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**EXPLORING THE RELATIONSHIP OF ORGANIZATIONAL
CULTURE ON THE EMPLOYEES' SATISFACTION AND
PERFORMANCE AT SeDIDIK SDN.BHD, KUCHING.**

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THE ABSTRACT

Organization culture is the basic pattern of shared assumptions, values and beliefs governing the way employees within and organizations think about and act on problems and opportunities while employees' satisfaction is the good feeling that they have when achieved something or when something that you wanted to happen does happen. In the other hand, employees' performance is the value and satisfaction feeling in the task done and delivering sustained success to organizations by improving capabilities of individuals and teams (*Armstrong and Baron, 1998*). The study exploring the relationship of organizational culture on the employees' satisfaction and employees' performance in SeDidik Sdn.Bhd. A random sampling of 150 questionnaires distributed to the respondents. The objective is to study the relationship on the respondents' profile towards the characteristics of organizational culture (innovation and risk taking, outcome orientation, people orientation, team orientation and aggressiveness). It shows that the employees' are really aware based on the strong relationship. It also uses to investigate the level of organizational culture towards the employees' performance and satisfaction. From the research findings, it shows that the employees' in SeDidik Sdn.Bhd have a high level of organizational culture understanding. Team spirit, reward system and the leadership style can fit to the employees' satisfaction and increase their performance. SeDidik Sdn.Bhd employees' have a high level of organizational culture and also a significant relationship on the employees' performance and satisfaction.

CONTENTS

CHAPTER 1: INTRODUCTION

1.1	Introduction	1-4
1.2	Problem statement	5
1.3	Research objectives	6
1.4	Scope of the study	7
1.5	Significance of the study	8
1.6	Definition of terms/concepts	9

CHAPTER 2: LITERATURE REVIEW & CONCEPTUAL FRAMEWORK

2.1	Literature Review	
2.1.1	Introduction	10-11
2.1.2	Organizational Culture	11-12
2.1.3	Culture	12
2.1.4	Element of Organizational Culture	12
2.1.5	Strong versus Weak Culture	13-14
2.1.6	Effect of Organizational Culture	14-15
2.1.7	Organizational Culture Perspectives	15
2.1.8	Implication of Culture to Organization	16
2.1.9	Satisfaction of Employees	16-18
2.1.10	The Important of Employees Satisfaction	18
2.1.11	Factors affecting Employees Satisfaction	18-19
2.1.12	Performance Management	19-20
2.1.13	Increase Employees Performance	20
2.1.14	Relationship between Organizational Culture And Employees Satisfaction	21

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

Organizational culture has been an important theme in management and business research for the past few decades due to its effect and potential impact on organizationally and individually desired outcomes such as commitment, loyalty, intent to turnover and satisfaction (*Chow et al., 2001*). A process of organizational change has accompanied managerial reforms in the public sector and is oriented towards the development of a post-bureaucratic organizational culture (*Parker & Bradley, 2000*). Organizational culture is the key to organizational excellence and the function of leadership is the creation and management of culture (*Shein, 1992*).

Interpreting and understanding organizational culture is an important activity for managers and consultants because it affects strategic development, productivity and learning at all levels. Cultural assumptions can both enable and constrain what organization is able to do. Organizational theorists began to apply the term culture to corporate or work situations over the past 20 years. Initially the term was used to describe the leadership practices and later in the 80's management defined culture in terms of symbols, slogans, heroes, rites and rituals. These may be elements of culture, but they are not heart of culture. In today's business environment, organizational culture used as a powerful tool that portrays many facets of a workplace as well as to quantify the way a business functions (*Gray, Densten & Sarros, 2003*).

CHAPTER 2

LITERATURE REVIEW & CONCEPTUAL FRAMEWORK

2.1 LITERATURE REVIEW

This chapter provides a review of the literature on organizational culture on job satisfaction and also the conceptual framework of the study.

2.1.1 Introduction

The intensification of research on organizational effectiveness has led to the identification of several organizational characteristics (innovation and risk taking, people orientation, people orientation, team orientation, aggressiveness) that have an influential role in determination of organizational satisfaction and performance. Organizational culture is often referred to in the same breath as organizational change and you will often see the process of developing a new culture or changing the existing one linked into the transition curve. Organizational culture is one such factor that has received much attention in organizational behavior (*Chatman and Jehn, 1994*). A common hypothesis about the role of organizational culture is that it will perform at a higher level of productivity (*Denison, 1984*). Influence of an organization's culture is of primary importance to improving organizational performance. Such efforts will be rewarding, particularly because the variables which comprise culture have been postulated under the control of organizational leaders (*Deal and Kennedy, 1982*).

In an effort to understand the forms and consequences of organizational culture, researchers have explored how various internal processes, such as individual and organizational selection and socialization (*Harrison and Carroll, 1991*) and characteristics of powerful members such as an organization's founder (*Schein, 1985*) or group of member (*Schneider, 1987*), influence the