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A critical review on impact of the corporate culture on employee motivation and job satisfaction

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Abstract

Via a poll of fitness employees, this study investigated the impact of corporate culture on job satisfaction and intention to leave the business. The values, attitudes, and basic assumptions that help influence and coordinate member behavior are generally referred to as organizational culture. The Cultural Index for Fitness Organizations (CIFO) was created to particularly measure organizational culture in the fitness industry. Staff competency, environment, connection, formalization, sales, service-equipment, service-programs, and organizational presence were discovered through exploratory factor analysis to be eight components that describe cultural features common to this setting. The path analysis method was used to investigate the relationship between organizational culture variables, job satisfaction, and intention to leave. The findings revealed a partially mediated model of organizational culture that explained 14.3% of the variance in job satisfaction and 50.3% of the variance in job performance the variance with desire to depart the organization. The findings show the multidimensionality and complexity of corporate culture in the fitness industry. The goal of this study is to determine the effect of organizational commitment, servant leadership, and job satisfaction on organizational commitment and job performance via work motivation as moderating variables for economics and management lecturers at private universities in east Surabaya. According to the findings of this study, corporate culture, servant leadership, and work satisfaction all have a favorable impact on organizational commitment and job performance

Keywords: Corporate culture; Job satisfaction; Marketing research; Organizational culture; Servant leadership

1. Introduction

Businesses must operate more productively and efficiently in the face of global competition. Companies must become more competitive to ensure their existence in an environment of increasingly fierce competition. One of the Indonesian mining businesses, PT Kasmar Tiar Raya, practices personnel optimization in order to carry out the business operations necessary for production. The most crucial factor in determining a company's ups and downs is its workforce. Employees must meet the firm's demands and criteria and be able to do duties that have been assigned by the company in order for the organization to achieve its goals.

The performance of employees reflects their aptitude, and optimal performance is good performance. One of the keys to the business reaching its objectives is the performance of these personnel. Therefore, the company's executives should take into account the performance of its staff. Performance is typically thought of as a person's ability to successfully complete a task. Employee performance is the end result of the effort put forth by an individual in carrying out the activities assigned to him in order to meet work objectives. When employees are highly performing, they can work effectively and create their best work. One of the key elements in deciding whether a business or organization will

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be successful in attaining its objectives is employee performance. The level of accomplishment of the outcomes, also known as "the degree of accomplishment," or performance, is the degree to which the organization consistently achieves its objectives, has been defined in the organization (Keban, 2004, p. 192). Organizational performance is a level that indicates how well a job can be carried out in the present while also achieving the organization's goals (Steers & Porter, 2003, p. 160). The executives of the firm must thus pay attention to employee performance since a decline in employee performance might have an impact on the performance of the company or the organization as a whole. Job happiness is a different aspect that may have an impact on employee performance. Top management of PT Kasmar Tiar Raya has to pay more attention to employee work satisfaction. The attainment of organizational goals, poor knowledge of employees' contributions to the company, a lack of recognition for employees who perform well, and a decline in the degree of discipline and motivation are a few factors connected to employee job satisfaction that warrant such attention. Job satisfaction refers to a person's overall attitude towards his or her work; a high level of job satisfaction indicates a good attitude towards the job, whilst a low level of job satisfaction indicates a negative attitude towards the job (Robbins, 2001, p. 139). Umam (2010, p. 192) stated that satisfaction is a positive attitude of the workforce towards his work, emerging from the appraisal of the work environment, in accordance with this. Assessments are conducted out of respect for the achievement of one of his work's key values. Employees who are satisfied with their work environment prefer it to those who are dissatisfied with it.

1.1. Hypothesis development

1.1.1. Leadership

Leadership is distinct from management. Management is concerned with how to deal with complexity. Good management can result in the discipline and consistency required to create formal plans, construct a tight organizational structure, and assess performance through benchmarking against predetermined plans. Leadership, on the other hand, deals with how to deal with change. Leaders set the course by creating a vision for the future, then expressing it to everyone and inspiring them to persevere in the face of adversity. Strong leadership and management are critical for increasing the organization's effectiveness (Robbins, 2006: 421). The ability to influence a group towards goal achievement is referred to as leadership (Robbins, 2006: 432). Individuals who carry out the process of leadership are usually those who do so As a human being, you must have the soul of a leader. The leader is someone who has abilities and strengths in one area and can persuade others to collaborate on particular tasks in order to attain one or more goals. Indicators of leadership include: (1) instruction, (2) consulting, (3) participation, and (4) delegates (Kartono, 2001: 33). Previous study indicates that leadership has a large and favourable impact on employee job satisfaction (Suryana et al., 2009; Omar, WW, 2013; Belias & Koustelios, 2014; Indra Hidayatullah, 2014). Other research findings show that leadership has a good effect on employee performance (Thoyib, A., 2005; Nur Azlina, 2007; Kistoyo, 2008; HandriWahyuni, 2008; Sukardi, 2009; Suryana et al., 2009; Abbas & Yaqoob, 2009; Twelve, J, 2013). Other studies denied the findings, claiming that leadership has no effect on staff performance (Putu Sunarcaya, 2008). Based on these findings, the following hypothesis was developed:

- H1a: Leadership has a considerable beneficial impact on employee job satisfaction.
- H1b: Leadership has a large and beneficial impact on staff performance.

1.1.2. Organizational Culture

Organizational culture is a collection of assumptions or a system of beliefs, values, and standards formed within an organization to guide its members' behavior in order to solve the challenge of external adaptation and internalization (Mangkunegara, 2000: 113). Organizational culture is a shared system of every organization member, which is done differently in each organization.

Organizational culture can provide guidance for an employee on how to interpret organizational cultural features, values demanded of employees at work, engage with groups, systems, and administration, and how to deal with your supervisor. In this study, corporate culture is measured using the following criteria: (1) innovation and risk taking, (2) accuracy, (3) results orientation, (4) human orientation, and (5) organization and team, (6) Aggression, and (7) Stability (Soedjono, 2005). According to prior study, corporate culture has a favorable and considerable impact on job satisfaction (Soedjono, 2005; Abdullah, 2006). Based on prior research findings, influences among other variables constructed in this study demonstrate that organizational culture influences employee performance (Ma'rifah, D., 2004; Thoyib, A., 2005; Soedjono, 2005; Abdullah, 2006; Tjahjono, BN 2006). Based on these findings, the following hypothesis was developed:

- H2a: Organizational culture has a considerable and beneficial impact on employee job satisfaction.
- H2b: Organizational culture influences employee performance in a positive and meaningful way.

1.1.3. Work motivation

Motive is defined as an inclination to move, beginning with a boost in self and ending with adjustment (Sperling, 1987). Motive is a demand that stimulates goal-oriented individuals to achieve a sense of fulfilment (William J. Stanton, 1981). According to Luthans (2002), motivation is a process that creates, encourages, directs, and sustains behavior and performance, i.e., it is the process of inspiring people to act and do a desired task. One strategy to encourage folks is to increase worker satisfaction so that workers are more committed to their task. Motivation is the readiness to apply high-level effort in support of the achievement of organizational goals, which through conditioning your business's ability to meet the varied demands of the individual. There are three (3) critical elements: business, goals, and needs. The intensity measurement is a business component. A form of business that should be desired is effort oriented towards and congruent with corporate objectives, and motivation is the process of fulfilment. This variable is measured by numerous indicators, including: (1) career level, (2) work environment, (3) internal motivation, (4) responsibility, (5) opportunities, and (6) space to grow (Robbins, 2001). Empirical research suggests that motivation has a positive and considerable impact on job satisfaction (Suryana et al. 2009; Arifin et al., 2015; Juniantara & Riana, 2016). Other causality built in this study provide evidence that work motivation has a positive effect on employee performance (Ma'rifah, D., 2004; Tjahjono, BN, 2006; Faith S., 2007; Nur Azlina, 2007; Putu Sunarcaya, 2008; HandriWahyuni, 2008; Sukardi, 2009; Suryana et al., 2009; Juniantara & Riana, 2016; Murgianto et al. Based on these findings, the following hypothesis was developed:

- H3a: Work motivation affects employee job satisfaction in a good and significant way.
- H3b: Work Motivation affects employee performance in a positive and meaningful way.

2. Methodology

2.1. Job Satisfaction

Job satisfaction is a person's favorable attitude towards work. Ultimately, job fulfilment is a personal matter. Each person's level of satisfaction will differ depending on the value system that applies to him. People are usually content with the work that has been or is being done if it is thought to have met the expectations and is in line with the work objective.

Job satisfaction is an emotional state in which employees see their employment as pleasant or unpleasant. Job satisfaction reflects workers' attitudes towards their jobs. This is shown in a good attitude towards work and the environment. A unhappy employee, on the other hand, will act unfavorably towards work and take a different approach each other. The company should notice employee unhappiness (Handoko, 1992: 193). Factors - Absenteeism, turnover, and job performance are all indicators of deteriorating job satisfaction (Muchinsky, 1997; 424).

According to similar, the level of employee satisfaction is low due to high absenteeism, high employee turnover, a decline in labour productivity, or poor employee performance. If signs of a fall in employee satisfaction emerge, they should be handled immediately so that the organization is not harmed (As'ad, 1995; 103). Celluci and David (1978) developed a job satisfaction measurement that includes: (1) wages, (2) working conditions, (3) coworkers, (4) challenge, (5) promotion, (6) the supervisor, and (7) the job itself. Several prior studies have found that job satisfaction has a favourable and significant effect on employee performance (Jati, SP, & Darmawan, D., 2005; Abdullah, 2006; Syaiin, S., 2008; Suryana et al., 2009; Asteria Putri & Latrini, 2013; Arifin et al., 2015; Juniantara & Riana, 2016). Based on these findings, the following hypothesis was developed:

H4: job satisfaction affects employee performance in a positive and meaningful way.

2.2. Employee Performance

Essentially, performance can be defined as the result of work that can be accomplished by a person or group of people within an organization in accordance with their respective authority and responsibilities, in order to achieve the goals of the organization in question legally, without violating the law, and in accordance with moral and ethical standards. Performance is defined as the combined behavior of meeting expectations and choosing or modifying the parameters of the task on each employee in the organization (Walker, 2007). Performance is defined as the quality and amount of work that an employee can complete in accordance with the obligation of carrying out the task allocated to him (Mangkunegara, 2000) Tsui et al. (1997) measurable indicators were used to establish employee performance measuring indicators, which included (1) discipline and attendance, (2) professionalism, (3) quantity, (4) responsibility, (5) electivity, (6) tenacity, (7) cooperation, and (8) concern. Previous researchers used job satisfaction as an intervening

variable in analyzing the influence of leadership, organizational culture, and work motivation on individual performance, finding that leadership has a positive influence on job satisfaction extra role performance (Yun, S. et al., 2007; Omar, WW, 2013). (Soedjono, 2005). In examining the effect of work motivation on performance, job satisfaction serves as a moderating variable (Murgianto et al., 2016).

Based on these findings, the following hypothesis was developed:

- H5a: Leadership improves performance by increasing employee satisfaction.
- H5b: Organizational culture improves performance by increasing employee work satisfaction.
- H5c: Work motivation improves performance by increasing employee satisfaction.



Figure 1 Hypothetical Development of Organization

We appear to live in a rapidly changing world. Organizations are constantly being restructured in response to an increasingly demanding and dynamic environment. Indeed, new organizational kinds have arisen, broadening the spectrum from conventional and bureaucratic types to hybrid or postmodern and network organizations (Clegg, Courpasson, & Phillips, 2006; Courpasson & Dany, 2003). Many promise far-reaching reforms, such as lean organizational structures and procedures, cross-departmental collaboration and knowledge-sharing, teamlike relationships between managers and employees, and the empowerment of subordinates, dubbed 'knowledge workers' or 'intrapreneurs' (Ahuja & Carley, 1999). Against this backdrop, it appears that hierarchy is declining in many businesses.

In contrast, it is widely accepted that (almost all) human societies and other complex social systems, such as organizations, are structured as group-based social hierarchies (e.g. Laumann, Siegel, & Hodge, 1971; Mousnier, 1973; Scott, 1990; Sidanius & Pratto, 1999; Sidanius, Pratto, van Laar, & Levin, 2004; Thompson 1961; Zaleznik, 1989). Most social systems are based on stable hierarchical relationships between superiors and subordinates, master and servant, manager and employee, and so on. Even modern or postmodern corporations are claimed to be quite hierarchical, with more complete top-down power and control mechanisms than ever before (Akella, 2003; Brown, Kornberger, Clegg, & Carter, 2010; Clegg et al., 2006; Courpasson, 2000; Courpasson & Clegg, 2006; Parker, 2009). On the one hand, there are strong arguments that hierarchy is declining; on the other, techniques make a persuasive case for its survival. Both perspectives appear to contradict each other and create a dilemma at first glance. It may be solved, or at least addressed, if one distinguishes between formal and informal hierarchy, i.e. between official structures and rules allocating formal roles and positions at different levels and unofficial stratification among members of a social system due to conscious or unconscious social processes. There has been some research into the emergence of informal hierarchy in hybrid and network organizations (Ekbia & Kling, 2005; Nelson, 2001; Oberg & Walgenbach, 2008; Schwarz, 2006), as well as some descriptive analysis of formal and informal (network) organizations (Ekbia & Kling, 2005; Nelson, 2001; Oberg & Walgenbach, 2008; Schwarz, 2006). Allen, James, and Gamlen (2007); Guimerà, Danon, Daz-Guilera, Giralt, and Arenas (2006); Rank (2008). However, we know very little about how formal and informal hierarchies relate to and interact with one another.

As a result, this article investigates various dynamic links between formal and informal hierarchy in various types of organizations. The concepts of formal and informal hierarchy will be applied to five different types of organizations in order to investigate organizational hierarchy: (1) bureaucratic or orthodox organizations, (2) professional organizations, (3) representative democratic organizations, (4) hybrid or postmodern organizations, and (5) network organizations.

3. Discussion

There is some evidence to suggest a connection between some aspects of company culture and work happiness. Along with the personal and work-related factors that were covered in the preceding section, these dimensions indicate organizational factors that have an influence on job satisfaction. The concern for quantity and quality of work completed, promotion of innovation, and customer and commercial focus are all part of an organization's performance dimension. Numerous research (Agho et al., 1993; Becherer et al., 1982; Bhargava & Kelkar, 2000) have demonstrated that an unreasonable workload has a negative impact on job satisfaction. A culture of innovation and creativity, as well as concern for the quality of work output and the safety and security of employees and clients (Coster, 1992; Johnson & McIntye, 1998; Odom, Boxx & Dunn, 1990), all contribute to increased job satisfaction (Cohen-Rosenthal & Cairnes, 1991; Moynihan & Pandey, 2007; Putti & Kheun, 1986). The last one has also been connected to employee loyalty to the company. The organization's policies addressing the value and treatment of workers represent the human resources factor.

A helpful attitude in a culture that is people-focused, encouraging, and trustworthy demonstrates concern for employees.

4. Conclusion

Employees' affective commitment is defined as their emotional attachment to, identification with, and involvement in the organization. In other words, it relates to a person's emotional tie to the organization.

This attachment could be owing to one's function in relation to the organization's goals and principles, or it could be for the sake of the organization itself. The term "continuance commitment" refers to a commitment based on the costs that employees bear leaving the company. As a result, the fewer feasible choices employees have in this form of commitment, the deeper their continued devotion to their existing business. Employees' sentiments of obligation to stay with the company are referred to as normative commitment. This form of commitment will be influenced by an individual's experiences both before and after cultural socialization. People unsatisfied with the limitations of modern orthodox organizations have explored more basic and far-reaching alternatives from their inception in the early 19th century. The democratic institution is one concept that has been extensively developed and implemented in a variety of shapes and forms. Such organizations value the concepts of empowerment and workplace democracy. They support concepts like true worker engagement, autonomous work groups, profit-sharing, co-partnership, and shared ownership

Compliance with ethical standards

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Disclosure of conflict of interest

No conflict of interest.

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