Impact of Organizational Culture on Employee's Career Salience: An Empirical Study of Banking Sector in Islamabad, Pakistan

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Abstract

This study was conducted to inspect the relationship between organizational culture and employee's career salience and how organizational culture affects the employee's career salience. Organizational culture and career salience both were relevant to each other which enhanced the organization performance. Questionnaires were distributed among 180 banking employees from 3 banks which are (HBL, ABL, and BAL). Organizational culture and career salience were measured on the behalf of these banks. The analysis shows that bureaucratic, innovative, and supportive cultures influenced the career salience. Hence organizational culture and career salience had direct and significant relationship with each other. The research was narrowed down for controlling the actual essence of this research. Regarding these limitations the study was conducted for the employees of banking sector. Owing to the time span three banks were selected. On the practical level the organizational culture and career salience enhanced the employees and organizational efficiency and effectiveness as well as it achieved the organizational and employees goals. The uniqueness of this study considered that organizational culture effects on employee's career salience.

Key words: Organizational culture, career salience, banking employees and Pakistan.

Introduction

Career Salience was considered as the degree of importance of career in one's life. It is all about how much an individual cared about his career. It also explained the extent one considered career as priority in his life. It is obvious that whatever profession was adopted by a person was adopted to meet the ends, but the degree of taking profession as the most important thing in life varies from individual to individual. Career salience deals with the comparative value of work and career within an individual total life.

Career salience was dependent upon many factors. The factors may be sociological, financial, educational or economical. Every individual possessed different socio-psychological characteristics which affects their career salience. These characteristics included personality, attitude, values, self-esteem and interests (Betz, 1994). Individuals who gave greater importance to their career obtain more satisfaction from what they do (Nevill & Super, 1986). The prominent player in determining the career salience was culture. Culture was a combination of values, beliefs and norms and it is shared among the individuals.

In Pakistan security threats, terrorism, unemployment and inflation was changing the thinking patterns of individuals. In the face of their problems meeting both ends is becoming tough. It made individuals more serious about their careers. Unemployment was the major factor that makes individuals more concerned about their careers. Thus, organizations in Pakistan were shaping their strategies to align with changing thinking pattern. Organizations were trying to match their ultimate goals with the personal goals of their employees. It was bringing a dramatic change in compensation system in form of life and health insurance and in career development options. It also included offering employees with various trainings both soft skills and technical. The organizations had made these efforts to create a perception on the minds of employees that their career was varying to organization and themselves as well.

Banking sector had grown up at a remarkable pace since last decade in Pakistan. A major part of Pakistani population was working in Government and Foreign banks. There was a striking difference between the cultures of these banks. Employee consideration, structure of organization, norms and values of each bank differed and had an impact on career salience.

Different studies had been conducted taking culture in national contexts and comparisons among different nations regarding culture. Culture had been discussed in the context of organization but culture had never been studied with career salience. This study attempted to examine the effect of organizational culture on employee's career salience. Organizational cultures performed the vital role in the employees' career salience for seeking new employment.

The objective of this study was to establish impact if organizational culture had any impact on an employee's career salience. The results of this study could help managers in managing the career salience of employees and identify the options for avoiding problems. Findings would enable organizations in adjusting plans to the culture of the organization so that employees start taking their career as the most important object.

Literature Review

The ways employees behaved with one another at workplace constitute the culture of that organization. The life experiences, education, weaknesses, strengths and upbringing, of the employees were defined by organizational culture. Managerial leaders performed a vital role in defining organizational culture by their actions and leadership styles, but employees added to the organizational culture (Bass, 1985).

There were different types of organizational culture. These cultures had different effect on the overall organizational performance, human management, employee retention and ultimate market advantage. In this regard enterprise needed to consciously aware of their organizational culture to avoid the risk and uncertainty of the human management and maintain the long-term competitive advantage. The organizational culture influenced by bureaucratic and supportive culture. These cultures shaped the organizational internal and external strategies.
Three Culture orientations used by (Athena & Maria, 2006) were Humanistic Orientation, Achievement Orientation and Adaptive Orientation, where as humanistic orientation were not correlated with performance of business division. On the other hand, achievement orientation was positively and significantly correlated with performance of business division. Adaptive orientation and performance was marginally significant and negative indicating that an emphasis on change might have a negative effect on performance.

A theory of Organizational culture and effectiveness identified four cultural traits namely involvement and participation, consistency and normative integration, adaptability and mission were positively related to organizational performance. This theory was developed and supported by Denison and his colleagues (Denison et al., 2004). Hofstede et al. (1984) confirmed that there were regional and national cultural groupings that influence the behavior of organizations. He recognized the scope of the organizational culture having four dimensions, uncertainty avoidance and Power distance, collectivism vs individualism and masculinity and femininity.

Harrison (1991) further worked on organizational culture and defined culture had four dimensions role culture, task culture, power culture and person culture.

There was a relationship among organizational culture and the cognitive, affective and behavioral trend of attitudes towards organizational change. The different organizational cultures had different level of acceptance of attitudes towards organizational change. So the organizational culture had a consequence in the organizational change process Abdul Rashid et al. (2003).

According to the Wallach (1983) there were three categories of organizational culture (a) bureaucratic, (b) innovative, and (c) supportive to measure the organizational culture. A bureaucratic culture was a hierarchical and this type of culture there were clear lines of authority and responsibility and the work is well planned and organized. This culture was based on power and control. The second category was innovative culture, result oriented and challenging work environment. Innovative cultures mostly focused on internal system of organization and looking for competitive advantage, it encouraged openness to new thoughts and prepared internal capabilities to adopt new ideas, process, or product successfully. The third category supportive culture was teamwork, trusting, encouraging work and a people-oriented environment.

Greenhaus (1971) performed factor analysis of a sequenced number of career salience items and related them to many indices of work-related choice behavior. The following factors were emerged from the factor analysis (1) the relative precedence of a career, (2) general attitudes toward job; and (3) career planning and advancement. Savickas, (2002) described career salience as one of the major components of career adaptability. It analyses how people made career decisions. The concept of career salience had received a lot of attention in the career literature and particularly in the career development of women. Female students felt more positive than males about gains in equal rights made by women's movement. Students were more committed both to career and family.

Women with career were different from non career women who had traditionally feminine occupation in term of relationships with parent's extracurricular activities and work values received limited support (Almquist & angrist, 1970). Test of the deviance hypothesis that girls who were career salient and choose typical occupations were likely to be less active socially, to have more conflicted family relationships and to hold manly work values (Almquist & angrist, 1970).

Harris and Ogbonna (2000a) opined that leadership style was not directly linked to performance but was merely indirectly associated. Competitive and innovative culture traits were directly linked with performance and had strong and positive associations. Community and bureaucratic cultural traits were not directly related. From the negative link between bureaucratic culture and organizational performance revealed that internally oriented organizational culture might prove disadvantages then externally oriented organizational culture. It also suggested bureaucratization reduced short term profitability, hindered long term growth and might even affected the existence of the organization.

The traditional gender role of men was of a breadwinner and women were more towards family orientation. So it could be concluded that men are more concerned about career than women. Following are the factors that affected the relation between close relationships and career salience. (1) Characteristics of the individual (education and employment status, gender role identity), (2) characteristics of the relationship (for example, dependence on the partner, presence of children), and (3) characteristics of the partner (for example, gender ideology, educational attainment).

However, these factors may affect career salience in men and women differently (Miguel et al., 2000).
Learning organizational culture, employee's job satisfaction and organizational commitment were highly correlated and significant relationship in banking sector. The dissemination of information, participation of employees and teaming up of employees at different management levels proved serious for learning to occur at the organizational level (Dirani, 2009).

The characteristics of the relationship of any given man or women, the characteristics of the other person also involved in the relationship may also be important for his/her career salience. Although, some models (as cited by Betz and Fitzgerald, 1985; Farmer, 1985) included the role of some persons (parents, teachers) in men and women's career development, there is little research that considered the partner's influence on this variable when people are involved in a close relationship.

Organization culture was a complex issue and not easily understandable. There was difference between organizational culture and organizational practices and took the view to be culture as something an organization had rather then something an organization was. According to (Connolly & James, 2010) discussed the relationship between organizational culture and organizational performance and culture did not give a clear picture of the organizational performance.

According to Kiyani et al. (2011) found that career salience had significant and positive relationship with job involvement of universities teachers of private and public universities. Most of the employees agreed that they were getting help from career salience to maintain their job involvement. Further, the study found that career salience may be helpful in involving the job. It suggested that better defined career developed sound relationship with job involvement.

As it had been discussed above that career salience is influenced by general attitude of people working at the same workplace and this interaction is the culture so there must be very strong relationship between the two. During the 1990's a number of comparative studies on the culture and other links had been performed. But no study had been carried out yet which shows the impact of culture on career salience.
In the light of extant literature it is hypothesized that:

H1: Organizational culture affects employee's career salience.

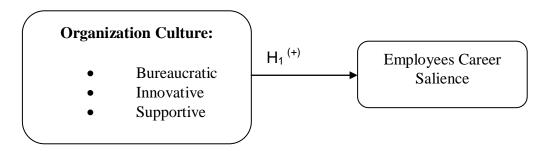The following theoretical model is developed to investigation

Figure 1: Organizational culture and employee's career salience

Methodology

Sample and data collection

For this study population considered was banking employees. The data was collected from banking employees. Three commercial banks Allied Bank, Habib Bank, Bank Alflah were taken as the target population. A Sample of 180 employees were considered for analysis and received back 118 questionnaire with response rate of 73.75%. Two questionnaires were constructed, career salience questionnaire and organizational culture.

Measures

Although there were number of typologies, categorization and instrumentation for measuring organizational culture, the most popular 24 items organizational culture by Wallach (1983) had been used for the purpose of this study. It was also used by Li's (2004) research. Wallach defined three types of culture (a) bureaucratic, (b) innovative or (c) supportive and each of the three types is assigned 8 items measuring organizational culture. The organizational culture had been used by other researcher's (koberg & Chusmir, 1987; Lok & Crawford, 2004). A four point Likert scale was used. For career salience 27 items on Likert scale of Greenhaus (1971) was used.

Findings and Conclusion

Table-1 explained the demographical information of respondents. Table interpreted that majority of the respondents (55%) belong to the young age bracket (20-30), (38.13%) belong to age bracket of31-40 years of age, (5%) belong to age bracket of 41-50 years of age and only 2 respondents belong to the age above 50.

Table also explained respondents division according to gender. Majority of the respondents (62.71%) were male and only (37.28%) were female respondents. When respondents were divided according to their qualification, table explained that majority of the respondents were holding masters degree (79%), and very few (10%) were having bachelors degree or degree above masters and very minor (11%) were having intermediate degrees. When respondents were inquired about their work experience (86%) of the respondents were having work experience between 1-10 years, employees having work experience between 11-20 years were only (12%) of the respondents. Employees having work experience more than 20 years were only (2%) (Table 1).

Overall Reliability

Overall cronbach's alpha independent and dependent variables amounted to 0.700. Organizational culture measured by Wallach (1983) model and employees career salience measured by the Greenhaus (1971) scale and Stuart Allen Karen Ortlepp (2002). This research applied to banking employees of Pakistan for measuring the impact of organizational culture on employee's career salience.

Table 2. Reliability Statistics

Cronbach's Alpha	No. of Items
0.700	20

Regression Analysis

shows the model summary of regression analysis of Independent variables and dependent variable. R value of the table shows the Correlation coefficient (r) of the analysis, which shows the strength of relationship between independent variables and dependent variable. R square (R^2) shows the amount of change in dependent variable due to independent variable, it shows that 11.7% of the change in dependent variable was due to independent variable and rest could be attributed to other factors.

Table 3. Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.342[a]	0.117	0.10	0.35756

a. Predictors: (Constant), OC

Model fitness is shown in table 4. F value of the table shows that there was model fit (between Independent and dependent variables).

Table 4. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.925	1	1.925	15.321	0.000[a]
	Residual	14.575	116	0.126		
	Total	16.500	117			

a. Predictors: (Constant), OC; b. Dependent Variable: ECS

Table 5 shows the significance of relationship between Independent variables and dependent variables. It shows (Unstandardised Coefficients Beta) value that if there was one unit change in Independent variable what would be unit change in dependent variable. The significance (p) value shows that there was significant relationship between all dimensions/traits of organizational culture and employees' career salience.

Table 5. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1　　(Constant)	2.515	.432		5.820	.000
OC	.498	.127	.342	3.914	.000

a. Dependent Variable: ECS

Discussion and Conclusion

Findings show that there was significant relationship between organizational culture and employee's career salience. It also shows the independent affects of all dimensions of organizational culture which also proved that there was significant and positive relationship between organizational culture and employee's career salience. Respondent consider the organizational culture to be an important cause to enhance the employee's career salience.

Table 2 shows the reliability of the variables which result of organizational culture cronbach's alpha is 0.669 and shows the employees career salience Cranach's alpha was 0.615 and finally shows the overall reliability Cranach's alpha is 0.700. The result of the study shows the tools which measuring the organization culture and how its tools were related to ones career salience. Employees career salience replete with organization cultural practices.

Limitation

The limitations related with this research are acknowledged. The limitation of this study conduct to the employees of banking sector, owing to the time span three banks were selected. The sample size of this research is too small to generalize. The further research could be conducted by changing the sector because very few researches have been conducted this scale.

Table-1   Descriptive Statistics of Respondents

		Frequency(f)	Percentage
	20-30	65	55%
	31-40	45	38.13%
Age	41-50	6	5%
	>50	2	1.7%
	Male	74	62.71%
	Female	44	37.28%
Gender	Intermediate	0	%
	Bachelors	8	10%
Qualification	Masters	98	79%
	Above Masters	12	11%
Work Experience (Years)	1-10	102	86%
	11-20	14	12%
	Above 20	2	2

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