Mediation of Work Culture between the Job Satisfaction and Organizational Commitment

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Abstract- Every organization needs committed employees for attaining its objectives. The employees when satisfied will have high levels of commitment. The work culture is one of the factors which influence the job satisfaction levels of the employees. In this study the main purpose is to identify the impact of job satisfaction of employees on their organizational commitment levels and also to identify the mediation role of work culture in the relationship of job satisfaction and organizational commitment. Liner regression is the tool used for analysis and data is collected with structured and reliable questionnaire. The results showed that there was significant positive impact of job satisfaction on organizational commitment. The work culture of the organization had full mediation effect in the relation of job satisfaction and organizational commitment. The significant effect of job satisfaction on organizational commitment was disturbed and turned out to be insignificant at 5% level of significance.

Index Terms- job satisfaction, organizational commitment, work culture

I. INTRODUCTION

Every organization has limited resources and it has to optimally utilize the resources for facing the heavy competition. The important resources for the service organizations like software and IT Companies are the human resources. But now-a-days the employees in the field of IT and software sectors often jump from one organization to the other. Every organization needs committed and satisfied employees since the organization commitment enhances the organization performance (Johannes 2008). The satisfied employees have high commitment levels (Chetna and Rajni 2012). In this study the important factor is to identify the satisfaction levels of the employees, work culture and commitment levels of the employees.

A. Job satisfaction:

Job satisfaction is the employees' perception towards his or her job regarding happiness and satisfaction in the work. It is being driven by many factors in the organization like policies, work environment, conditions, facilities and how management is concern towards the employees. There are two different types of satisfactions in an employee.

1. Affective satisfaction: emotional state of mind of the employee on the entire job.
2. Cognitive satisfaction: satisfaction towards some of the factors like rewards, salary, working hours and others.

It is a very critical task for every organization to develop the metrics for measuring the job satisfaction levels of the employees and these levels vary from one person to other. There are many studies which revealed that the best performers will never get satisfied. Hence to identify the job satisfaction levels of the employees the factors selected in this study are pay structure, career opportunities, job specifications, communication system and interpersonal relations.

B. **Organization commitment**: This commitment is attitudinal in view. Porter et al (1974, p 604) defined organization commitment as "an attachment to the organization, characterized by an intention to remain in it; an identification with the values and goals of the organization; and a willingness to exert extra effort on its behalf". Allen & Meyer (1990) opine that the high committed human resources have very low level of attitude to leave the organization.

O'Reilly 1989 gives the three stages how the employee develops organization commitment.

Compliance stage: An employee develops attitudes in order to receive specific rewards.

Identification stage: Develops to coordinate with others in order to maintain relationships.

Internalization stage: Develop the sense of belongingness as he likes the system of the organization.

In this study the scales used for measuring organization commitment are affective, continuance and normative scales.

C. **Work culture**:

Organization is a place where the group of the people come together to work for a common purpose. Hence the employees have to enjoy the work place and should develop a loyal mind towards the organization. Work culture is a very important concept in bringing out the best from the employees and making them to develop sense of organization commitment.

Work culture is a concept which deals with the thought process, beliefs and attitudes of the human resources. When the employees follow the rules and regulations of the organization and stick to the guidelines of the organization, then the organization is said to have well-built work culture.

Strong organization culture helps to have increase in the rate of productivity and satisfied employees. In this study the organization culture is measured in terms of effective interaction, ideologies and principles of the organization.

II. REVIEW OF LITERATURE

- Suprajo and Darmanto (2015), studied the Mediating Role of Jobs Satisfaction among Organizational

Commitment, Organizational Culture and Citizenship Behavior (OCB): Empirical Study on Private Higher Education in Central Java, Indonesia. 226 samples were collected by the researcher and SEM was applied for analysis. The researched identified that there was significant relationship between organization commitment, organization culture and citizenship behavior. The job satisfaction is the variable that mediated between organization commitment, organization culture and citizenship behavior.

- Awais, Malik and Amina (2015) investigated on A Review: The Job Satisfaction Act as Mediator between Spiritual Intelligence and Organizational Commitment. Organization commitment is the dependent variable, spiritual intelligence is the independent variable and job satisfaction is the mediator. There was a significant relationship between spiritual intelligence and job satisfaction as well job satisfaction and organization commitment. There was no direct relation between spiritual intelligence and organization commitment. Job satisfaction had indirect relation between spiritual intelligence and organization commitment.

- Lelte et al (2014) studied Organizational Commitment and Job Satisfaction: What Are the Potential Relationships? The authors compared two structural models regarding mediation. They concluded that the job satisfaction as the antecedent of commitment and mediated with other variables like work and personal characteristics.

- Martin, Armanu, Surachman and Margono, (2013) conducted a study on The Role of Organizational Commitment as Mediator of Organizational Culture and Employees' Competencies on Employees' Performances (A Study on Irrigation Area Management in Southeast Sulawesi). The authors concentrated on organization commitment, culture and employees performance. SEM was used and the results showed that the variables were not having significant relationship. They concluded that the organization commitment as a mediator strengthened the organization culture on employees' performance.

- Abdhullah (2013) had done thesis on the influence of organizational culture on job satisfaction, organizational commitment and turnover intention: a study on the banking sector in the kingdom of Saudi Arabia. His findings revealed that all culture types were positively associated to job satisfaction and organizational commitment. The variables job satisfaction and organization commitment mediated the relationship between organization culture and turnover intention.

- Aripin et al (2013), studied the Implications of Organizational Culture and Leadership Styles The Effects on Job Satisfaction and Organizational Performance Of Police Sector In Bandung, Cimahi, Garut- West Java. The aim of the research was to find the influence of organization culture, leadership styles and job satisfaction on organization performance. The results showed that there was significant effect of organization culture on job satisfaction and insignificant

effect on organization performance. Leadership style also had significant effect on job satisfaction and insignificant effect on organization performance. Job satisfaction was mediating the relationship of organization culture and performance and also the relationship of leadership styles and organization performance.

- Abdul, Abdull and Farzana (2013) had done an investigation on Leadership and Organizational Commitment in the Islamic Banking Context: The Role of Organizational Culture as a Mediator. They used 250 samples of bank employees. Applied linear, multiple regression and sobel test for analysis of data. The results showed significant effect of leadership and organization culture on the organization commitment. Leadership was found to be enhancing the organization culture. Organization culture mediated the relationship of leadership and organization commitment.

- Jack et al (2012) investigated The Influence of Organizational Culture, Organizational Commitment to Job Satisfaction and Employee Performance (Study at Municipal Waterworks of Jayapura, Papua Indonesia). The objective was to find the influence of organization culture and commitment on employee performance. The results revealed that organization culture does not directly influence the employee performance. When job satisfaction mediated the organization culture influenced the employee performance.

III. RESEARCH METHODOLOGY

The study is based on the primary data collected by the structured and disguised questionnaire. The study is descriptive type of research and convenience sampling is used for collecting the sample unit. The sample unit is the employees of software companies Eurdite software Private LTD, Hudda infotech private Ltd, Harini informatics, Techsoware private Ltd. The sample size is 226. The questionnaire is scaled by using likert scale. The scale values used are 5 for strongly agree, 4 for agree, 3 for neutral, 2 for disagree, 1 for strongly disagree for the positive type of questions and is the vice versa for the negative type of questions. The questionnaire consists of two parts item part and the evaluation part. The demographic variables used in the study are age, experience, designation and qualification. The data collected is being processed by using SPSS.

A. Statement of the problem:

Now –a- days in the software companies we can see more number of employees moving from one organization to the other. Hence forth in this the researcher wants to study the commitment level of the employees and the factors how the job satisfaction and the organization culture impacts the commitment levels of the employees. From the above the statement of the problem is clear.

B. Objectives of the study: The objectives of the study are as follows:
1. To study the level of job satisfaction of the employees.
2. To study the organization commitment levels of the employees.

3. To identify the impact of job satisfaction of the employees on their organization commitment.
4. To know the mediation effect of work culture in the relationship of job satisfaction and organization commitment.

C. Hypotheses of the study:

H_1: There is significant impact of job satisfaction on organization commitment levels of the employees.

H_2: There is significant impact of work culture on organization commitment levels of the employees.

H_3: Work culture will play the mediating role in the relationship between job satisfaction levels and organization commitment levels of the employees.

	31-40	62.8
	41-50	26.1
	51 and above	0.9
Experience	0-1	1.3
	1-5	45.1
	5-10	41.2
	10-15	11.1
	15 and above	1.3
Designation	Software engineer	51.3
	Senior technical leader	12.8
	Team leader	11.1
	Software developer	24.8

IV. DATA ANALYSIS AND DISCUSSION

The demographic statistic responses from 226 are given in the table I. The age group of 31-40 was found to be maximum respondents in this study. The employees having experience of 1-5 years and software engineers were the maximum respondents of the collected data.

Table I: Demographic statistics (N=226)

Variable	Labels	Percentage
age	21-30	10.3

The data is first tested for its reliability. Cronbach's is used for testing the validity and consistency of the data. The Cronbach's alpha reliability coefficient is **0.833**. This alpha value indicates that the data is highly reliable and consistent. The variables are highly interrelated to one another.

The data is tested for its normality. The Kolmogorov-Smirnov and Shapiro-Wilk's coefficient is being used. The significant P value is 0.000 which is less than 0.05 at 95% confidence level at a significant level of 5%. This indicates that the data is normally distributed. The values are interpreted in the following table II. Table II also gives the descriptive of mean and standard deviation of the three variables under the study.

Table II:			Descriptive and Tests of Normality					
			Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Mean	Std Dev	Statistic	df	Sig.	Statistic	df	Sig.
Work culture	3.933	.9206	.174	226	.000	.886	226	.000
Job satisfaction	3.224	.4832	.189	226	.000	.880	226	.000
Organization commitment	3.344	.1832	.187	226	.000	.912	226	.000
a. Lilliefors Significance Correction								

There is also strong support of Mean and standard deviation on the effect of job satisfaction and the organization commitment.

Before going to study the mediation effect according to Baron and Kenny (1986) we need to study the correlation between independent variable, mediator and dependent variable. The correlation matrix of the three variables is shown in the table III.

Table III: Correlation Matrix

variables	Work culture	Job satisfaction	Organization commitment
Work culture	1	-	-
Job satisfaction	0.777	1	-
Organization commitment	0.594	0.688	1

The variables work culture (r=0.594) and job satisfaction (r=0.688) are strongly associated with organization commitment at the significance level of 0.01.

In order to test the hypotheses H_1 and H_2 linear regression analysis is done. The results are interpreted in the table IV.

Table IV   Regression analysis

S.No	Dependent variable	Independent variable	Beta	t-value	Sig.	F-value	R-square
1	Organization commitment	Job satisfaction	.688	14.19	.000	201.43	.473
2	Organization commitment	Work culture	.594	11.04	.000	122.11	.353

| 3 | Work culture | Job satisfaction | .777 | 18.47 | .000 | 341.22 | .604 |

From the above table IV the Beta value is .688 for job satisfaction and .594 for work culture showing significant impact on the dependent variable. Hence the hypotheses H_1 and H_2 are proved. The job satisfaction (β=0.777) has significant impact on the work culture of the organization. When the work culture was introduced as mediating variable, there was change in the beta value of the independent variable. The results are tabulated in the table V.

Table V: Regression Analysis

Step No.	Dependent variable	Independent variable	Beta	t-value	Sig.	F-value	R-square
1	Organization commitment	Job satisfaction	.688	14.19	.000	201.43	.473
2	Organization commitment	Job satisfaction	.572	7.47	.000	3.828	.482
		Work culture	.150	1.95	.052		

There is 0.009 R square increased with the mediating variable. The beta value of job satisfaction decreased from 0.688 to 0.572. From this we can conclude that the work culture mediates the relationship of job satisfaction and organization commitment. Therefore the H_3 is proved to be true.

The regression equation can be written as:
Organization commitment = K + job satisfaction (coefficient) + work culture (coefficient)
K is the constant of the model whose value is 2.528. The equation is
Organization commitment = 2.528 + job satisfaction (0.572) + work culture (0.150)

There is change in the Beta value with introducing of mediating variable, but the independent variables is significant with P=0.000. As the significance effect of job satisfaction did not change this situation is treated as partial mediation of work culture between job satisfaction and organization commitment.

V. CONCLUSION

The employees of the companies selected for the study were found to be pleased to work with the organization. They were also satisfied with the work environment, conditions and the facilities provided by the companies. But the employees were partially satisfied with the performance appraisal and training facilities of the companies. It is advised to the companies that there is need to motivate the employees by providing performance based increments and also to organize the training programmes which help the employee to work more efficiently. In order to achieve higher targets it is necessary for every company to do a continuous research work on the level of Job Satisfaction, work culture and its impact on organization commitment in the organization.

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