The Role of Organizational Culture in Job Satisfaction and Turnover: A Study of Pakistani Employees

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Abstract: Every single organization creates and upholds a unique culture that causes to affect the way workers feel, behave and think in the organization. Today the business paradigm in the world is not only changed but the mind set of workers who work in the organizations has also changed due to highly competitive market. And whenever workers feel dissatisfaction in their jobs due to any reason, they are ready to shift over to another organization. This research examines the association among job satisfaction, organizational culture and turnover in Pakistan. The result show that the organizational culture direct effects the job satisfaction. Furthermore, job satisfaction has negative relation with turnover.

INTRODUCTION

In recent years a trend starts in Pakistani employee to switch one organization to another's for the sake of comfort workplace and other benefits. They are trying to find a satisfaction where they apply their skills independently and have autonomy with self-affinity. As human resources are capitals of an organization. It's essential for a company to set up an organizational culture for keeping its position in the market which is highly competitive. According to Raziqa and Maulabakhsha[1] workers are the essential part of an organization for attaining the vision and mission of the company, where workers must fulfill the traditional standard of company for assuring their work quality. For accomplishing the standards, the workers require the environment where they can work freely without any obstacles. The organizational culture should be established that might gives us constant to a company and bring constant up gradations. The culture of a company plays significant role for the development of a company, since, it not only effects worker's satisfaction but also their retention. In the modern world because of dynamic nature of environment, the business is going through numerous challenges like satisfaction of workers for dealing with varying and growing environment and also to attain the success and endure in the competitive market. For enhancing the job commitment, effectiveness, efficiency and growth, the organizations should provide better work conditions that cause satisfaction. If culture of an organization is elastic it drives to grand such workplace atmosphere to workforces where they could work without difficulty and without feeling any burden which resultantly surge the satisfaction level of employees. As job satisfaction is an important essential element for workers motivation and inspiration for their better performance[2].

The organizational culture is very essential technique for encouragement and discouragement of worker`s behaviors in the company. And culture of company can be affected through beliefs, attitudes and norms that centrals

to strong communication among the workers[3]. Job satisfaction is very important and main reason for retaining and attracting skilled workers in the organization. And moreover the present scholarly believes that there is positive relationship between worker's satisfaction and organizational culture[4, 3, 5].

Literature review

Organizational culture: The positive workplace environment and employee's satisfaction can be created by structuring a positive workplace environment in which associates have optimistic interactions and gets tasks in a way which aids them to achieve organizational goals and highly personal satisfaction[6, 7]. The beliefs, attitudes and values of workers are the strongest element of the word "organizational culture" because the organizational culture is made though people[8] more over they explained that an organization's cultural standards sturdily affects all who are intricate in the organization. Mostly those standards are imperceptible but are essential to understand and improve the performance. The meaning and limitations of organizational culture are frequently disordered. Certainly, the idea has been illustrated as "a riddle wrapped in a mystery wrapped in an enigma"[9]. The correct organizational culture is taken as to be an important prerequisite for high levels of organizational outcomes and it is valued for organizational analyses drives[10]. As Deal and Kennedy[11] recommended that 'strong' shared values could boost the organizational output and performance. He also declared that a 'strong' culture makes workers able to feel better regarding to what they work and fix and they likely will work harder and harder. And according to Den Hartog and Verburg[12], organization's outcome is about the point where an employee achieves the mission of an organization inside the work place. And in order to know about organization's outcome, the person have to understand and examine the culture of an organization[13]. As according to Fey and Denison[10] in order to find organizational performance, strength of organizational culture is an essential element. And moreover, he defined that the strength of organizational culture is essential reason in measuring the organizational outcome. The organizations with 'strong' culture have a well-defined value which provides aim to workers for embracing the culture[14]. The employees follow the culture as they accept as true that it is right and important thing to be followed. The 'strong' organizational culture was firstly abstracted like a clear set of beliefs, practices, values and norms that is followed via. outmost number of followers within the organization[15] and he further explained that strong organizational culture consists of those factors augmented agreement around the strategic course. With the help of 'strong' organizational culture the employees get more attachment with their job and work assigned to

them with high commitment and productivity. And at the same time some organizations have strong culture and some have weak cultures. Alvesson[15] declared that the performance of an organization depends upon the strengths and consistency of the organizational culture. The 'strong' organizational culture increase worker commitment and engagement[16].

Job satisfaction: The importance of work environment and job satisfaction are getting very high place in today's world due to its impact and nature for the present society. Regarding to Denish research which suggests that an organization can boost it outcomes by upgrading and improving the internal climate of work`s environment that could have a positive effect on organization's overall productivity[17]. Furthermore, Hoppok and Spielgler[18] explained that job satisfaction is cohesive set of psychological and ecological circumstances which motivates workers to confess that they are satisfied or else pleased from their works. If proper devotion is specified on supervision, interpersonal and recognition of the employees then the level of job satisfaction can increase[19].

Turnover: The turnover is very serious problem for individual firms and organizations as due to turn over the organizations and firms lose their valuable staff and human capital who are highly qualified and skillful persons. According to Wahl and Prause[20] in worldwide skill shortages have become crucial issue for the most of organizations. And keeping this point of view that progress and success of organizations lies upon the human capital[21] for making organizational rentals and surging the growth of organization the talented workers are perceived as main source and potential. By massive-restructuring and an economic slowdown the war for talented workers has been ongoing[22].

Conceptual model and hypothesis statement: In order to empirically test the impact of organisational culture on satisfaction and turnover, a conceptual model is developed premised on the reviewed empirical literature. In this conceptualized model, organisational culture is the predictor variable, while satisfaction and turnover are the outcome variables. Figure 1 depicts this conceptualized research model. The hypothesized relationships between the research constructs will be stated hereafter.

Hypothesis statement:
- H_1: organisational culture has a positive significant relationship with job satisfaction
- H_2: job satisfaction has a negative significant relation with turnover
- H_3: organization culture has a negative significant relationship with turnover
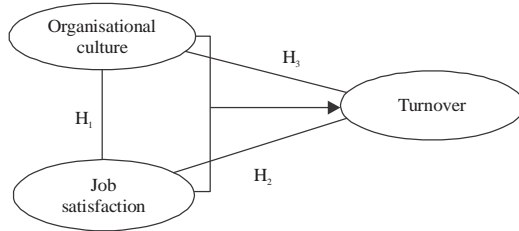
Fig. 1: Research model

Fig. 2: Organizational culture

Table 1: The demographic information of respondents listed

Characteristics	No.	Percentage
Gender		
Male	208	65
Female	112	35
25-29 (Years)	128	40
30-39 (Years)	96	30
Age (Years)		
40-49	64	20
50-59	26	08
>60	06	02
Banking	160	50
Education	96	30
Industry		
Chemicals	48	15
Textile	03	01
Petroleum	13	04
<1 Years	62	19
Working tenancy (Years)		
1-5	125	39
6-10	105	33
>10	28	09

This study

Table 2: Correlation matrix amongst entire study variables

Variables	Mean	SD	1	2	3
Organizational culture	2.85	0.84	(0.80)		
Job satisfaction	4.49	1.08	0.556**	(0.87)	
Turnover	3.09	1.01	0.758	$-0.572**$	(0.93)

Figures of coefficient alpha are in brackets; Correlation was significant at the 0.05 level (2-tailed) and **Correlation was signification at the 0.01 level (2-tailed); This study

MATERIALS AND METHODS

The study sample includes 320 employees working in different industry groups from three districts (Muzaffargarh, Layyah and DG.Khan) and focuses on participants who have received mentoring from senior employees. A questionnaire was developed and measured variables through 5 Likert Scale and distributed in the industry groups after, we obtained permission from executives. The human resource departments provided the corresponding department lists and position information. In the investigation process, we adopted a multiple-period data-collection with simple data collection method. The demographic information of respondents listed in given table (Table 1).

RESULTS AND DISCUSSION

Data analysis and results: For analyzing of data, the SPSS Software Version 20 has been used. The participants of the research were taken as categorical variables. Job satisfaction, organizational culture and turnover intention were taken as continuous variables. Lastly structural equation modeling was used to examine
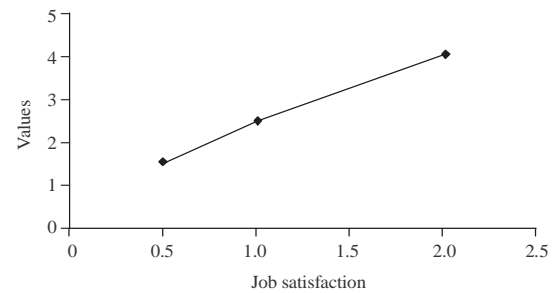
surveyed statistics that was constructed on conceptual path model. For finding and testing the validity and reliability and Cronbach's alpha (upper 0.70) for the internal consistency were applied. The survey questionnaire included measures of organizational culture, job satisfaction, turnover intention and demographic characteristic. Five point Likert scale from (1 = strongly disagree, 2 = disagree, 3 = natural, 4 = agree and 5 = strongly agree) aimed at all the items measurement, except demographic variables. The results suggest the constructs have a good indication of reliability in which Cronbach's alpha differed from 0.803-0.932.

Table 2, displays the correlation amongst study variables. As illustrated job satisfaction (r = 0.556, p<0.01) significantly positively correlated with organizational culture. Turnover (r = -0.572, p<0.01) negatively correlated by job satisfaction. This result shows the objective of research.

Relationship between organizational culture and job satisfaction: The organizational culture shows positive relation with job satisfaction. The job satisfaction continuously increasing with the organizational culture, the graph shows the increasing level of satisfaction with organizational culture. This is show that if the organization follow the principles and ethics than it will achieve their employee satisfaction (Fig. 2).

Relationship between job satisfaction and turnover: The job satisfaction shows negative relation with turnover. In this graph job satisfaction at the level of 0.5 and turnover at the level of 0.2 that's mean satisfaction level increased but turnover level decreased (Fig. 3).
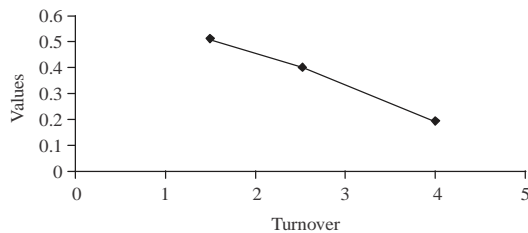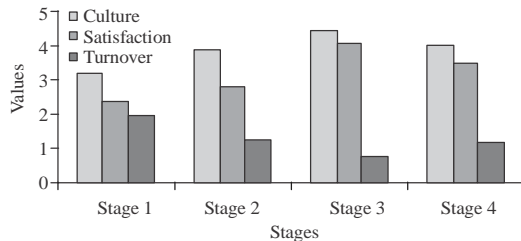
Fig. 3: Job satisfaction

Fig. 4: Stages of organizational culture

The relationship between organizational culture and turnover: The organizational culture and turnover has a nagative significant relation each other's. Both are compulsory for an organization. The firm can make a specific rules and ethics for their operation (Fig. 3).

The implementation of rules and regulation are main source of good culture. The proper implementation of the roles and regulations in organization increases the satisfaction level of employees and negatively impact of turnover.

The organizational culture starts with the establishment of the organization. It is compulsory part of the organization. This graph shows the relation of organizational culture with satisfaction and turnover in quantitative values. The first stage shows that organizational culture is at the level of 3.2 than job satisfaction at 2.4 but turnover is at 2, this is a start of business. At the second stage the OC is at 3.9 than JS at 2.8 but TO at 1.3, this stage belongs to where the business in his growth line. Third stage is a maturity stage where the satisfaction level high with strong organizational culture but turnover is almost minimum at this level. Here, the OC level is at 4.5 with 4.1 JS and TO be at 0.8. fourth stage is a last where OC is going to decline and almost turnover start to be increased. Therefore, organization needs to adopt new culture and disciplines with the passage of time. Every organization continuously adopts new strategies and trends with changing environment for stable their position in the market. The organizational culture almost effects the whole organization and their employees (Fig. 4).

CONCLUSION

The findings of this research show a structural relationship among organizational culture perceived by Pakistani employee and organizational culture. The organizational culture is a bunch of principles in which organization operate. For determination of effects of organizational culture on the turnover and job satisfaction, culture is an environment of organization in which employees work. The safe and sound culture almost gives the comfort of employees. The findings and result of this research may be beneficial to administrators of industries who want to reduce employee's turnover. Enhancement of employee's job satisfaction in the workplace might lessen turnover and which helps to certify a stable and competent labor force. Monitoring the working conditions of employees and enhancing climate of organization could likely improve the quality of work through helping in retaining of qualified workers.

LIMITATIONS

Despite the usefulness of this study, the research has its limitations. First and most significantly, the study can be strengthened by increasing the sample size and including participants from other districts other than Muzaffargarh, Layyah and DG.Khan in Pakistan. Second, the current study was limited to Pakistan. For results comparison, subsequent researches should contemplate replicating this study in other developing countries in Asia and beyond. Finally, the present study did not examine all other factors related to organisational culture, employee welfare and performance. Future studies should focus on other antecedents of organisational culture or outcomes such as organisational citizenship behavior, organisational commitment and employees' intention to stay at work. All in all, these suggested future avenues of study stand to immensely contribute new knowledge to the existing body of organisational culture and employee turnover literature in Pakistan- a context that is often most neglected by some researchers in developing countries.

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