

Role of Leadership Behaviour in Organizational Culture and Job Satisfaction

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Abstract

Leadership plays a significant role in shaping and maintaining the culture of an organization. It is in this leadership process that the effect of culture becomes most perceptible. The study investigated the role of leadership behaviour in organisational culture and job satisfaction. Using the descriptive survey design, 422 senior staff administrative assistants in University of Cape Coast, Ghana, using the table of random numbers. Questionnaire with Cronbach alpha reliability estimates of the three sub-sections were, .86, .74 and .78 for leadership behaviour, organisational culture and job satisfaction respectively was used to gather data for the study. Mediation analysis using bootstrapping approach by Hayes was employed. Specifically, 5000 bootstrap samples was used for bias corrected bootstrap confidence intervals at 95% level of confidence. The study revealed that organisational culture is a significant predictor of job satisfaction, $b=8.866$, $t(419)=7.621$, $p=.010$. It was also found that organisational culture has a significant impact on leadership behaviours, $b=1.217$, $t(419)=2.986$, $p<.001$. Leadership behaviour and organisational culture was found as significant predictors of job satisfaction, $F(2, 418)=225.68$, $p<.001$. It was further found that leadership behaviour is a significant mediator in the relationship between organisational culture and job satisfaction, BootCI (.0442-.3002), $b=.1659$. The study concluded that organisational culture and leadership behaviour mutually and independently affect employee job satisfaction. Leadership behaviour, however, plays a crucial role in the link between organisational culture and job satisfaction. It was recommended that frequent seminars and workshops be organised by management to equip superiors on how to effectively lead their subordinates.

Keywords: Organisational culture, leadership behavior, job satisfaction, leadership

1. Introduction

Robbins and Coulter (2005) described organizational culture as the shared values, beliefs, or perceptions held by employees within an organization or organizational unit. Organizational culture can influence the attitudes and behavior of the staff in the sense that it reflects the values, beliefs and behavioural norms that are used by employees in an organization to give meaning to the situations that they encounter (Scott-Findlay & Estabrooks, 2006). Watson, Clarke, Swallow and Forster (2005) contend that understanding an organization's core values can prevent possible internal conflict, and hence organization culture demands critical attention. The organizational culture is likened to a double-edged sword. Robbins (2005) argued that culture creates distinctions between one organization and others, conveys a sense of identity for its members, facilitates commitment towards the organization's goals, enhances the stability of the social system, reduces ambiguity, and serves as a control mechanism that guides and shapes the attitudes and behaviour of employees. However, culture can also become a liability when it becomes too strongly entrenched within the norms, values and mindsets of the employees and resists changes – a culture can become a barrier to change, diversity and other transformations required for the organization to adapt in today's dynamic, globalized business environment (Robbins, 2005).

Daft (2005) defined leadership as an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes. Over the course of time, a number of dimensions or facets of leadership behaviour have been developed and applied as researchers continue to discover what contributes to leadership success and failures. These included, among others, autocratic versus democratic, task-oriented versus people-oriented, and the contingency approaches. Earlier studies on leadership behaviours, conducted by Kurt Lewin and his associates in the early 20th century, identified the autocratic and democratic leadership styles. An autocratic leader is one who centralizes authority and derives power from position, control of rewards, and coercion. A democratic leader, on the other hand, delegates authority to others, encourages participation, relies on subordinates' knowledge for completion of tasks, and depends on subordinate respect for influence (Daft, 2005). Overall, the research into the behaviour approach culminated in two major types of leadership behaviours – people-oriented and task-oriented (Li, 2004). Theories of leadership then evolved to adopt a contingency approach when researchers failed to find universal leader traits or behaviours that would determine effective leadership (Silverthorne, 2001).

Job satisfaction primarily refers to a collection of feelings that an individual holds towards his or her job (Rad & Yarmohammadian, 2006). Numerous factors influence employee job satisfaction, including: salaries, fringe benefits, achievement, autonomy, recognition, communication, working conditions, job importance, co-workers, degree of professionalism, organizational climate just but to mention a few (Rad & Yarmohammadian, 2006). Unsatisfied workers will leave their jobs more than their satisfied colleagues. Furthermore, more satisfied

employees have more innovative activities in continuous quality improvement and more participation in decision-making in organizations (Rad & Yarmohammadian, 2006).

Although a considerable number of studies (Harris & Ogbonna, 2000; Kim, 2002; Yousef, 2000) have argued that there is a constant interplay between organizational culture and leadership, however, there are limited empirical studies examining the relation between leadership and culture as well as their joint effect on important employee behaviour (i.e. job satisfaction). Leaders play a significant role in shaping and maintaining the culture of an organization. It is in the leadership process that the effect of culture becomes most perceptible (Komin, 2000). If it is the leadership that mobilizes attention towards a new vision, it is the corporate culture that confers legitimacy on that vision (Fombrun, Tichi & Devanna, 1984). Even though an attempt has been made by several Ghanaian researchers (Brenyah & Obuobisa-Darko 2017; Puni & Bosco, 2016; Poku & Owusu-Ansah, 2013) in exploring the relationship between leadership behaviours and organisational culture, scarcely has the combination of leadership style and culture been employed in understanding job satisfaction especially, in academic institutions. In other words, though leadership in tertiary organizations start the culture formation process by imposing leadership assumptions and expectations on followers (teaching and non-teaching staff), the amalgamation of the variables in explaining job satisfaction have not received extensive investigation and hence the need for this study to fill such knowledge gap.

Several studies have attempted to explore the relationship of organisational culture and organisational performance, other studies too have solely focused on the correlation between leadership behaviour and employees motivation. For example, using Handy's cultural framework, Brenyah and Obuobisa-Darko (2017) examined the relationship between corporate culture and employee engagement among employees in public sector organisations of Ghana. The random sampling procedure was employed to engage 267 employees. The study established that, achievement and support cultures significantly cause employees to be engaged in the public sector of Ghana whilst power culture has a significant, but negative relationship with employee engagement. The relationship between role culture and employee engagement is not significant.

Puni and Bosco (2016) in a study found that all leadership styles (autocratic, democratic, and laissez faire) had significant positive effect on perceived organizational performance with democratic leadership style contributing the most to performance ($\beta=.251$, $p<.01$). Consistently, all corporate culture dimensions (innovative, bureaucratic, and competitive) had significant positive effect on performance, however bureaucratic culture recorded the highest contribution ($\beta=.267$, $p<.01$). Similarly, Poku and Owusu-Ansah (2013) found a positive relationship between organisational culture and performance in the banking industry in Ghana.

In his study, Amuah (2013) discovered that the company used in its investigation focus more towards technical expertise, beating competition and goal achievement rather than on people management through inspirational and participative leadership. Sokro (2012) found that organizational culture has a direct impact on employee motivation and indirectly on organizational performance as well. This study was conducted in a multinational automobile company operating in Ghana. Shawky (2012) explore the relationship among leadership behaviour, organisational culture, job satisfaction, organisational commitment and turnover intentions through a case analysis on one of the biggest Egyptian company. Using 455 employees, the study revealed significant relationships among the variables under investigation.

The review has shown that an attempt has been made by scholars to establish that relationship exist between organisational culture and performance (Puni & Bosco, 2016; Poku & Owusu-Ansah, 2013; Sokro, 2012) within organisations in Ghana. Again, studies have also established that relationship exists among leadership characteristics, employees' motivation and organisational commitment (Amuah, 2013; Brenyah & Obuobisa-Darko, 2017). However, there still exist a knowledge gap regarding the relationship that exist among leadership behaviour, organisational culture and employee satisfaction especially, within an academic institutions. The study, therefore, hypothesized that: (a) organisational culture has a significant impact on employee job satisfaction, (b) organisational culture has a significant effect on leadership behaviours, (c) leadership behaviour and Organisational culture have a significant impact on employee job satisfaction, and (d) leadership behaviour significantly mediates the relationship between organisational culture and employee job satisfaction.

2. Hypotheses

The following hypothesis were tested to achieve the aim of the study:

H₀1: Organisational culture has no significant impact on employee job satisfaction

H₀2: Organisational culture has no significant effect on leadership behaviours

H₀3: Leadership behaviour and Organisational culture do not significantly impact on employee job satisfaction

H₀4: Leadership behaviour do not significantly mediates the relationship between organisational culture and employee job satisfaction

3. Methodology

The descriptive survey design was employed for the study. Using the simple random method, specifically, table

of random numbers procedure 422 respondents were engaged. This comprised senior staff administrative assistants in University of Cape Coast, Ghana. Questionnaire designed by researcher was used to gather data for the study. The questionnaire was a 4-point Likert type of scale with three sub-sections measuring leadership behaviour, organisational culture and job satisfaction respectively. The questionnaire was pilot-tested using 30 administrators of Cape Coast Technical University purposely to refine the instrument in terms of improving the clarity of the items which has implication for validity and reliability (Amedahe, 2002). The Cronbach alpha reliability estimates of the three sub-sections were, .86, .74 and .78 respectively (Quansah, 2017). However, the overall Cronbach alpha estimate was .71. The reliability estimates indicated the extent to which the instrument was free of error (Pallant, 2010). Mediation analysis using bootstrapping approach by Hayes was used to analyse the data gathered. Specifically, 5000 bootstrap samples was used for bias corrected bootstrap confidence intervals. The level of confidence was 95% with alpha level .05.

4. Results and Discussion

The results are presented in Tables 1 and 2.

Table 1: Predictions of Organisational Culture, Leadership Behaviour to Job Satisfaction

Model		b-value	SE	t-value	p-value	Model Summary				
						R ²	F	df1	df2	p
One	Constant	8.866	1.021	8.676	.000*					
	Organisational culture	.630	.083	7.621	.010*	.122	58.075	1	419	.000*
Two	Constant	45.758	5.035	9.085	.000*					
	Organisational culture	1.217	.407	2.986	.000*	.021	8.915	1	419	.000*
Three	Constant	2.617	.827	3.164	.000*					
	Leadership behaviour	.136	.007	18.588	.000*					
	Organisational culture	.464	.062	7.497	.000*	.519	225.68	2	418	.000*

Criterion: Model 1- Job Satisfaction; Model 2- Leadership Behaviour; Mode 3- Job Satisfaction

*significant at .05 level

Table 2: Total Effect, Direct Effect, and Indirect Effect

	Effect	SE	t-value	p-value	Confidence Interval	
					Lower Limit	Upper Limit
Total effect of X on Y	.630	.083	7.621	.000*	.467	.792
Direct effect of X on Y	.464	.062	7.497	.000*	.342	.585
Indirect effect of X on Y	Effect	Boot SE	BootLLCI		Boot ULCI	
Leadership Behaviour (M)	.1659	.0657	.0442		.3002	

X-Organisational culture; Y-Job satisfaction

*significant at .05 level

H₀₁: Organisational culture has no significant impact on employee job satisfaction

The study revealed that organisational culture is a significant predictor of job satisfaction, $b=8.866$, $t(419)=7.621$, $p=.010$. It was found that organisational culture explained 12.2% of the variances in job satisfaction. This suggests that organisational culture has a significant positive impact on job satisfaction. Thus, in institutions where there are favourable organisational culture, employees are more likely to be satisfied with their job. This presupposes that, among other factors which contribute to employee job performance, organisational culture has a significant contribution. This also gives an indication that unfavourable organisational culture is likely to contribute to employee dissatisfaction. This results has implication for management of institutions to create favourable organisational culture within their establishment. This finding corroborates that of Sokro (2012), who found that organizational culture has a direct impact on employee motivation of staff in a multinational automobile company operating in Ghana. Just like the findings of Sokro (2012), Amuah (2013) also confirmed that organisational culture significantly affect employee motivation. Although this study looked at employee job satisfaction, Sokro (2012) and Amuah (2012) focused on employee motivation. It must be stated that employee motivation and job satisfaction strongly linked such that employees who are so much motivated are more likely to be satisfied with their job. Therefore, if organisational culture affects motivation, organisational culture possibly can directly affect job satisfaction. In another study, Shawky (2012) revealed that a significant relationship exist between organisational culture and job satisfaction in an Egyptian company. The findings of this study confirmed that of Shawky (2012). Despite the discrepancies in the sample used and the context of the study, similar findings was found.

H₀2: Organisational culture has no significant effect on leadership behaviours

It was discovered that organisational culture has a significant impact on leadership behaviours, $b=1.217$, $t(419)=2.986$, $p<.001$. The study further revealed that 2.1% of the variations in leadership behaviours was explained by organisational culture. Organisational culture of institutions positively impacts on leadership behaviours. Favourable organisational culture is likely to contribute to the form of leadership behaviours within the institution. This findings is supported by Shawky (2012) who discovered a significant positive relationship between organisational culture and leadership behaviour. Shwaky's (2012) study, however, was conducted in an Egyptian company. The institution which this present study was conducted in have different organisational culture from that of the Egyptian company. In spite of this, the findings are in agreement. This validates this findings of this study because in whichever form organisational culture takes, it is likely to affect organisational culture.

H₀3: Leadership behaviour and Organisational culture do not have a significant impact on employee job satisfaction

Leadership behaviour and organisational culture was found as significant predictors of job satisfaction, $F(2, 418)=225.68$, $p<.001$. Although leadership behaviour [$t(418)=18.588$, $p<.001$] and organisational culture [$t(418)=7.497$, $p<.000$] are jointly predictors of job satisfaction, leadership behaviour contributes more variance to the model than organisational leadership. Further analysis revealed that 51.9% of the variances in job satisfaction was explained by leadership behaviour and organisational culture. This suggests that the form of organisational culture and leadership behaviour within an organisation is quintessential for employees to be satisfied. The findings of this study reflect some previous studies. Puni and Bosco (2016), for instance, examined the effect of leadership style and corporate culture on perceived organizational performance. Puni and Bosco (2016) found that all corporate culture dimensions had a significant positive effect on organisational performance. Despite the fact that Puni and Bosco (2016) focused on the link between leadership style and organisational performance, their study slightly differs from this current study. The relationship between job satisfaction and performance has been established to be positive and significant (Rad & Yarmohammadian, 2006). This suggests that if leadership style has a significant link with performance, then leadership behaviour is likely to predict job satisfaction.

H₀4: Leadership behaviour do not significantly mediate the relationship between organisational culture and employee job satisfaction

The study found a significant total effect of organisational culture on job satisfaction, $CI (.467-.792)$, $b=.630$, $p<.001$. A significant direct effect of organisational culture on job satisfaction was also found, $CI (.342-.585)$, $b=.464$, $p<.001$. It was further found that leadership behaviour is a significant mediator in the relationship between organisational culture and job satisfaction, $BootCI (.0442-.3002)$, $b=.1659$. The results showed that despite the contribution of organisational culture to job satisfaction, leadership behaviour interacts with organisational culture to increase the contribution to job satisfaction. The findings of the study mirrors that findings of Shawky (2012), who revealed that leadership behaviour and organisational culture were significant predictors of job satisfaction. Shawky (2012) did not conduct mediates analysis as in the case if this study, however.

5. Conclusion and Recommendations

It can be concluded that organisational culture and leadership behaviour mutually and independently affect employee job satisfaction. However, leadership behaviour plays a crucial role in the link between organisational culture and job satisfaction. This implies that favourable organisational culture would result in lower job satisfaction if there exist poor leadership behaviours. Conversely, unfavourable organisational culture can result in higher job satisfaction, if superiors adopt better leadership behaviours. The result seems to suggest that leadership behaviour is a critical ingredient for organisational culture and employee job satisfaction. It must emphasized that organisational culture and leadership behaviours are intertwined such that they affect each other. Leadership behaviours shape organisational culture whereas organisational culture also influences the behaviours of leaders. Leadership behaviours is paramount, however. Behaviours of leaders shape organisational culture more than the other wise. It is recommended, based on the findings of the study that institutions should do well to focus on leadership behaviours of superiors in their organisation. Frequent seminars and workshops should be organised by management to equip superiors on how to effectively lead their subordinates. Management are also encouraged to build favourable organisational culture within the institutions, if employees are to be satisfied. Since organisational culture and leadership behaviours are opinionated, the views of both superior and subordinate should be considered in ensuring favourable organisational culture and leadership behaviours. By doing this, employees' perceptions on these two constructs (i.e., organisational culture and leadership behaviours) would be known, making it possible for better decisions and policies to be made.

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