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# 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, Renewable Energy and Industry

## **Background to the Study**

In the midst of growing competition for human resource, it has become inevitable for organizations to pursue best practices that can make their employees highly committed (Kazaara & Kazaara, 2023). This is because organizational commitment energizes psychological attachment and willingness of employees to go an extra-mile; just for the sake of the organization (Ntirandekura & Alex, 2022). It has also been widely endorsed that the more committed employees are, is the more they will perform, express the desire to stay, exhibit organizational citizenship behavior and become productive at work (Ntirandekura & Alex, 2022). Accordingly, several endeavors have been highlighted to guide human resource managers on how best to deal with the challenge of organizational commitment in their organizations.

Empirically, organizational culture and job satisfaction have received a lot of attention as far as organizational commitment is concerned (Moses & Nancy, 2024). It is suggested that an innovative and supportive culture enhances individual's commitment as opposed to a bureaucratic one. The argument is that organizational culture directly determines management style, compensational systems and organizational structure which directly affects psychological status towards their employer (Christopher, Moses, Muhimdo, & Muhammad, 2022). On the other hand, job satisfaction, especially intrinsic satisfaction has been denoted to improve employees emotionally and enhance their bond towards their employer (Ntirandekura et al., 2022). While extrinsic satisfaction serves as a facilitator or drive to uplift individual organizational commitment.

Nonetheless, organizational commitment remains one of the major challenges encountered by organizations world over (Ntirandekura & Christopher, 2022). Notably, the Gallup Report (2020) indicates that the rate of employee commitment has consistently deteriorated from 32.4% to 11.3% in the past 5 years. More than 81% of employees do not consider working for their current employer a wise idea and subsequently consider quitting. More so, 12 in every 25 employees are working for the sake of survival, without any form of emotional attachment. From the Africa perspective, a survey conducted by (Winny et al., 2023) across 300,000 employees obtained that more than 25% are not committed. The continent has the highest number of with lowest affective commitment at 3.7% compared to Europe with 47.8% and Asia 55.9%. Employees who are stuck to their current workplaces due to low choice as they strictly target the remuneration to sustain.

Similarly, the level of organizational commitment in Uganda, and this has mainly mushroomed within the renewable energy industry (Margaret & Kazaara, 2024). Some of the companies in this sector have experienced concern over the declining organizational commitment which has manifested in the low affective and normative commitment. For instance, in Fenix International, employees do not have a sense of belonging, they are not proud and actively searching for another job. Over 78.3% express that they would leave the company if they happen to get the chance (Christopher, Moses, Muhindo, & Muhammad, 2022). In Fenix international, 41.4% of employees in 2018 expressed that they are not emotionally attached to work while 15.7% do not perceive the value to

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continue working in this company. These statistics almost doubled in 2019 where 62.7% and 22.9% expressed low emotional attachment and perceived value correspondingly (Isaac et al., 2023). This is likely to compromise renewable energy companies from achieving goals and objectives, since employees are considered as one of the major resources.

Notwithstanding, available empirical evidence in relation to the influence of organizational culture and job satisfaction towards organizational commitment conducted in Uganda is generally old (Paul & Kazaara, 2023). This is concluded based on the fact that these studies are cross-sectional designs, which based their conclusions on findings obtained within a short frame. Furthermore, none of these studies is specific to the renewable energy companies. For instance, (Christopher, Muhindo, et al., 2022) focused on public institutions and (Christopher, Moses, Muhindo, & Komunda, 2022) on local government. This raises the question as to whether such findings can inform this sector given that they totally heterogenous. This study seeks to close the gap by addressing two important issues. First and foremost, providing recent empirical evidence that can reflect the current status quo, and secondly; exploring the influence of organizational culture and job satisfaction on organizational commitment in the renewable energy companies (Musaibah et al., 2023).

#### **Statement of the Problem**

One of the aims of human resource managers is to have committed workforce. This requires employees exhibiting affective, normative and continuance commitment at work. This is justified because organizational commitment improves individual performance, productivity and engagement, facilitating attaining of organizational objectives (Ntirandekura & Alex, 2022). However, the Renewable Energy industry in Uganda has consistently experienced decline in organizational commitment, which has manifested in the low affective, normative and continuance commitment expressed by their employees. Notably, at Fenix International, employees have a low sense of belonging and are actively searching for external opportunities rather than take commit to their current employment (Christopher, Moses, Muhindo, & Muhammad, 2022). In Fenix international Ltd, employees' emotional attachment decreased by 33.5% in 2019 as opposed to 2018 15.7% are not proud to be employed by their employer (Employee Satisfaction Survey, 2020) (Moses & Nancy, 2024). If this is not checked, renewable energy companies are less likely to register dismal performance. It could be likely that low organizational commitment may be attributed to poor organizational culture and low job satisfaction. This motivates the researcher to seek further inquiry into the matter.

## **Purpose of the Study**

The purpose of the study was to examine the relationship between organizational culture, job satisfaction and organizational commitment in renewable energy industry.

#### **Specific 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. The cross-sectional design was selected because it enables the study to obtain results regarding the researchable phenomenon within a short time (Abiodun & Christopher, 2024). The quantitative research approach was used because it provides results that are clear and easy to understand. Moreover, this approach allows the study to statistically express how the studied variables relate and predict the outcome variable (Jallow et al., 2021). The population comprised 10.232 field staff in the renewable energy industry of Uganda (Uganda National Renewable Energy and Energy Efficiency Alliance (Olanrewaju et al., 2021). The study focused on these employees because they exhibited the least commitment compared to other employees. At the time of the study, the greatest proportion of employees who were quitting employment, and rejecting additional tasks from supervisors were mainly field staff. These employees also served as the unit of analysis (Lu et al., 2013). A sample size of 370 field staff was selected based on the Krejcie and Morgan (1970) table for selecting samples from a given population. To select this sample, proportionate simple random sampling was used. This technique involved establishing the proportion of employees in every company in regards to the total population. The same proportion was factored in ascertaining the number of employees who were selected (Nafiu, 2012). The study then applied simple random sampling to randomly pick one employee at a time from each company without replacing until the targeted proportion was obtained. This technique was used because it guarantees that the sample selected is representative of the population (Nafiu et al., 2012). The study used primary source of data. This data source is justified because it enables the study to obtain the most recent information regarding the research phenomenon. Primary data also ensures that the data obtained is for the purpose (Creswell, 2014). The study used a questionnaire instrument to obtain data. This instrument was used because it is effective on obtaining data from a large sample (Nafiu et al., 2012). The instrument was structured, containing only closed-ended questions which were 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 strongly agree (5) (Nafiu et al., 2017). This scale was used because it enables respondents to rank their responses (Likert, 1961). Organizational culture is a highly a multifaceted concept which is conceptualized differently (Olanrewaju et al., 2021). However, this study used measures developed by Wallach (1983). These constructs include; bureaucratic, innovative and supportive cultures. These constructs were used because

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they had widely been tested in Uganda's context (Rasheed et al., 2022). The study adopted the 24-Items of the Organizational Culture Index (OCI) by Wallach (1983) to measure the constructs or organizational culture. Job satisfaction was conceptualized in terms of intrinsic and extrinsic satisfaction. These constructs were also used in previous studies (Jallow et al., 2021), where they were considered as appropriate measures of this concept. The study adopted Items from previous works (Maiga et al., 2021), which were modified to fit the context of the study, before being anchored on a 5-Point Likert Scale. Organizational commitment was conceptualized using (Nafiu et al., 2012) three component of organizational commitment. These include affective commitment, normative commitment and continuance commitment. This study adopted the 24-Item scales developed by (Maiga et al., 2021) for the constructs. Data obtained was entered and analyzed using Statistical Package for Social Scientists (SPSS. Version 25) (Nelson et al., 2022). Obtained results were presented using frequency tables, correlation, regression and Med-Graph. Frequency tables were used to present results in relation to demographic characteristics, and interpreted based on percent values. Correlation analysis was used to examine the nature of the relationship between studied variables, while regression analysis was used to confirm this relationship. A med-graph was interpreted based on Sobel z-value, and beta weights of the basic relationships under scrutiny (Nelson et al., 2023).

RESULTS

**Table 1: Pearson Correlation Analysis** 

Variable/Construct Organisational Culture	1	2	3	4	5	6	7
Innovative	1775**	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	.402**	.396**	.243**	.475**	$.440^{**}$	.409**	1

#### Commitment

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

#### 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) (Ivan et al., 2023). In this case, it meant that enhancing innovative culture 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 (Emmanuel et al., 2023).

## 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 (Ntirandekura & Alex, 2022). 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 (Paul & Kazaara, 2023). 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.

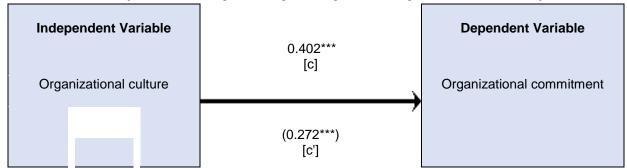
Table 2: Multiple regression model

		Unstandardized Coefficients B Std. Error		Standardized Coefficients Beta		
Model					t	Sig.
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 <sup>a</sup>	0.291	0.284	42.033	.000 <sup>b</sup>

Note: n=208; Dep Var; Organisational Commitment

#### Source: Primary Data

Results in table 2 revealed Adjusted r<sup>2</sup>=.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 (Nelson et al., 2023). These results meant that organizational culture is a significant predictor of organizational commitment. On the other hand, results in table 4.4 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.

#### 4.5 Mediation Effect

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 4.1.

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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*

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 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.

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