

IMPACT OF CROSS CULTURE ON EMPLOYEE SATISFACTION OF EMPLOYEES OF NON GOVERNMENTAL ORGANISATIONS IN SRI LANKA

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Abstract - Non-government organizations are the most impacted organizations by the cultural determinants. This research study was set out to explore the impact of Organizational Culture on the Employee Job Satisfaction with special reference to Non-Governmental Organizations operating in Sri Lanka. The objective of the research was to explore whether there is an impact on Employee Job Satisfaction from the Culture of Non-Governmental Organizations. The research was conducted through a field survey by a structured Self developed questionnaire comprising the parameters coming under the Harrison and Stokes (1992) organizational culture model & Developed Maslow's Hierarchy of Needs Theory. The survey was carried out covering a sample of hundred and fifty staff members employed under the four (04) job positions which includes Senior Executives, Junior Executives, Staff Assistants & Trainees to collect the primary data. Researcher used the random sampling method. A conceptual framework is drawn based on the literature in the subject area. Six hypotheses were developed and tested based on the results obtained by the correlation & regression analyses. Responses were analyzed using Microsoft Excel Package software in order to identify the correlation coefficients, regression models and SPSS version 20. The research conducted by using mixed method both quantitative and qualitative. The results highlighted that there is a positive impact by Organizational Culture on Employee Job Satisfaction of Non-Governmental Organizations. Methods that have to be implemented and adopted in addition to the existing practices to improve Employee Job Satisfaction were recommended in order to overcome the shortcomings and improve current practices based on the research findings and the ideas generated through the findings.

Keywords- Job Satisfaction, Organizational Culture, Culture Gap, Culture Typologies

I. INTRODUCTION

Along with the volatile and uncertain world with high competitiveness for any organization in the world and mainly for those in developing countries like Sri Lanka with limited skilled resources, ensuring a loyal, satisfied, committed and able work force is crucial. Therefore Job Satisfaction plays a vital role. Satisfied employees are an asset to any organization since they can work one step harder than others in achieving and attaining goals of the organization. Further their participation and engagement in work could be corporate advantage of the organizations' PR actioners pointed that less than one third (1/3) of total workforce is really engage in work, (Perrine, 2007) Word of mouth of satisfied employees will enhance the company image as top employer brand. Satisfied loyal employees will enhance the company goodwill and image as a top employer brand by promoting company through word of mouth specially. Thus the topic of study on Job Satisfied do have wide interest to both people who work in organizations and people who study about them. Researchers in the field of human relations argue that individuals job satisfaction sentiments are the best achieved through maintaining balanced and positive social and organizational environment (Michael s Cole and Larry E Cole), further argue that such as by providing autonomy, participation, and mutual trust (Likert, 1961) Cole et al (2005) suggest that workplace attitudes (e.g.,

job satisfaction) might be positively connected with performance outcomes.

Therefore dissatisfaction might reduce their performance and finally may enter in to avoidances and leading to organizational ineffectiveness. Moreover one may argue that individual performance levels could be maintained by supervisory control however employees would not engage in collective directed towards the organizations goals is necessary for achievement of organizational objectives, with unhappy employees failing to participate (effectively) in such efforts.

In terms of healthy organizational culture leads organizations to reduce turnover rate, decreased absenteeism and reputation as an employer of choice.

Furthermore organization could attracting the best candidates to reduce operational costs and achieves high performance levels. (Sarah, 2010)Therefore it would be important thing to identify the factors would affect to the Job Satisfaction. Another aspect is Job design which 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 and culture, employee involvement, empowerment and autonomous workgroups. (Kabir, 2009) According to above definitions researcher draw framework of factors affecting to the employee satisfaction as below.

Personality of the organization is means by the organizational culture. Being a member of an organization then it sense the particular culture of an organization. It is difficult to express distinctly the term Culture where everyone knows it when only they sense it. Understanding of what factor/s that motivates your employees is a major key to any front line or executive people in any organization that leads to achieve the human resource advantage and it leads to reach the success in the challenging and dynamic business world.

Healthy and strong Organizational Culture provides employees an understanding of the way the things are gone around here and there. It provides stability to an organization. However, the major barrier to change for the success. Therefore Organizational Culture can have significant influence on the attitudes and behavior of organizational members, in other words it can be greatly

effect to the motivation of the people. Through this study the researcher would be expect to identify and observe the relationship between the Organizational Culture and Job Satisfaction of employees in Non-Government Organizations.

II. PROBLEM STATEMENT

According to the definitions, culture vary from industry to industry and organization to organization etc. Where culture makes through the organizations strategy as well. The type or nature of the culture represents that particular organization is important for both of its employees and for clients. It provides common direction for all stake holders about the behaviour of the organization. Along with the definitions it emphasizes that each and every employee of the organization should learn the cultural aspects of the particular organization and if it is not they will be in a cultural unfit. Highly rewarded NGO employees expect from their professional. In certain extent they have being received all the expectations with their profession. However, still there is a higher level of resignation rate in NGOs in fact of job dissatisfaction. Since all the economic conditions and all needs according to “Maslow’s Needs Hierarchy”, had being fulfilled socio factors and cultural influence left behind to discuss according to the empirical findings. Hence, this research, the researcher hopes to examine the impact of culture on job satisfaction.

Research Questions

Based on the problem statement develop as above, the following research questions are derived

- a) What is the dominant culture type at NGOs in Sri Lankan context?
- b) What are the type of organizational culture in the NGOs and there is difference between preferred organizational culture type and existing organizational culture type?
- c) Whether the Culture effect on Job Satisfaction?

III. RESEARCH OBJECTIVE

To identify the whether there is a significance impact between organizational culture and level of individual employee Job Satisfaction at Non-Governmental

Organizations. For the purpose of addressing the core objective of the study, the secondary objectives developed include, a) To identify dominant culture type at NGOs in Sri Lanka context. b) Identifying the type of organizational culture in the NGOs and there is difference between preferred organizational culture type and existing organizational culture type within NGOs .c) To identify the most important factors on Job Satisfaction in NGOs.

IV. CONCEPTUAL FRAMEWORK

In this study the dependent variable is job satisfaction whilst five independent variables are Power Culture, Support Culture, Role Culture and Achievement Culture as shown in Figure 1. The following conceptual framework is consistent with the study objectives and review of literature.

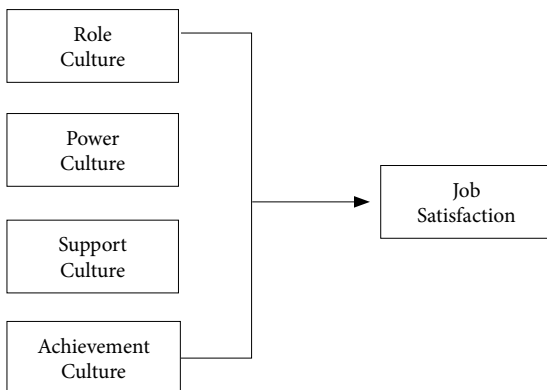


Figure 1: The Relationship between Dimensions of Culture and Its Impact on Employee Satisfaction
Source: Author

Understanding and identifying based on the literature review , the nature of the connection between organizational culture, job satisfaction and service quality would enable academics and administrators to reflect critically on the quality of teaching and quality improvement decisions and actions, by ensuring through the evaluation and successful implementation of service quality processes. (Trivellas & Dargenidou, 2009) In terms of impact of person organization fit (P-O fit) on Job Satisfaction and organizational commitment findings indicate organizational culture plays an important role in the level of two variables. (Silverstone, 2004)An innovative culture was next highest and a supportive

culture had the highest level of employee job satisfaction and organizational Commitment.

V. FORMULATION OF EMPIRICAL MODEL

A formulae was derived as follows:

$$Y_i = f(x_1, x_2, x_3, x_4, x_5) \text{ err}$$

Where, Y_i = Vectors of Employee Satisfaction | x_1 = Vectors of Power Culture | x_2 = Vectors of Support Culture | x_3 = Vectors of Role Culture | x_4 = Vectors of Achievement Culture | err = Error term

VI. SAMPLE PROFILE

The study has both quantitative and qualitative components. Hence for the qualitative part, 10 numbers of employees were selected based on snow ball sampling methods while for the quantitative components, 40 numbers of employees were selected using simple random sampling method

VII. DATA COLLECTION METHOD

For the qualitative analysis, interview method is used while for the quantitative method, semi structured questionnaire method is used.

VIII. DATA ANALYTICAL METHODS

All primary data collected was analyzed through the ordinal regression logit model to test the empirical model of the research for the quantitative analysis. For the qualitative analysis, case study approach and thematic approach was used.

IX. ANALYSIS

Quantitative Analysis

Sample Adequacy: Sample adequacy results of KMO and Bartlett's test fall under the range of above 70 percent generally considered as the ideal sample. The sample adequacy of the study derived using SPSS revealed the

sample adequacy of 79.5, which can be considered as a sample with ideal sample adequacy.

Table 1: Reliability Statistics

Cronbach's Alpha	N of Items
.840	5

Reliability: Cronbach alpha is generally used to measure inner consistency and shows the correspondence with each other. Cronbach's alpha for the most part increments when the relationships between the factors increases, and it is generally considered adequate when the alpha is more than seventy percentages, and the reliability of the study is 0.84.

Model fit: Model fit test precise the inconsistency between observed values and the values expected under the model in question, R-squared ranges from zero to one, with one indicating perfect prediction. Improvement in the regression model results in proportional increases in R-squared. Model Fit was measure using Pseudo R Square, where analysis derived as Cox and snell as 0.761, Nagelkerke as 0.723 and finally McFadden as 0.645 as per the Table 2 & 3

Table 2. Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	39.460			
Final	.000	39.460	4	.000

Link function: Logit.

Table 3. Pseudo R-Square

Cox and Snell	.761
Nagelkerke	.723
McFadden	.645

Link function: Logit.

Source: Survey Data (2018)

Goodness of Fitness: Analysis of variance method is used to identify whether the means are distinctive, where significance value below 0.05 shows statistically significant difference. Data analyzed using SPSS software, where Model fitting and goodness of fitness showed the significance of 0.000.

Coefficient Analysis: Coefficient analysis is done as show in Table 04. Parameter Estimates, to distinguish the significance of the relationship between dependent variable and the independent variable. It shows by increasing one odd of employee Power Culture, Employee satisfaction increased by 4.363 odds positively.

Accordingly, by increasing one odd of Support Culture, Role Culture and Achievement Culture show that Employee Satisfaction through by 3.705 odd, 0.995 odd and 0.844 odd positively.

Finally it can be articulated that both power culture and support culture are positively and significantly influential on employee satisfaction as shown in the Table 4

Further, according to data analysis researcher found that the dominant culture type for overall measurement is A-Power Culture and next dominant type is B-Role Culture & D-Support Culture. However the C-Achievement Culture Type is scores lower range than other three types.

As a summery 58 of responders identified power culture as Dominant organizational culture which is more than 91 percent, and the mean scores for power culture, Role culture, achievement Culture and Supportive culture are consecutively A=3.05, B=2.69, C=1.93 and D=2.32

According to the percentage analysis of questionnaire-section C (Job Satisfaction Measurement questions) and from the figure 4.14 shows that overall job satisfaction is under disagreeable level from 41 percent from the responses received. And also shows that strongly agreed level from very few amount as average of 3 percent.

Average Job Satisfaction indicates that employees are not fully satisfied in other word if someone ask them “are

Table 4. Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95 percent Confidence Interval	
						Lower Bound	Upper Bound
[Employee.Satisfaction = 8.00]	29.671	30.186	.966	1	.326	-29.493	88.835
[Employee.Satisfaction = 10.00]	36.027	31.793	1.284	1	.257	-26.285	98.340
[Employee.Satisfaction = 12.00]	46.359	35.613	1.694	1	.193	-23.442	116.159
[Employee.Satisfaction = 13.00]	51.519	35.281	2.132	1	.144	-17.630	120.668
[Employee.Satisfaction = 14.00]	56.735	35.274	2.587	1	.108	-12.400	125.870
[Employee.Satisfaction = 15.00]	61.706	36.453	2.866	1	.090	-9.740	133.152
[Employee.Satisfaction = 16.00]	66.383	38.430	2.984	1	.084	-8.938	141.704
Power. Culture	4.363	12.741	.117	1	.032	-20.609	29.335
Support. Culture	3.705	3.766	.968	1	.025	-3.677	11.087
Role. Culture	.995	5.884	.029	1	.166	-10.537	12.526
Achievment.Culture	.844	6.806	.015	1	.201	-12.496	14.183

Link function: Logit.
Source: Survey Data (2018)

you satisfied with your job?” reply probably be “I’m not satisfied”.

Therefore researcher build the model to indicate the relationship between job satisfaction and cultural gap where cultural gap will be the independent variable as it is the measurement of Organizational Culture.

$$\text{Job satisfaction} = C \pm \text{percent of cultural gap}$$

The regression equation is, according model summary which was taken by using SPSS V 20 statistical viewer to the dissertation hypothesis testing, the regression equation is as follows,

$$\text{Job satisfaction} = 0.934 - 0.615\text{Organisational Culture/ Culture Gap}$$

Prior Notes to the Analysis the relationship between Organizational Culture-Culture Gap with the Job Satisfaction.

Qualitative Analysis

As per the research study content Organization Culture and Job Satisfaction is interconnected. According to the literature says “A positive organizational culture strengthens the fundamental beliefs and the behavior that a leader appreciate, weakening values and actions that the leader does not consider right for the company. On the contrary, negative culture becomes toxic, poisons the life of the organization and hampers the growth potential” (Kaufman, 2002) .The vital questions are “What will be the preferred level of authority that would be in the organization in you? What kind of changes you expect for future of NGO sector in Sri Lanka in terms of careers development?” “Which areas you would prefer to retain employees with the high level of job satisfaction irrespective of the culture?” According to the participatory observation and discussions with the employees and most of the junior management, the situations were seen differently and logically same of which cannot be assessed in a quantitative way. Hence researcher investigate

the impact of organizational culture and Cultural Gap Existing on Job Satisfaction through qualitative analysis as well by random sampling basis.

According to the qualitative questions given to the survey researcher enclosed here some statements which interviewees given.

'I would say that from the level of hierarchy the authority should be delegated promptly. Authority goes to high levels above managers only, therefore the decision making delayed. When it comes to field level authority given to take decision without taking the prior approvals from country delegation. But when it comes to solve the matter again the given authority level had being questioned. Therefore there must be clear cut on Job Description and the authority should be assigned properly in written.'

Basically theoretical underpinning of the research was Harrison's and Stoke model of organizational culture. Accordingly, NGOs has the multinational and multi-dimensional work activities based on project base and also powered by diversified workforce. As per Hofstede's Cultural Dimensions theory (1965) on nations, different factors aligned with NGO sector with cross cultural differences. Therefore the term delegation of authority may identified in different scenarios by multinational staff. The term, delegation refers the process used by manager to shift some of responsibilities for the task implementation to another team member so thereby team members improving their thinking that they are involving with the project and also feel ownership. Thereby decision complied with the statements are fully complaint with the major ideology of Human Resource Management.

"No career development path. Irrespective to the organizational culture impact and less focus on individual development in terms of training and development. Since the organization is more towards to international and local mixed culture it is complicated to develop training plans."

According to the Hofstede's Cultural dimensions NGOs, especially INGOs has to work with different nationalities. From one end this diversified work force is an asset to the organization while for certain extent it creates difficulties and boundaries due to cultural mismatches. As per observations on financial background of NGOs

with the limited funds available and growth of projects and growth of NGOs sector suffered with competition to capture projects and donors. Along with the charismatic leadership with power influencing on others individual development plans can be implement in these organizations as well. As per empirical evidence on Asian Development Bank which is an INGO is backing by the leadership to influence growing individual profiles through in-house and career development trainings. So in Sri Lankan context NGOs can be implement individual qualification base platform for employees' willingness to enhance their careers.

"No career development plan was prior decided for NGOs sector in Sri Lanka. And the hierarchy not clear. So expect there must be well designed career path as in other organizations. Not found any career development just found the career changes for higher responsibilities and higher salaries. With the project management aspects can not specify exact career path. But with the seniority and experience and qualifications which could individuals should gained for their selves there are certain career development aspects."

Learning and Development is vital for any organization whether it is non-governmental or Governmental or private. Therefore, management should put greater effort to satisfying needs of this particular groups who seek for personal career development within the organization since they represent the organizations future for sustainable competitive advantage. Concurrently, with the competition organizations must consider to retain employees. Due to certain reasons like lack of donor funds and fundraising incapability on higher management decisions NGOs are not capable to provide such kind learning culture. However comparatively high rate of group trainings are being considered to develop the job skills since those trainings are not enough to satisfy individual needs. Since the NGOs offering certain career development aspects based on experiencing, delegation and management should have the aim of particularly challenging, where structured career paths and job stability can be developed though it is more difficult to provide expected dynamic environment, as long as they changed the traditional practices to creative ways to address the attraction and bond of employees to organizations.

Practically, the responses of employees mean that their working environment is so rigid and characterized

with formal rules and policies, while they would rather work with loyalty and mutual trust. In addition although the dominant culture type identified as power culture, preferred strategies goes to role culture which would focus on human development, high trust and participation. Further, quite a big number of employees prefer to work in a frame of new creation and opportunity provision. Therefore, the conclusion of the study is that there is a significant difference between the preferred organizational cultures with the existing culture. The majority of employees prefer to work in role culture which gives friendlier environment with more trust and informal relationships to accomplish the work targets and team reward culture. The present study showed that organizational culture can partially predict the levels of employees' job satisfaction. Moreover, as the recommendation first of all NGOs may indicate to managers which are the essential features of an organizational culture that positively influence job satisfaction, and in particular to introduce in carrier ladders and forms of participation. The theoretical perspective as Harrison and Stokes model of Organizational Culture with four dimensions of Power, Role, Achievement and Support Culture NGOs are preferred to be in the middle of Role and Achievement Culture.

X. CONCLUSION

Organizations believes in cultural types that are believes to be successful in achieving success, they manipulate successful organization and build their own which can give solution to their problems. Researchers have developed model culture that can classify organization culture. Thus we can conclude that NGOs has an Organization culture that dominated by one dominant culture type and other cultural type has blend within it. There for researcher identified that the dominant culture type at NGOs as Power Culture and other Culture types as Role Culture and Support Culture. However in the sense researcher identified achievement culture is lack behind from the existing culture mix.

The mean value for existing power culture which 3.05 which clearly higher than other culture profile indicates that the power culture dominate in NGOs. This further certified by having responders identifying power culture as dominant culture profile. All Role Culture, Achievement culture and Support Culture very much equally by responders score 2.69, 1.93 and 2.32 consecutively.

However the dominant existing culture (power culture) seems to have rejected in preferred list having scored 1.72 which is lowest by considerable distance. Average culture gap in NGOs is 1.81 (where maximum gap would be 4-1=3) indicates that there is considerable cultural gap exists in the NGOs. Employee satisfaction in NGOs are also low (0.18) which shows that employees are not satisfied with their job. And there is a difference between preferred organization culture and existing organization culture of NGOs. That means the Culture Gap exists. R refers to the correlation coefficient between independent variable and dependent variable .here $R=0.518$ (-.495) if independent variable change by 1, dependent variable will changed by 0.518 (negatively). R squared shows the proportion of change in dependent variable caused by the independent model, here in this model R squared = .268 means 26.8 percent variability of dependent variable is described by the independent variable. As in this research $F=20.552$ and significance level shows as .000 and $P=0.000 < 0.05$, relationship between two variables is statistically significant.

XI. RECOMMANDATIONS

The research findings highlights that there is a high positive relationship between Organizational Culture and Job Satisfaction in certain factors at NGOs. Hence, there is a need to overcome such situations as soon as possible. So it is recommended that following method are used to enhance Job Satisfaction.

- 1) A high level of positive relationship exists between the Dominant Culture Type of Power Culture and Employee Satisfaction at NGOs. As per the Data Analysis there are some people weren't satisfied with existing Delegation of Authority. So, here it is recommended that there should be proper plan for delegating the authority among the people at there.
- 2) The People Involvement for decision making has a moderate relationship with Employee Motivation. So, here it is recommended that it should be better, if the Management can increase the participation of people when they are making the decisions and make programs to identify and develop the creativity and innovative ideas of the people at there.
- 3) Team Culture has high level of positive relationship with Employee Job Satisfaction at there. Majority of respondents (at around 85 percent) are satisfying with the Team Culture at NGOs. So, researcher

recommended that management should have to maintain the current context regarding the Team Culture and introduce new techniques for team building to improve the Employee Satisfaction at there. 4) The Respect for Individual Differences has a moderate relationship with Job Satisfaction at there. So, here it is recommended that to improve the degree of respecting Individual Differences by the management and if it is better to change the mind set of management towards the Individual Differences at there.5) The majority of the people at NGOs believe that Ethical Code of Conduct makes their behavior. As well as they believe Physical Conditions are very well there. So, researcher recommended that management should have to maintain it continuously improving way. 6) Research brings somewhat worrying sign for NGOs, first is their selection of power culture. Power culture is usually benefits at small organizations and helps swift decisions, in considering the size of the organization centralized authority may sometimes leads to fault dictions, stressed top management and frustrated frontline employees. Role culture usually is most suitable selection for non-government social service providing institute of this category.

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