

Organizational Culture, Job Satisfaction And Organizational Commitment In Renewable Energy Industry. A Case Study Of Kampala Capital City Authority

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Abstract

This study examined the relationship between organizational culture, job satisfaction and organizational commitment in renewable energy industry. The study was a cross-sectional research design along with a quantitative research approach. A sample of 370 field staff working within the renewable energy industry was used. Data was obtained using a structured questionnaire. SPSS (v. 25) was used to analyse data. Results were presented using frequency tables, correlation, regression and a med-graph. The study found a positive relationship between organizational culture and organizational commitment. There was a positive relationship between job satisfaction and organizational commitment. The study found a positive relationship between organizational culture and job satisfaction. The study found that job satisfaction is a partial mediator in the relationship between organizational culture and organizational commitment. The study concludes that cultural attributes instigate beliefs, values, and norms which shape the way things are done in the company, to shape employees' psychological, emotional, and mental thinking. Furthermore, it summarizes that job satisfaction is indispensable in determining organizational commitment. The study recommends; Renewable energy companies must embrace favorable organizational cultures; and enhance job satisfaction to have a committed workforce. The study suggests future research, especially; investigating the relationship between organisational culture and organisational commitment in the renewable energy industry with focus on other different cultural dimensions; and longitudinal research examining the relationship between organizational culture, job satisfaction and organisational commitment in renewable energy industry.

Keywords: Organizational Culture, Job Satisfaction, Organizational Commitment and Renewable Energy Industry

Background to the Study

Amidst the increasing competition in human resources, it is inevitable for organizations to apply best practices that can make their employees highly engaged (Muhamad & Alex, 2024). This is because organizational commitment strengthens the psychological bond and willingness of employees to go the extra mile; just because of the organization (Promise et al., 2024). It has also been widely supported that the more engaged employees are, the more they will work, express desire to stay, exhibit organizational citizenship behaviors, and become productive at work (Ntirandekura & Christopher, 2022). Accordingly, several efforts have been highlighted to guide HR managers on how best to address the challenge of organizational commitment in their organizations. (Alex & Kazaara, 2023) explains in the two-factor theory that the psychological bond of employees is determined to what extent motivational factors prevail over hygiene factors. The theory emphasizes that any organization that seeks to satisfy employees to enhance psychological attachment must strive to enhance motivators and minimize hygiene factors. Together, the two-factor theory provides a blueprint for a culture that works best for employees to be intrinsically satisfied to increase organizational commitment.

Empirically, organizational culture and job satisfaction have received much attention in relation to organizational commitment (Margaret & Kazaara, 2024). An innovative and supportive culture is suggested to enhance individual commitment in contrast to a bureaucratic one. The argument is that organizational culture directly determines management

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style, reward systems and organizational structure, which directly affects the psychological state towards the employer (Musaibah et al., 2023). On the other hand, job satisfaction, especially intrinsic satisfaction, has been identified as an emotional improvement of employees and a strengthening of their bond with the employer. While extrinsic satisfaction serves as a mediator or driver to enhance individual organizational commitment.

However, organizational commitment remains one of the major challenges facing organizations worldwide (Christopher, Moses, Muhindo, & Muhammad, 2022). In particular, a Gallup report (2020) states that employee engagement rates have consistently deteriorated over the past 5 years from 32.4% to 11.3%. More than 81% of employees do not consider working for their current employer to be a wise idea and subsequently consider quitting (Ntirandekura & Alex, 2022). Additionally, 12 out of 25 employees work for survival, without any form of emotional attachment. From an African perspective, a survey conducted by (Geoffrey et al., 2024) of 300,000 employees found that over 25% were disengaged. The continent has the highest number with the lowest affective commitment at 3.7% compared to Europe at 47.8% and Asia at 55.9%. Employees who are stuck in their current workplaces due to little choice because they are strictly focused on maintaining compensation.

Likewise, the level of organizational commitment in Uganda, especially in the renewable energy sector, is mushrooming. Some companies in this sector felt concerned about declining organizational commitment, which was reflected in low affective and normative commitment. For example, at Fenix International, employees lack a sense of belonging, lack pride, and are actively looking for another job (Christopher, Moses, Muhindo, & Nturanabo, 2022). More than 78.3% said they would leave the company if given the chance (Employee Satisfaction Report, 2021). At Fenix international, 41.4% of employees in 2018 expressed that they are not emotionally connected to their work, while 15.7% do not see the value of continuing to work for this company. These statistics nearly doubled in 2019, where 62.7% and 22.9% expressed low emotional attachment and perceived value, respectively (Winny et al., 2023). This is likely to put renewable energy companies at risk of achieving targets and goals, as employees are seen as one of the main resources.

Regardless, the empirical evidence available in relation to the effect of organizational culture and job satisfaction on organizational commitment conducted in Uganda is generally old (Ntirandekura, 2022). This is concluded based on the fact that these studies are cross-sectional designs that based their conclusions on findings obtained in a short frame. Additionally, none of these studies are specific to renewable energy companies. For example, Mwesigwa et al., (2018) focused on public institutions and (Ntirandekura et al., 2022) on local government. This raises the question of whether such findings can inform the sector as they are quite heterogeneous. This study seeks to fill the gap by addressing two important questions. First and foremost by providing recent empirical evidence that may reflect the current status quo, and second; investigating the influence of organizational culture and job satisfaction on organizational commitment in renewable energy companies.

Statement of the Problem

One of the goals of human resource managers is to have an engaged workforce. This requires employees to display affective, normative, and sustained engagement at work. This is justified because organizational commitment improves individual performance, productivity and engagement, which facilitates the achievement of organizational goals (Mwesigwa et al., 2018). However, the renewable energy sector in Uganda has consistently experienced a decline in organizational commitment, which is reflected in low affective, normative and continuance commitment expressed by their employees. At Fenix International in particular, employees have a low sense of belonging and actively seek external opportunities rather than commit to their current job. At Fenix international Ltd, employee engagement decreased by 33.5% in 2019 compared to 2018, 15.7% are not proud to be employed by their employer (Employee Satisfaction Survey, 2020). If this is unchecked, renewable energy companies are less likely to experience dismal performance. It is likely that low organizational commitment can be attributed to poor organizational culture and low job satisfaction. This motivates the researcher to further investigate the matter.

Research Objectives

1. To examine the relationship between organizational culture and organizational commitment in renewable energy industry
2. To assess the relationship between job satisfaction and organizational commitment in renewable energy industry
3. To establish the relationship between organizational culture and job satisfaction in renewable energy industry
4. To examine the mediating effect of job satisfaction in the relationship between organizational culture and organizational commitment in renewable energy industry.

Methodology

This study was a cross-sectional research design along with a quantitative research approach. A cross-sectional design was chosen because it allows the study to obtain results regarding the investigated phenomenon in a short time (Nafiu et al., 2017). A quantitative research approach was used because it provides results that are clear and easy to understand. In addition, this approach allows the study to statistically express how the studied variables are related to each other and to predict the resulting variable (Nafiu et al., 2017). The population consisted of 10,232 field workers in the renewable energy sector in Uganda (Uganda National Renewable Energy and Energy Efficiency Alliance (UNREEEA), 2022). The study focused on these employees because they showed the least commitment compared to other employees. At the time of the study, the largest share of employees who left their jobs and refused further tasks from their superiors were primarily field workers. These employees also served as the unit of analysis (Nafiu et al., 2013). A sample size of 370 field workers was selected based on the Krejcie and Morgan (1970) population sampling table. Proportional simple random sampling was used to select this sample. This technique involved determining the proportion of employees in each company relative to the total population. The same proportion was taken into account when determining the number of employees who were selected (Jallow et al., 2022). The study then applied simple random sampling to randomly select one employee from each company without replacing him until the target share was obtained. This technique was used because it guarantees that the selected sample is representative of the population. The study used a primary source of data. This source of data is justified because it allows the study to obtain the most up-to-date information about the research phenomenon. Primary data also ensures that the data obtained is fit for purpose (Nafiu et al., 2012). The study used a questionnaire instrument to collect data. This

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instrument was used because it is effective in obtaining data from a large sample (Olanrewaju & Abiodun, 2021). The instrument was structured and contained only closed questions anchored on a 5-point Likert scale ranging from 1 to 5. This scale was defined as strongly disagree (1), disagree (2), not sure (3), agree (4) and I definitely agree (5). This scale was used because it allows respondents to rank their responses (Likert, 1961). Organizational culture is a highly multifaceted concept that is conceptualized differently. However, this study used measures developed by (Jallow et al., 2021). These constructs include; bureaucratic, innovative and supportive cultures. These constructs were used because they have been widely tested in the Ugandan context (Nafiu et al., 2012). The study adopted Wallach's (1983) 24-item Organizational Culture Index (OCI) to measure constructs or organizational culture. Job satisfaction was conceptualized as internal and external satisfaction. These constructs were also used in previous studies (Muhamad & Alex, 2024) where they were considered appropriate measures of this concept. The study adopted items from previous work (Olanrewaju et al., 2021) that were modified to suit the context of the study before being anchored on a 5-point Likert scale. The data obtained were entered and analyzed using the Statistical Package for Social Scientists (SPSS. Version 25) (Nelson et al., 2022). The obtained results were presented using frequency tables, correlation, regression and Med-Graph. Frequency tables were used to present the results in relation to demographic characteristics and interpreted based on percentage values. Correlation analysis was used to investigate the nature of the relationship between the studied variables, and regression analysis was used to confirm this relationship. The med-graph was interpreted on the basis of Sobel's z-value and beta weights of the basic investigated relationships.

RESULTS

Table 1: Pearson Correlation Analysis

Variable/Construct	1	2	3	4	5	6	7
Organisational Culture	1						
Innovative	.775**	1					
Bureaucratic	.748**	.190**	1				
Job Satisfaction	.340**	.385**	0.111	1			
Intrinsic	.356**	.411**	0.112	.743**	1		
Extrinsic	.463**	.498**	.177*	.695**	.693**	1	
Organisational Commitment	.402**	.396**	.243**	.475**	.440**	.409**	1

Note: n=208; * p<0.05 level (2-tailed). ** p<0.01 level (2-tailed); Excluded constructs and items during factor analysis are eliminated from this analysis

Source: Primary Data

4.3.1 Organizational Culture and Organizational Commitment

Table 1 revealed a significant and positive relationship between organizational culture and organizational commitment (r=.402, p<.01). The results meant that enhancement of organizational culture is bound to increase the propensity of organizational commitment. The results further obtained that innovative culture is significantly and positively associated with organizational commitment (r=.396, p<.01) (Nelson et al., 2023). In this case, it meant that enhancing innovative culture

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is likely to stimulate organizational commitment. Additionally, the results revealed a significant and positive relationship between bureaucratic culture and organizational commitment ($r=.243, p<.01$). These results meant that boosting bureaucratic culture is associated with a possibility of enhancing organizational commitment.

Job Satisfaction and Organizational Commitment

Correlation results in table 1 revealed a significant and positive relationship between job satisfaction and organizational commitment ($r=.475, p<.01$). These results meant that a boost in job satisfaction is likely to translate into organizational commitment. In specific, the results obtained a significant and positive relationship between intrinsic satisfaction and organizational commitment ($r=.440, p<.01$). These results meant that the more employees get intrinsically satisfied is the more likely they will get committed towards the organization (Hussein et al., 2024). Furthermore, results obtained a significant and positive relationship between extrinsic satisfaction and organizational commitment ($r=.409, p<.01$). These results meant that enhancing extrinsic satisfaction is bound to enhance organizational commitment.

Organizational Culture and Job Satisfaction

Table 1 revealed a significant and positive relationship between organizational culture and job satisfaction ($r=.340, p<.01$). The results meant that improving organizational culture is likely to enhance job satisfaction. In particular, the results revealed that innovative culture is significantly and positively associated with job satisfaction ($r=.385, p<.01$). In this case, these results meant that enhancing innovative culture is likely to translate in job satisfaction (Muhamad & Alex, 2024). On the other hand, the results revealed bureaucratic culture is positively associated with job satisfaction, although nonsignificant ($r=.112, p>.05$). The results meant that enhancing a bureaucratic culture is unlikely to enhance job satisfaction.

Regression Analysis

A multiple regression model was used in this study to examine the predictability of the studied variables towards the dependent variable. The model was also used to examine whether each of the studied variables was significant in predicting the studied variable, in addition determining the better predictor. The results are presented in table 2.

Table 2: Multiple regression model

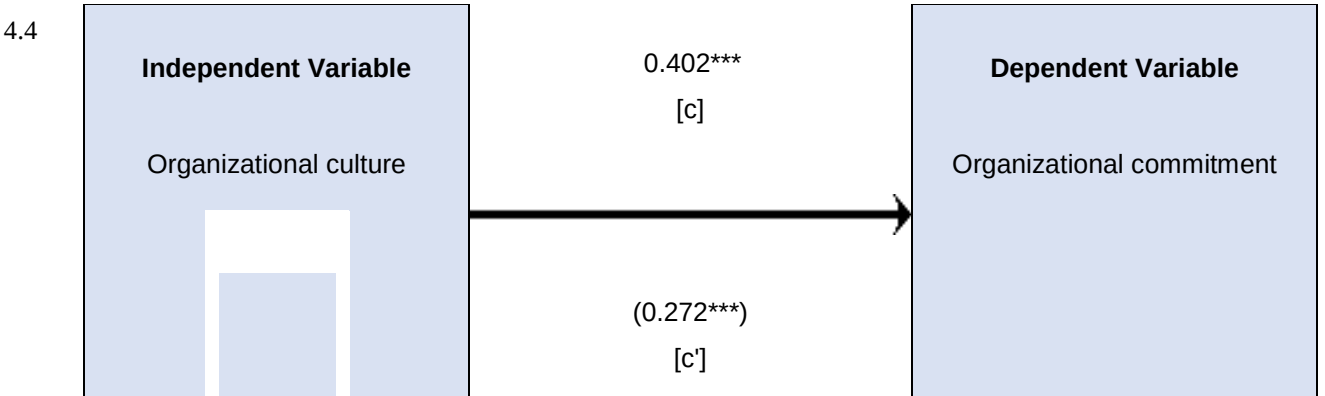
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.543	0.244		6.311	0.000
	Organizational Culture	0.275	0.063	0.272	4.353	0.000
	Job Satisfaction	0.312	0.051	0.382	6.108	0.000

	R	R Square	Adjusted R Square	F	Sig.
	.539 ^a	0.291	0.284	42.033	.000 ^b

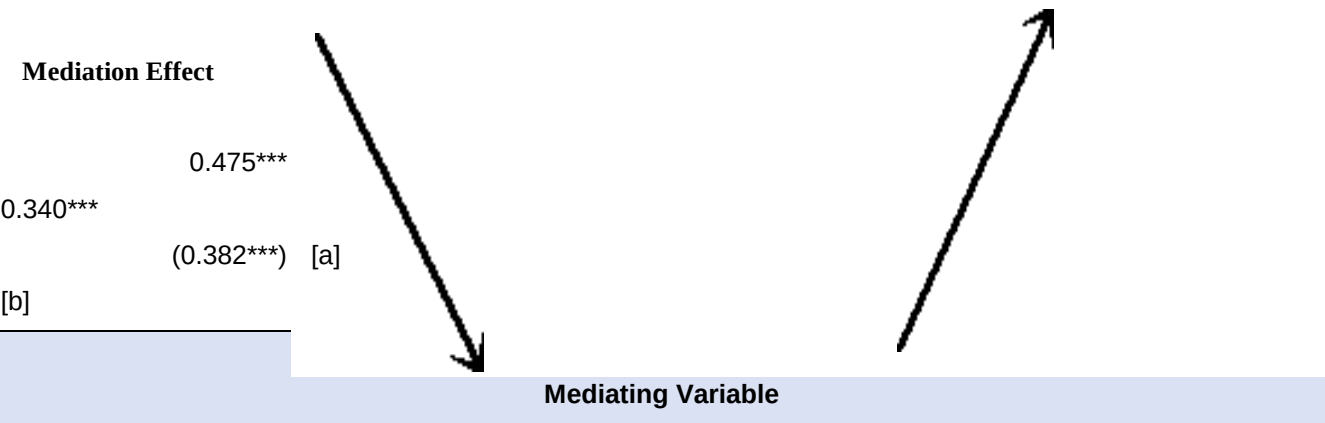
Note: n=208; Dep Var; Organisational Commitment

Source: Primary Data

Results in table 2 revealed Adjusted $r^2=.284$, $Sig<.05$ in regard to regression of organizational culture and job satisfaction towards organizational commitment. The results meant that jointly organizational culture and job satisfaction predict up to 28.4% of the variances in organizational commitment of employees in renewable energy industry. Results in relation to the standardized coefficients for organizational culture revealed $Beta=.272$, $p<.05$ (Muhamad & Alex, 2024). These results meant that organizational culture is a significant predictor of organizational commitment. On the other hand, results in table



obtained standardized coefficients of $Beta=.382$, $p<.05$ in relation to job satisfaction. The results meant that job satisfaction is a significant predictor of organizational commitment. Worth noting, the results revealed a higher beta coefficient for job satisfaction ($beta=.382$, $p<.05$) compared to organizational culture ($beta=.272$, $p<.05$). In this case, the results meant that job satisfaction is a better predictor of organizational commitment compared to organizational culture.



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Job satisfaction

Note: Type of mediation: Significant; Sobel z-value=3.955519; $p = 0.000076$; Direct=.272; Indirect=.129; Indirect to total ratio=.323

Figure 1: Mediation of job satisfaction in the relationship between organizational culture and organizational commitment

Source: Primary Data

This study used a Med-graph to examine the mediation of job satisfaction in the relationship between organizational culture and organizational commitment. The results are presented in figure 1.

Results in Figure 1 revealed Sobel z-value=3.955519, $p=.000076$ in relation to the mediation of job satisfaction in the relationship between organizational culture and organizational commitment. Analysis of these results indicated that the Sobel z-value was higher than the p-value. In addition, the obtained p-value was less than 0.05 ($p<.05$), the threshold for determining significance of the mediation. Therefore, the results meant that job satisfaction is a significant mediator in the relationship between organizational culture and organizational commitment. The results obtained that the beta weight of the basic relationship between organizational culture and organizational commitment was significant ($r=.402$, $p<.05$). Likewise, results revealed that the beta weight of the basic relationship following the inclusion of the mediator reduced and remained significant ($r=.272$, $p<.05$). These results meant that job satisfaction is a partial mediator in the relationship between organizational culture and organizational commitment. In this mediation, the results revealed that 0.272 or 67.2% $[(.272/.402)*100]$ of the change that occurs to organizational commitment is directly influenced by organizational culture, whereas 0.129 or $[(.129/.402)*100]$ is indirectly influenced by job satisfaction.

Conclusion

It is prudent to note that cultural attributes which organizations dwell on will determine the extent to which an employee commits at work. Culture is important in the sense that it will instigate beliefs, values, and norms which shape the way things are done in the company, to shape employees' psychological, emotional, and mental thinking. The lesson we learn as policy makers is to make sure favorable cultural attributes are instituted. It is also affirmed that organizational commitment is a function of job satisfaction. When employees are contented with work, they will want to maintain a strong relationship with the company. As policy makers and managers, what we learn that we must institute intrinsic and extrinsic satisfiers to guarantee organizational commitment. Worth to note, organizational culture is one of the factors which affects job satisfaction. Culture prescribes the "dos" and "don'ts" of the company, whose positive or negative perception will affect the mindset of an employee intrinsically and extrinsically. Precisely, this research communicates that companies must implement a culture which promotes job satisfaction. It is important to note that job satisfaction is a facilitator in the relationship between organizational culture and organizational commitment. Much as a favorable culture will stimulate organizational commitment, it will be supplemented by the extent to which it is able to make employees satisfied.

Recommendations

Renewable energy companies must embrace favorable organizational cultures to stimulate organizational commitment. In particular, these companies should embrace innovativeness as one of the core values because it will create a favorable

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environment where employees can exercise creativity, and share ideas. This will enrich employees psychological and mutual obligation towards the company.

Renewable energy companies must enhance job satisfaction to have a committed workforce. Intrinsically, companies should make sure that high performers are recognized, and provided with challenging responsibilities because these will make enjoyable for them. Companies could also consider improving working conditions such as offering better remuneration of staff, and guaranteeing job security to employees.