

**Majors: HRM**

**S.NO. 2**

**"Impact of Organization Culture on Employees Motivation and Retention."**



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## **Abstract**

Organization culture and employee's motivation and retention are the most important aspect in the success of every organization, and culture plays a critical role in the motivation of employee's. This thesis helps to find out what are the different factors of organization culture that motivates employees to retain with the organization in the long term. To find out the factor the major theories of culture, retention, and motivation help to figure out the factors. Theories include Hofstede Five Dimension Model of culture, Employee Equity Model, Herzberg's (Two Factor) Theory, Maslow's Hierarchy of Needs Theory, and the Job Embeddedness Theory. The study conducted on the Software agencies located in Islamabad and Rawalpindi region. The main focus of the study is to find out the relationship of organization and employees retention by using the motivational factor.

The findings of the study shows that there is a significant relationship between organization culture and employee's motivation and retention. To find this relation the study used correlation and regression analysis in SPSS, which gives the result that show organization culture has positive impact on employee's motivation and retention.

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# **Chapter 1**

## **INTRODUCTION**

## **1. Introduction**

The selected topic is the organization culture and its impact on employee's motivation and retention level. This topic is selected, because on analysis most of studies were conducted on the relationship between HR policies and employee's retention, and also the focus is more on employee's turnover. But there is a great impact of culture that motivate employees in their work and help to retain them. So this study see how organization culture affects the relationship between employee motivation and retention. The main research area of study is the software agencies of Pakistan.

The research is based on the software agencies located in the Islamabad and Rawalpindi region. Mostly the agencies includes the private sector industry, because in public sector there is no such software company or not recognize as the public so the focus is on the private sector of Pakistan. The study is to conduct to analyze the culture of the agencies by using the Cultural Dimension Model. The reason to apply this model that this most appropriate model that used globally to analyze the culture of organization as well the national culture. This model cover all the aspects, so its help in this research to find what type of culture these software agencies offers to their employees, and then analyze whether the culture is motivational or not, and how its effect the retention rate and motivation.

## ***1.1 Background***

Culture is most important part of the organization to perform effectively and efficiently. As it's motivated or demotivated employees to perform well. As if there is a good working culture, supportive, and encouraging then employees become motivated to perform good. Firstly, organization culture is evolve according to (Tharp, 1990 ) the organization culture is evolve in early 1930s in the final phase of Hawthorne studies, where they use the concept of organization culture to study work environment. Whereas (Khatib, 1996) said that organization culture become in mainstream in 1980s, study said that organization culture help organization to maintain and develop the high level of dedication and commitment among the employee's. In same article researcher defined culture as the set of shared values and belief, and behavior norms that are shared by the members of an organization.

Employee's retention is very much important in nowadays, because employers spent lot of money and time to hire and train their employees. Recruitment and selection process is very time consuming and expensive, so if organization is not able to retain their employee's then they bear a lot of loss in term of money and time. According to (Shao, 2013) employee's retention matter was begin in 1970s and 1980s when organization saw their employee's as a resource. The study also explain that in 1990s the effect of labor movement take place in which organization feel the effect of employee's turnover, they begin to develop the strategies to retain employee's with them.

The motivational concept is develop historically according to (Appley, 1968) mention MacLeod study in 1957 the motivation concept is drawn from the Darwin and Freud time. They also said that it's probably true that motivational concept is dominant in the time of Darwinian evolution.

## ***1.2 Problem Statement***

"The research is conducted to find out the impact of organization culture on employee's motivation and retention."

## ***1.3 Objectives***

The main objective of the study is to determine the impact of organization culture on employee's retention and motivation. Other objectives are:

- Determine the impact of organization culture on employee's retention.
- Determine the impact of motivation on the relationship among organization culture and employee's retention.
- Determine the factors of organization culture that motivates the employee's.
- Also determine the motivational factor that motivates the employees to be loyal with the organization.

## ***1.4 Research Question***

This research has to seek the answers of following questions, after explaining the objectives of the study:

- What impact does organization culture has on employee's retention?
- What impact does organization culture has on employee's motivation?
- What are the factors of organization culture that motivates the employee?
- What are the motivational factors that retain employees in the job?

## ***1.5 Justification of Study***

The main purpose of this study is to find out the impact of organization culture on employee retention and motivation. The scope of the study is limited to:

- This study help managers to find out the best culture for their organization that motivates their employee's, and beneficial for the organization.
- Also, this study help member of the software agencies to find out what is the expected behavior that help to identify what norms and values should be adopted to perform well.
- This study assist student in their academic career, to get the idea about the organization culture, employee's retention, motivation, and how these are related to each other.
- It's also help faculty to get something new, and teaches it's to student so they can get a good idea about a particular topic.
- This study communicates the software agencies, that what's factors of organization culture help them to motivate their employees, and what are the expectable cultural norms and values.

### *1.7 Definition of the Key Term*

#### ***Organization:***

According to (ALUKO, 2003) define organization as the structure which carry out social activities on regular basis; and it's has the specific goals, has a membership which is defined, there is a set of rules for desire behavior and conduct, and has an authority.

#### ***Culture:***

According to (Sun, 2008) the culture is the way we do things around us. Culture include the ethics, norms, values, and believes that culture have.

#### ***Organization Culture:***

There are many definitions of organization culture historically but the most popular and commonly use definition of organization culture is given by (Cowling, 1996) where they define organization culture as the way the people do things around them. According to (Khatib, 1996) Stated that organization culture is the set of beliefs and values that is shared by the member of the organization, and also the cultural norm and expectation.

### ***Employee Retention:***

Employee retention is the process in which organization encourage its employees to remain with them for the long term period (Kumar, Employee retention by motivation, 2011).

### ***Motivation:***

(Ajang, 1995) Stated that the motivation as the activities that directs human behavior, and explain how this behavior is sustained to achieve a specific goals.

### ***1.8 Summary of the Chapter***

In this chapter study explain my topic, what this study want to achieve from this research, objectives of the study, and also explain the origin of the key term use in this study. The history from where these concepts was generated in the past. Also, mention the scope of the research study that who will be get benefited from this study.

In the next chapter study will be discussing the literature review of the study. In which study will be explain the key term according to the others authors perceptive, and identify the variables or dimension that affects the key concept of my study includes the organization culture, employee's retention, and motivation.

## **Chapter 2**

# **LITERATURE REVIEW**

## 2.1 Literature Review

This research is focuses on the how organization culture helps to motivate and retain its employees. Because the culture is how you behave and live, and in organization culture how to work and behave with each other. If the employee does unable adopt the organization culture, so it's very difficult for employees to increase his motivation level and loyal with the organization for very long time. In past HR is not in priorities of an organization in Pakistan. Now trend has been change and every organization gave importance to its HR department and practices. Because the literacy rate is now high as compare to past, more people are literate but the employment opportunities are very low, so the competition level is very high in Pakistan. Also organization spend lot of money, time and their effort in recruitment and selection process, training and development, so if they are unable to retain them in long term so it's very costly form them. So all the time and money will be wasted.

### *2.1.1 Relationship between Organization Culture and Employees Retention*

Employee retention through the culture of the organization should be done in such a way, (Baysinger, 1984) where there should be a balance in the cost of replacing the employees. The focus of the human resource management should be to consider the cost of employee leaving the organization. An effective human resource strategy would be in which there is balance struck between the costs of replacing an employee who quits against the cost of retaining the ones who stay. Since the cost attached with replacing a highly productive employee is very high for the organization than the cost of replacing the low productive employees, (Cascio, 1982). A cost-effective strategy of the human resources would be to minimize the turnover of the highly productive employees. Furthermore, since every employee has to leave the organization one day or another, the strategy should focus on bringing in new employees who are high performers and retain them for a longer period while encouraging the low performing employees to leave the organization at an early stage, (Peters, 1988). Thus, ensuring the high productivity of the organization and reduction of employee turnover, that is favorable for the organization.

To find the best about the impact of culture on employee's retention the Hofstede Five Dimensions Model of culture is appropriate to find it. The five dimensions model include the Power Distance, individual vs. collectivism, masculinity vs. femininity, uncertainty avoidance, and long-term orientation. These are the dimension that every organization culture have in organization in everywhere. We have find these things wherever we go, and which organization we go. In the research Hofstede used the 116,000 questionnaire, on 60,000 employees, from 70 countries. Which help him to identify the impact for these dimension in whole world, because the research conducted globally in different countries. Many researchers including (Steenkamp, 2001) and(Clark, 1990) see Hofstede Five Dimensions of culture as the most appropriate for conceptualizing and operationalizing culture, because the choices that Hofstede choose in his model is imbedded in every organization culture. Whereas this study have a positive point of that these dimension that Hofstede selects in his model also part of the national culture of every country, which help researcher in future researches to analyze the cross-cultural analysis. These five dimensions according to Hofstede form the whole of the culture may it be of a nation or an organization. Through these five dimensions one can understand the culture and predict the type of individual and group behavior that the culture arouses within the followers of that culture.

### *2.1.2 Organization Culture*

Organization culture take place in late 1920s in Hawthorne Studies at the Western Electric Company (Van der Post, 1998). This study highlighted the importance of culture for work group, and it have more impact on productivity than technology and working conditions (Schuster, 1986). In 1980s (Harris, 1998) presented the organization culture as universal solution to resolve any organization problem. There are number of definitions that define organization culture, but the most common definition is the “the way we do things around here” (Cowling, 1996). Whereas according to (Bagraim, 2001) the corporate culture is emerge in recent years as a central theme in the field of organizational psychology, and know motivation see as the most important source of organizational success.

According to (Ogbonna, 1992) organization culture is the values, norms, beliefs and customs that an individual holds in common with other members of a social unit or group. According to the (Cotgrove, 2003) culture is the shared norms and values of a social system which are a most important aspect of a society. Culture is the how people live there lifes, their behavior, and organization culture is how employyes beahave in the work place and how they perform their task. According to (ALUKO, 2003) he mention two aspect of culture in his research articles material culture and non-material culture. The material aspects that are visible and more toward the tangible such as houses, technology, art, and handicrafts etc. Whereas in non-material aspects language, morals, knowledge, behavior, norms, attitudes, and beliefs.

According to (Brouwer, 2001) he cited that the Hofstede dimension of culture criticized by Rowe and Struck, and in there research they come up with the new dimension that is the flexibility. The flexibility means according to the passage of time new technologies are introducing, new rules and regulations set by the regulatory authorities and government agencies, changes in the goals and objectives of the organization, and also its strategies. So organization culture should has to be flexible to adapt new changes, otherwise its harm the performance of organization and they can't be compete with its competitors in the markets. According to (Pasmore, 1994) flexibility is the most important factor that help organization to improve its performance, because the organizations which have flexible culture can easily and quickly adapt rapid change that happing in the business environment. (Volberda, 1996) define flexibility is the organization capability to how well and quickly organization respond to environment changes and uncertainty. There is another debate on this some researcher argue that large organization are more flexible, and some argue that small organizations are more flexible. In this regard (Boeker, 1991)said that large organizations have more resources, also the slack resources so they can respond more quickly to environment change. Whereas small organization have less number of slack resources, so they are slow to respond to environment changes. Whereas (Quinn, 1985) in his study about the organization innovation, in his study he argue that in small organization there is no committee, board approval, and other delays that occur due to bureaucratic step up. In small organization these types of hurdles are not come into place. So they can do whatever they want with little time loss.

Another important factor or dimension that has impact on culture is the power distance, where (Hofstede, 1991) define power distance as the cultural dimension where less powerful member of the society expect and accepts that the power in society is distributed unequally. Authors (Shih-Yun Hsu, 2012) in their research define the power distance which is the first dimension of Hofstede culture dimension. They said Power distance measures the degree of inequality in power perceived by the less powerful member between a superior and a subordinate in a hierarchy. Whereas Hofstede define that less powerful people in the organization expect and accept that power is distributed unequally. Societies where power is distributed unequally, people see power as a prestigious thing, and people who have more power uses their power to influence others. Whereas, societies where power is distributed equally people don't give importance to power. It is the key aspect to motivate or demotivate the employees. If there is less power distance in the organization, so people have took part in organization decision making, and high level manager with importance to the opinion of the employees. Due to which employees see themselves as a part of organization, and their commitment and involvement increased. Employees see organizations a family, and they exert extra effort to make their organization become successful.

Organization also see from the aspect of individualism and collectivism level, and it's a dimension of Geert Hofstede's Five Dimensions Model. Where (Hofstede, 1991) define the individualism vs collectivism the state of culture where people behave when they come to their own personal interest. He further define the individualism as the culture where people think about themselves and their families, and people get their personal benefit in anyway, they don't have a concern about others. Whereas, collectivism is the cultural dimension where people see themselves as a part of large group, and interest of group have more important than the individuals interest. According to (Lalita A. Manrai, 2011) define another culture dimension of Hofstede in the research that is individualism and collectivism. They said that an individualism is a situation where people look after themselves and their families only. Whereas collectivism is a situation where people thing about the whole group or society where they live. In today's world organization which are successful are those who work in the team, and working in groups and teams create innovation and creativity in the organization, which help organization to

differentiate them from their competitors in the market. It also help organization to create the culture that encourage employees to learn from other person experience in the group and teams.

Culture of an association additionally should be measured on the premise of certainty avoidance. As indicated by (Hofstede, 1991) characterizes instability shirking as, how much the general population in a culture needs to recognize what is going on, why it is going on, and how to do anything. Culture that are more towards instability evasion like things to be unsurprising. Individuals in this kind of culture are not exceptionally inviting to changes. They like things to be as they are and like the things to act as they as of now are working. They don't care to go out on a limb and attempt new things. They like principles and directions composed or unwritten however obviously characterized with the goal that they have a rule to take after and their execution can be judged through the degree to which they have taken after the rules. Then again culture where instability is low the general population in that culture jumps at the chance to break free from the schedules and the guidelines and directions. The general population in this kind of culture is more pensive. These individuals jump at the chance to attempt new thing and get a kick out of the chance to concoct better approaches for doing the comparable things. These individuals jump at the chance to go for broke and investigate new skylines. These individuals are less enthusiastic in nature and are more casual than the past class of individuals. Both of these have great and awful things to offer as indicated by their temperaments. Accordingly, picking the correct one is essential to support sought conduct.

Organizations likewise need to understand the long term orientation of the workers. (Hofstede, Cultures and organizations , 1991), clarifies long haul introduction as, mental approach of individuals towards thinking in a long haul situation rather than a short term. Societies that take after long haul introduction esteem determination; it is one of the essential characteristic of long haul introduction as perseverance pays off in the long haul to individuals. These individuals go for the viable usage of the assets may they be close to home or potentially hierarchical. Over the long haul connections are essential for individuals and requesting to connections through status are likewise vital for individuals who are into long haul introduction. In the long haul situation individuals have a feeling of disgrace inherent their attitudes which forms and predicts conduct.

Though, in the transient situation individuals are more centered on quick outcomes. They need their endeavor to bring brisk outcomes and prizes for them.

These are not very efficient when it comes to the resources they hold, they like to spend and spend. Relationships are not as valued in this scenario as the previous one, and the concept of status in relationships is ignored at a great length and people are only concerned with the bottom line. A sense of shame is not a trait in the people who follow this type of culture. The concept that Hofstede presented as long-term orientation is based on the work of Confucius, a Chinese teacher who lived in 500 B.C. The long-term and short-term orientation greatly affects the behaviors of the people. This factor was not initially present in the Hofstede's model when it was presented in 1967. After a great deal of criticism Hofstede came up with this dimension to update his model and to stop the criticism that his model was attracting.

Whereas many criticism was done on the Hofstede Five Dimension Model of culture. The critics criticize the way the Hofstede conduct the study or have different of opinion on the process that he adapt. The researcher how criticize this model include (Howell, 1998), (Gelb, 1996), (Fernandez, 1995) they also said that the study should be conducted on the basis of theories rather than the findings of the single person. These researchers also criticize on the Hofstede idea that this model is applicable on all cultures, but these researcher criticize that every culture has its own dimensions, so this model is not applicable on all cultures. Then again (Hofstede, Culture's consequences, 2001) in this he stated that there is no problem in the model, but the problem is the way the model is uses in different countries. To use this model in appropriate manner researcher should the sample that represents the whole culture weather the organization or the national culture. Sample selection is the most critical part of this model process.

### *2.1.3 Employees Retention*

Now another variable of a research is employee retention. In today's word organization see their employees as the asset, so it's important for the organization to retain their valuable asset,

because organizations are investing on their employees. By providing them training and provide them opportunities to grow their skills. Is every costly procedure its take lot of time and money, so if organization unable to retain their employees then it's a very big loss for the organization. It's also including the recruitment and selection process which is very much costly in today's environment. (Cutler, 2001) Describes the retention as the most important thing for today's management in the organization that they have to keep their most vital and dynamic employees with them as motivated and dedicated. According to (Panoch, 2001) in today's world finding good and valuable employees is become difficult, so it's important for organizations have to take care to retain their most valuable and good employees.

The scope of employee's retention is come on the mainstream in 1970s and 1980s, during the political and financial crises carried out in Uganda that effect every aspect of life. It also effect the retention rate of Makerere University where university faces low retention rate among its lecturers during the crises for many years (Musisi & Muwanga, 2003). Employee's retention is now most challenging task for the organizations, because in this competitive environment organization not afford to lose their most skilled and value employees. In this environment competitive see the opportunity to get other competitor best valued employees by offering higher salary and other benefits. According to (Rappaport, 2003) organizations who are failing to retain their employees which are higher performer are left with the employees who don't have sufficient skills that effect the organization to remain competitive.

The retention is defined by (Kumar, Employee retention by motivation , 2011) employee retention is a process in which the employees are encouraged to remain with the organization for the maximum period of time or until the completion of the project. The retention process is a part of every manager job. Manager has to retain their best talent and skillful worker with him. To retain employees manager have to motivate them, which shows that retention and motivation have directly related to each other. Whereas motivation is the willing to do a work. According to (Hom, 1995) employee retention is the process through which employees are motivated to engage with an organization for the longer period of time. According to the (Griffeth, 2001)employees retention is a process to take measures that encourage employees to stay with

the organization for the maximum time period. In today's environment retention is more important and difficult job as compare to hire good competent people for the job.

Retention is a perplexing idea and there is no single formula for staying with the organizations. In writing, retention has been seen as "a commitment to keep on doing business or trade with a specific organization on a progressing premise" (Zineldin, 2000). A more point by point and late definition for the idea of retention is "client loving, distinguishing proof, duty, trust, preparation to prescribe, and repurchase goals, with the initial four being passionate psychological maintenance builds, and the last two being behavioral goals" (Stauss, 2000). Thinkers have additionally demonstrated that maintenance is driven by a few key variables, which should be overseen compatibly: authoritative culture, correspondence, methodology, pay and advantages, adaptable work routine and vocation advancement frameworks (Logan, 2000). Expanding quantities of association mergers and acquisitions have left representatives feeling disappointed from the organizations that they work and frequented by worries of general professional stability. Accordingly, workers are currently making vital vocation moves to ensure business that fulfill their requirement for security. Then again, businesses have a need to keep their staff from leaving or going to work for different organizations. Truth be told, organizations that offer representative improvement projects are discovering accomplishment with holding laborers (Logan, 2000). This is genuine in light of the colossal costs connected with contracting and retraining new workers. The aphorism, great cause is elusive, is even more genuine nowadays than at any other time on the grounds that the occupation market is turning out to be progressively tight (Eskildsen, 2000). Truth be told, writing on worker maintenance demonstrates that charming existing representatives through worker improvement or ability administration programs costs not exactly securing new gifts, as associations know their representatives; their needs and longings; while the underlying expense of pulling in the new representatives has as of now been used (Uttal, 1989). The writing on representative maintenance unmistakably clarifies that fulfilled workers who are content with their employments are more dedicated for benefiting a vocation and anticipate enhance their authoritative clients' fulfillment (Denton, 2000). Representatives who are fulfilled have higher goals of enduring with their association, which brings about a diminished turnover rate (Mobley, 2000). Rich reviews have

speculated and exactly approved the connection amongst fulfillment and behavioral goals and practices, for example, worker's maintenance (Anderson, 1993). Further, various reviews clarify the significance of high representatives' contribution and how it could upgrade their maintenance (Auther, 1994). In outline, the writing characterizes maintenance as proceeding with connection amongst representatives and their association.

According to (Solucum, 1987) additionally proposed that hierarchical culture qualities may direct contrasts in the degrees of consistency of solid and powerless entertainers. They reported that a few associations have societies that underscore estimations of cooperation, security, and regard for individual individuals. These qualities encourage steadfastness and long haul duty to the associations among all workers, paying little mind to their occupation execution. Different associations have societies that stress individual activity and individual prizes for fulfilling particular work goals. These qualities encourage an entrepreneurial standard whereby the association does not offer long haul security and the representatives don't guarantee faithfulness. They proposed that weaker entertainers would soon leave such a culture, and more grounded entertainers would remain keeping in mind the end goal to "adventure the association until better rewards could be gotten somewhere else" (Solucum, 1987). Thus, representative consistency standards might be consistently high for both solid and feeble entertainers in some authoritative societies yet in different societies may change enormously contingent upon workers' employment execution.

According to (Michael O. Samuel and Crispin Chipunza, 2009) in their research they found that there is a strong evidence of association between job security and job retention. According to (Arabi, 2000) job security is the feeling of having proper job and give assurance to employees for continuance of job in future, and the absence of those factor that threatening factors. In his study conducted in public and private sector bank of Punjab to find out the job satisfaction level of employees. He states that the employees in public sector banks are more motivated, because they feel the job security in the organization and the job satisfaction is high. Whereas in private sector they are in stress, and not motivated in their jobs due to job insecurity (Khana, 2015). Whereas (Bohle, 2001) he perceived that job insecurity have very harmful effect on employees

like employees well-being and their health. Because job insecurity create stress on employees, which harm their employees. If employees feel insecure in the job, so they become demotivated which lead job dissatisfaction and also cause the lack of commitment. If a person has a job but not know that it's secure or not have a great burden on the shoulders of a person (Hartley, 1991). Job security is the one of the most important aspect to motivate employees in their jobs. Mostly in downturn situation, if employees feel job security in this situation and feel they not lose their job. So they can remain with the organization as long as they can (Bakan & Büyükbeşe, 2004).

(Meltz, 1989) Characterizes employer stability comprehensively as "an individual stays utilized with in the same association with no lessening of status, pay, benefits rights, and so forth." Also, different researchers like (Njoya, 2007) characterize professional stability as the workers' appropriate to be dealt with nobility and regard as reflected in ideas of „good faith“ and „mutual trust“ and certainty which the business ought to see in the period when still with the representative. Such a definition gets the part of treating workers basing on philanthropic point of view to shield workers from occupation misfortune however it doesn't clear up how employer stability for workers can be accomplished. Considering the errors in the above definitions, the meaning of employer stability that was embraced for this review was from (Herzberg, 1968) who characterized professional stability as the degree to which an association gives stable work for employees. This definition was viewed as beneficial since it obviously demonstrates that it is the part of the business to make professional stability for workers. The manager must set up arrangements to show representatives that their employments are secure even in occasions of major hierarchical changes.

According to (Collins, 2007) in his study he confirm that employee commitment helps organization to retain their employees, through skills development opportunities, systems that allow people to recognize their individual contributions, and systems that encourage greater participation in decision-making. According to (Steers, 1977) the more commitment employees have, the less they have a desire to leave the job. If employees have highly committed, so they have a higher intent to remain with the company, and have a positive attitude about the employment as well as organization. Organization commitment creates the emotional attachment

within employees about the organization. According to (Kanter, 2001) stated that the employees commitment is something that person willingly give his/her energy and loyalty to someone it include organization as well as individuals. According to (Jaros, 1993) explains the commitment as the psychological attachment of any employees with its organization or job, and it include loyalty and may be individuals goals are align with the organization goals or mission, and also their values are matched. Employee commitment helps to motivate employees, and its help to reduce employee absenteeism and turnover. Where (Allen, 1997) expose that there is a positive relationship between employee's commitment and job performance. He also stated that employees who are committed to their organization are remain with the organization as long as they want, but also exert more extra effort to attain the organization goals and work with commitment in its success.

Another variable that affect retention level is the career development. According to (Benjamin Balbuena Aguenza, 2012) career development is now see as to gain new skills and takes advantage of many different methods of learning. Every employee wants to get a very excellent and ideal future. To achieve it they continuously search new employment opportunities to develop their career, and achieve their desired status and position. Also they have a right to have career growth opportunities, and its organization responsibilities to provide that opportunities to gain their loyalty and to retain them. If they don't see any career growth then they leave the organization to get good opportunity for career growth. Also (Fink, 1992) stated that all employees want same thing in their career, and that is the direct path up to the organization ladder. Because every employee want to go up in the hierarchy where they have power, status, and position. Study also state that with vertical movement (reward and promotions) is important but the horizontal movement is also very important in the career development. Whereas (Davis, 1992) argue that organization which provide the opportunities to their employees of career development, this will enhance the employee's loyalty to organization, and in result employees are satisfied with their job, which decrease the employee's turnover. After the 1970s the private sector organizations have merge very fast, and job opportunities become increased. So employees with good skills and experience have become demandable in the market. So if they get good opportunities elsewhere so they can left the organization. Now it is so important for

every organization to give their employees the opportunities of career growth to retain them with the organization.

#### *2.1.4 Employees Motivation*

In this research the motivation is the second dependent variable, and according to (Helepota, 2005) motivation is defined as a person active participation and commitment to achieved prescribed results. Whereas (Antomioni, 1999) define motivation as a people willingly put more effort in their work if their motivational needs are satisfied, and they are demotivated if they feel something that prevent them to achieve their goals in an organization. Motivation is define by (Greenberg J &Baron, 2003) as the set of processes that arouse, direct, and maintain human behavior towards attaining some goals. Whereas (DeCenzo, 1995) define motivation as “the willingness to put extra effort to achieve organization goals”, and also motivation is define as the psychological process that gives behavior a purpose and direction (Kreitner, 1995). According to (Maertz, 2004) stated that employees cited extrinsic motivational factors as key variables of motivation, and they also influence to retain them. They also stated that both the intrinsic and extrinsic motivational factors are considered as effective strategy to retain the employees. Also (Shoup, 2011) argued that the motivation is a very important function to enhance the employees productivity I the workplace and help to retain them.

As per (Strasse, 1984) authoritative representative duty is around a worker's devotion to the association, the ability to apply exertion for sake of the association, the level of objective and esteem congruency between the worker and the association, and the worker's longing to stay utilized by the association. Submitted workers give an upper hand to an association as hypothesized by the asset based view (RBV) of the firm (Penrose, 1959). After some time associations develop physical and HR accordingly building up an ability to utilize these assets to give various types of administrations. Resulting research (Schoemaker, 1993)focused on the significance of inferred information, i.e. things that an association has learnt however about which it might be oblivious as it is unmodified information being with singular representatives or with a gathering of workers. RBV additionally calls attention to that maintained upper hand can

best be worked by aggregating inferred learning as it is uncommon and troublesome for contenders to emulate. The hypothesis of RBV at present moves towards understanding the significance of how assets are overseen and organized in a firm (Barney, 2011). It is presently all around perceived that authoritative duty is a multidimensional develop. Early analysts recognized attitudinal (Mowday, 1979), calculative (Becker, 1960), and the type of responsibility (Zajac, 1990), 1990). Amid the 1990s, responsibility was a noteworthy concentration of authoritative research and Meyer what's more, (Allen M. a., 1997).

There are many theories and tools to motivate the employees that include Maslow Hierarchy of Need Theory, Frederick Herzberg, and McGregor's X-Y Theory. These theories include factors like self-esteem, extrinsic and intrinsic motivation factors, and work life balance etc. The most popular theory related to motivation is the Maslow Hierarchy of Need Theory, which is given by (Maslow, 1943) in which he stated that there are five human needs to fulfill to motivate people, and Maslow align these five human needs in hierarchical order that most basic needs should be fulfill first. (Appleby, 1994) indicates that the Maslow in this theory claims that motives and needs are develop in sequence, when one need is satisfied they lose their strength, and then another need in sequence gain their strength. Also (Cole, 1996) concluded the Maslow's hierarchy of needs theory as this theory provided the useful framework to determine the needs that an employee experiences at workplace, and it's also help the managers to find out the way to motivate their employees.

The first basic needs are physiological needs, which include need of air, food, and shelter. If a people fulfill these basic needs on a particular job, then this act as a motivator for them to do their job with commitment. Physiological needs include the physical comfort, basic salary, and working hours. After fulfilling the physiological needs the need of safety come into place, this include safety from danger, pain, and uncertainty. After this the social needs come into place, which refer the needs of love and belongingness with other human beings. Then Esteem needs refer to the desire to be respected by one's peers, feeling important, and being appreciated. At the end need of self-actualization come at the top, which refer to acquiring new skills, taking on new challenges, and behaving in a way that will lead to the satisfaction of one's life goals.

According to (Deci, 2000) that intrinsic motivation is define as to do something that is enjoyable and interesting. Intrinsic motivation is defined as the activity by doing this a person get inner satisfaction, and it's don't have separate consequences. When intrinsically motivated, a person is moved to act for the fun or challenge entailed rather than because of external products, pressures or reward. According to (Calder, 1975) a person who is motivated from intrinsic factors is valued its own sake and appear to be self-sustained. Employees do their work, because they like to do it and they feel satisfaction to do their work. Cultures which are financially strong like European countries people don't concern about the financial reward's they become more motivated by non-financial rewards. But as our culture in Pakistan people are not so financially strong, so people are more concern about the financial reward, and if they get financial or extrinsic reward then they become more motivated as compare to intrinsic rewards.

According to (Brenda, 2001) that intrinsic motivation drives from internal factors and these factors address individual's needs, which include growth, social approval, and security. In intrinsic motivation people didn't do work for monetary reward or any recognition, they do because they love to do. They have passion to do their work, so they can gain self- satisfaction. If organization provide this environment to their employees they may be loyal to organization for a long time. Which also reduce the turnover rate, and increase the retention rate. According to (Richard, 2000) people who are intrinsically motivated perform tasks because it is inherently interesting and enjoyable. If employees don't get intrinsic motivation in the work place, so it lead them to dissatisfaction and they don't enjoy their work, and don't take any interest in the work. That negative effect the employees overall performance, and at the end overall organization performance will reduce.

On the other hand extrinsic motivation is define as the outside source that trend to control the performance of the work (Amabile, 1993). According to (Deci, 2000) they also define the extrinsic motivation; they stated that extrinsic motivation is a construct that pertains whenever an

activity is done in order to attain some separable outcome. They also explain the sources of extrinsic reward such as tangible reward (including monetary reward, bonuses etc.) and verbal reward (including positive feedback, recognition, appraise the good performance). Also (Osterloh, 2000) explain that extrinsic motivation can be achieved in organization through linking employees monetary motives to the goals of the organization. Extrinsic reward is defined as manipulations that include praise, money, and other physical benefits by (Brenda a. H., 2001). But the most important and valuable extrinsic reward is money. As in our culture financial condition of an employee is not ideal, so the employees in our culture are more motivated and satisfied by the monetary reward.

According to (GHANSAH, 2011) that reward and recognition is a good comprehensive effort to increase retention level, and reward and recognition include a diverse range of formal and informal, financial and non-financial, incentives given to individual employees, groups of employees or to an entire staff. According to (Staw, 1980) argue that for proper functioning reward should be justified that everyone has equal and fair chance to get them, and reward should be something that recipient employees value. These things come under the extrinsic motivation. But both the extrinsic and intrinsic motivation differ from country to country and culture to culture, because the countries who are developing the employees in those countries don't have the desire of money as compared to countries who are underdeveloped. Because the financial condition of both countries is very much different. The people of developed countries are motivated by intrinsic factors, and people of underdeveloped countries want extrinsic motivation, because they need money to fill their basic needs, whereas in developed countries basic needs are fulfilled by the government, and in underdeveloped countries people have to fulfill their basic needs by themselves. So people of underdeveloped countries are motivated by rewards, incentives, and promotions etc.

In today's business surroundings the need to concentrate on association culture and how association culture affects worker maintenance emerges, in light of the fact that in the past in Pakistani associations there was less significance of Human Resource Department, and a lion's share of associations didn't have the division of human asset, furthermore there isn't quite a bit of

research work performed around there in Pakistan. Be that as it may, now HR office picking up its significance in Pakistani association, and associations in Pakistani culture offers significance to their workers as a consequence of business going globalization. The distinctive hypotheses are taken and connected on the Pakistani associations with the goal that information could be gathered and broke down. Through this the comprehension of the Pakistani associations could be broadened and the conduct of the representatives working in these associations can be measured, comprehended, and anticipated. This exploration will concentrate on a product offices in Pakistan, and study the association culture and will attempt to decide, and what is the effect of association culture on the maintenance level of the representatives in that association, furthermore concentrate the inspiration as the directing impact on both association culture and workers maintenance. For this reason we utilized distinctive hypotheses of association culture, motivational speculations, and maintenance related hypotheses.

After this research the results of this study helps to understand that what type of culture that Pakistani organizations are offering. Also the results help to determine what implications organization culture has on employee retention as well as employees motivation will also be understood. These findings can be used as a basis for future research where similar organizations are being brought under observation.

### *2.1.5 Literature Review Conclusion*

The literature review shows that the previous work conducted on regarding the organization culture, employee's motivation, and employee's retention. Whereas the secondary data is taken mostly through different journal articles and books. It also discusses the different factors that affect these variables in the view of other researcher, and how these researchers relates these variables with each other. In the literature review also the theories related to variables are discuss which are given by the researcher, and also the brief discuss the criticism held on the theories.

## 2.2 THEORITICAL FRAMEWORK

### 2.2.1 Independent Variable

In this research organization culture is an independent variable, how culture of an organization effect the employee's motivation and retention. Organization culture further take some dimension that have impact on culture and that are flexibility, power distance, individualism vs collectivism.

- **FLEXIBILITY:** In this dimension research is to find its importance regarding the culture, and how much culture is flexible to adapt new changes in environment. Also find out whether flexibility helps organization to perform effectively and efficiently or not.
- **POWER DISTANCE:** Research also analyze how power is distributed in the organization. Whether it's equally distributed or unequally.
- **INDIVIDUALISM VS COLLECTIVISIM:** This research also find out whether the employees are doing their work as individual or whether on groups. Also find employees how they see and how much importance they give to individualism or collectivism, and which one is more effective for the organization to perform well.

### 2.2.2 Dependent Variable

In these study employees retention is dependent variables, and analyzes the factors that affect the level of employee's retention.

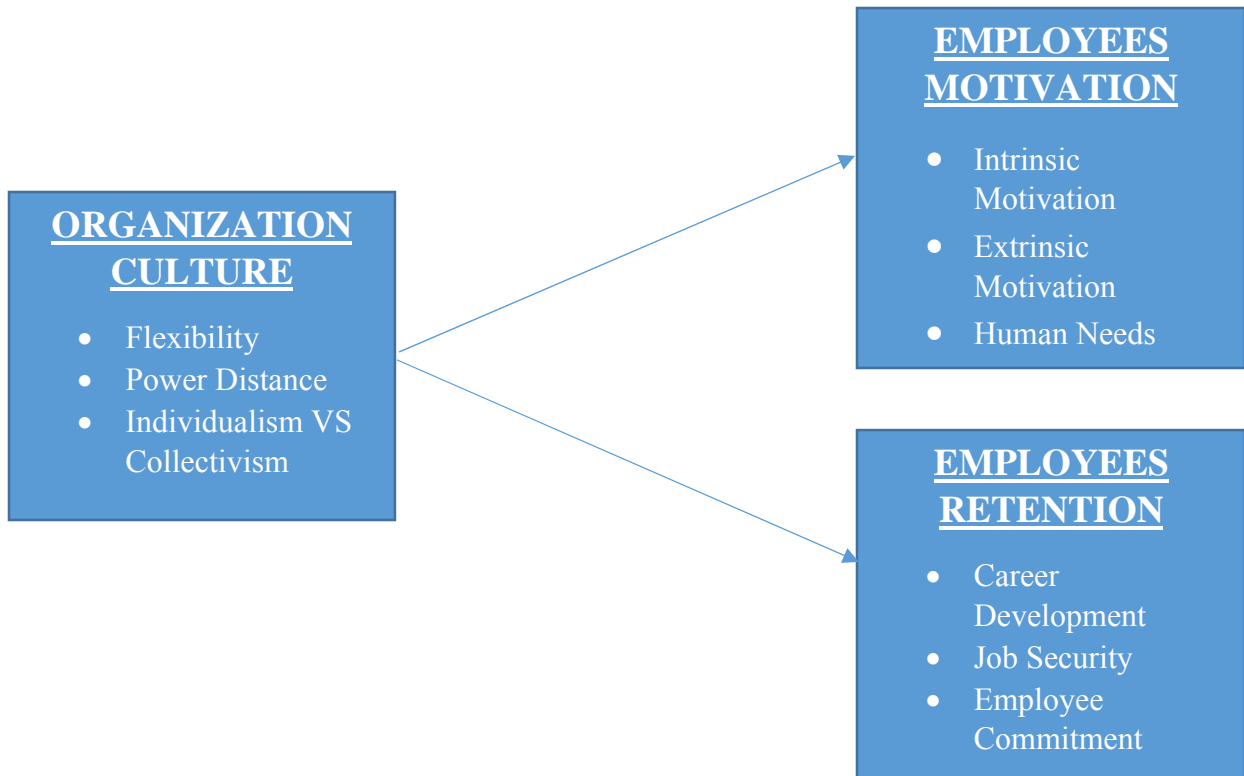
- **JOB SECURITY:** Research show how job security motivates employees to retain with the organization.
- **EMPLOYEES COMMITMENT:** This research shows that how employee commitment with their work can motivate them to retain with the job.
- **CAREER DEVELOPMENT:** This factor measure the how career growth opportunities may motivate employees to loyal with the organization.

### *2.2.3 Second Dependent Variable*

In this study employees motivation is a moderating variables, and analyze the factors that affect the employee motivation.

- **INTRINSIC FACTORS:** These factors are measuring the internal motivational level, and the employee's level of job satisfaction. How much happy they are, and how much they are interested to do their job.
- **EXTRINSIC FACTORS:** These factors are measuring the external motivation, and how much the employees should be motivated by the external motivators.
- **HUMAN NEEDS:** The most important factor that motivate employees is whether they fulfill their basic needs with their current job or not.

2.2.4 Figure 1



## *2.4 Hypothesis:*

According to (Sheridan, 1992) organization culture has a strong impact on employee's retention rates. According (Kerr, 1987) and (Kopelman, 1990) argued that the employees retention varies according to organization culture values. They also said that organization those emphasize on values like teamwork, employees security, and give respect to individuals, these values creates loyalty among employees and they retain with the organization on long term basis. According to (Joans, 1999) argue that to recruit and retain new employee's organization culture is more important than the job. The culture should be presented as it is in front of employees, because organization culture should be perfect fit for the employees.

### **H1:**

**Null=** There is positive relationship between organization culture and employees retention.

**Alternative=** There is a negative relationship between organization culture and employees retention.

According to (Hartmann, 2006) employees not motivated by money only, there is a great role of organization culture to develop and maintain the motivational level among employees. According to (Wallach, 1983) an employee's become more effective in their jobs when there is the match between organization culture and individuals motivation, and employees put more effort in their work.

### **H2:**

**Null=** There is positive relationship between organization culture and employees motivation.

**Alternative=** There is a negative relationship between organization culture and employees motivation.

# **Chapter 3**

## **METHODOLOGY**

## **3. Methodology**

### ***3.1 Nature of Study***

In this research descriptive design is more suitable, whereas descriptive study is one in which information is collected without changing the environment, sometimes these are referred to as observational studies. Because in study this type of research is suitable to describe the specific behavior between organization culture and employee retention. It easy to get answer like what is the impact of organization culture has on employee's retention and motivation and how it impact on them.

### ***3.2 Data Gathering Method***

Data for this study is collected through the questionnaire. Questions are related to the dependent and independent variables, and their impact on each other. The questionnaire is consisting of 27 questions for my research study, and question cover the different aspect of the study. It also includes information that needed to be analyzed.

### ***3.3 Questionnaire Design***

The questionnaire is design according to the variables taken through literature review. The questionnaire includes questions like gender, age, or position get in organizations, and related to the dependent and independent variables.

### ***3.4 Unit of Analysis***

The industry selected to conduct the study and to gather data is Software Agencies of Pakistan. It includes both the public and private agencies, and the unit of analysis is each employee of the selected agencies.

### *3.5 Research Location*

The research is conducted in Islamabad and some areas of Rawalpindi. In Islamabad the main head offices of the companies are situated, so that helps to get an idea of overall analysis in all over the country. Whereas Rawalpindi is very close, and lot of people is coming from there to work in Islamabad, so research also include Rawalpindi as well.

### *3.6 Research Population*

The population of the research included all the employees that are related to the software agencies in Islamabad and Rawalpindi. Every employee is included irrespective of gender, age, religion, cast, geographic, and the position level in the organization. Whereas 5 organizations are selected to analyze and to fill the questionnaire. Companies includes:

- Sanctuary Tech
- Apex Software
- Hostzem Web
- ESOLPK (Pvt.) Ltd
- Aurora Solutions Pvt Ltd

### *3.7 Research Sample*

As with the short time span the sample of 150 employees as a sample side, because the larger the sample the larger the time required to gather data and the analyze it. So in my opinion the sample side of 150 is good to analyze the general environment of the industry.

But from 150 questionnaire only 100 are filled by the respondent, because the few respondent didn't complete the questionnaire some answer are missing, some respondents didn't gave back the questionnaire, and some respondent's didn't want to fill the questionnaire.

The formula given by Krejcie and Morgan in 1970 is used for calculating the sample size. It is given as follows:

$$\text{Sample Size} = \frac{X^2 NP (1 - P)}{d^2 (N - 1) + X^2 P (1 - P)}$$

- $Z^2$  = the table value of chi-square for 1 degree of freedom at the desired confidence level ( $Z = 1.96$ ).
- $N$  = the population size ( $N = 250$ ).
- $P$  = the population proportion (assumed to be .50 since this would provide the maximum sample size).
- $D$  = the degree of accuracy expressed as a proportion (.05).

According to this formula the sample size was calculated to be 151.68 to 5 responses from each company were obtained. Few of the questionnaires were not properly filled. Hence 100 samples were selected for this research; therefore, the sample size of this research is taken 100.

### *3.8 Measuring Technique/Scale Use*

The scale I use is the Likert scale to get the response from the employees. The Likert scale has five responses points in the scale 1-5, 1 is the one extreme (strongly disagree) and 5 is the other extreme (strongly agree). Following are the five responses according to the Likert scale:

1. Strongly Disagree
2. Disagree
3. Neutral
4. Agree
5. Strongly Agree

### *3.9 Analysis Tools*

The SPSS software is to analyze the data that we gather through questionnaire, and MS Excel is to develop the flow charts and graphs that show the graphical representation of the impact that culture has on employee's motivation and retention.

Where in SPSS we use two type of analysis the first one is correlation test and the second one is regression test.

### *3.10 Ethics of Research*

By considering the ethics of the research we doesn't mention the personal information in the questionnaire like age, gender, marital status, cast etc. So the respondent doesn't feel uncomfortable to give the answer, and no ethical issues will arise in conducting the research.

### *3.11 Limitation and Future Research*

In this study there is some limitation that effects the results of the study, which may be overcome in future study to get more reliable results. Limitation include the research population which include only Islamabad & Rawalpindi, and the sample is only 100 respondents which may increase in future research and the study may conducted nationwide with bigger sample size. This help to increase the reliability of the research. It also due to the short span and in future research it may overcome. Also the demographic information not considered in the study, which create the uncertainty about the reliability of the results, because its nit clear what the percentage of response of female and male, what's their position, what the opinion of high level employees and what low level employees thinking about the variables that selected in the study. All these things can be overcome in the future to conduct more reliable, and applicable study overall.

**Chapter 4**  
**Findings, Analysis, and**  
**Discussion**

## 4. Finding, Analysis, & Discussion

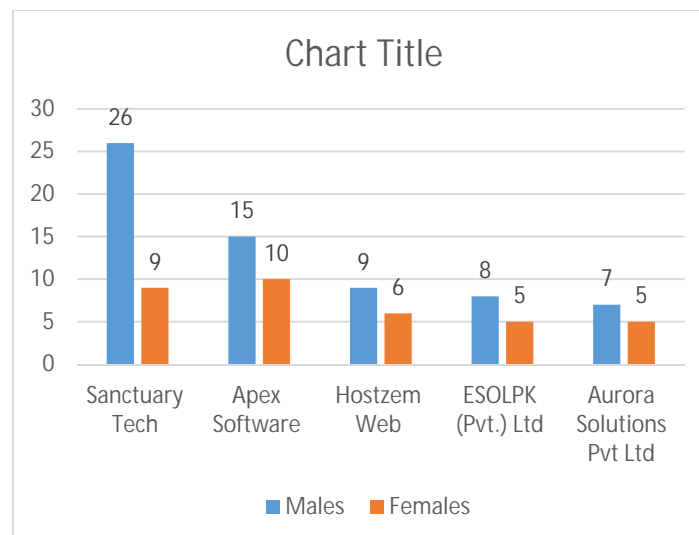
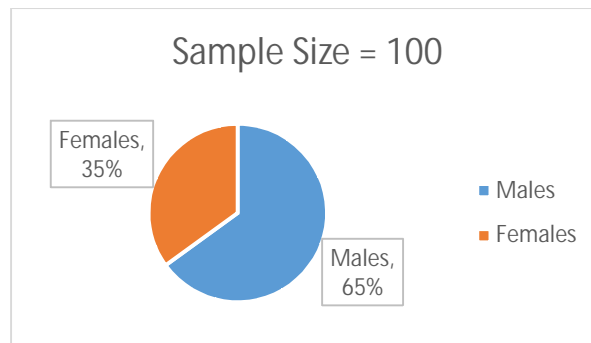
### 4.1 Findings

With the help of SPSS the following results are find about the relationship between the variables, which are mention in the research hypothesis. In the SPSS software the research find out the relationship by using the correlation and regression analysis.

#### 4.1.1 Data

The data include the following:

- Sample size: 100 (65 Males, 35 Females)
- Organizations:
  - Sanctuary Tech (26 Males, 9 Females)
  - Apex Software (15 Males, 10 Females)
  - Hostzem Web (9 Males, 6 Females)
  - ESOLPK (Pvt.) Ltd (8 Males, 5 Females)
  - Aurora Solutions Pvt Ltd (7 Males, 5 Females)



#### 4.1.2 Correlation Test

Where in the correlation we analyze and compare the variables with each other. It tells us the degree of relationship between specific variables. The range of the correlation is from +1 to -1. Where the +1 indicate the perfect positive relationship between two variables, and -1 indicates that there is perfect negative relationship between two variables. If the significant value is equal to 0.000 its means that there is a strong relationship between the variables.

#### H1: Correlation between organization culture and employees motivation.

		Organization Culture	Employee Motivation
Organization Culture	Pearson Correlation	1	.463**
	Sig. (2-tailed)		.000
	N	100	100
Employee Motivation	Pearson Correlation	.463**	1
	Sig. (2-tailed)	.000	
	N	100	100

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The value of the correlation between organization culture and employees motivation is 0.463, and the significant value is .000. Its means there is significant relationship between organization culture and employees retention in the software agencies in selected area. Whereas 0.463 indicate that 46.3% of respondent think that culture has a great impact on employee's motivation. The percentage is slightly less because the software houses in Pakistan are flat in their hierarchy, and have less number of employees, so culture has not such impact.

**H2: Correlation between organization culture and employees retention.**

**Correlations**

		Organization Culture	Employee Retention
Organization Culture	Pearson Correlation	1	.588**
	Sig. (2-tailed)		.000
	N	100	100
Employee Retention	Pearson Correlation	.588**	1
	Sig. (2-tailed)	.000	
	N	100	100

\*\* . Correlation is significant at the 0.01 level (2-tailed).

The result of the correlation between organization culture and employees retention is 0.588 and the significant level is .000, which means there is a significant relation between organization culture and employees retention. Whereas 0.588 indicate that 58.8% of respondent think that culture has a great impact on employee’s retention.

**4.1.3 Regression Analysis**

The regression analysis in SPSS shows us that the hypothesis that we selects are selected or rejected.

**H1: Organization culture has positive impact on employee’s retention.**

**Variables Entered/Removed<sup>a</sup>**

Model	Variables Entered	Variables Removed	Method
1	Organization Culture <sup>b</sup>		Enter

a. Dependent Variable: Employee Retention

b. All requested variables entered.

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.588 <sup>a</sup>	.346	.340	4.88192

a. Predictors: (Constant), Organization Culture

**R-Square:** It is telling the proportion of variance in one of the dimensions of dependent variable that is employee retention, and it could be figured out from the dimensions of independent variable organization culture. From the table the value is indicating that 34.6% of the variance in employee's retention could be predicted organization culture. But it should be noted that this is an overall measure of the strength of relationship between these variables, hence it doesn't reflect the degree to which any specific independent variables is related with the dependent variables.

### ANOVA<sup>a</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1237.391	1	1237.391	51.919	.000 <sup>b</sup>
	Residual	2335.649	98	23.833		
	Total	3573.040	99			

a. Dependent Variable: Employee Retention

b. Predictors: (Constant), Organization Culture

### Coefficients<sup>a</sup>

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	10.121	2.714		3.729	.000	4.735	15.508
Organization Culture	.612	.085	.588	7.205	.000	.443	.780

a. Dependent Variable: Employee Retention

**Interpretation:**

**B-Value:** B-Value shows the amount of change in one variable changing the other variable. Hence in this study, if we increase organization culture by one point then the employee retention is increase by 0.612 points. It is significant different from zero.

**Beta:** The Beta shows the standardized coefficients of all the variables. These coefficients are obtained when all the variables are standardized before running the regression test. It includes standardization of all the dependent and independent variables. Standardizing means putting all variables on the same scale. Here same scale is used for all the variables. Amount of the coefficients is also compared to see which one produces more affect. Hence, large value of betas will show large t-values. The B-value of organization culture is 0.612.

**T-value and Significance level:** T-value and p-value is used to test the hypothesis whether the hypothesis is true or false. The coefficients that have p-value lesser than the alpha are known to be statistically significant. If alpha = 0.05, then the coefficients with p-value less than 0.05 are known to be statistically significant otherwise they are not if it's above than 0.05. Hence, T-value for organization culture is 7.205, and it is statistically significant because as its p-value is 0.000 which is less than 0.05

**H2: Organization culture has positive impact on employee's motivation.**

**Variables Entered/Removed**

Model	Variables Entered	Variables Removed	Method
1	Organization Culture <sup>b</sup>		Enter

a. Dependent Variable: Employee Motivation

b. All requested variables entered

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.463 <sup>a</sup>	.214	.206	3.47943

a. Predictors: (Constant), Organization Culture

**ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	323.807	1	323.807	26.747	.000 <sup>b</sup>
	Residual	1186.433	98	12.106		
	Total	1510.240	99			

a. Dependent Variable: Employee Motivation

b. Predictors: (Constant), Organization Culture

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
		B	Std. Error				Beta	Lower Bound
1	(Constant)	21.398	1.935		11.061	.000	17.559	25.237
	Organization Culture	.313	.061	.463	5.172	.000	.193	.433

a. Dependent Variable: Employee Motivation

### **Interpretation**

T-value of organization culture is 5.172 and its significance level is 0.000. Whereas  $0.000 < 0.05$  hence the hypotheses that organization culture has a positive impact on employees motivation is proven true. Because significance value is less than 0.05 which means it is significant. Beta value of organization culture is 0.463 which is also very less.

## **4.2 Analysis & Discussion**

The first test that we conduct on SPSS is the correlation which shows how much the significance relationship is between the specific variables. The correlation between organization culture and employees motivation has 0.463 and has a significance level of 0.000, it's less than the 0.05. That's means we reject the alternative hypothesis and accept the null hypothesis. So its shows that there is a positive relationship between organization and employees motivation. The results shows that the dimension we took of organization culture includes power distance, collectivism/individualism, and flexibility effect the organization. Respondent see these factors to create organization culture that motivate or demotivate the employees. Also the dimension of motivation has strong impact on motivation according to the respondent. Motivation includes the intrinsic factors, extrinsic factors, and human needs. These dimensions have a strong impact to motivate and demotivate the employees. The correlation is slightly low, because that as software agencies they are flat in the hierarchy and have flat structure, so the organization culture has impact but not too much. Also these agencies are not bigger in size, and have little number of employees in one agency.

Whereas the correlation between organization culture and employees retention is 0.588 and have a significance level of  $0.000 < 0.05$ . Which shows that there is significant relationship between the organization culture and employees retention. So the alternative hypothesis rejected and null hypothesis is accepted. Then hypothesis of there is a significance relationship between organization culture and employee's retention is accepted. Results shows that if the organization have good culture it's motivate the employees. It shows that the dimension we use to see the

impact in employees retention that include career development, job security, and employees commitment. According to the respondent the dimension help organization to retain their employees. If employees see their career growth in the organization they become motivate and remain with the organization in long term. Also the job security have great impact on the retention level, because according to the most respondent they prefer permanent job, where they feel secure. So if organization provide secure job, where employees feel secure of they become motivate and remain with the organization as long as possible. Also the commitment play an important role in the retention of employees, and employees commitment created when organization gave employees good motivational culture include security, rewards, good working condition so the commitment level of the employees increased, and they are willingly exert extra effort in the success of the organization.

# **Chapter 5**

## **Conclusion and recommendations**

## 5. Conclusion and Recommendation

### 5.1 Conclusion

After this research and doing the analysis in SPSS software, it's give the results that there is an impact of organization culture on employees motivation and retention. But the impact of organization on employee's motivation and retention is on average, because the software agencies have the flat hierarchy structure, where here are few employees in one agency, so the results are not satisfying. But it's clear that there is a positive impact of organization on employee's retention and motivation. Know it's the responsibility of organizations to provide the culture which have these factor that mention in the literature review to motivate their employees. If they are succeed to motivate their employees then ultimately they become successful to retain them. The dimension that are selected to find out the impact of organization culture, employees motivation, and employees retention are to some extent they are appropriate to analyze their impact.

Research shows that if the organizations have good or satisfying working conditions where this is less power distance, where employees have input in decision making. Culture is flexible to adopt new changes, also the collectivism is important for organization to become successful. On the other side the dependent variables like motivation the dimension like intrinsic motivation, extrinsic motivation, and basic needs have great impact on the motivation of employees. So its help organization to motivate their employees to use these tools of motivation, because these are the appropriate, but there are also lot of other dimension that also motivate the employees.

At the end organization give importance to their culture, because culture is key to motivate the employees and to retain them. Authoritative culture is something that can have an immaculate model that can be connected all around to every one of the associations and yield same outcomes. Organizations needs to assemble and shape such a culture, to the point that backings their authoritative goals. Culture of the association can be changed in each of the five elements

exhibited in Hofstede's model, to constrain a conduct that is best for both representatives and association. So that there is a win-win circumstance for both representatives and association. Culture of the association is an instrument that associations can use to support them with regards to holding their representatives. In this way, the hypothesis, of this examination is additionally demonstrated that authoritative culture has a positive effect on representative maintenance.

## **5.2 Recommendation**

After the analysis of the study there are some recommendation for the organizations and also for the future research. Organization should have to give decision making power to lower level employees, so they can feel they have value in the organization and feel as a family member. It motivate them and increase their commitment, and they exert extra effort to make organization successful. Also create the team work in the organization which create the behavior of flexibility in the organization.

The organizations comprises of less number of workers, and all the power is under the owner of the office. This unequal dissemination of force is one of the principle reasons that the representatives of the association is disappointed with their present working conditions. Diminishing the imbalance in power dispersion inside association is a solitary best route for to build its worker inspiration and efficiency and eventually expanding representative maintenance. Designating force and self-rule is one of the means that association can take for its workers. Moreover, allowing lower workers to have the capacity to contribute in the basic leadership and objective setting procedure will build their inspiration manifolds also.

Independence is likewise high in these types of organizations. Since one programming organization is comprise of couple of workers. Allowing to them where they can go an additional mile will drive them to perform high with a specific end goal to demonstrate their value to the association and according to different workers of the association. Subsequently, the association ought to think of venture sort exercises where the representatives can assume praise for the work they perform in the association.

For the future recommendation for the research is that this research has a less time span and population area, which can't be analyze the overall culture that all the organizations have all over the country. If the research will be conducted on larger span or nationwide, so it's have a great impact on the study. Also the results of that study will also more reliable as compare to this study. Also the further dimension that apply to see the factors affecting the variables of the study is very limited few dimension can't be enough to predict the results, so if the larger number of dimensions are taken then they help to increase the impact of the study.

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## Appendix

### Research Questionnaire

25 November 2016

To whom it may concern

Dear Respondent,

#### **Research Questionnaire**

I am doing a Master's Degree in Business Administration (MBA), and this research study forms part of the requirements of the qualification. My research is related to assess the organization culture, and levels of employee retention that is prevalent in your organization. I would much appreciate it, if you could kindly take a little of your time to complete the attached questionnaires. Any information provided by yourselves is for academic purposes only and all responses would be treated with the strictest of confidence. Your co-operation is most valued and appreciated, and I take this opportunity of thanking you in advance for your kind participation and timeous return of your completed questionnaire.

Yours in Appreciation \_\_\_\_\_

Athar Munir

## QUESTIONNAIRE

**Designation:** \_\_\_\_\_ **Gender:** \_\_\_\_\_

**Experience:** \_\_\_\_\_ **Age:** \_\_\_\_\_

<b>Organization Culture in Context of power distance, Collectivism/individualism, Flexibility</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
1. My manager is willing to share decision making power with employees.					
2. I have input in organization decisions.					
3. I feel my organization give value to my opinion.					
4. There is good teamwork and cooperation in my organization.					
5. Everyone is encourage to participate in team/groups.					
6. I am happy to work in team than alone.					
7. The Company is willing to accept change.					
8. Managers encourage employees to adjust to changing situations through innovation and creativity.					
9. Organization change their strategy time to time.					
<b>Employees Motivation in Context of Intrinsic and extrinsic motivation, and basic needs.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
10. Intrinsic reward increase on job satisfaction.					
11. It's give me happiness to do my job in this organization.					

12. I do not feel emotionally attached to this organization.					
13. Financial Incentives motivates me more than non-financial incentives.					
14. Good physical working conditions are provided in the organization.					
15. My job does not cause unreasonable amount of stress in my life.					
16. My basic needs have been satisfied from this job.					
17. I do not feel sense of belonging to my organization.					
18. My job allow me to maintain healthy balance between my work and personal life.					
<b>Employees Retention in Context of Career Development, job security, and commitment.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>
19. I am encourage to participate in training and development so as to develop my skills.					
20. Training needs assessment is carried out continuously within the organization to enhance performance.					
21. I have a chance to go high in organization hierarchy.					
22. I feel secure in this organization.					
23. If I got another offer for a better job elsewhere I would not feel it was right to leave my organization.					
24. Organization protect employees in difficult time.					
25. I am willing to put in a great deal of extra effort to help this organization to be successful.					

26. I find myself working with this organization in a long run.					
27. I do not believe that a person must always be loyal to his/her organization.					