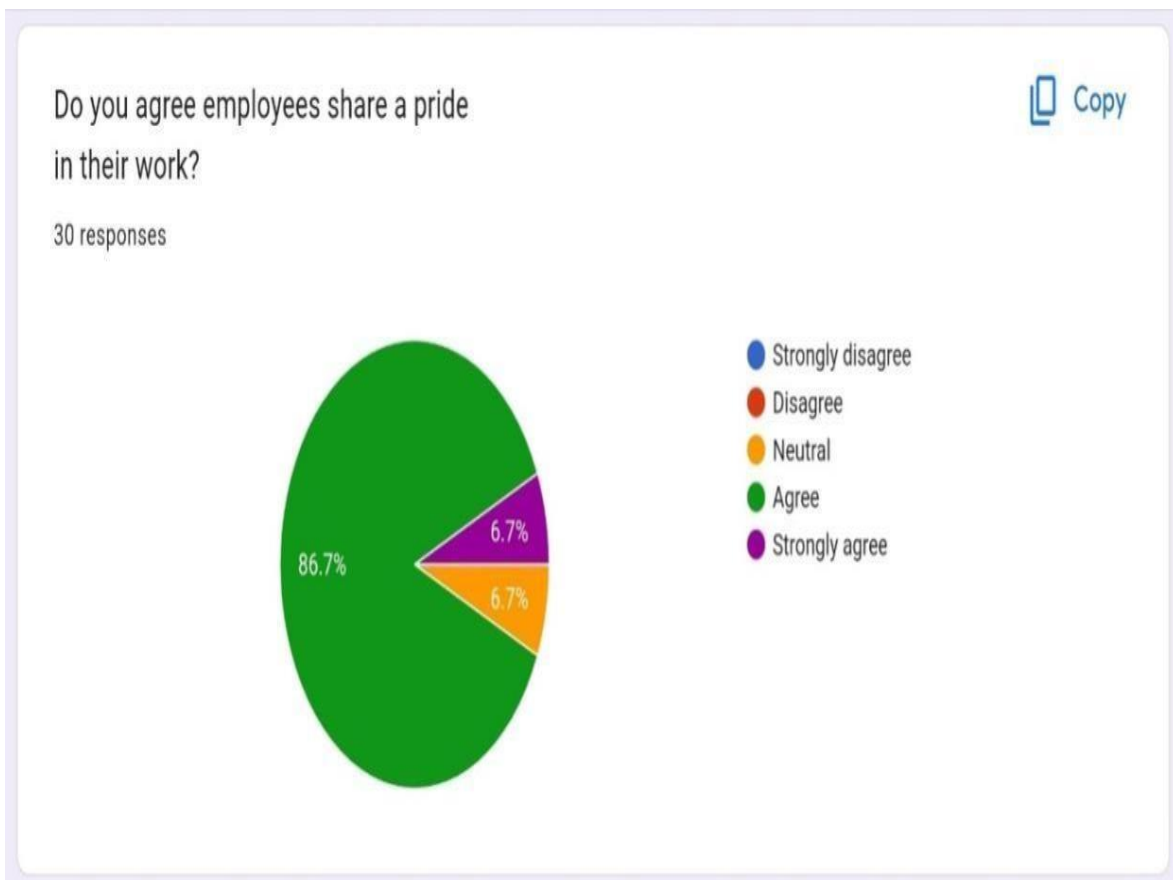**Fig. 2**: Responses for Question 2

Fig. 3: Responses for Question 3
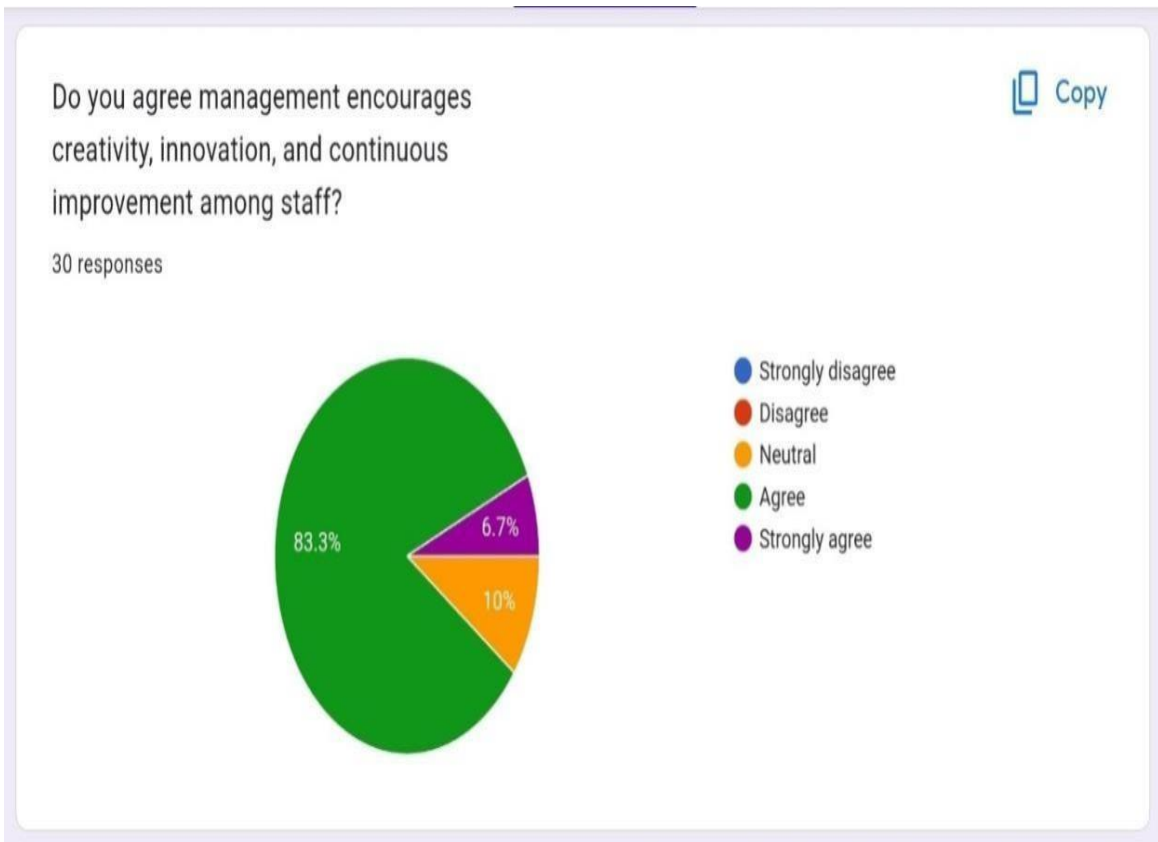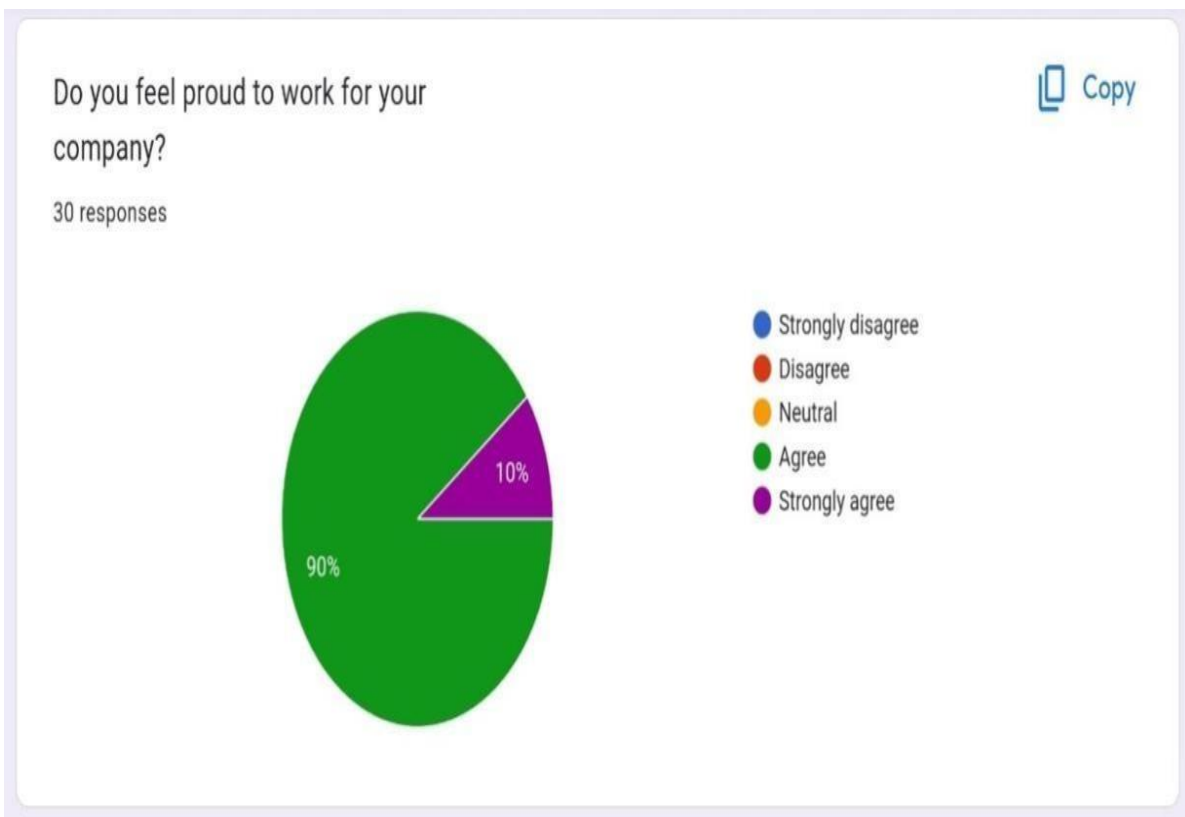
Fig. 4: Responses for Question 4

Fig. 5: Responses for Question 5

▪ *Interpretation - Organization Culture based questions*

Table 1: Number / Percentage of responses on Organization Culture

S.No.	Organizational Culture Based Questions	SDA	DA	N	A	SA
1	Do you agree management believes that employees are the most important asset of firm?	0 **0%**	0 **0%**	0 **0%**	27 **90%**	3 **10%**
2	Do you agree employees are constantly watched to assure that rules and procedures are followed?	0 **0%**	0 **0%**	0 **0%**	30 **100%**	0 **0%**
3	Do you agree employees share a pride in their work?	0 **0%**	0 **0%**	2 **6.7%**	26 **86.7%**	2 **6.7%**
4	Do you agree organization has a code of professional conduct that employees are expected to follow?	0 **0%**	0 **0%**	2 **6.7%**	27 **90%**	1 **3.3%**
5	Do you agree management encourages creativity, innovation, and continuous improvement among staff?	0 **0%**	0 **0%**	3 **10%**	25 **83.3%**	2 **6.7%**

▪ *Responses - Job Satisfaction based questions*
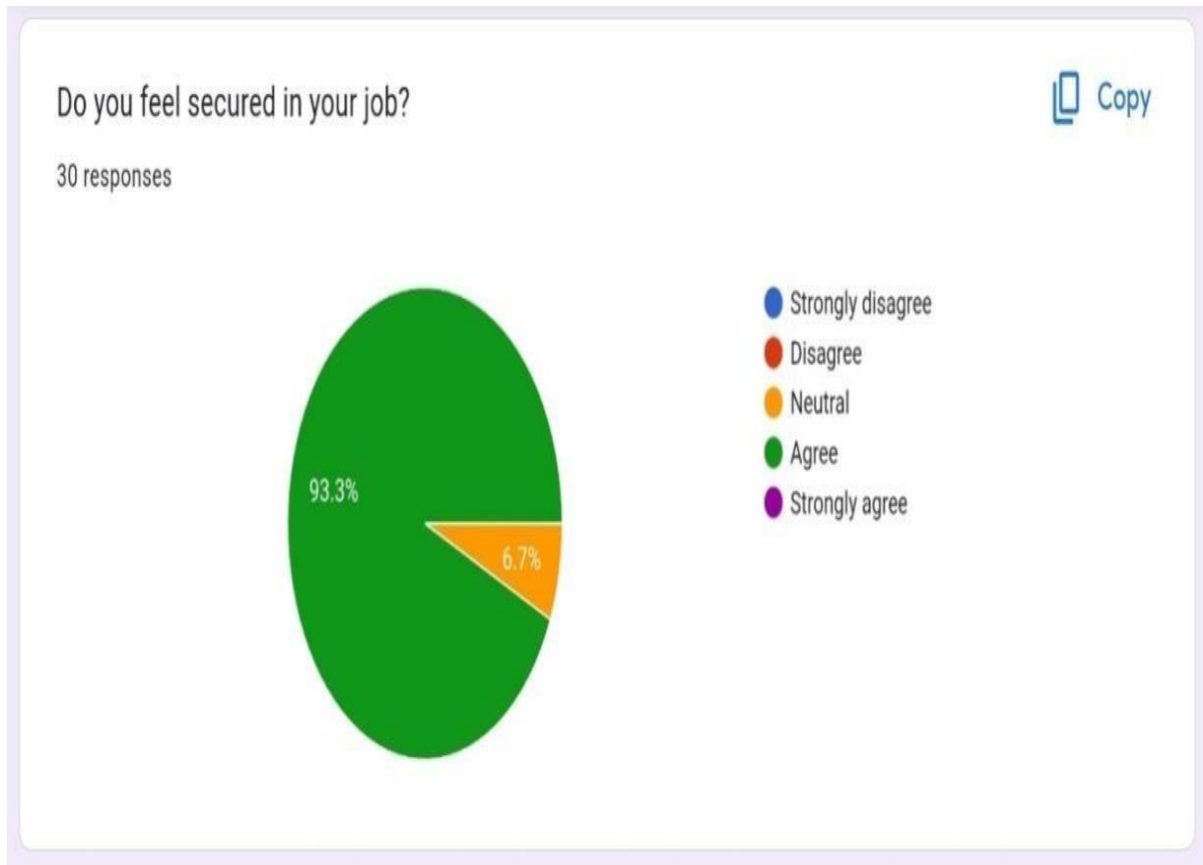

Fig. 6: Responses for Question 6

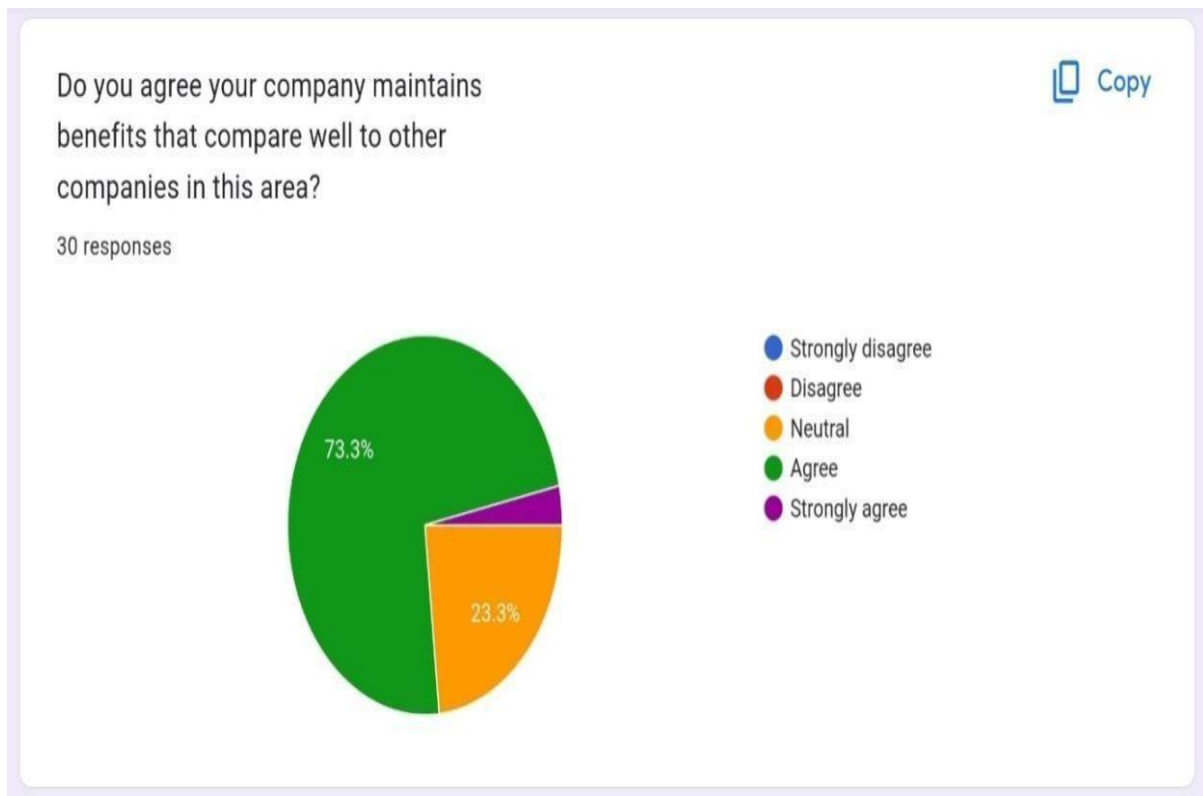**Fig. 7**: Responses for Question 7
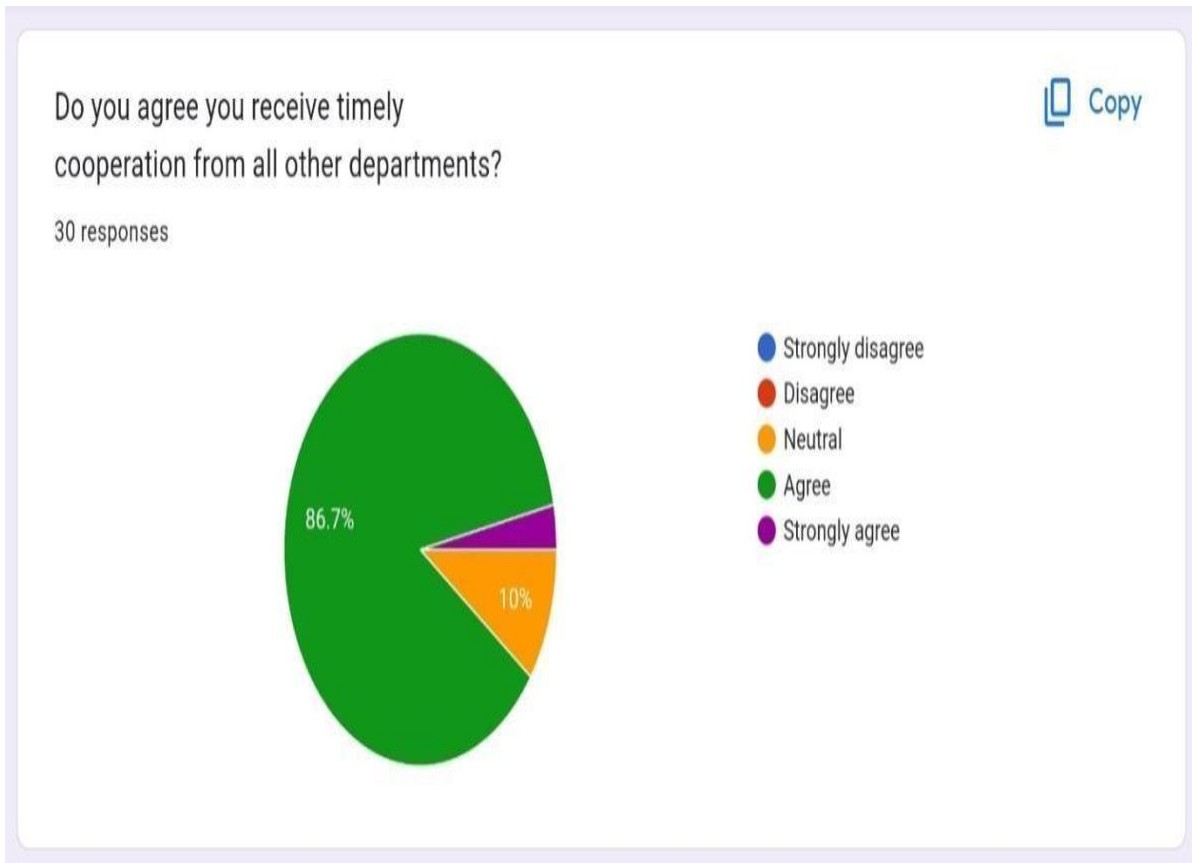

Fig. 8: Responses for Question 8

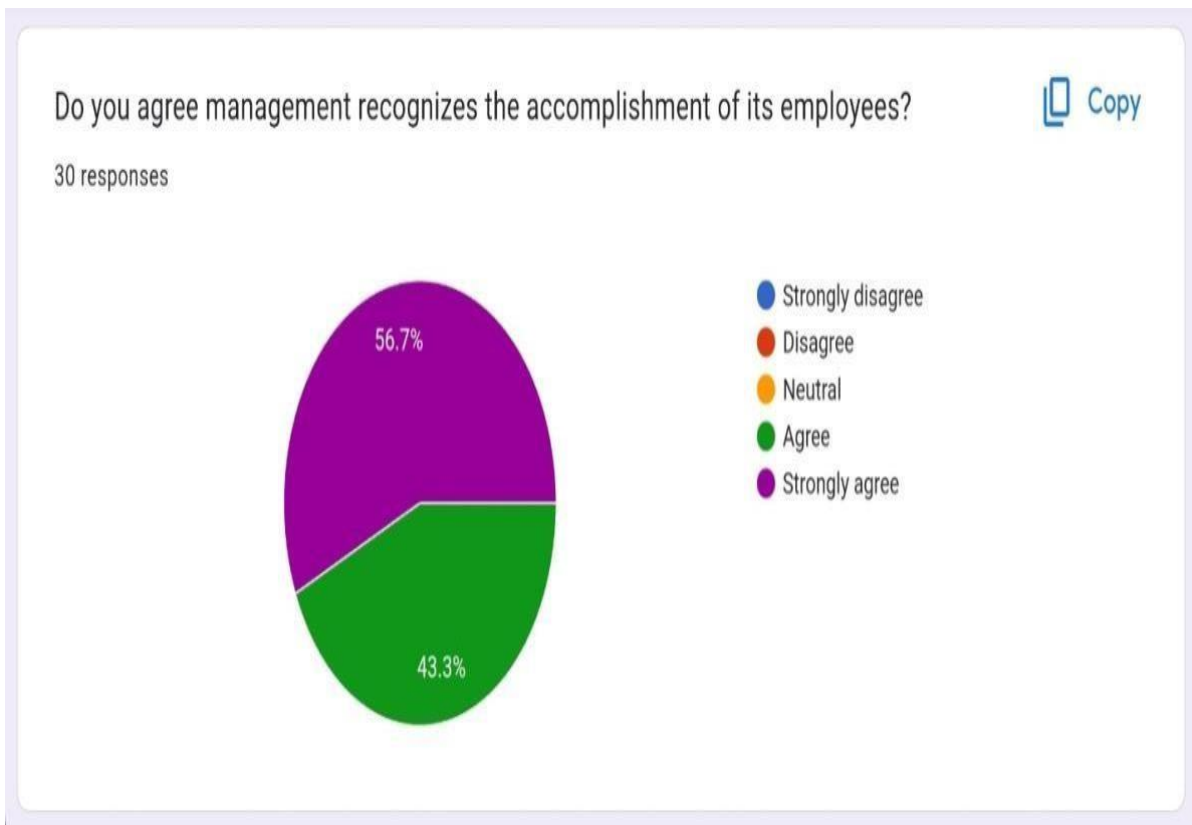**Fig. 9**: Responses for Question 9

Fig. 10: Responses for Question 10

- *Interpretation - Job Satisfaction based questions*

Table 2: Number / Percentage of responses on Job Satisfaction

S.No.	Job Satisfaction Based Questions	SDA	DA	N	A	SA
6	Do you feel proud to work for your company?	0 0%	0 0%	0 0%	27 90%	3 10%
7	Do you feel secured in your job?	0 0%	0 0%	2 6.7%	28 93.3%	0 0%
8	Do you agree your company maintains benefits that compare well to other companies in this area?	0 0%	0 0%	7 23.3%	22 73.3%	1 3.4%
9	Do you agree you receive timely cooperation from all other departments?	0 0%	0 0%	3 10%	26 86.7%	1 3.3%
10	Do you agree management recognizes the accomplishment of its employees?	0 0%	0 0%	0 0%	13 43.3%	17 56.7%

V. DISCUSSIONS
- **Scope of the study**

The scope of this study is limited to within organization setup and it's boundaries. A total of 30 respondents were involved in this project study in accordance with their willingness to participate and respond to questions put forth.
- **Limitations of the study**

Some respondents hesitated to give the actual situation as they feared that management would take any action against them. The findings and conclusions are based on knowledge and experience of the respondents that may be biased. Further limitations of Karl Pearson's Coefficient Correlation are,

1)   A key limitation of Pearson's is that it cannot distinguish between independent and dependent variables. Therefore, also if a relationship between two variables is found, Pearson's "r" does not indicate which variable was 'the cause' and which was 'the effect'.

2)   Pearson's "r" cannot be used to determine nonlinear relationships.

VI. RESULTS AND FINDINGS

- *Findings - Organization Culture*

Table 3 : Frequency of responses on Organization Culture

| Factor	Frequency	%
Strongly Dis-Agree (SDA)	0	0%
Dis-Agree (DA)	0	0%
Neutral (N)	7	4.67%
Agree (A)	135	90%
Strongly Agree (SA)	8	5.33%
Total	**150**	**100%**
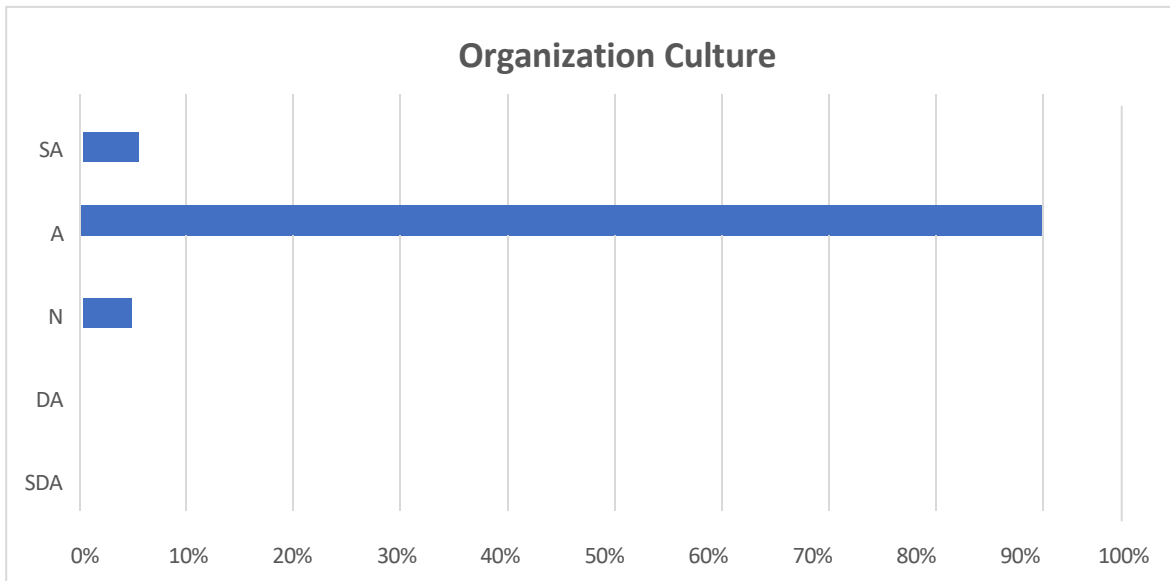
Fig. 11: Frequency Graph – Organization Culture

▪   *Findings - Employee Satisfaction*

Table 4 : Frequency of responses on Employee Satisfaction

Factor	Frequency	%
Strongly Dis-Agree (SDA)	0	0%
Dis-Agree (DA)	0	0%
Neutral (N)	10	6.67%
Agree (A)	118	78.67%
Strongly Agree (SA)	22	14.66%
Total	**150**	**100%**
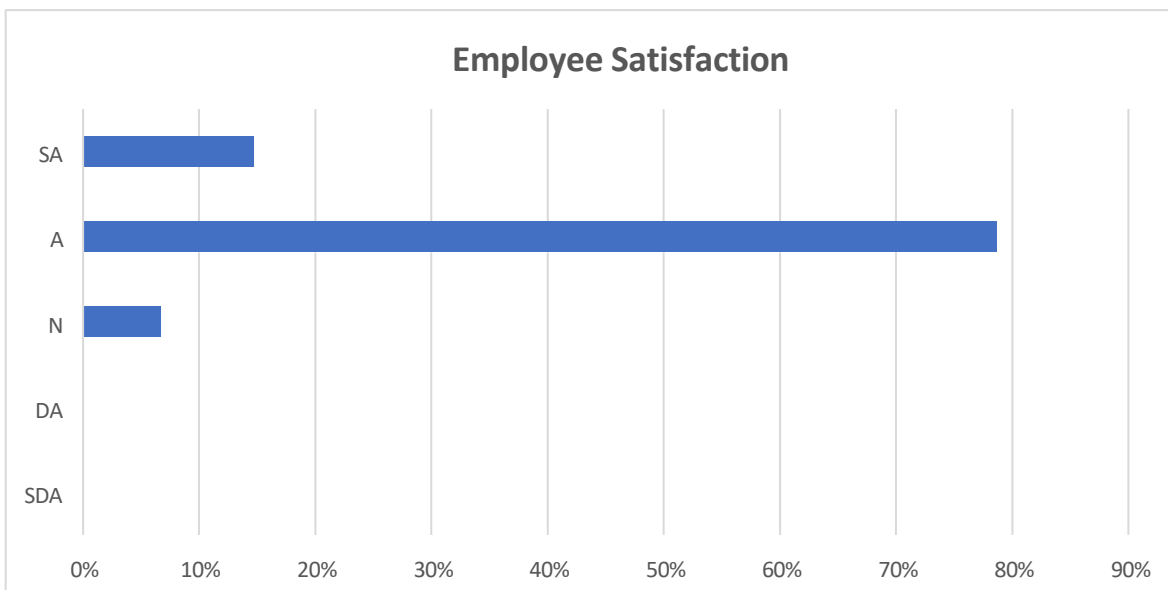
Fig. 12: Frequency Graph – Employee Satisfaction

▪ *Pearson Correlation between Organization Culture and Employee Satisfaction*

Let us denote employee's positive response frequency towards Organization culture with the letter 'X', and let us denote employee's positive response frequency towards Job satisfaction with the letter 'Y'. The table representation of the same can be represented below for further calculations.

Table 5 : Pearson Correlation between Organization Culture and Employee Satisfaction

S.No	X	Y	X2	Y2	XY
1	26	24	0.36	4	1.44
2	25	24	0.16	4	0.64
3	24	28	0.16	4	0.64
4	27	27	2.56	1	2.56
5	25	27	0.16	1	0.16
	□x = 127	□y =130	□x^2 =3.4	□y^2 = 14	□xy =5.44

Now, these findings can be applied on Pearson's Correlation Formula which is represented as,

$$r = \frac{n (\sum xy) - (\sum x)(\sum y)}{\sqrt{[n \sum x^2 - (\sum x)^2][n \sum y^2 - (\sum y)^2]}}$$

The terms in that formula are

▪ n = the number of data points, i.e., (x, y) pairs, in the data set.
▪ $\sum xy$ = the sum of the product of the x-value and y-value for each point in the data set.
▪ $\sum x$ = the sum of the x-values in the data set.
▪ $\sum y$ = the sum of the y-values in the data set.
▪ $\sum x^2$ = the sum of the squares of the x-values in the data set.
▪ $\sum y^2$ = the sum of the squares of the y-values in the data set.

VII. CALCULATIONS AND INFERENCE

1) Coefficient of determination [r^2] = 0.795 × 0.795 = 0.63
2) Coefficient of non-determination [$1 - r^2$] = 1 – 0.63 = 0.37
3) Determination of alienation [$\sqrt{1 - r^2}$] = $\sqrt{0.37}$ = 0.608
4) Significance of correlation [P.E] = 0.6745 × 1 - r^2/$\sqrt{n}$
   = 0.6745 × 0.37/2.23 = 0.11
   = 0.79 > 0.11; r >6(P.E)

Therefore,

▪ Coefficient of correlation is certain ; 'r' is significant.
▪ The value 0.795 shows the correlation is significant at 0.05 level.
▪ There is a significant association between Organizational culture and employee satisfaction.
▪ Hence, Ho is rejected. Ha is accepted.

VIII. CONCLUSION

Satisfied employees are the ones who are extremely loyal towards their organization and stick to it even in it's struggling phase. They do not work out of any compulsion but because they dream of taking their organization to a new level. Employees need to be passionate towards their work and passion comes only when employees are satisfied with their job and organization on the whole. Employee satisfaction leads to a positive ambience at the workplace. Employee satisfaction plays a very significant role in increasing the level of productivity in an organization. A satisfied employee is a happy employee and will maintain good atmosphere at workplace. Organizations need to acknowledge employees as the most important factor in gaining competitive advantage. Organizational culture should encourage the employees to participate in healthy competition so that they enjoy their work and also concentrate on their career growth in future.

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