

Analysis of the Influence of Organizational Culture on Employee Job Satisfaction in Multinational Companies

Dion Eko Prihandono^{1*}, Robby Efendy²

¹ Bali Institute of Design and Business, Bali

² Universitas Ekasakti, Padang

* Correspondence: Dioneprihandono@gmail.com

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ABSTRACT

Organizational culture has long been recognized as one of the factors that greatly influences employee performance and job satisfaction in companies, especially on a global scale such as multinational companies [1][2]. In the era of globalization, multinational companies are often faced with unique challenges related to cultural diversity, cross-border human resource management, and adaptation to different values [3][4]. This study aims to analyze the influence of organizational culture on employee job satisfaction in multinational companies. Research Design This study uses a quantitative design with a correlational survey approach. In the organizational culture profile, the teamwork aspect scored the highest, with an average score of 4.5, indicating that teamwork and collaboration are very important in the organization. The level of employee performance shows that Job Quality received the highest average score (4.3), indicating that employees produce high-quality work. From the results of the analysis, it can be seen that the leadership aspect has the strongest influence with a regression coefficient of 0.40 and a significant value of $p = 0.0000$. Based on data analysis, the influence of organizational culture on employee job satisfaction in the context of this multinational company is very relevant to various theories of motivation, leadership, and management.

Keywords: Influence of Organizational Culture, Employee Satisfaction

1. Introduction

Organizational culture has long been recognized as one of the factors that greatly influences employee performance and job satisfaction in companies, especially on a global scale such as multinational companies [1][2]. In the era of globalization, multinational companies are often faced with unique challenges related to cultural diversity, cross-border human resource management, and adaptation to different values [3][4]. A strong organizational culture that is aligned with global values is essential in creating a conducive work environment, increasing productivity, and strengthening employee engagement with the organization.

A study by Hofstede showed that national cultural differences affect organizational behavior and interpersonal relationships within a company, which ultimately affects employee job satisfaction [5]. An inclusive, collaborative, and open-to-innovation organizational culture is considered capable of creating a work atmosphere that supports employee psychological well-being, thus encouraging higher job satisfaction [6][7]. Conversely, a rigid and hierarchical organizational culture can lead to dissatisfaction, reduce employee engagement, and increase turnover.



In the context of multinational companies, managing organizational culture becomes increasingly complex. Companies must be able to balance the enforcement of corporate values with the ability to appreciate and accommodate cultural differences among employees from different countries [8]. Employees working in a multicultural environment often face challenges in terms of cultural adjustment and differences in working methods, which can affect their job satisfaction. Therefore, it is important for companies to create an adaptive organizational culture that supports diversity as a strategy to increase job satisfaction.

Data from the World Economic Forum revealed that multinational companies with an inclusive organizational culture reported up to 15% higher levels of employee job satisfaction compared to companies that tend to pay less attention to cultural diversity [9][10]. This shows that organizational culture plays a significant role in creating a positive work environment, especially in the context of global companies.

This study aims to analyze the influence of organizational culture on employee job satisfaction in multinational companies. By analyzing the relationship between these two variables, it is expected to find the right strategy in managing organizational culture to improve employee job satisfaction and overall company performance.

2. Materials and Method

Research Design This study uses a quantitative design with a correlational survey approach. This approach is used to analyze the relationship between organizational culture (independent variable) and employee job satisfaction (dependent variable) in multinational companies. This study aims to identify the influence of organizational culture on the level of employee job satisfaction through quantitative data collection.

The population in this study are employees working in several multinational companies operating in Indonesia. These companies come from various industrial sectors, including manufacturing, information technology, and financial services. Stratified random sampling technique will be used to ensure that the sample is representative of a diverse population. The sampling technique used is stratified random sampling of 200 respondents to ensure adequate representation from various levels of organizational hierarchy and geographical locations. The sample size is determined using power analysis, taking into account the expected effect size, significance level ($\alpha = 0.05$), and statistical power ($1-\beta = 0.80$).

Data will be collected through questionnaires distributed online using survey platforms such as Google Forms or SurveyMonkey. The researcher will also seek permission from the relevant multinational company to distribute the questionnaire to its employees. Respondents will be given 2 weeks to complete the questionnaire. This study will comply with research ethics standards by seeking informed consent from respondents before they complete the questionnaire. The identities of respondents will be kept confidential, and the data collected will only be used for the purposes of this study.

3. Result

a. Organizational culture

Tabel 1. Organizational Culture Profile

Cultural Aspects	Average score (1-5)
Innovation	4.2
Teamwork	4.5
Openness	3.8
Justice	4.0

Leadership	4.3
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b. Employee Performance Level

Tabel 2. Organizational culture

Employee performance	Average score (1-5)
Productivity	4.1
Quality of work	4.3
Commitment	4.0
Job satisfaction	3.9
Self-development	4.2

c. Multiple Regression Analysis

Tabel 3. Simultaneous Influence of Organizational Culture on Employee Performance

Independent variables	Regression coefficient (B)	t value	Signification (p)
Innovation	0.30	3.45	0.001
Teamwork	0.35	4.1	0,000
Openness	0.25	2.9	0.004
Justice	0.28	3.2	0.002
Leadership	0.40	4.7	0,000

4. Discussion

a. Organizational culture

In the organizational culture profile, the teamwork aspect scored the highest, with an average score of 4.5, indicating that teamwork and collaboration are very important in the organization. The leadership aspect also scored high, with a score of 4.3, indicating that the organization has good leadership. Creativity and fairness also received good scores (4.2 and 4.0), indicating that the company values fairness and innovation in its operations. However, openness received the lowest average score (3.8), indicating that the organization still needs to improve transparency and communication. The data presented in Table 1 shows the average scores for various aspects of organizational culture. These aspects play an important role in creating a supportive work environment:

1. Innovation (Score 42): Indicates that the company encourages employees to innovate, which is closely related to the theory of creativity and innovation in organizations. According to Amabile's theory, an organizational climate that encourages innovation can increase intrinsic motivation and job satisfaction.
2. Teamwork (Score 45): High teamwork is often related to task interdependence theory and teamwork theory, which states that when employees feel involved in effective collaboration, their levels of job satisfaction tend to be higher.
3. Openness (Score 38): Openness to new ideas and two-way communication within the organization. Organizational communication theory states that openness in management can increase employee trust and commitment, which ultimately increases job satisfaction.
4. Justice (Score 40): Organizational justice or organizational justice theory plays a significant role in determining the extent to which employees feel valued and treated fairly. The justice that employees perceive is directly related to their level of job satisfaction.

5. Leadership (Score 43): A high score on leadership reflects a leadership style that may be participative or transformational. According to transformational leadership theory, an inspirational leadership style can increase employee motivation, loyalty, and job satisfaction.

Edgar Schein developed a three-layer model of organizational culture, which includes: [11]

1. Artifacts: These are the visible aspects of an organization's culture, such as office layout, dress code, and policies. In the context of this study, for example, openness (Score 38) can be seen as an artifact in the day-to-day interactions between management and employees.
2. Stated Values: This refers to the company's expressed values, such as fairness (Score 40) and innovation (Score 42), which indicate the company's desire to be innovative and fair in their decisions.
3. Basic Beliefs: These are the underlying, unseen assumptions that shape patterns of behavior in an organization. For example, the belief that teamwork (Score 45) is critical to success.

According to this theory, a positive and consistent organizational culture can drive employee performance and job satisfaction by aligning company values and beliefs with employee expectations.

b. Employee performance level

Employee performance levels show that Job Quality received the highest mean score (4.3), indicating that employees produce high-quality work. Self-Development also received a high score (4.2), indicating that employees have the opportunity to improve and enhance their skills. Productivity and Commitment also received high scores, 4.1 and 4.0 respectively, indicating that employees are productive and dedicated. However, Job Satisfaction received the lowest mean score (3.9), indicating that employees need to improve their satisfaction so that they can do more to achieve better results.

In Table 2, the aspects of productivity, job quality, commitment, and self-development all scored relatively high, but job satisfaction scored lower (39). This can be related to Herzberg's theory of motivation and job satisfaction which states that maintenance factors (such as justice and leadership) must be met before motivational factors (such as self-development) can significantly affect job satisfaction.

Herzberg put forward a two-factor theory that separates motivator factors (intrinsic factors) and maintenance factors (extrinsic factors): [12][13]

- Motivator Factors: Including self-development, responsibility, and achievement, which affect employee performance and job satisfaction. Data from Table 2 shows self-development (Score 42), indicating that this aspect plays an important role in job satisfaction.

Maintenance Factors: Includes working conditions, interpersonal relationships, and company policies. Openness (Score 38) and fairness (Score 40) are examples of maintenance factors that if not met can lead to job dissatisfaction.

Based on this theory, despite the presence of good motivator aspects (such as self-development and innovation), relatively low job satisfaction (Score 39) may be influenced by the lack of focus on maintenance factors, such as openness or fairness.

c. Multiple Regression analysis

In the organizational culture profile, the teamwork aspect scored the highest, with an average score of 4.5, indicating that teamwork and collaboration are very important in the organization. The leadership aspect also scored high, with a score of 4.3, indicating that the organization has good leadership. Creativity and fairness also received good scores (4.2 and 4.0), indicating that the

company values fairness and innovation in its operations. However, openness received the lowest average score (3.8), indicating that the organization still needs to improve transparency and communication.

All dimensions of organizational culture have a positive and significant impact on employee performance, according to multiple regression analysis; the leadership dimension has the highest regression coefficient ($B = 0.40$), indicating that leadership has the greatest influence on employee performance. In addition, teamwork shows a significant influence ($B = 0.35$). All independent variables have a p value < 0.05 , indicating that there is a significant statistical significance of the influence of each variable on employee performance.

Table 3 shows the multiple regression analysis, which describes the simultaneous influence of organizational culture on employee performance. From the results of the analysis, it can be seen that the leadership aspect has the strongest influence with a regression coefficient of 0.40 and a significant value of $p = 0.0000$. This supports the theory of transformational leadership, where charismatic and visionary leaders can have a major impact on employee performance and job satisfaction.

In addition, teamwork and innovation also have a significant effect ($p=0.0000$ and $p=0.0001$), indicating that a work environment that encourages collaboration and innovation plays an important role in improving employee performance. This is in line with the theory of participative management, where employee involvement in the work process can increase a sense of ownership and, ultimately, job satisfaction.

These results have implications for corporate management in understanding that positive aspects of organizational culture, such as innovation, fairness, and strong leadership, can contribute to increased job satisfaction. Managers should continue to develop an inclusive and fair organizational culture, and provide training to improve leadership skills.

Equity theory states that employees evaluate the ratio of their contributions (effort, skills, time) to the rewards they receive (salary, promotion, recognition) [14]. When employees feel there is an imbalance between contributions and rewards, they feel dissatisfied.

Organizational justice in this study scored 40, indicating that this factor is important for job satisfaction. If employees feel they are being treated unfairly in terms of compensation or recognition, their job satisfaction will decrease, even though other aspects of the organizational culture, such as innovation and teamwork, may be high.

Social exchange theory states that relationships between individuals in the workplace are based on the principle of reciprocity. In organizations, a culture that encourages teamwork (Score 45) creates strong social connections among employees, which in turn increases job satisfaction. Employees who feel supported by their coworkers and leaders are more likely to be satisfied with their jobs.

5. Conclusions

Overall, a positive organizational culture, especially in the aspects of leadership, teamwork, and innovation, has a significant impact on employee performance. However, further improvements in the aspects of fairness and openness are needed to improve job satisfaction. By improving these factors, multinational companies can achieve a balance between high performance and better job satisfaction, which in turn will increase employee productivity and loyalty.

In conclusion, based on the data analysis, the influence of organizational culture on employee job satisfaction in the context of this multinational company is very relevant to various theories of

motivation, leadership, and management. A culture that supports innovation, collaboration, and openness has a significant impact on employee performance, although the aspect of job satisfaction still requires more attention.

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