Organizational Culture, Job Satisfaction and Customer Satisfaction: A Quest for a Relationship – The case of Al Hikma Pharmaceutical in the Sudan

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المستخلص :

هدفت الدراسة للتحقق من وجود علاقة ذات دلالة احصائية بين ثقافة المنظمة ورضا العامل والعميل بشركة الحكمة لصناعة الدواء. تم توزيع ثلاث استبيانات على 27 مندوب مبيعات و58 عميل لجمع بيانات هذه الدراسة وتم تحليل البيانات بواسطة برنامج الـــ SPSS النسخة 20 وايجاد الوسط الحسابي والانحراف المعياري والنسب المئوية وكذلك مقياس الارتباط Pearson. واثبتت الدراسة أن نوع الثقافة السائد بشركة الحكمة لصناعة الدواء بالسودان هي من نوع ثقافة "السوق" وانها ذات ارتباطات احصائية سالبة من متغيري رضا العامل والعميل ، كما أثبتت الدراسة وجود علاقة ذات دلالة احصائية بين متغيراتها الثلاثة.

ABSTRACT:

The purpose of this paper is to investigate the relationship between organizational culture, job satisfaction and customer satisfaction in Al Hikma Pharmaceuticals-Sudan. Three survey questionnaires were distributed for 27 sales representatives and 58 customers to collect the study data, which were analyses using SPSS software version 20 in order to calculate the mean, standard deviation, percentages, and Person Correlation Coefficient. The study indicated that the dominant organizational culture in Al Hikma Pharmaceuticals is the Market Culture which negatively correlates with job and customer satisfaction; also it indicated the existence of a statistically significant correlation between the three variables of the study.
Keywords: organizational Culture, Job Satisfaction, Customer Satisfaction.

Introduction:

The Pharmaceutical Industry in the Sudan is one of the most significant sectors as it deals with the lives of people. According to the records of the Ministry of Industry, the Pharmaceutical Industry in the Sudan is a relatively modern sector. It started to emerge in the year 1961 with the inauguration of Chemical Industries Factory in Khartoum North, and Nicholas Badrian Factory in Wad Medani. Both factories have soon stopped due to high custom taxes. As of today, there are about 23 factories out of which 19 are operating including public, private, and foreign investment sectors.

Al Hikma Pharmaceutical entered the Sudanese market in 1982 as drug importer and distributor. It had two local agents, at the time, who were responsible for sales and distribution of drugs. In 2011, the Company has started manufacturing pharmaceutical products. This facility employs about 200 staff out of which 35 employees are in the sales department.

This paper is structured as follows: section 2 presents the literature review and the theoretical framework of the study. Section 3 discusses the methodology and data collection. Section 4 discuses the results, while Section 5 provides the conclusion and recommendations of the study.
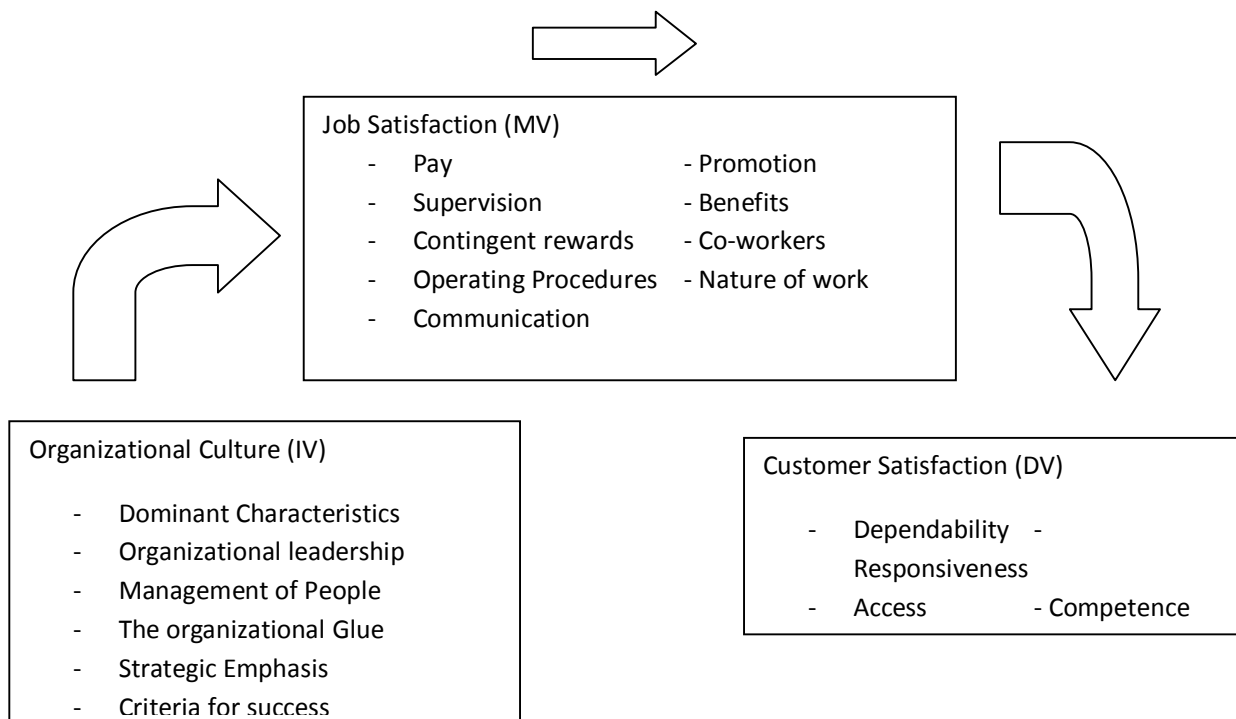
Problems Statement:

Prior research confirms the impact of organizational culture on many organizational outcomes such as organizational performance, job satisfaction, employee turnover, customer satisfaction and others. Numerous studies have been conducted on organizational culture, job satisfaction and customer satisfaction whether as single variables or any combination thereof, but very few have tried to explore the relationship between organizational culture, job satisfaction, and customer satisfaction in one study, therefore, a gap exists in studies that investigate the relationships between organizational culture, job satisfaction and customer satisfaction in one study, especially in the Sudanese context. This research is intended to fill out this gap, and starts such studies in the Sudanese business context.

1.1 Research Model

    Source: the Researcher

    Source: the researcher

    1.2 Research Objectives

Job Satisfaction (MV)
- Pay   - Promotion
- Supervision   - Benefits
- Contingent rewards   - Co-workers
- Operating Procedures   - Nature of work
- Communication

Organizational Culture (IV)
- Dominant Characteristics
- Organizational leadership
- Management of People
- The organizational Glue
- Strategic Emphasis
- Criteria for success

Customer Satisfaction (DV)
- Dependability   - Responsiveness
- Access   - Competence

This study aims to achieve the following objectives:

- Identify the organizational culture type that is dominant in Al Hikma Pharmaceutical;
- Identify the level of overall job satisfaction of the sales representatives of Al Hikma Pharmaceutical;

- Identify the overall level of customer satisfaction of Al Hikma Pharmaceutical;
- Establish the relationships between the three variables, organizational culture, overall level of job satisfaction and overall level of customer satisfaction in Al Hikma Pharmaceutical.

Research Questions:

Q1. To what extent does a relationship exist between organizational culture and overall job satisfaction in Al Hikma Pharmaceutical?

Q2. To what extent does a relationship exist between organizational culture and overall customer satisfaction in Al Hikma Pharmaceutical?

Q3. To what extent does a relationship exist between overall job satisfaction and overall customer satisfaction in Al Hikma Pharmaceutical?

Q4. To what extent does a relationship exist between organizational culture, overall job satisfaction and overall customer satisfaction in Al Hikma Pharmaceutical?

Research Hypotheses:

H1 There is statistically significant negative correlation between Market organizational culture and overall job satisfaction.

H2 There is statistically significant negative correlation between Market organizational culture and overall customer satisfaction.

H3. There is statistically significant positive correlation between overall job satisfaction and customer satisfaction
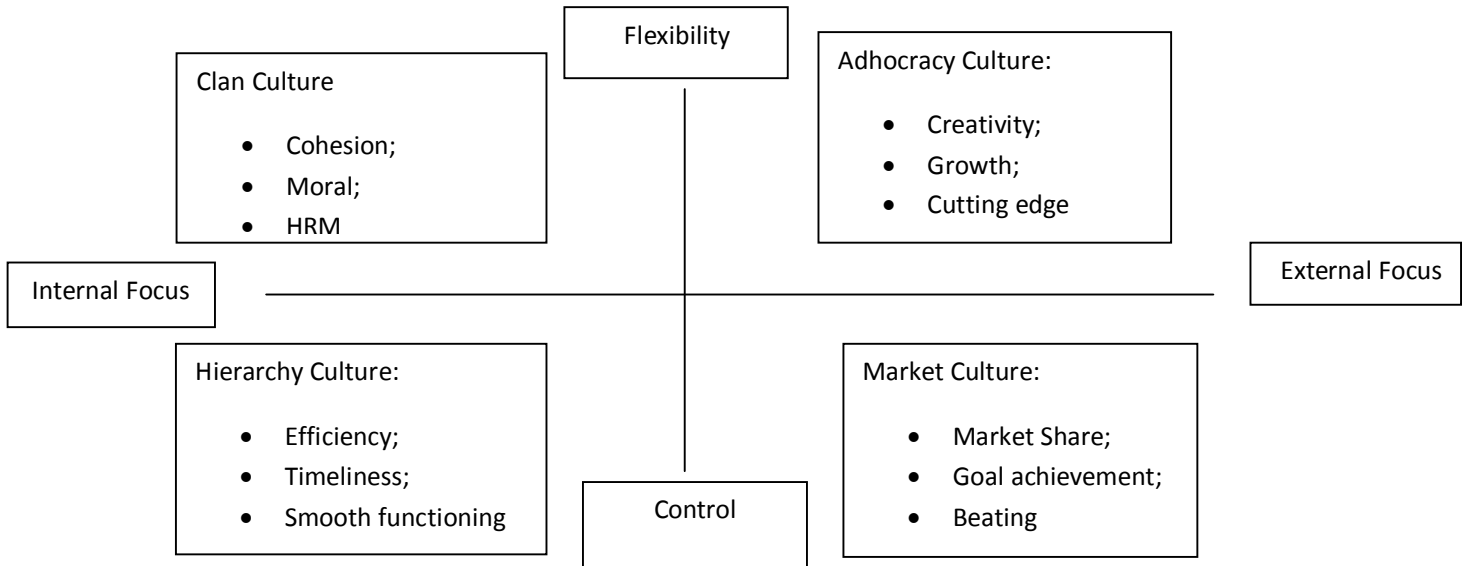
H4. There is statistically significant correlation between organizational culture, overall job satisfaction and overall customer satisfaction.

2. Literature Review

Organizational Culture:

The study of the organizational culture and its impact on job and customer satisfaction has a long history. To some writers, like Pettigrew (1979) linking organizational culture to business excellence has emerged in the 60s, while Hofestede (1998) asserts that the concept of organizational culture has become so popular in the 80s. One of the most commonly shared definitions of organizational culture is that of Shein (2010) who defines culture as a "pattern of shared basic assumptions that the group has earned as it solved its problems of external adaptation and internal integration that has worked well enough to be considered valid. Therefore, would be taught to the new members as the correct way to perceive, think, and feel in relation to those problems".

Types of organizational culture

The Competing Values Framework (CVF) is one of the most used theories that classify organizational cultures into four types such as clan, adhocracy, market and hierarchy Yun (2010). This theory is used for this study.

Flexibility	

Clan Culture • Cohesion; • Moral; • HRM	Adhocracy Culture: • Creativity; • Growth; • Cutting edge

Internal Focus   External Focus

Hierarchy Culture: • Efficiency; • Timeliness; • Smooth functioning	Control	Market Culture: • Market Share; • Goal achievement; • Beating

Figure 1: The Competing Values Framework

Source: Yun Seok Choi, Minhee Seo, David Scott and Jeffery J. Martin (2010. Validation of the Organizational Culture Assessment Instrument: An Application of the Korean Version. *Journal of sport Management* **24** :173

A.   Clan

The Clan culture, as the name might indicate, is a more family-like set up, and it stresses values like teamwork, employee involvement and corporate commitment.

B.   Adhocracy

An Adhocracy culture is characterized by adaptability, flexibility, innovation and creativity, and is normally found in organizations that are required, by the nature of their business, to produce new products or services in order to acquire more opportunities. It is characterized by decentralized power or authority, task teams; and decisions are made where the problem is. No central figure to refer to.

C.   Market

The Market culture is more externally focused on productivity, competition, strategic positioning, and profitability. It is market oriented, and objectives need to be achieved regardless of internal issues.

D.   Hierarchy

A hierarchy culture is the one characterized by rules, specialization, separate ownership, impersonality and accountability. These core values help in achieving objectives, and create efficiencies.

2.1 Job Satisfaction.

Job satisfaction is an area of continuous interest to both researchers and practitioners, as it reflects on the performance of the organization Ishfag (2010). Scholars, have different views on what makes job satisfaction. Paul Spector (1995) defines it as" an evaluative feelings about the job".

2.1.1   Determinants of Job Satisfaction

This study uses job satisfaction facets as in the original Job Satisfaction Survey (JSS) developed by Paul Spector in the year 1985. These facets include, Pay, Promotion,

Supervision, Benefits, Contingent rewards, Co-workers, Operating Procedures, Nature of work, and Communication.

2.2 Customer Satisfaction

Customer satisfaction has recently received much of attention due to its immediate impact on company financial performance, Jan and Ander (1998). It has also been defined differently by different writers. McDougal, as cited by Victoria (2007), defines customer satisfaction as" an overall attitude towards a service".

2.2.1 Determinants of Customer Satisfaction

Parasurman original questionnaire didn't include communication as a factor for customer satisfaction. In this paper; a modified version will be used. It includes factors like dependability, responsiveness, access, competence, and communication.

3. Methodology and Data Collection

This study used the questionnaire tool to collect data from respondents. This is mainly due to the nature of the study, and that survey questionnaire has the ability to collect data in relatively short time and at the respondents pace. The instruments (questionnaires) consisted of Organizational Culture Assessment Instrument (OCAI), the Job Satisfaction Survey (JSS), and the Customer Satisfaction Questionnaire (CSQ). The reliability of the three questionnaires was confirmed by many studies as well as this research. The Cronbach coefficient reliability in this study is 0.55, 0.79, and 0.61 for OCAI, JSS and CSQ respectively.

3.1.1 Instruments and Measurement Scales

The three constructs of this study, OCAI, JSS and CSQ, were scored on a 5-point Likert- type scale, except the JSS which is scored on 6-point Liker- type scale as described below:

A. Organizational Culture Assessment Instrument (OCAI)

According to Yun (2010) this instrument was developed by Quinn and Cameron in the year 1984. The OCAI questionnaire was developed to identify what kind of organizational culture is more dominant than others in one organization. This survey instrument has 24 statements involving six areas to be covered such as dominant characteristics, organizational leadership, people management, organizational glue, strategic emphasis, and success criteria. Respondent rate their views on a 5-point Likert-type scale from 1 completely true; to 5 completely untrue.

B. Job Satisfaction Survey (JSS).

The Job Satisfaction Survey (JSS) was developed by Spector (1985) to assess the level of employee satisfaction along 9 facets expressed in 36 statements scored in a 6-point Likert -type scale. The 9 facets are: Pay, Promotion, Supervision, Benefits, Contingent rewards, Co-workers, Operating Procedures, Nature of work, and Communication.

C. Customer Satisfaction Questionnaire (CSQ).

The Customer Satisfaction Survey (CSQ) is developed by Parasurman (1985) and it consists of 42 items covering 5 factors of customer satisfaction, namely, dependability; Responsiveness; Access; Competency; and Communication. The CSQ uses a 5-point Likert- type scale. This questionnaire is a modified version of the original Parasurman questionnaire.

3.1.2 Participants

To investigate the relationship between organizational culture, job satisfaction and customer satisfaction of Al Hikma Pharmaceutical in the Sudan, 35 questionnaires of the OCAI and the JSS were distributed to the sales representatives out of which 27 were returned with a response rate of 77%, also, 66 questionnaire were distributed to the customers of Al Hikma out of which 58 were returned giving a response rate of 88%. These 2 groups, the

sales representatives and the customer compose the population of this study. The stratified random sampling was used in this study.

4. Empirical Results

Data of this study was analyzed through the descriptive statistical methods with mean, standard deviation, percentage, and Person Correlation Coefficients.

From table 1 below, it was clear that a big majority (88.9) of the respondents was males and the majority of the them (59.3%) are within the age group between 30 to 39. A big majority (88.9%) of the respondents is graduates, and a majority of them (77.8%) have experience between 1 to 5 years.

Table 1: Respondents Profile – Sales representatives

Variable	Illustration	N %
Gender		
Male	24	88.9
Female	03	11.1
Age(Years)		
20-29	09	33.3
30-39	16	59.3
40-49	02	7.4
Education(Level)		
Postgraduate	03	11.1
Graduates	24	88.9
Experience (years)		
-0	01	3.7
1-5	21	77.8
6-10	04	14.8
11-15	01	3.7

Source:Researchers from field study.

Table 2 below shows customers' profile and it indicates that more than half (54.5%) of the respondents are females, while also more than half (57.6%) of them are in the age group between 20-29. The majority (69.7%) of the respondents are graduates, and more than ¾ (77.8%) of them have experience between 1-5 years.

Table 2 – Customers Profile

Variable	Illustration	N %
Gender		
Male	25	45.5
Female	33	54.5
Age(Years)		
20-29	34	57.6
30-39	18	28.8
40-49	05	7.6
50-59	01	1.5
Education(Level)		
Postgraduate	18	28.8

Graduates	39	69.7
High School	01	1.5
Experience (years)		
0	01	1.5
1-5	44	77.8
6-10	02	0.3
11-15	01	1.5

Source:Researchers from field study.

Table 3 below shows the means of the clan, adhocracy, market and hierarchy cultures which are 9.7, 10.4, 12.3, and 8.7 for the clan, adhocracy, market and hierarchy respectively. This means that participants agree that the Market culture is the most dominant in Al Hikma Pharmaceutical.

Table 3: Organizational culture type

Organizational Type	F1	
Mean	SD	
Clan	9.7	2.3
Adhocracy	10.4	2.3
Market	12.3	2.6
Hierarchy	8.7	2.0

Source:Researchers from field study.

Table 4 below indicates that the majority (70.4%), of the sales representatives are not happy with their jobs, while more than half (51%), of the customers are not satisfied as well with the services provided to them.

Variable	Dissatisfied		Ambivalent		Satisfied	
Those who are neither						
satisfied						
nor dissatisfied						
N	%	N	%	N	%	
Overall job satisfaction level	19	70.4	5	18.5	3	11.1
Overall customer satisfaction level	30	51	28	49	0	0

Source:Researchers from field study.

As is evident from table 5 below the relationship between the three variables of this study, organizational culture, overall job satisfaction level, and overall customer satisfaction is statistically significant. The correlation between organizational culture (Market), and overall job satisfaction is statistically significant and negative at the level of -0.459*, while the correlation between the organizational culture and overall customer satisfaction is statistically significant and negative at the level of -0.503**. Also, the correlation between overall job satisfaction and overall customer satisfaction is statistically significant and positive at the level of 0.978**. According to these correlations between the three variables, it could be concluded that the relationships between organizational culture, overall job satisfaction, and overall customer satisfaction is statistically significant.

Variables	Overall Job Satisfaction	Overall Customer Satisfaction
Organizational Culture	0-.459-*	-0.503-**
Overall Job Satisfaction		0.978**

*. Correlation is significant at the 0.05 level (2-tailed).

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

5. Results, Recommendations and Limitations

Previous studies have examined the relationship between the combinations of any two of the three constructs of this study. Studies that have explored the relationship between the three variables are rare. This paper concludes that the dominant organizational culture in Al Hikma is the Market culture, and the overall job satisfaction level of the sales representatives is negative, and, as hypothesized, the correlation between organizational culture (Market) and overall job satisfaction is negative. This result is confirmed by Lund (2003 where he came to a similar result. Also, the study found that the overall customer satisfaction is negative and the correlation between the organizational culture (Market) and overall customer satisfaction is negative as well. The study of Michael and Denison (2008) revealed a similar result. A third result of this study is that the correlation between overall customer satisfaction and overall customer satisfaction is statistically significant, a result that is confirmed by Christina and Dogan (2009) whose study also concluded with a similar finding. A final and important finding of this result is that there is statistically significant correlation between the three constructs (organizational culture, overall job satisfaction and overall customer satisfaction. This result is the contribution of this study.

The study recommends that organizational leaders need to identify the kind of organizational culture prevailing in their organizations and what impact it has on job satisfaction and customer satisfaction. Also, the study draws the attention of the leaders and human resource practitioners to the link between overall job satisfaction and overall customer satisfaction, and that sales representatives need to be treated as" internal customer" and receive similar or equal attention from the organization. Also, it is recommended that human resources professionals, as change agents, be familiar with the current state of knowledge of the concept of organizational culture and its effect on organizational outcomes such as job satisfaction and customer satisfaction.

The results of this study are limited to the Al Hikma Pharmaceutical in the Sudan, and caution need to be taken when generalizing its results.

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