Organizational Culture and Employee Job Satisfaction - A Case Study of An Automobile Dealer In The City of Belgaum, Karnataka, India

* Praveen M. Kulkarni
** Dr. D. N. S. Kumar
** Dr. B. Janakiram

INTRODUCTION

Organizations represent the most complex social structures because of their dynamic nature. Employees are the key players in the organisation, and it is through their involvement and commitment that an organization becomes competitive.

The relationship between the organization and people is however interdependent in nature, and both parties have impacted on one another's ability to achieve positive results in the organization.[1]

According to Thompson[2], to achieve these outcomes, committed and competent people are required. He also contends that successful companies are more able to attract, motivate, develop, reward and keep skilled and competent managers and other employees.

Extensive research proved that job satisfaction does not happen in isolation, as it is dependent on organizational variables such as structure, size, pay, working conditions and leadership, which constitute organizational climate and culture.[3,4,5]

Organizational climate and organizational culture although much more difficult to change, can be promoted to facilitate the achievement of job satisfaction and organizational goals. The measurement of climate and culture can serve as a starting point in diagnosing and influencing such change in the organisation.

A supportive organizational culture has been associated with a variety of benefits for both employees and employers, including higher levels of commitment to the organisation, lower intention to leave the organisation, higher levels of job satisfaction, lower levels of stress and the experience of less conflict between work and family responsibilities.

LITERATURE REVIEW ON EMPLOYEE JOB SATISFACTION AND ORGANIZATIONAL CULTURE

There has been a long debate amongst researchers regarding the relationship between organizational culture and job satisfaction. Many researchers have found supporting evidence about the relationship between these two concepts [ibid 3.4.5]. The concept of job satisfaction as the evaluation of the organizational context, and in relation to organizational climate provides a description of the work context. They defined job satisfaction as the feeling of employees about their job.

James, L.R. & Jones, A. P. (1974)[7] on the other hand referred to it as the difference between the outcomes, which a person actually receives and those that he expects to receive. Job satisfaction is thus related to job characteristics and people will evaluate their satisfaction level according to what they perceive as being important and meaningful to them.

The evaluation of the different aspects of the job by employees is of a subjective nature, and people will reflect different levels of satisfaction around the same factors. Research studies supported the five main job satisfaction dimensions as pay, nature of work, supervision, promotional prospects and relations with co-workers[8]. Since the job dimensions are components of the organisation, and represents its climate, job satisfaction is an evaluation of organizational factors.

Some researchers believed that job satisfaction level increases as employees progress to higher job levels[9] [10] however indicated that managers at a higher level of the organisation are satisfied with the salary, but less satisfied with promotional opportunities.

The study also revealed that organizational variables like structure do not affect employees in the same way. Two

* *Research Scholar,* Department of Master of Business Administration (M.B.A), M. S .Ramaiah Institute of Technology, Bangalore. E-mail : praveenmkulkarni@gmail.com

***Associate Dean,* Alliance Business School, Bangalore. E-mail : dnsk2000@yahoo.com

*** *Professor and Head,* Department of Master of Business Administration (M.B.A) , M. S .Ramaiah Institute of Technology, Bangalore.

schools of thought seem to exist in terms of the measurement of job satisfaction. Chetty (1983) [11] warns that researchers should guard against singling out certain variables as the sole contributory factors to job satisfaction of employees. He indicated that both family and other social factors affect employees, and this would also have an impact on their performance and satisfaction at work.

Measurement of individual dimensions of job satisfaction enables researchers to identify the environmental factors (climate variables) related to certain dimensions of job satisfaction. Schneider and Reichers (1983)[12] conducted research on the relationship among organizational climate and job satisfaction, production and turnover indexes amongst five financial institutions. The findings of their study revealed that climate and satisfaction measures correlates for people in certain positions and not for others.

A relationship between satisfaction and production was not found, while satisfaction correlated with turnover. Kline and Boyd (1994) [13] conducted a study to determine the relationship between organizational structure, context and climate with job satisfaction amongst three levels of management. Their study revealed that employees at different levels of the organizations are affected by different work factors. Based on the outcome of this study, they recommended that different aspects of the work environment be looked into when addressing the issues of job satisfaction amongst different positions in the same organisation.

STATEMENT OF THE PROBLEM

Organizational culture can influence employees on performing tasks and utilized resources to achieve organizational goals. Studies conducted on organizational culture and job satisfaction indicate that organizational culture influences the employees in the areas of performance and commitment.

The organization which has problems with the performance and commitment has impact on employee's satisfaction level in the organization. Hence, this study understands the impact of organizational culture on employee satisfaction at employees working in sugar industry in the city of Belgaum.

OBJECTIVES OF THE STUDY

1. To understand the type of organizational culture prevailing in the organization.
2. To understand the level of employee job satisfaction in the organization.
3. To understand interrelationship between organizational culture and employee job satisfaction.

SCOPE OF THE STUDY

The present study is confined to measure the organizational culture and job satisfaction among employees. The study has included employees working at automobile division of the study organization. It also includes study of impact of organizational culture on the employee job satisfaction level at a research unit in the city of Belgaum.

LIMITATIONS OF THE STUDY

The study may suffer from the following limitations:

- As this is an academic effort, it is limited by cost and time.
- Some of the suggestions made by the study may require policy decisions and top management support for implementations.
- The findings of the study can be generalized only to similar type of industry and organizations of the same size.

PROFILE OF THE STUDY ORGANIZATION

The study organisation is a partnership firm situated at Belgaum, Karnataka, India. The firm was established in the year 1920. They started their concern with rice mill at Belgaum. In the year 1930, they diversified their business activities and started a soap factory in Belgaum.

In the year 1935, they started an edible oil mill at Belgaum and in the year 1951, they further diversified their business interest into automobile industry, and started a small garage. This garage was established to maintain their own vehicles, and thus in the year 1956, they established sub-dealership of Ashok Leyland. In the same year 1956, they got a dealership of Mico and Simpsons.

In the year 1979, they got dealership for TVS-SUZUKI two wheelers and spare parts for Belgaum district. In the year 1991, they got dealership for TELCO vehicles and spare parts for North Karnataka region, and hence had to give up the sub-dealership of Ashok Leyland. In the year 1993, under its sister concern, they got appointed for Sesa-Goa agency for supply of pig iron. The total workforce increased from 10 in 1920 to 1200 in the year 2008.

SAMPLING PLAN

Employees working for an automobile division were the subjects of this research. The total population of this organization (N = 121) was used as a sampling frame, which comprised of both male and female respondents from the ages 25 to 58 years. The level of education of participants ranges from illiterate to post-graduation

qualifications. Work experience of respondents range from less than a year to 22 years. All participants were permanent employees. Table No. 1 represents the distribution of biographical variables of the respondents.

Table 1 : DISTRIBUTION OF PARTICIPANTS ACCORDING TO BIOGRAPHICAL VARIABLES

Demographic variable	N	%
1. Gender		
o Male	121	100
o Female	0	
o Total	121	
2. Age		
o 25-32	30	24.80
o 33-41	58	47.93
o 42 and more	33	27.27
o Total		
3. Marital status		
o Married	80	66.12
o Not Married	41	33.88
4. Years of service		
o Less than 7 years	28	23.14
o 7 – 9 years	49	40.50
o 10 years and above.	44	36.36

Source: Field survey

MEASURING INSTRUMENTS

Organizational culture profile measures four organizational cultures that are autocratic/ feudal, bureaucratic, technocratic and entrepreneurial/ organic/ democratic. The instrument has eight sets dealing with values, beliefs, primacy, communication, leadership, rituals in meetings, celebrations and rooms and furniture.

The instrument is completed by persons working in an organisation. The respondent is required to rank the four statements in each set in terms of their applicability to the organisation concerned. The rank is from 1 (most closely describing the organisation) to 4 (least accurate). The Guttman split half equal length and unequal length reliability was found to be 0.86.[14]

The Job Satisfaction Survey (JSS) [15] is a 36 item, nine facet scale to assess employee attitudes about the job and aspects of the job. Each facet is assessed with four items, and a total score is computed from all items. A summated rating scale format is used, with six choices per item ranging from "strongly disagree" to "strongly agree". Items are written in both directions, so about half must be reverse scored.

The nine facets are Pay, Promotion, Supervision, Fringe Benefits, Contingent Rewards (performance based rewards), Operating Procedures (required rules and procedures), Co-workers, Nature of Work, and Communication. Although the JSS was originally developed for use in human service organizations, it is applicable to all organizations. The reliability scale of the job satisfaction survey range from 0.75 to 0.91; the details are provided as under:-

Table 1 : Job Satisfaction variables

Scale	Alpha	Description
Pay	0.75	Pay and remuneration
Promotion	0.73	Promotion opportunities
Supervision	0.82	Immediate supervisor
Fringe Benefits	0.73	Monetary and non-monetary fringe benefits
Contingent Rewards	0.76	Appreciation, recognition, and rewards for good work
Operating Procedures	0.62	Operating policies and procedures
Co-workers	0.60	People you work with in the organisation.
Nature of Work	0.78	Job tasks themselves
Communication	0.71	Communication within the organization

Source: Spector, P. E. (1997). Job satisfaction: Application, assessment, causes, and consequences. Thousand Oaks, CA.: Sage Publication.

RESEARCH HYPOTHESIS

• **Null Hypothesis (Ho)** Organizational culture and employee job satisfaction are independent.

• **Alternative Hypothesis (Ha)** Organizational culture and employee job satisfaction are dependent.

SOURCE OF DATA COLLECTION

The primary data was obtained through interviews and questionnaires designed via use of information generated from secondary survey after taking due cognizance of the purpose and objectives of the study.

Primary data: The data required for this study were collected through actual visits to the study organization and face-to-face distribution and administration of questionnaires to one hundred twenty one employees.

Secondary data: The Secondary data is based on past research work on this area of study. They are data collected from Internet, textbooks, government publications, published research work and journals. Also, acknowledged authorities within the area of studies provided valuable materials for this study.

STATISTICAL INTERVENTION

The statistical interventions applied in the research are Mean and Standard deviation for understanding the type of culture in the organization. To understand the impact of organizational culture on the employee job satisfaction, Chi -square was applied to draw the inference.

FINDINGS AND ANALYSIS OF THE STUDY

1) Types of Organizational Culture

Organizational culture is the personality of the organization. Culture is comprised of the assumptions, values, norms and tangible signs (artifacts) of organization members and their behaviors**.** Organizational culture, or corporate culture, comprises of the attitudes, experiences, beliefs and values of an organization.

It has been defined as "the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization. Organizational values are beliefs and ideas about what kinds of goals members of an organization should pursue and ideas about the appropriate kinds or standards of behavior organizational members should use to achieve these goals.

Organizational Culture includes what is valued; the leadership style, the language and symbols, the procedures and routines, and the definitions of success that characterizes an organization. It is a specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other.

The study undertakes the understanding of the organizational culture from the four perspectives as based in the organizational profile analysis. They are as under:

Autocratic culture is primarily concerned with following proper protocol, dominated by dependency climate with affiliation. Employees are selected on the basis of relationship and they are trusted. Dependency affiliation climate is characterized as "the top manager controls the organisation and employs their own in-group members, who are extremely loyal to these leaders". The ethos of such a culture is closed, mistrusting and self- seeking.

Bureaucratic culture is concerned with following proper rules and regulations. Its climate is dominated by control and backed up by dependency. Such a climate has been characterized as "a bureaucracy and a rigid hierarchy which dominates the organisation. Because actions are generally referred to the levels above for approval, decisions are usually delayed. It is more important to follow rules and regulations than to achieve results. Senior employees protect those sub-ordinates who do not make any procedural mistakes". The ethos of a bureaucratic organisation is characterized by playing safe, inertia, lack of collaboration and closeness.

Technocratic culture generally has an apex climate- expert power being dominant, with a backup climate of extension. "Specialists play the major roles in the organisation, working in a planned way on socially relevant matters. The organisation pays attention to the employee's needs and welfare". The ethos is positive, autonomy, collaboration and experimentation.

Entrepreneurial culture is primarily concerned with results and customers. Its climate is generally that of achievement and concern for excellence and extension. In such a climate, employees work on challenging tasks and devote equal attention to the social relevance of these tasks. The organisation has a highly developed sense of social responsibility as well as a strong sense of its responsibility to fulfill employee needs. The ethos is positive and characterized by trust, openness and experimenting.

The analysis on the understanding of cultural type in the study organization was done through the application of mean and standard deviation. The data provided in table no.2 with the mean score of 24.1901 and standard deviation score of 9.6646 indicates that authoritarian organizational culture is prevailing in the study organization. The top level managers control all the activities in the organisation. The organisation doesn't have an open system of communication; decisions are taken by the top level managers and they trust the employees from

their own in-groups in the organization.[ibid 14]

Table No.2 : Type of organizational culture

	N	Mean	Std. Deviation
Authoritarian Organizational Culture	121	24.1901	9.6646
Bureaucratic Organizational Culture	121	24.7603	8.5684
Entrepreneurial Organizational Culture	121	25.0579	9.6309
Technocratic Organizational Culture	121	26.6281	9.5290

Source: Field survey

EMPLOYEE JOB SATISFACTION

Employee Satisfaction refers to a person's feeling about the job, which acts as a motivation to work. It is not self satisfaction, happiness or self-contentment but satisfaction on the job. The term refers to the total relationship between an individual and the employer for which he is paid.

Employee satisfaction helps a Company to maintain certain standards & increase productivity by motivating the employees. This study helps to show how much the employees are capable & their interests at the work place, what are the things still needed to be satisfied for the employees. Although "Human Resources" are the most important resources for any organization, to study employee satisfaction helps to understand the working conditions & those factors that affect employees and their working capabilities.[Ibid 14] The results are based on the following factors which are used as facets for the questions and they are-

- Pay
- Promotion
- Supervision
- Fringe Benefits
- Contingent Rewards
- Operating Conditions
- Co-workers
- Nature of Work
- Communication

Factor analysis method is adapted to understand the level of employee job satisfaction. Table No.3 indicates that data satisfies K.M.O test, since the K.M.O value that is 0.586 which exceeds the norm value that is .5. Further, Table No.3 also indicates the Bartlett's Test, the significant value (p- value) that is 0.000 is less than the level of significance (5% = 0.05). Hence, the analysis indicates that process of factor analysis can be completed with satisfaction of K.M.O test and Bartlett's Test.

The analysis in table no. 4 and 5 indicates the results and shows that **component 1;** that is contingent rewards, co-workers and nature of work are the first priority factors which influence the employee satisfaction level. Further, **component 2** shows that promotion, fringe benefits and communication are second priority factors in employee satisfaction level. The **component 3** shows that pay and operating conditions are third priority factor in the employee satisfaction level. Finally, **component 4** indicates that supervision is the forth priority factor in the employee satisfaction level.

The results indicate that employees are dissatisfied to a large extent on contingent rewards which includes aspects like appreciation, recognition and rewards for good job in the organization. These factors are the most significant factor which influences the employees in the study organization in achieving the organizational objectives.

IMPACT OF ORGANIZATIONAL CULTURE ON EMPLOYEE JOB SATISFACTION

Organizational culture has been perceived to have a greater impact on a range of organizationally and individually desired outcomes. Fortune conducted a survey on the most admired companies and it has indicated that the CEO

Table No.3 : KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.586
Bartlett's Test of Sphericity	Approx. Chi-Square	71.584
	df	36
	Sig.	0.000

Source: Field

Table No.4 : Total Variance in Component

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.610	17.894	17.894	1.610	17.894	17.894	1.532	17.018	17.018
2	1.377	15.303	33.197	1.377	15.303	33.197	1.347	14.963	31.981
3	1.256	13.956	47.153	1.256	13.956	47.153	1.301	14.460	46.441
4	1.204	13.377	60.530	1.204	13.377	60.530	1.268	14.090	60.530
5	.949	10.543	71.074						
6	.832	9.245	80.319						
7	.655	7.282	87.601						
8	.572	6.357	93.958						
9	.544	6.042	100.000						
Extraction Method: Principal Component Analysis.									

Source: Field survey

Table No.5 : Rotated Component Matrix

	Component			
	1	2	3	4
Pay	-.124	.516	.617	.278
Promotion	3.838E-02	.712	-.128	-1.373E-02
Supervision	.202	-1.826E-02	-9.876E-02	.855
Fringe Benefits	.682	-.330	.255	-.200
Contingent Rewards	.309	.258	-.137	-.598
Operating Conditions	8.702E-02	-.130	.829	-9.067E-02
Co-workers	.767	6.282E-02	2.583E-02	.101
Nature of Work	.563	.285	-.348	9.556E-03
Communication	-2.430E-02	-.543	-5.284E-02	.206
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. a Rotation converged in 7 iterations.				

Source: Field survey

respondents believed that corporate culture was their most important lever in enhancing key capability. Organizational culture also affects outcomes of employees such as productivity, performance, commitment, self-confidence, and ethical behavior. Organizational culture significantly affects an organization employees' behavior and motivation and its financial performance of the organisation.

The results on impact of organizational culture on employee are tested through Chi-Square analysis which is indicated in the table no.6. The null hypothesis is tested at 5% level of significance. Chi-Square test is a one tail test. The chi-square analysis is done at 5%= 0.05. The normal table value is 1.65. Here, the p- value is 0.042. Now we determine the normal table value 1-0.042 = 0.96 which is equal to 1.75.The value 1.75 falls in the rejection region. Therefore, we can reject null hypothesis and accept alternative hypothesis, which indicate that Organizational culture and employee job satisfaction are dependent. The impact of autocratic organizational culture on employee job satisfaction is on the dimension of recognition for good work in the organization.

Table No.6 : Chi-Square Tests on influence of organizational culture on employee job satisfaction.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	8.793	6	0.186
Likelihood Ratio	9.880	6	0.130
Linear-by-Linear Association	1.083	1	0.298
N of Valid Cases	121		
a) 6 cells (50.0%) have expected count less than 5. The minimum expected count is .60.			

Source: Filed survey.

SUGGESTIONS

1. The present market scenario of automobile industry demands an organizational culture that can adjust as per the needs of the industry. In this research, the company needs to develop entrepreneurial organizational culture.

2. The employee dissatisfaction is highlighted in the area of recognition and rewards for their job. The organization can develop incentive schemes and award the best employee every month. This would increase the confidence level of employees in the organization.

3. The organization should adapt open system practices that would lead to transparency in the activities and employees would develop the feeling of commitment towards the organization.

4. The study organization should undertake training programs on teambuilding, interpersonal skills and technical skill training; this would enhance their work productivity.

5. Monthly meetings with employees would help to understand expectation of the employees and thereby, resolve the grievance of the employees in a more systematic way.

6. Employees are to be empowered to take decisions, this would motivate the employees.

7. Suggestions from the employees is to be taken on new development, this will develop a feeling of concern for the employees.

CONCLUSION

The study organization has a culture which is not as per the present market scenario; this fact has influenced the employee satisfaction level. The organization needs to adapt to entrepreneurial organizational culture to enhance employee satisfaction level.

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