

## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

This chapter explores the methodology used in conducting the research on how the variables are being determined and analyzed. This chapter will discuss on the development of hypotheses, selection of instruments and measures, sampling design, data collection procedures and followed by data analysis techniques used in the study.

#### **3.1 DEVELOPMENT OF HYPOTHESES**

H1: Corporate culture will be positively related to employees' job satisfaction.

H2: Corporate culture will be positively related to employees' organizational commitment.

H3: Corporate culture will be negatively related to employees' turnover intention.

H4: Relationships between:

- d) Corporate culture and job satisfaction;
- e) Corporate culture and organizational commitment; and
- f) Corporate culture and turnover intention

will be mediated by person-environment fit.

### **3.2 SELECTION OF MEASURES AND INSTRUMENTS**

There are three major constructs in the questionnaire based on the literature review in the previous chapter. The three major constructs used are corporate culture, person-environment fit and employee outcomes. This study measures were generated from well established measurement scales for all three constructs.

The questionnaire is divided into four parts:

- Section 1 : Person - Environment Fit
- Section 2 : Corporate Culture
- Section 3 : Employee Outcomes
- Section 4 : Demographic Information

This study adopted the attitudinal scale namely seven-point Likert Scale to measure the individual's responses with varying degree of intensity on a scale ranging between extremes such as Strongly Disagree (1), Disagree (2), Slightly Disagree (3), Neutral (4), Slightly Agree (5), Agree (6) and Strongly Agree (7). This was applied to questions from Section 1 to Section 3.

In section 1, respondents' were presented with a total of twelve statements on person-environment fit concerning person-organization fit, person-job fit and person-team fit.

In section 2, respondents' perception towards their respective organization's corporate culture was collected. There were a total of fifteen statements on corporate culture concerning items such as training and development, rewards and recognition, teamwork and organizational communication.

In section 3, statements were designed to understand respondents' perception towards their outcomes whereby it consists of fifteen statements on employee outcomes concerning job satisfaction, organizational commitment and turnover intention.

Section 4 namely demographic information included age, gender, ethnicity, marital status, highest education level, job designation, organization type and tenure.

The questionnaires (both manual and electronic versions) used in this study can be referred at Appendix 1 and 2. Appendix 1 demonstrates the hardcopy version of questionnaire which was distributed to most of the respondents meanwhile Appendix 2 demonstrates the online questionnaire which was distributed via e-mail.

### **3.2.1 CORPORATE CULTURE (INDEPENDENT VARIABLE)**

In this study, the fifteen item measure on the four dimensions of independent variable corporate culture has been adapted from Lau and Idris (2001) which was based from on previous research by Cooke and Rousseau (1998). According to Cooke and Rousseau (1998), corporate culture is a multidimensional construct, therefore it is essential to evaluate each of the dimensions.

As mentioned in the literature, the four dimensions of corporate culture that contributes significantly on organizational performance are training and development (Karia and Ahmad, 2000; Acton and Golden, 2002), teamwork (Morrow, 1997; Karia and Ahmad, 2000), communication (Nehers, 1997), and rewards and recognition (Allen and Helms, 2002).

Example of items include “Employees are encouraged to accept education and training within the organization” (training and development); “The organization’s compensation system encourages team and individual contributions” (reward and recognition); “I am more comfortable working in a team rather than individually” (teamwork) and “I am satisfied with the way my organization provides me with feedback” (communication).

### **3.2.2 PERSON-ENVIRONMENT FIT (MEDIATING VARIABLE)**

This study covers three dimensions to Person-Environment Fit namely Person-Organization Fit, Person-Job Fit and Person-Team Fit. Person-Organization Fit and Person-Job Fit were measured using a 4-item scale each derived from Cable & DeRue (2002). Sample items are “The things that I value in life are very similar to the things that my organization values” (Person-Organization Fit) and “There is a good fit between what my job offers me and what I am looking for in a job” (Person-Job Fit). Meanwhile, Person-Group Fit was measured using a 4-item scale adapted from Vogel & Feldman (2009). A sample item is: “Working with the other people in my group is one of the best parts of this job.” The coefficient alpha for this scale was 0.76 (Vogel & Feldman, 2009).

### **3.2.3 EMPLOYEE OUTCOMES (DEPENDENT VARIABLE)**

#### **3.2.1 JOB SATISFACTION**

Job satisfaction was measured with Cammann, Fichman, Jenkins and Klesh (1979) three-item scale from the Organizational Assessment Questionnaire. The items include “All in all, I am satisfied with my job”, “In general, I like working here” and “In general, I do not like my job”.

### **3.2.2 ORGANIZATIONAL COMMITMENT**

Organizational commitment should be measured using the standard measure developed by (Mowday *et al.*, 1979) in the organizational commitment questionnaire (OCQ) because this scale captures the extent the employee identifies with the organization's goals and values, their willingness to exert effort on behalf of the organization and their desire to remain in the organization (Edger and Geare, 2005). Besides that, researchers Mathieu and Zajac (1990), Guest (1997) and Liu (2007) also found that OCQ currently the most widely used measure of organizational commitment. The OCQ consists of fifteen items; however an adapted and revised version of the OCQ with nine items is used in this study to measure dependent variable organizational commitment. Examples of these items include "I am willing to put in a great deal of effort beyond that normally expected in order to help this organization be successful" and "I speak highly of this organization to my friends as a great organization to work for". The reliability coefficient for the scale ranged from 0.82 to 0.93 (Mathieu and Zajac, 1990; Aryee, Luk & Stone, 1998; Cohen, 1993).

### **3.2.3 TURNOVER INTENTION**

This study does not measure the actual turnover but rather assess on turnover intentions. This is inline with researches that shows that turnover intentions strongly correlate with actual turnover intentions (Hulin, 1991).

The respondents' were enquired on their perceptions towards their present job in comparison to their intention to stay in the organization. Employees' turnover intentions were measured using a three item scale adopted from Cammann, Fichman, Jenkins & Klesh (1979). The item includes "I probably look for a new job in the near future", "I will likely search for a new job in the near future" and "I often think of leaving the organization".

### **3.3 SAMPLING DESIGN**

This study takes the form of quantitative design. Convenience sampling is used as the sampling technique in this study. It is a type of non-probability sampling technique. Among the reasons on why this method is used are:-

- Data can be collected quickly, inexpensively and efficiently in terms of convenience and economical.
- Responses can be easily quantified and diagnosed within the time constraint.
- Ability to reach large number of respondents within a short span of time.

Source of data collected was primary data taken from respondents using the questionnaire.

### **3.4 DATA COLLECTION PROCEDURE**

Data was collected over two week period in the month of March 2010 using self administered questionnaire method. The target population of this study is full time employees who are working in private and public sectors in Malaysia from various organizations. 300 questionnaires were distributed to Malaysian employees in general administration, supervisory, managerial, professional and technical positions within these organizations, where 213 were returned on time. However, only 204 questionnaires were usable, 9 of which were incomplete, yielding a response rate of 95.8%. The incomplete questionnaires were not included as part of the study because some had missing data in one or more sections. Questionnaires were distributed via both e-mail and personally administered by researcher as well as through friends and colleagues.

#### **3.4.1 PILOT TEST**

Prior to distribution of questionnaires to target respondents, pilot test (with a total of fifteen respondents) had been carried out to gauge the understanding towards items in questionnaire. These pilot test feedback were excluded from the actual sampling. Changes were made to the questionnaire after improving on potential problematic areas to ease the other respondents.



### **3.5 DATA ANALYSIS TECHNIQUES**

Questionnaires were collected and the responses to the studied variables are analyzed using the Statistical Package for Social Sciences Programme (SPSS) Version 16.0 Windows software for statistical analysis. Primary data gathered from the questionnaire was first screened for missing values, outliers and transformed for negatively worded items. Five techniques are used in analyzing the data for this study, namely descriptive statistics, factor analysis, reliability analysis, correlation statistics and regression analysis.

The descriptive statistics are used to explore the distribution of data collected by using frequency distribution and measures of central tendency and variability. This is used to develop profile of respondents based on gender, ethnicity and etc that is useful in providing general observations about the data collected.

Factor analyses are used to confirm that the concepts of each variable have been grouped accordingly to the measuring factor and correctly measured.

Reliability analysis (Cronbach Alpha) is computed to assess reliability and internal consistency of respondents' answers to all the items of independent and dependent variables in the questionnaire.

Correlation analysis was conducted as a preliminary test to check the strength of the relationship between constructs. Pearson correlation analysis is performed to generate the correlation matrix which is used to describe the relationship between the independent and dependent variables.

Finally, regression analysis namely multiple regression analysis and hierarchical multiple regression analysis is used to test the research hypotheses developed in this study. Multiple regression analysis is based on Baron and Kenny (1986) approach that is used to measure the effect of mediating variable in a three step procedure.