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Organizational Climate and Culture in its Association to Job Satisfaction in the Workforce

Literature Review

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Introduction

This literature review is being executed to gain a better understanding of the significance of organizational climate and organizational culture in its relationship to job satisfaction in the work place. Organizational climate through an objective view is the psychological aspects in the workplace (Parker, Baltes, Young, Huff, Altmann, Lacost, & Roberts, 2003; Pritchard & Karasick, 1973). Organizational climate also has a more subjective perspective where an individual makes sense of his perceptions in the work place (Parker et al., 2003). The structure of such components at the organizational level provides an atmosphere that helps shape the individual experience of an employee's work. Whether a company has a positive organizational climate can influence the level of satisfaction at work. Organizational climate, while also focusing on the same components of an organization, is more normative in the sense that it explores the attempt to match the values an employee has to the processes and systems in the workforce that influence his or her behaviors and thoughts (Rousseau, 1990; Sackmann, 1991; Schein, 1990 as cited in Parker et al., 2003). It is the organizational culture that looks at the psychological components that lead to a successful person-job fit in the organization.

Job satisfaction is the extent one feels positively about his or her job (Judge & Kammeyer-Mueller, 2012, as cited in Lee, Park, & Koo, 2015). With the absence of a negative environment a work, one feels more comfortable in their ability to perform task both productively and favorably (Desrumaux, Lapointe, Ntsame Simac, Boudrias, Savoie, & Brunet, 2015; Siegle, McCoach, & Shea, 2014). Since one spends a significant part of life in the work force, it is important one is satisfied. The more positivity one feels in their work can contribute to his or her overall well-being, which has a substantial impact on psychological and physical

health (Desrumaux et al., 2015). This literature review will explore the different types of organizational climate and culture and its correlations to job satisfaction and its outcomes.

Factors that Promote Organizational Climate and Culture

Organizational culture and climate can be positively influenced by use implementation of creativity and innovation, as well as sharing information in the workplace (Anderson & West, 1998; Madrid, Totterdell, Niven, & Barros, 2016; Lukić, Džamić, Knežević, Alčaković, & Bošković, 2014; Yu, Yu-Fang, & Yu-Cheh, 2013). Organizational culture and climate are aligned with the values of an organization, which influence various aspects in the workforce. The lack of an organizational culture and climate can have an impact on the social climate of organizations because there is a lack of defined purposes to guide one's actions at work. Through the stressed importance of organizational culture and climate, companies can guide their purposes and hire employees that fit and support values and purposes in the workforce (Delery & Doty, 1996; Tsui et al., 1997 as cited in Collins & Smith, 2006).

Creativity and Innovation. Lukić and colleagues (2014) found creativity and innovation was not associated with job satisfaction. The lack of connection of creativity and innovation to organizational culture may perhaps be elucidated to the lack of appearance of organization culture in the Republic of Serbia (Lukić et al., 2014).

Anderson and West (1998) surveyed hospital management teams for their level of innovation using the Team Climate Inventory (TCI). The TCI is composed of four factors of innovation—vision, participative safety, task orientation, and support for innovation—that promote a positive organizational climate in the workforce (Anderson & West, 1998). Although all scales were interrelated to each other, support for innovation, which is encouragement for the

creation of new thoughts and actions, correlated the most in terms of overall innovation.

Participative safety, the process of making decisions in a nonexistence of a hostile setting, was shown to correlate to the highest measures of innovations as well the number of self-reports by teams. Task orientation, which holds those involved with the task to be accountable for their actions, was associated with high effectiveness of those in administrative roles (Anderson & West, 1998). An organizational climate that provides an environment to openly express ideas in a positive setting while holding people for accountability are reported to have high levels in innovation. Through such a climate, creativeness can be expressed, and teamwork is essential for the occurrence of innovation

Team leaders are an important factor for fostering an innovative culture in that they are the ones who promote and oversee interactions between employees (Madrid et al. 2016). When surveying public organization teams in Chile about their positive or negative experiences in interactions at work with the amount of information shared with their teams, it was found that information sharing was positively associated with innovation. In order to stimulate an organizational climate of innovation, a leader should try to make their employees feel positively (Madrid et al. 2016).

Information Sharing. An organizational culture that promotes information sharing can be related to an increase in the amount of information a company produces. Through the use of openly sharing ideas in a business, a positive organizational climate can be obtained (Madrid et al. 2016; Yu, et al., 2013). In a study surveying teams from health organizations in Chile, it was reported that perceived positive moods by a leader correlated positively with the amount of information shared between teams (Madrid et al. 2016). Moreover, a positive organizational

climate can be made possible through an influential leader. Through an effective organization climate in terms of an encouraging leadership, there is a sense of greater positive perception of a leader that actually allows the occurrence of information sharing.

While the exchange of knowledge in an organizational climate only accounted mildly for the amount of performance in the workplace, they were still related (Collins & Smith, 2006). This can perhaps show that there is some type of underlying motivation in an organizational climate that can influence one's productivity in the workplace. Through the use of exchanging ideas, one can become develop his or her ideas more thoroughly, which can increase motivation to perform well. Thus, an climate of information sharing that is carefully fostered by a leader can possibly lead to positive feelings in the workplace and increased motivation that may produce higher outcomes in the workforce.

Factors that Promote Job Satisfaction

Creativity and innovation, self-efficacy, and optimism are related to job satisfaction in the work place (Ahmed, 2015; Desrumaux et al., 2015; Lukić et al., 2014; Yıldırım, 2015). Job satisfaction can influence how one sees their job, and whether or not one chooses to stay at their organization. Through the importance of acknowledging job satisfaction in the workplace, one can improve their mental and overall well-being, which is apparent in the contribution to the literature (Desrumaux et al., 2015). Since an individual spends so much time in the professional world, it is important to give attention to the overall satisfaction in the workplace.

Creativity and Innovation. Creativity is the establishment of new thoughts and designs, which produce innovation (Williams, 2010 as cited in (Lukić et al., 2014). Innovation occurs through the encouragement of creative ideas in the work force. Innovation and creativity are both

related in that there can be no innovation without the application of creative ideas (Lukić et al., 2014). After sampling 90 employees from numerous businesses in the Republic of Serbia, Lukić and colleagues (2014) found there was a positive association between creativity and innovation with job satisfaction. Moreover, the level of job satisfaction had a relation to the type of job an employee performs (Lukić et al., 2014). When an employee has the ability to express his or her ideas freely without negative judgment, job satisfaction is more apparent. This relates to retention and low turnover in the workforce (Lukić et al., 2014). However, not all job positions have the same ability to voice their opinions to foster innovative ideas; therefore, those in positions who are able to express open ideas are more likely to be satisfied in their career.

Self-Efficacy. An individual's self-efficacy can influence their level of satisfaction in the workforce (Yıldırım, 2015). Self-efficacy is known as one's belief about whether he or she is competent to perform a certain task (Bandura, 2001 as cited in Ng & Lucianetti, 2015). This concept explains that the higher the level self-efficacy, the more likely an individual will be confident in their actions.

After measuring the level of self-efficacy and job satisfaction of physical education teachers in various areas in Turkey, it was seen that the two variables positively correlated to each other (Yıldırım, 2015). Self-efficacy helps teachers shape their attitudes to perform well. To produce students with good educations, teachers must feel highly satisfied in their jobs. With a higher level of self-efficacy, teachers are more willing to come to work and be more enthusiastic to teach, which can result in higher success of students (Yıldırım, 2015).

Moreover, the more anxious and fearful employees are about a certain task, the less they will perform in an innovative manner (Ng & Lucianetti, 2015). In order to produce work that will

help an organization create new products and ideas, one must feel as though they are experienced. If one does not feel in such a way, despite their actual knowledge, they will not perform in a creative way. Additionally, persuasion and change self-efficacy was correlated innovative behavior (Ng & Lucianetti, 2015). This suggests that the more self-efficacy one possesses, the more likely one will feel able to influence others and to be flexible. This is significant because all three of the components of innovative behavior are found in the work place and are used as skills to perform tasks. Therefore, it may be necessary to help increase the self-efficacy of employees to show their competence in their tasks at work. By doing so, one can perhaps improve the level of job satisfaction in the work place.

Optimism. Optimism is a cognitive function that is associated with well-being and distress, which is correlated to job satisfaction (Ahmed, 2015; Desrumaux et al., 2015). Known to elicit feelings as hope and enthusiasm, it is an important component of mental health (World Health Organization as cited by Desrumaux and colleagues (2015)). Optimism has meaning in the work place because it can help an individual positively perceive his or her work environment when thinking of tasks, coworkers, or dilemmas. When tested for its relation to well-being and distress, optimism was positively correlated (Desrumaux et al., 2015). By fostering optimism in the work force, one can perhaps increase their mental health and view their lives at work more favorably. This is important to the workplace because it could help individuals cope with stress, which can affect their work (Ahmed, 2015). Overall, the fostering of optimism could help increase perceptions of happiness, which in turn could increase levels of job satisfaction (Desrumaux et al., 2015).

Associations of Organization Culture and Climate with Job Satisfaction

It is suggested that businesses in the future create an organizational culture of creativity, teamwork, and learning that will foster innovation, and thus increasing job satisfaction (Alčaković, 2014). Madrid and colleagues' (2016) study shows an organizational culture of innovation and the organizational climate of an encouraging leader correlated to a higher sense of job satisfaction in the work force. It is through a positive organizational climate in which high job satisfaction can be obtained. When people feel as though others care about both their work and themselves, which can be aligned with the values of a company, there is a greater sense of happiness and content in the workforce. Therefore, it is important to acknowledge the relation between organizational culture and climate with job satisfaction in the workforce. Since the two factors are so important in defining company missions and retaining employees in the workforce, it is relevant to explore the literature.

Supportiveness. When people express concern for their colleagues in the workforce, there is a higher rate of job satisfaction (Pritchard & Karasick, 1973). When recruiting employees for a business, one's relational skills are important for the climate and culture of the company. If a company values supportiveness in its organizational culture, it is important to find employees that show concern for others. By doing so, it will increase the perceived amount of support in the workforce, thus increasing the level of satisfaction and innovation (Anderson & West, 1998; Pritchard & Karasick, 1973).

Perceived support by employees and superiors in the workplace can create a positive organizational climate that relates strongly to job satisfaction (Pritchard & Karasick, 1973; Siegle et al., 2014). When exploring job satisfaction between teachers of gifted students, it was found that one's perceptions in the workforce was highly related to satisfaction in the workforce.

Moreover, an environment in which teachers were highly supportive of each other was the strongest in predicting job satisfaction. Perhaps, when employees feel as though they are supported, there is a more positive outlook in one's work. When a company's employees worked in a climate where support for innovation was important, there was a high level of innovation (Anderson & West, 1998). Without the worry that colleagues will oppose one's styles of completing a task, the teacher can focus on enriching her children with knowledge in a unique way. If a task can be performed the way it is intended, an individual does not need to worry about the ridicule of others, and can be more satisfied.

Organizational Identification. Organizational identification is known as how employees think of themselves in relation to the values that are apparent in their organization at work (Dutton, Dukerich, & Harquail, 1994; Pratt, 1998 as cited in Lee et al., 2015). One's identity in the workplace is reflective of their attitudes and behaviors. If an individual identifies strongly with his or her organization, it is likely the individual will perform more organizational citizen behaviors, which are kind actions in the work place that are not required to be performed (Lee et al., 2015). These actions are usually performed when there is a satisfaction in the workplace; if an individual is not happy, they would probably not surpass their expectations at work to make others feel good. Therefore, in order to be satisfied at work, it is important one identifies with his or her organization. This could perhaps be explained by a rise in meaningfulness of the work if it is strongly identified to one's values. It would be beneficial for organizations to create a climate where employees feel as though they can strongly identify with their organization. By doing so, it will have higher levels of satisfaction in the workforce, but it will also increase the involvement and commitment to an organization (Lee et al., 2015). Through the fostering of an

organizational climate valuing such factors, an organization would have passionate, satisfied, and long term employees who value the company in align to their own beliefs.

Collaborative Conflict Management. A collaborative conflict management culture was positively significant among job satisfaction (Choi, 2013). When resolving conflicts in the work place, it was found that a culture of collaboration and open communication was most positive when assessing the level of contentment in the workforce. This type of culture is associated with high performance as well as working well in groups in the professional world. With this sense of satisfaction, it was seen that collaborative conflict management cultures had low instances of turnover (Brown & Peterson, 1993; Wright & Bonett, 2007 as cited in Choi, 2013). Perhaps when an organizational culture values discussion, more people feel comfortable in expressing their concerns about a conflict occurring. This can prevent employees from interpersonal conflicts with each other as well as burning out in the workplace (Choi, 2013). If an employee had an open communication with his or her superior about the stress experienced in the workplace, perhaps his or her manager would be willing to resolve the conflict, thus increasing job satisfaction.

Statement of the Problem

The focus of this review of literature was to explore the association between organizational climate and culture with job satisfaction. Organizational climate is the psychological atmosphere of a company (Pritchard & Karasick, 1973). Organizational culture plays a big role in determining whether an employee feels happy at work. Satisfaction in the work place is also important because it can affect whether one reaches their full potential in their tasks (Lukić et al., 2014). Organizational culture is the positive innovative environment of the

company in which there is a sense of creativity and support for shared ideas (Lukić, et al. 2014). Job satisfaction is defined as the overall happiness one feels regarding their job (Batlis, 1980). Thus, it is so important to create a company culture in which employees feel their goals and values align with the company. If there is discrepancy between their goals and what they perceive the company's goals to be, dissatisfaction will occur. This dissatisfaction can affect the morale of others, the level of productivity, and the well-being of an individual.

The organizational climate of an organization plays a big role in determining whether one is satisfied in their job. The most important aspects of company climate are those that fostered a great deal of innovation, creativity (Lukić, et al. 2014), information sharing (Madrid et al. 2016), supportiveness (Pritchard & Karasick, 1973) and self-efficacy (Ng et al. 2016). When companies recognized organizational climate as an important component of the organization, positive outcomes were associated in relation to job satisfaction. Job satisfaction led to optimism in the work place, overall happiness, motivation, job retention, overall well-being, performance, and working well with others.

Thus far the research has focused on those in the business, science, and academic sectors. Additionally, much of the empirical research has evaluated how managers were implementing a positive organizational climate in the company. Much less literature exists on perceived ideas of organizational culture and satisfaction. Furthermore, most of the research is geared towards those in middle adulthood, neglecting Millennials and today's emerging adults. In the review of literature, many of the readings focus on the organizational level and not so much on the effects of the individual level. While there were outcomes associated with individual thoughts and

perceptions, more literature regarding individual effects from organization practices would be beneficial to academic world. Particularly because a great deal of the research has taken a top-down approach to addressing organizational climate. Thus, it would also be beneficial to examine individual perceptions of job satisfaction in terms of organizational climate. By looking at the individual level and structuring climate around that, I believe there could be higher levels of job satisfaction, which could lead to more positive outcomes in the work environment.

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