

신생기업 임직원들의 조직문화와 조직몰입의 상관관계에 관한 연구

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A Study on the Co-Relation of Organizational Culture and Organizational Commitment Among Startup Companies Employees

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요약 신생 기업은 선진국과 개발도상국에서 동시에 놀라운 속도로 확장하고 있다. 조직 및 인적 자원 관리 측면에서 청년 창업가들이 겪는 어려움이 많다. 결과적으로 과학계에서 거의 주목을 받지 못한 신생 기업을 조사하는 것이 중요하다. 본 연구에서는 개발도상국(파키스탄)의 중소기업(SME) 수준에서 운영되는 신생 기업만을 고려했다. 정보는 대도시 라호르에 위치한 10개 업체를 대상으로 설문조사를 통해 수집했다. 연구변수 간의 가설관계가 사실인지 여부를 확인하기 위해 상관분석을 수행하였다. 본 연구에서는 제안된 모든 가설 사이에 긍정적이고 통계적으로 유의한 연관성을 발견했다. 본 연구의 결과는 산업계, 학계 및 정책 입안자에게 중요한 의미를 갖는다.

주제어 신생기업, 조직문화, 조직몰입, 중소기업, 경영

Abstract Startup enterprises are expanding at an alarming rate in both industrialized and developing countries simultaneously. Many difficulties confront young entrepreneurs in terms of organizational and human resource management. As a result, it is critical to research startup enterprises because they have received little attention from the scientific community. In this study, we solely considered new startup enterprises operating at the small and medium-sized enterprise (SME) level in a developing country (Pakistan). The information was gathered through a survey method from ten businesses located in the metropolitan metropolis of Lahore. The correlation analysis was conducted to determine whether or not the hypothesized relationship between research variables was true. We discovered a positive and statistically significant association between all of the proposed hypotheses. The findings of this study have significant implications for industry, academics, and policymakers.

Key Words Startups, organizational culture, organizational commitment, SME, Management

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1. INTRODUCTION

Research on organizational culture has taken more attention from scholars in business administration [18,26]. Organizational culture is strongly positively correlated with the organizational commitment of employees [16,20]. Several scholars investigated the relationship between organizational commitment and employee performance, and they found mixed results. Meyer [19] found that organizational commitment is positively correlated with employee job performance. Angle and Lawson [1] failed to find any relationship between organizational commitment and job performance; however, Shaw, Delery, and Abdulla [30] found a weak relationship between organizational commitment and job performance, and difference in the relationship between UAE nationals and guest workers.

Cultural differences have been considered as one of the prime factors that might affect performance positively or negatively [6]. Several previous researchers [14,33] have considered the culture difference on a single level only. In other words, they were more concerned about organizational culture and corporate culture being implemented inside the firm. A study [14] found that, as long as firms in different countries differ in their core values, norms, and beliefs, firms in the same country only differ in their practices. This means national culture doesn't have any impact on organizational culture in Hofstede's point of view. On the other hand, [24] found the impact of cultural distance on two levels; national and organizational culture. Their outcomes explained that national cultural differences have an impact on the efficiency and competitiveness whether organizational culture distance can be used as a predictor of satisfaction measures. In their point of view, national culture also has some impact on organizational culture and International Joint Ventures (IJVs) operating in different countries adopt different organizational cultures according to the country's culture.

Individualism/collectivism are national cultural dimensions and it may have an influence on organizational culture [13]. Individualism and collectivism dimensions are important factors of national culture because four dimensions of organizational culture e.g. clan culture, adhocracy culture, market culture, and hierarchy culture by Schein [27] are dependent on national culture. International Joint Ventures (IJVs) operating in different nations will adopt different kinds of organizational culture which will further have a different impact on organizational commitment.

We tested our hypothesis using data from 10 startups firms operating in Pakistan to find the empirical answers to the questions.

2. THEORETICAL BACKGROUND AND HYPOTHESIS

2.1 Organizational Culture

Organizational culture has been defined by numerous scholars in different ways considering the roots in anthropology. Schein [27] defined organizational culture as "a pattern of basic assumptions that a given group has invented, discovered, or developed in learning to cope with its problems of external adaptation and internal integration, and that has worked well enough to be considered valid, and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems" (p.4). Organizational culture is defined by Robins [26] as "a system of shared meaning held by members that distinguish the organization from other organizations". Schein [28] helps the organization and its stakeholders to understand the functioning of the organization and provides them norms and values to act within the organization. Such values and beliefs can be found in terms of different languages, rites, procedures, rituals,

myths, and firm performance that each organization adopts to make itself unique from others [27]. Organizational culture has a direct impact on organizational commitment [17,21], firm performance [11], while It has an effect on firm financial profitability indirectly [13]). Organizational culture can also be a source of competitive advantage for the firm [3].

Although several scholars have used different approaches to analyze organizational culture, we suppose to follow the CV framework derived by Cameron and Quinn [25] very useful for our study. CV framework is derived empirically, we can demonstrate its construct validity operationally, and it can potentially integrate several dimensions of organizational culture proposed by many other researchers [25]. This model consists of 39 indicators of effectiveness that differentiate laterally two major dimensions and also joined altogether to establish four main clusters. The first dimension extricates effectiveness criteria of stability, control, and order from the criteria that strain flexibility, discretion, and vitality [5]. The second dimension differentiates between effectiveness criteria that strain rivalry, differentiation, and an external orientation from criteria that emphasize unity, integration, and internal orientation.

Altogether, four quadrants are created using these two dimensions and these four quadrants are clan, hierarchy, adhocracy, and market. Each of these quadrants reflects a specific set of effectiveness indicators that develop behavior among the people in an organization such as how people working in the organization value its performance [5]. They define the core values to be utilized to estimate organizations. Surprisingly, the excesses of each scale replicate a value appearing absolutely contrary to the value on the other side (i.e. stability vs. flexibility, external vs. internal); therefore, the core values included by each quadrant signify opposite values.

2.2 Organizational Culture and Organizational Commitment

Organizational commitment is not a unified and well-defined concept. In organizational psychology and organizational behavior, organizational commitment is delineated as an employee's psychological adhesion to the organization. Mowday, Porter [23] defined organizational commitment as "the relative strength of an individual's identification with and involvement in a particular organization. Conceptually, it can be characterized by at least three factors: (a) a strong belief in and acceptance of the organization's goals and values; (b) a willingness to exert considerable effort on behalf of the organization, and (c) a strong desire to maintain membership in the organization" (p.27).

The first objective of this study is to investigate the correlation between organizational culture and organizational commitment. Organizational culture has a linear positive correlation with organizational commitment [17]. Even though a small amount of empirical evidence has been found regarding a strong relationship between organizational culture and organizational commitment, organizational culture characteristics e.g. corporate norms, beliefs, and values have been proposed to be correlated with organizational commitment and organizational performance [23]. It is further suggested that a supportive work environment and common goals and mission (clan culture) could result in higher organizational commitment [14]. Furthermore, it is proposed that job autonomy, self-governance, and independence at the workplace (adhocracy culture) improve organizational productivity, facilitate employee motivation for innovation and creativity, and enhance organizational performance [8,12] and empowerment given to employees at the workplace has a positive effect on organizational commitment [34]. Competition and motivation (market culture) is

found to have a positive impact on organizational commitment. It is found in previous studies that employees with high motivation and working in a competitive environment are likely to show a higher level of organizational commitment. Particularly, they are found more actively involved in the organization which further leads to having a positive effect on organizational effectiveness and performance [7]. Although several researchers conducted studies about the sectorial difference in various corporate levels, little attention has been given to comparing the difference in employee motivation and organizational commitment between different managerial levels (hierarchy culture). Kingsley and Reed [16] studied the impact of different managerial levels on the decision-making process in public and private sector organizations. Kingsley and Reed tried to conclude whether or not the managerial level differences determine the decision-making processes, unlike several other studies that analyzed the sectorial differences. As expected, top-level managers with a wider scope of interests, longer periods of responsibilities (Jaques, 1990) have a higher level of authority to participate in the decision-making process as compared to middle-level or lower-level managers. A positive relationship between organizational commitment and power-related variables was found when hypotheses were tested adopting power-based Theory [34]. Based on the above discussion regarding four types of cultures, the following hypotheses are proposed:

Hypothesis 1: Higher the collaborative and supportive working environment provided to employees at the workplace, the higher the likelihood that they will designate organizational commitment.

Hypothesis 2: Higher the self-governance and independence and job autonomy are given to employees at the workplace, the higher the likelihood that they will designate organizational commitment.

Hypothesis 3: Higher the competition and

motivation is given to employees at the workplace, the higher the likelihood that they will designate organizational commitment.

Hypothesis 4: Higher the opportunities provided to managers to participate in the decision-making process in the organization, the higher the likelihood that they will designate organizational commitment.

3. RESEARCH METHODOLOGY

3.1 Data Collection

Participants: The data samples for this research were collected from 10 participating companies functioning in the information technology industry in Pakistan through a survey questionnaire. We gathered data from top-level executives, lower-level managers, and employees about organizational culture variables, national culture e.g. individualism/collectivism, and organizational commitment. A total of 450 survey questionnaires were distributed to top-level executives, lower-level managers, and employees working in 10 different organizations located in metropolitan city Lahore. From these 450 survey questionnaires, 150 were returned in reply which is 33% feedback and a sufficient percentage to conduct this study. We didn't find any missing value from top-level executives, lower-level managers, and employees. Since all returned survey questionnaires were completed so all of them were included in our study.

While considering about the gender, out of 150 participants, 38 (25%) were females and 112 (75%) were males. The age of participants was ranging from 25 to 58 years.

3.2 Measurements

Organizational culture: Organizational culture was measured by developing OCAI by Cameron and Quinn [5]. After reading carefully the initial organizational profile by participants, they administered the OCAI to check manipulation to evaluate the usefulness of the

organizational profile in communicating the features of the introduced culture. The OCAI consists of six items that explain the six basic dimensions of organizational culture developed and identified by Cameron and Quin [5]: (i) the dominant characteristics of participating organization (e.g. overall organizational structure), (ii) organizational leadership style, (iii) the management of employees, (iv) organizational cohesion which means to bond the members and organization together, (v) the strategic emphases that determine how organizational strategies are reflected, and (vi) the criteria of success that regulates how success is measured or identified in the organization and who are rewarded. Each respondent divided 100 points for each item among the given four substitutes to designate how much they are distinctive of the organization being assessed. Overall points assigned to the answers related to a provided culture are average crosswise scale items to deliver a general suggestion of the degree of traits of that culture being offered in the organization under assessment. The OCAI has been used in previous research and is reliable.

Organizational Commitment: Organizational commitment is a summation variable of four diverse questions, comprising of Organizational identification (job involvement and pride), willingness to do extra work, and organizational loyalty (willing to stay and work at a job for a long time). These three factors of analysis three operationalized components, including strong acceptance of organizational objectives, values, and beliefs, wish to remain the affiliate of the organization, and willingness to work hard for the organization (p.507). Likewise, multiple measures of organizational commitment (loyalty, eagerness to work, and internalization, and organizational values) are developed based on the selection of seven questions used by the Federal Employees Attitude Survey [7].

3.3 Data Analysis

The data sample collected for our study was analyzed using SPSS software and we used Pearson correlation among all measures was used to test convergent validity. Correlation coefficients were calculated for organizational culture and organizational commitment measures to examine our hypothesized relationships.

3.4 Research Model

Figure 1 shows our hypothesized research model where clan culture, adhocracy culture, market culture, and hierarchy culture are regarded as independent variables, individualism as moderators, and organizational commitment is the dependent variable. Our research model shows that different kinds of organizational cultures have a positive relationship with organizational commitment. Moreover, when individualism/collectivism is used as a moderator between organizational cultures and organizational commitment, the relationship between independent and dependent variables became more strengthened or weakened. Looking at figure 1, we developed the following research model equation of our hypothesis:



Figure 1. Research Model

4. RESULTS

4.1 Reliability of measurement scales

Table 1. Summary of reliability of constructs (Cronbach's Alpha)

Measurement Scale	Total number of Items	Cronbach's Alpha
Organizational commitment	6	0.702
Collaboration	12	0.874
Self-governance	3	0.782
Competition	4	0.891
Opportunities	24	0.875

The above table shows the reliability of the questionnaire. Reliability measures the internal consistency of the scale. At a minimum, the value of $r = 0.70$ is acceptable while it should be $r > 0.7$ to show the internal consistency of measurement scales. The Cronbach alpha < 0.70 shows the low internal consistency.

4.2 Correlation analysis

Table 2. Mean, Standard deviation, and inter-correlation between variables

	Mean	SD	Org-Com	Collab	Self-Gov	Comp	Oppor
Org-Com	3.67	.38	1				
Collab	2.79	.94	.253**	1			
Self-Gov	3.53	.799	.410**	-.574**	1		
Comp	3.52	.551	.539**	-.518**	.607**	1	
Oppor	3.22	.712	.343**	-.548**	.366**	.506**	1

** Correlation is significant at the 0.01 level (two-tailed).

* Correlation is significant at the 0.05 level (two-tailed).

Pearson correlation analysis is used to find the relationship between collaboration and organizational commitment in hypothesis 1. Hypothesis 1 proposed that the Higher the collaborative and supportive working environment provided to employees at the workplace, the higher the likelihood that they will designate organizational commitment. Result support this hypothesis and shows an inspection of the

relationship between collaboration and organizational commitment ($r = .253^{**}$, $P < 0.01$). Hypothesis 2 proposed Higher the self-governance and independence and job autonomy given to employees at the workplace, the higher the likelihood that they will designate organizational commitment. As results are consistent with this hypothesis and indicate that self-governance has a significantly positive relation to organizational commitment ($r = .410^{**}$, $P < 0.01$).

Hypothesis 3 asserted that the Higher the competition and motivation are given to employees at the workplace, the higher the likelihood that they will designate organizational commitment. Data indicate a positive significant relationship between competition and organizational commitment ($r = .539^{**}$, $P < 0.01$). In particular hypothesis 4 proposed that the Higher the opportunities provided to managers to participate in the decision-making process in the organization, the higher the likelihood that they will designate organizational commitment. Analysis indicates a significant relationship between opportunities and organizational commitment ($r = -.343^{**}$, $P < 0.01$).

5. CONCLUSION

One of the most important questions driving our study was asked from respondents about organizational attractions rating would differ as a function of culture type. Our results showed that different kinds of organizational culture (e.g., collaboration, self-governance, competition, and opportunities) have a positive impact on the organizational commitment of employees. These results are consistent with the previous research [17,21]. At the same time, our study found that different national cultures can have an impact on organizational culture and employee commitment. We argued about individualism and collectivism as national culture and these have a very strong impact on organizational culture. As discussed before that

organizational culture is a kind of shadow to a country's culture, our results have explained similarly as explained by [24]. We argued that the relationship will have a decreasing impact between clan culture and organizational commitment in individualist countries, but the same relationship will have a strong impact in collectivist countries. In other words, people from individualistic countries tend to show less organizational commitment and the other way around with collectivist nation people. Similarly, a positive relationship between collaborative environment and organizational commitment in individualist countries will have an increasing impact whether collectivist nations will have a decreasing impact between the positive relationship of self-governance and organizational commitment. Furthermore, employees in individualistic countries like the USA, Canada, UK, France, and Australia have a relatively lower organizational commitment in the competitions as compared to collectivist countries (e.g. China, Japan, and Korea) where employee commitment is higher in a culture. Finally, opportunities in an organizational culture has a positive impact on organizational commitment, individualistic people tend to exercise more organizational commitment as compared to people from collectivist nations.

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