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### **Educating Culture in Enhancing Job Satisfaction: A Case Study in XYZ Organization.**

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#### **ABSTRACT**

Culture is something which is socially learned and transmitted by members of a group and it work as a guideline or rules for behaviors in the organization (Jen-Te Yang, 2007). Culture is a set of beliefs which includes practices, values, and assumptions about their work. The purpose of the study is to identify the relationship between the four (4) types of organizational culture (Clan, Adhocracy, Market and Hierarchy) and how it effects job satisfaction in Company XYZ which will then assist the management team to educate the needed culture which best suited to the organization growth. For measuring data regarding Organizational Culture, Organizational Culture Assessment Instrument (OCAI) was used, while as for Job Satisfaction data were measured by using a five-item scale operational job satisfaction instrument adapted from Wright and Cropanzo (1998). A quantitative survey method was applied in this study. 98 employees in the ABC department acted as respondent and SPSS software version 21 were used to analyze the data that collected. The findings of the study presented that there are positive significant relationship between Clan Culture and Job Satisfaction as well as a positive relationship between Market Culture and Job Satisfaction.

*Keyword:* culture, job satisfaction

#### **Introduction**

Each organization has its own set of culture as compared to other organization. The culture itself differentiates the organization to itself to the other organization in the way how things are being done, how the employees react (behaviors) as well as it provides a source of identity to the employees. This study wish to understand further on the different types of organizational culture and how it relates to job satisfaction. This is to allow the management educate and create a stronger culture across the organization to ensure that the employees will have high job satisfaction.

The study was conducted in XYZ organization which is a government-owned and was one of the most profitable corporations in its industry.

#### **Problem Statement**

XYZ organization is an organization where the management practise and belief that job rotation is a program which will allow the management and team players in the organization to enhance their knowledge as well as their skill. Job rotation does not only involve the lower positions but also involves the top management and the decision makers themselves. When leaders change due to the job rotation program, the management style changes so does the momentum of doing work and etc. This affects the behaviour of the employee as well as the culture of the organization.

Therefore, it is important for the organization to recognize the relationship between organizational culture and job satisfaction. According to Amjad (2011), a number of research

has been done to study the linkage between organizational culture with job satisfaction for example, (Lund, 2003; Rad et al., 2006; Chang & Lee, 2007; Shurbagi & Zahari, 2012; Belias & Koustelious, 2014). Besides that, based on Silverthorne (2004) research, he states that on the level of job satisfaction of employees, organizational culture can play an important role. Furthermore, Tsai (2011), 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.

However there was no research been done on the above issue in XYZ organization and due to that the top management of XYZ organization wish to understand as whether the change of culture due to constant job rotation affects the job satisfaction of its employees. According to Bellou (2010), the study on organizational culture and job satisfaction are important for organization since it is another attempt to understand what encourage the employee job satisfaction. Furthermore, Gregory (2009) also claimed that it is an essential success for any organization through employee satisfaction. Therefore, it fills the gap by conducting the study in the department an effort to improve the understanding regarding the organizational culture and job satisfaction for the organization.

### **Research Questions**

1. What is the relationship between the four (4) types of organizational culture and job satisfaction in the ABC department in XYZ Organization?
2. What is the dominant organizational culture adopted in the ABC department in XYZ Organization?

### **Research Objectives**

1. To identify the relationship between the four (4) types of organizational culture and job satisfaction in ABC department in XYZ Organization?
2. To indicate the most dominant organizational culture adopt in ABC department in XYZ Organization?

## **Literature Review**

### **Job Satisfaction**

Job satisfaction has become a sensation of great concern among experts and researchers for years (Locke, 1976; Cranny, Smith & Stone 1992; Hwang and Chi, 2005; Spector, 1997; Thomas and Au, 2002). In the 1935, job satisfaction Hoppock is the initial researcher that proposed the concept. (Tsai et al., 2007). According to Aziri (2011), job satisfaction is a multifaceted and complex concept that brings different meanings to different individual.

Job satisfaction is considered as one of the most important indicators in order understands and measured how an employee feels about their work. According to Yucel and Bektas (2012) states that job satisfaction is the highly frequent organizational variables that been measured in empirical studies setting. According to Aziri (2011), job satisfaction represents one of the most complex areas facing by managers today's when it comes to managing employees. Furthermore Aziri (2011) added that job satisfaction may serve as one of the organizational activities indicators. According to Chang and Lee (2007), they conclude that organizational culture has a positive impact on the job satisfaction of the employees.

### **Organizational Culture**

According to Shurbagi (2014a), the origin of corporate or organizational culture began in the mid nineteenth century. Based on Schwartz and Davis (1981) mentioned that organisational culture is a "a set of expected behaviours that are generally supported within a

group”. However it differs with Cameron and Freeman (1991) in which they presume organizational culture is difficult to objectively assess because it is taken for granted, assuming individual shares within the organization.

According to Lund (2003), culture, types 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 an organization to achieve the highest rank of organizational culture by implementing a clan culture. Tsai. Y (2011), states that organizational cultures were significantly (positive) correlated with leadership behaviour and job satisfaction.

**Organizational Culture Types**

Past researcher proposed different types of organizational culture. In this study, we would look at the four types of organizational types.

Furthermore, the framework model by these researchers: Quinn & Cameron, 1983; Quinn & Rohrbaugh, 1983; Cameron & Freeman, 1991; Cameron & Quinn, 2006 explained that all the four types of culture are mainly referring to the employee’s relationship. Each of the quadrants of culture referring to a different kind of culture where it explained on dominant attributes, leader’s style, the bonding and strategy emphasises. 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 that illustrated in Figure 1.



Figure 1. The competing values framework adapted from Cameron & Quinn (2006)

**Clan culture.** A Clan Culture can be described as a society that attached together. Clan culture is a culture that possesses a very comfortable and pleasant to work, in which the whole organization extent their relationship one to another up to family type bonding, while at the same time those individuals willing to share information between them. They see and feel the sociable and pleasant environment in their workplace (Gull and Fariha Azam, 2012). The bonding exists between the implementer are due to loyalty or tradition also interpersonal cohesion. While the leader style are favourably on mentoring, facilitating and act as a team builder. The employees’ commitment towards their job is high. Emphasizing on long term benefits, the organization emphasizes human resource development and participation.

**Adhocracy culture.** 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, they also they fulfil their changing customer needs by developing those offering accordingly. Its people want to take

the risk and stick out their neck. According Shurbagi and Zahari (2012), Adhocracy Culture can be found in Aerospace industries, software development also film making industries. Experiment and Innovation of new ideas and offering is important because it is one of the challenges in this culture. Thus, it will lead opportunity that they need to grab on and act on it. They define their success by innovating new ideas for its product or service. The organization that implements adhocracy culture, they encourage freedom and individual initiative. According to Cameron and Quinn (2006), in adhocracy culture the power flow from task team to task team or from one individual to one individual in which differ from the market and hierarchy in which those culture implement authority and centralise power.

**Market culture.** In market culture, the major concern is to get the job done or most likely called as result orientation. According to Shurbagi and Zahari (2012), market term is referring to the type of organization that function as a market itself. The people under this culture are goal oriented and 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.

**Hierarchy Culture.** In hierarchy culture, their work place implements structure and formality. Consist of seven characteristic that are highly effective in the accomplishment of the objectives such as hierarchy, accountability, separate ownership, meritocracy, specialization, rules and impersonality in which the first introduced is Weber (Cameron and Quinn, 2006). Hierarchy culture is a culture that organized, well through procedure, rules and regulation and also methods. The organization defines its working criteria and duties. Their leader style is more on a good organizer, administrative and coordination. The glue that holds the organization together is through those rules and procedure. As for the strategic that this culture emphasis, it more towards smooth operation, stability and predictability.

### **Theoretical Framework**

This research is conducted in order to investigate and develop 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 Clan Culture, Adhocracy Culture, Market Culture and Hierarchy Culture.

### **Research Methodology**

For the current study, to gather research data, questionnaire were distributed to the respondent since its ability to collect data in limited time frame. There are 2 types instruments were used which are organizational culture and job satisfaction.

### **Instrument Measurement**

There are two types of instruments involve in this study:

Organizational Culture Assessment Instruments (OCAI) by Cameron and Quinn (2006) was used to gather the data based on organizational culture where it basically defined by Competing Values Framework. In OCAI, it divide organizational culture into four types of culture which is clan, adhocracy, market and hierarchy culture in a 5 point Likert scale questionnaire.

To measure Job satisfaction, Wright and Cropanzo (1998) a five-item scale operational job satisfaction instrument were adapted. Each question measure the overall degree of satisfaction in terms of satisfaction with their job, co-worker, pay, supervision and promotional opportunities in a 5 point Likert scale questionnaire.

### Participants

100 sets of questionnaire were distributed in the ABC department using the simple random sampling method. However, only 98 sets were returned and suitable for data analysis. Therefore, the response rate is 98%. The simple random sampling were used in this study. The data collected were analysed by using Statistical Package for Social Sciences (SPSS.21).

### Empirical Results

Data were analysed through frequency, reliability, descriptive, Pearson Correlation and regression analysis. Table 4.1 explained the profile of the respondent of the study. Based on the Table 4.1, it shows that the dominant gender is male with 56(57.1%) of the total respondent. The majority of the respondent is married with 62(63.3%). While, the highest race ABC department is Malay with 73(74.5%) and at least 3(3.1%) were Chinese. Most of the respondent holds Bachelor's Degree 47 (48%). In ABC department, mostly the employee income level is between RM (5001-10000) 29(29.6%). Out of the 98 respondent, 51(52%) of them possessed Permanent employment status. From Table 4.1 it can be seen that most of the respondent already spend 1-5 years of service 50(51%). Finally, most dominant position in ABD department is Executive 33(33.7%).

Table 4.1

*Summary of Frequency Table of Respondent*

Respondent profile (N=98)

Profile	Frequency	Percentage (%)
Gender:		
Male	56	57.1
Female	46	42.9
Marital Status:		
Single	31	31.6
Married	62	63.3
Divorce	5	5.1
Race:		
Malay	73	74.5
Chinese	3	3.1
Indian	12	12.2
Others	10	10.2
Educational Level:		
SPM	5	5.1
Diploma/STPM	20	20.4
Bachelor's Degree	47	48.0
Master Degree	22	22.4
PHD	4	4.1
Income Level:		
0-5000	28	28.6
5001 - 10000	29	29.6
10001 - 20000	16	16.3
20001 - 40000	18	18.4
40001 and above	7	7.1
Employment status:		
Permanent	51	52.0
Contract	47	48.0

Profile	Frequency	Percentage (%)
Years of service:		
1 - 5 years	50	51.0
6 - 10 years	21	21.4
11 - 20 years	12	12.2
above 21 years	15	15.3
Current level or position:		
Non - Executive	24	24.5
Executive	33	33.7
Manager	23	23.5
Senior Manager	13	13.3
General Manager & Above	4	4.1
Others	1	1.0

Table 4.2 provides the reliability of the instruments used in the study. It can be seen from the Cronbach Alpha results that all the instrument are above 0.8 respectively. Based on Sekaran and Buogie (2013), the Cronbach Alpha reading that shows above 0.8 is excellent. Therefore, from the result based on Table 4.2 it can be conclude that all the instrument are reliable to measure the variables in the study.

Table 4.2  
*Reliability Analysis Result of Clan Culture (IV1), Adhocracy Culture (IV2), Market Culture (IV3), Hierarchy Culture (IV4) and Job Satisfaction (IV5)*

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

Reliability Test (N=98)

Table 4.3 presented the descriptive analysis results in terms of mean and standard deviation related to the perception of the respondent of the ABC department about organizational culture and job satisfaction. From Table 4.3, it can be seen that the mean and standard deviation for clan, adhocracy, market and hierarchy culture are 3.93 (Std. Dev = 0.771), 3.32 (Std. Dev = 0.905), 3.71 (Std. Dev = 0.697), 3.94 (Std. Dev = 0.731), and 3.77 (Std. Dev =0.829) respectively. Overall, the entire variables mean explained that the respondents are neutral to agree with the questions in general. This result are aligned with past researcher (Shurbagi & Zahari, 2012a & 2012b; and Twati 2006)

Table 4.3  
*Descriptive Statistic for Independent and Dependent Variables*  
Descriptive Statistic (N=98)

Variable	Mean	Standard Deviation
Clan Culture	3.93	0.771
Adhocracy Culture	3.32	0.905

Variable	Mean	Standard Deviation
Market Culture	3.71	0.697
Hierarchy Culture	3.94	0.731
Job Satisfaction	3.77	0.829

Pearson Correlation Analysis was selected to study the correlation between the variables. From the result as shown in the Table 4.4, all the independent variables which are Clan Culture, Adhocracy Culture, Market Culture and Hierarchy Culture has a positive correlation with the dependent variable which is Job Satisfaction. The first correlation is between Clan Culture and Job satisfaction where the finding shows that the R-value is 0.569 or 56.9%. Thus, it represents a strong and positive relationship between both variable. While, the second independent variable which is Adhocracy Culture with the dependent variable also has a moderate positive relationship with  $r = 0.410$  or 41%. As for the third independent variable and the fourth variable both also has a strong positive relationship with the dependent variable of the study, which is Job Satisfaction, where Market Culture  $r = .580$  or 58 % and Hierarchy Culture = 0.506 or 56%. These results are aligned with past researcher such as (Shurbagi & Zahari, 2012a & 2012b; Yousef, 2000; Hu et al., 2009; and Flemming, 2009).

Table 4.4

*Pearson Correlation Matrix of Clan Culture (IV1), Adhocracy Culture (IV2), Market Culture (IV3), Hierarchy Culture (IV4) and Job Satisfaction (DV)*

Correlation Analysis (N=98)

Variable	1	2	3	4	5
Clan Culture (IV1)	1				
Adhocracy Culture (IV2)	0.417**	1			
Market Culture (IV3)	0.601**	0.561**	1		
Hierarchy Culture (IV4)	0.697**	0.345**	0.589**	1	
Job Satisfaction (DV)	0.569**	0.410**	0.580**	0.506**	1

\*\*Correlation is significant at the 0.01 level (2-tailed)

\*Correlation is significant at the 0.05 level (2-tailed)

From the Table 4.5 can be identified that there are two independent variable that show significant results. These variables are Clan Culture with 0.019 and Market Culture with 0.010. While, the other two variable are not significant since their result is greater that ( $p=0.005$ ) in which Adhocracy value is 0.360 and Hierarchy culture is 0.370 respectively. In addition, this research also looks forward to study on the most dominant culture in the organization. As presented in the Table 4.6 under Beta column, Market Culture shows the highest value with 0.301 and significant value of 0.010, thus, automatically it is the most dominant culture. As for this study, R-square as illustrated in the Table 4.5 below, it can be identified that 0.422 or 42.2% of the various in the dependent variable which is Job Satisfaction can be explained by the independent variable which is the four types of organizational culture (Clan Culture, Adhocracy Culture, Market Culture and Hierarchy Culture). The ranges in value of Durbin Watson are from 0 to 4. Values towards 0 indicated a positive autocorrelation; while value near to 2 is indicates as non-autocorrelation while the value that towards 4 is indicated as negative autocorrelation. As for this research paper the value of its Durbin Watson is near to 2 which are 2.162.

Table 4.5  
*Summary of Coefficient 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		

### Conclusion

The Pearson Correlation Coefficient analysis also has been conducted and the result shows that all of the independent variable (clan, market and hierarchy) cultures have positive and strong except adhocracy culture where only moderate but positive relationship with the dependent variable (Job Satisfaction). While the most dominant culture based on regression analysis in the ABC department is Market Culture.

Therefore with the result from the study, it allows managers to have better understanding on what is the culture which is currently practise by the employees and how it effects employee's job satisfaction. Secondly the result would be the guideline to managers on how to create and educate the culture which gives the highest satisfaction level to employees. It is also a guideline to the management on how best to practise job rotation and how often the rotation should be. Should the rotation is still to be practise, management need to study on duration of the rotation and to ensure that the person who is involved on the job rotation practise, he or she has to be briefed on the culture which is currently practise by the new department.

It is also advisable that organization practise only one culture across the board. This is to ensure that all will speak the same wave length as well as work and behave the same way. This is to avoid misunderstanding and conflicts. The management team would have to work hand in hand with the employees on how best to create a most conducive working culture suit to the organization.

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