

## **CHAPTER 4**

### **RESEARCH FINDINGS**

This chapter outlines the results of the data analysis conducted. Research findings are organized into four parts. The first part provides a summary of respondents' demographic profile. The second part provides analyses of measures as described in Chapter 3 that are used to examine the association between corporate culture, person-environment fit and employee outcomes. Next part addresses three hypotheses testing as described in Chapter 3 where the results will provide the basis for confirmation or rejection of the stated hypotheses. Finally, a summary of the research results concludes this chapter.

#### **4.1 SUMMARY STATISTICS**

204 valid questionnaires were used in the data analysis. Sekaran (2005) rule of thumb proposed that sample sizes larger than 30 and less than 500 are appropriate for most research. The respondents involved in this study were individuals who are working in different organizations throughout Malaysia. Demographics variables comprises of age, gender, marital status, ethnicity, job designation, highest level of education, tenure in current organization and organization type. Table 4.1 summarizes the demographic profile of the sample population for this study.

As depicted in Table 4.1, there are 54.4% female respondents as compared to remaining 45.6% male who participated in the survey. There were more single than married respondents of 52.9% and 46.1 respectively. The participation is almost equal in terms of gender and marital status distribution.

Majority of the respondents fell into the 20 to 39 years old age group with respondents aged less than 29 years old formed the largest group (52%) followed by those aged between 30 to 39 years old (41.2%). Another 4.4% respondents were aged between 40 to 49 years old and 2.5% respondents were aged above 50 years old.

The sample population was made up of a total of 42.2% of Chinese, 35.3% of Malays and remaining 22.5% of Indians. Majority of the respondents were degree holders of 82.8% and comprises of individuals in middle management mostly executives (69.1%) and skilled professionals (16.7%).

A total of 77 respondents have been working in the organization for 2-5 years which comprises of 37.7% of the total population whereby 66 respondents have been working in the organization for less than 2 years (32.4%). 24% of the respondents have 6-10 years experience and remaining 5.9% have more than 10 years working experiences in the same organization.

The respondents are from various job sectors with majority from services sector (68.1%), followed by manufacturing (10.8%), property and construction industry (2%), 4.9% from government sector and others (12.3%) such as automobile industry and petroleum and gas industry.

**Table 4.1: Summary of Descriptive Statistics of the respondents' profile**

<b>Characteristics</b>	<b>Frequency</b>	<b>Percentages (%)</b>
Total distributed questionnaire	300	
Returned questionnaire	213	
<b>Valid usable questionnaire</b>	<b>204</b>	<b>95.8</b>
<b>Age</b>		
20 - 29		52.0
30 - 39		41.2
40 - 49		4.4
50 and above		2.5
<b>Gender</b>		
Male		45.6
Female		54.4
<b>Marital Status</b>		
Single		52.9
Married		46.1
Divorced/Widowed		1.0
<b>Ethnicity</b>		
Malay		35.3
Chinese		42.2
Indian		22.5
<b>Education</b>		
Secondary		1.5
Cert/Diploma		2.5
Degree		82.8
Post Graduate		13.2

<b>Job Position</b>	
Top Management	2.9
Middle Management	69.1
Technical Employee	5.9
Non Management	2.9
Skilled Professional	16.7
Others	2.5
<b>Tenure</b>	
Less than 2 years	32.4
2 - 5 years	37.7
6 - 10 years	24.0
More than 10 years	5.9
<b>Organization Type</b>	
Services	68.1
Manufacturing	10.8
Property	2.0
Construction	2.0
Government	4.9
Others	12.3

## **4.2 ANALYSES OF MEASURES**

### **4.2.1 DESCRIPTIVE STATISTICS**

Characteristics of the data are measured using mean and standard deviation of the variables: Corporate Culture, Person-Environment Fit, Jobs Satisfaction, Organizational Commitment and Turnover Intention in this study. Descriptive statistics is important in pointing out the robustness and normality of the data with regards to whether the research is a representation of samples.

Mean measures the central tendency of data. Standard deviation on the other hand is a popular statistical measurement that measures the dispersion of a set of data from its mean. The deviation value gets higher as the data is widely spread apart and vice versa. Standard deviation is equal to zero if all data are equal. Table 4.2, Table 4.3 and Table 4.4 below depicts the descriptive statistics of the all the variables.

The measures of dependent variables; jobs satisfaction, organizational commitment and turnover intention reveal that mean scores that slightly above the mid-point with job satisfaction was highest (M = 4.42, SD = 0.75), followed by turnover intention (M = 4.27, SD = 0.66) and organizational commitment (M = 4.09, SD = 1.08). Mean scores for mediating variable and independent variable was found to be above their midpoints. Standard deviations level is low, less than 1.0 except for organizational commitment variable that relates most data points are close to the mean. Based on the data summary, all the variables are normally distributed; therefore analyses henceforth will be of parametric nature.

#### **4.2.2 FACTOR ANALYSIS**

Factor analysis is a data reduction technique used to examine how underlying constructs influence the responses on a number of measured variables. For the purpose of this study, a principle component analysis was done on all the reviewed variables.

**Table 4.2: Reliability Test for Corporate Culture**

Reliability Test for Corporate Culture						
Variable	Item	Mean	Avg Mean	Standard Deviation	Average Standard Deviation	Cronbach Alpha
Training and Development	Employees are encouraged to accept education and training within the organization.	4.94	4.77	1.02	0.97	0.77
	Adequate resources are available for employees' training and development within the organization.	4.95		0.90		
	Employees are encouraged to apply skills after training.	4.80		1.15		
	This organization improves working conditions in order to recognize employee efforts.	4.40		0.80		
Rewards and Recognition	The organization's compensation system encourages team and individual contributions.	4.50	4.22	0.94	0.99	0.71
	Reward and recognition system within the organization rewards relationship and task accomplishments based on work quality.	4.04		1.00		
	All suggestions are appropriately rewarded in cash and kind.	3.79		0.99		
	Employees' rewards and penalties are clearly communicated.	4.53		1.04		
Teamwork	Works within this department is appointed around groups.	5.07	5.01	0.83	0.82	0.74
	I am more comfortable working in a team rather than individually.	5.11		0.85		
	In this organization, workplace decisions are made through consensus.	4.68		0.77		
	Other units or departments always co-operate with me when I need assistance.	5.18		0.83		
Organization Communication	I am satisfied with the way my organization provides me with feedback.	4.35	4.49	0.97	0.85	0.74
	Continuously improving communications between management and employee is stated as an important organization objective and is being practiced.	4.68		0.84		
	The organization's communication is effective in communicating things that are relevant to employees'.	4.45		0.77		

**Table 4.3: Reliability Test for Person-Environment Fit**

Reliability Test for Person-Environment Fit						
Variable	Item	Mean	Avg. Mean	Std. Deviation	Avg. Std Deviation	Cronbach Alpha
Person-Organization Fit	My organization's values and culture provide a good fit with the things that I value in life.	4.34	4.29	0.79	0.79	0.75
	The things that I value in life are very similar to the things that my organization values.	4.43		0.72		
	My personal values match my organization's values and culture.	4.22		0.76		
	My current organization meets the needs I expect an organization to meet.	4.16		0.89		
Person-Job Fit	There is a good fit between what my job offers me and what I am looking for in a job.	3.96	3.97	0.86	0.86	0.85
	The attributes that I look for in a job are fulfilled very well by my present job.	4.02		0.81		
	The job that I currently hold gives me just about everything that I want from a job.	3.96		0.89		
	My abilities and training are a good fit with the requirements of my job.	3.95		0.88		
Person-Group Fit	Working with the other people in my group is one of the best parts of this job.	4.74	4.74	0.96	0.95	0.84
	I get along well with the people I work with on a day-to-day basis.	4.73		0.92		
	There is not much conflict among the members of my group.	4.76		0.93		
	I have a good working relationship with my co-workers often socializing together outside work	4.71		0.98		

**Table 4.4: Reliability Test for Employee Outcomes**

<b>Reliability Test for Employee Outcomes</b>						
<b>Variable</b>	<b>Item</b>	<b>Mean</b>	<b>Avg. Mean</b>	<b>Standard Deviation</b>	<b>Average Standard Deviation</b>	<b>Cronbach Alpha</b>
Job Satisfaction	All in all, I am satisfied with my job.	4.44	4.42	0.76	0.75	0.93
	In general, I do not like my job.	4.41		0.73		
	In general, I like working here.	4.42		0.75		
Organizational Commitment	I am willing to put in a great deal of effort beyond what is normally expected in order to help this organization be successful.	4.17	4.09	1.23	1.08	0.88
	I speak highly of this organization to my friends as a great organization to work for.	4.39		1.12		
	I am very loyal to this organization.	4.54		1.25		
	I would accept almost any type of job assignment in order to keep working for this organization.	3.96		1.01		
	I really care about the fate of my organization.	3.91		1.03		
	I am proud to tell others that I am part of this organization	4.02		1.03		
	This organization really inspires the very best in me in the way of job performance	3.93		1.03		
	Often, I find it easy to agree with this organization's policies on important matters relating to its employees	4.11		1.03		
For me this is the best of all possible organizations for which to work.	3.81	0.97				
Turnover Intention	I probably look for a new job in the near future.	4.42	4.27	0.77	0.66	0.82
	I will likely search for a new job in the near future.	4.42		0.76		
	I often think of leaving the organization.	3.97		0.45		



Factor loadings with Eigenvalues of more than one were retained and factors with loadings of below 0.3 were suppressed in accordance to Hair, Black, Babin, Rolph, Anderson and Tatham (1998). Extraction method of Kaiser-Meyer-Olkin's (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity were used to determine the degree of relationship between the variables.

Table 4.5 below summarizes the results for KMO measurements and Bartlett's test. The KMO value must be more than the Kaiser (1974) recommended value of 0.6. Barlett (1954) indicated that Test of Sphericity is significant when  $p < 0.001$ .

Findings indicate that Barlett's Test of Sphericity is significant ( $p = 0.00$ ) and KMO measures of sampling adequacy is above 0.6 in all the constructs used which is greater than the recommended value.

**Table 4.5: KMO and Bartlett's Test**

	<b>KMO Measure of Sampling Adequacy</b>	<b>Bartlett's Test of Sphericity (sig.)</b>
Corporate Culture	0.847 (meritorious)	0.000
Person-Environment Fit	0.798 (middling)	0.000
Job Satisfaction	0.750 (middling)	0.000
Organizational Commitment	0.927 (marvelous)	0.000
Turnover Intention	0.693 (mediocre)	0.000

### 4.2.3 RELIABILITY ANALYSIS

Reliability is the consistency of a set of measurements. Reliability is inversely related to random error. This determines that measures are free from random errors. Cronbach's Alpha models internal consistency based on average correlation among items. Cronbach's alpha can be interpreted as the correlation of the observed scale with all possible other scales measuring the same thing and using the same number of items.

Hair, Black, Babin, Rolph, Anderson and Tatham (1998) recommended that reliability coefficients of 0.6 indicate high reliability. Thus any item below 0.5 reliability level will be omitted. Table 4.6 summarizes the Cronbach's Alpha for each variable. It is evident that the Cronbach Alpha for all items including the independent and dependent variables exceeded Nunnally's (1978) minimum requirement of 0.70. This indicates that the measurements used in this study are statistically reliable and the items are homogenous and measuring the same construct since it has Cronbach's Alpha of more than 0.7.

**Table 4.6: Summary of Cronbach's Alpha Reliability Analysis**

<b>Variables</b>	<b>No. of items</b>	<b>Cronbach's Alpha</b>
<b>Corporate Culture</b>		
Training and Development	3	0.77
Rewards and Recognition	5	0.71
Teamwork	4	0.74
Organizational Communication	3	0.74

<b>Person-Environment Fit</b>		
Person-Organization Fit	4	0.75
Person-Job Fit	4	0.85
Person-Group Fit	4	0.84
<b>Employee Outcomes</b>		
Job Satisfaction	3	0.93
Organizational Commitment	9	0.88
Turnover Intention	3	0.82

#### **4.2.4 CORRELATION ANALYSES**

Correlation describes the extent of relationship between variables to measure the interrelatedness of data. Relationship becomes stronger with high correlation value. Conversely, relationship does not exist when correlation is zero. Pearson coefficient was selected as a part of this study to examine the correlation between variables.

The correlation matrix in Table 4.7 exhibit correlation coefficients between the independent variable (corporate culture), mediating variable (person-environment fit) and the dependent variable (job satisfaction, organizational commitment and turnover intentions).

From the analysis, corporate culture was found to have a positive moderate degree of correlation with job satisfaction ( $r = .242, p < 0.01$ ) and organizational commitment ( $r = .482, p < 0.01$ ).

It is noted that the corporate culture is significant and highly correlate with organizational commitment than job satisfaction. The result shows that dependent variable, turnover intentions has negative correlation of  $r = -.512$  when p is significant.

**Table 4.7: Correlations among variables**

	CC	PE	JS	OC	TI
<b>Corporate culture (CC)</b>	1				
<b>Person Environment Fit (PE)</b>	.334**	1			
<b>Job Satisfaction (JS)</b>	.242**	.223**	1		
<b>Organizational Commitment (OC)</b>	.482**	.467**	.334*	1	
<b>Turnover Intention (TI)</b>	-.512**	-.469**	-.120*	-.460**	1

\*\* Correlation is significant at the 0.01 level (1 – tailed)

\* Correlation is significant at the 0.05 level (1 – tailed)

### 4.3 TESTING OF HYPOTHESES

Hypotheses were tested using regression analysis. The method acquired in testing mediational hypotheses is adopted from Baron and Kenny (1986) that specifically describes the steps to measure the mediating effect of a mediator variable. Mediational hypothesis generally assumes that the affect of independent variable on the dependent variable is being mediated by a mediating variable.

Baron and Kenny (1986) have discussed three steps in establishing mediation:

Step 1: Conduct a simple regression analysis with independent variable predicting dependent variable.

Step 2: Conduct a simple regression analysis with independent variable predicting mediating variable.

Step 3: Conduct a simple regression analysis with mediating variable predicting dependent variable.

Step 4: Finally, conduct multiple regression analysis with independent variable and mediating variable predicting dependent variable.

Tables 4.8 and 4.9 show the results of regression analyses. Following Baron and Kenny (1986), direct relationships were tested first. These analyses show that corporate culture is positively influenced by job satisfaction ( $\beta = .11, p < .01$ ) and organizational commitment ( $\beta = .494, p < .001$ ). In contrast, however, turnover intention was found to negatively ( $\beta = -.618, p < .001$ ) influence corporate culture. Therefore the hypotheses of H1, H2 and H3 are accepted as shown in Table 4.8.

Table 4.9 depict that corporate culture has a significant relationship ( $\beta = .603, p < .001$ ) with person-environment fit. Multiple regression analysis shows that the relationship between corporate culture and job satisfaction is fully mediated by person-environment fit. However, the relationship is partially mediated by organizational commitment and turnover intention in relation to corporate culture. Therefore, hypothesis 4 (a), (b) and (c) is accepted.

**Table 4.8: Regression results testing direct and mediated effects**

Variables	Job Satisfaction		Organizational Commitment		Turnover Intention	
	Direct Effect	Mediated Effect	Direct Effect	Mediated Effect	Direct Effect	Mediated Effect
Corporate Culture	0.110**	0.006	0.494***	0.355***	-0.618***	-0.509***
P-E Fit		0.167***		0.222***		-0.314***
$\Delta R^2$		0.051***		0.053***		0.042***
$R^2$	0.022**	0.076***	0.329***	0.363***	0.234***	0.295***
F	8.02**	12.061***	154.312***	94.104***	100.624***	64.579***

\*\*\* Correlation is significant at the 0.001 level (1 – tailed)

\*\* Correlation is significant at the 0.01 level (1 – tailed)

\* Correlation is significant at the 0.05 level (1 – tailed)

**Table 4.9: Regression results testing corporate culture and P-E fit**

Variable	Person-Environment Fit
Corporate Culture	0.603***
$R^2$	0.297
F	112.272***

\*\*\* Correlation is significant at the 0.001 level (1 – tailed)

#### 4.4 SUMMARY OF RESEARCH RESULTS

There are four tested hypotheses. The research results show that corporate culture have a significant and positively relationship with employees' job satisfaction and organizational commitment. Corporate culture has a negative significant relationship with employees' turnover intention. Person-environment fit has a significant mediating influence on the relationship between corporate culture and facets of employee outcomes (job satisfaction, organizational commitment and turnover intention).