

Impact of Organisational Culture and Leadership on Job Satisfaction: A Study

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Abstract

In today's competitive business environment, organisations increasingly recognize that human resources are a critical source of sustainable competitive advantage. Among the various factors influencing employee performance and retention, organisational culture and leadership play a decisive role in shaping job satisfaction. This research paper aims to examine the impact of organisational culture and leadership on job satisfaction, with special reference to employees working in private sector organisations. The study attempts to analyse how cultural values, leadership styles, and managerial practices influence employees' attitudes, motivation, and satisfaction levels. The research is based on secondary data collected from books, journals, research papers, and published reports. The findings indicate that a positive organisational culture combined with effective leadership—particularly transformational and participative leadership—significantly enhances job satisfaction. The study concludes that organisations should focus on developing supportive cultures and people-oriented leadership practices to improve employee satisfaction and overall organisational effectiveness.

Keywords: Organisational Culture, Leadership, Job Satisfaction, Employee Motivation, Management Practices

1. Introduction

The banking sector plays a crucial role in the economic development of the country. In recent years, the private banking sector in India has experienced rapid growth due to liberalisation, technological advancement, and increased competition. Private banks are known for their performance-driven work culture, customer orientation, and efficiency. However, high targets, work pressure, and long working hours have made job satisfaction a major concern among bank employees.

Amravati City has emerged as an important commercial and educational hub in the Vidarbha region of Maharashtra. Several private banks such as HDFC Bank, ICICI Bank, Axis Bank, and others operate in the city. In such a competitive environment, organisational culture and leadership play a key role in maintaining employee satisfaction and reducing turnover.

Organisational culture includes shared values, beliefs, norms, and practices that influence employee behaviour within an organisation. Leadership refers to the ability of managers and supervisors to guide, motivate, and influence employees towards achieving organisational goals. A positive organisational culture supported by effective leadership leads to higher job satisfaction, motivation, and commitment. Therefore, this study focuses on analysing the impact of organisational culture and leadership on job satisfaction of employees in private banks in Amravati City.

2. Review of Literature

Organisational culture and leadership play a vital role in influencing employee job satisfaction. Schein (1985) defined organisational culture as a system of shared values, beliefs, and assumptions that guide employee behaviour and decision-making. A positive culture characterised by teamwork, fairness, and open communication improves morale and commitment.

Leadership style is another key determinant of job satisfaction. Bass (1985) emphasised transformational leadership, where leaders motivate, support, and recognise employees, resulting in higher satisfaction. Transactional leadership focuses on rewards and performance targets, while autocratic leadership is associated with lower satisfaction due to limited employee involvement.

Job satisfaction refers to the emotional response of employees to their work, influenced by factors such as leadership, culture, recognition, and career growth (Locke, 1976). Studies show that employees working in supportive cultures with effective leadership report higher job satisfaction.

Most existing studies focus on metropolitan banks, with limited research on private banks in semi-urban regions like Amravati. Furthermore, few studies examine employees across different positions. This study aims to fill this gap by analysing the combined impact of organisational culture and leadership on job satisfaction in private banks in Amravati.

3. Statement of the Problem

Despite offering competitive salaries and incentives, many private banks face challenges such as employee dissatisfaction, stress, absenteeism, and high turnover. Employees experience heavy work pressure due to strict targets and performance expectations. Lack of recognition, limited participation in decision-making, and unsupportive leadership further contribute to dissatisfaction. Hence, the problem addressed in this study is to examine how organisational culture and leadership influence job satisfaction of employees in private banks in Amravati City.

4. Research Objectives

1. To examine the impact of organisational culture and leadership on job satisfaction of employees in private banks in Amravati.
2. To identify the dimensions of organisational culture that influence employee satisfaction.
3. To analyze the leadership styles adopted by bank managers and supervisors.
4. To suggest measures for improving job satisfaction through better organisational culture and leadership practices.

5. Scope of the Study

The scope of the study is limited to private sector banks operating in Amravati City. The study includes employees working at different levels such as officers and clerical staff. It focuses on organisational culture, leadership styles, and their impact on job satisfaction. Since the study is based on a pilot sample of 20 respondents, the findings are indicative in nature.

6. Research Methodology

6.1 Research Design

The research is descriptive and analytical in nature.

6.2 Area of Study

Private sector banks operating in Amravati City.

6.3 Sample Size

The sample size for the pilot study consists of 20 employees.

6.4 Sampling Method

Stratified Random Sampling was used. Employees were classified into different strata based on job positions such as officers and clerical staff, and respondents were selected from each stratum to ensure proper representation.

6.5 Data Collection

- **Primary Data:** Structured questionnaire
- **Secondary Data:** Books, journals, research papers, reports, and websites

6.6 Scale Used

A four-point Likert scale consisting of **Strongly Agree, Agree, Disagree, and Strongly Disagree**.

6.7 Tools of Analysis

Percentage analysis, tables, bar diagrams, and pie diagrams.

7. Data Analysis and Interpretation (Pilot Study – 20 Respondents)

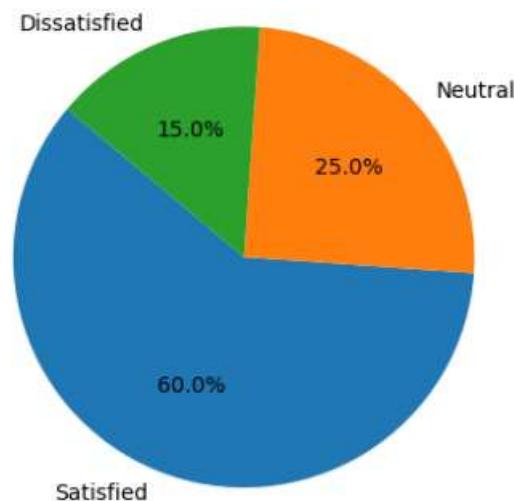
7.1 Introduction

To study the impact of organisational culture and leadership on job satisfaction, a pilot study was conducted among **20 employees working in private sector banks in Amravati City**. The data were collected using a structured questionnaire based on a five-point Likert scale. The purpose of the pilot study was to understand employee perceptions regarding organisational culture, leadership styles, and their influence on job satisfaction.

The collected data were analysed using **percentage analysis** and presented with the help of **pie diagrams and bar diagrams** for better understanding and interpretation. The analysis is presented objective-wise.

7.2 Job Satisfaction Level of Employees

Job Satisfaction Level of Employees (Private Banks, Amravati)

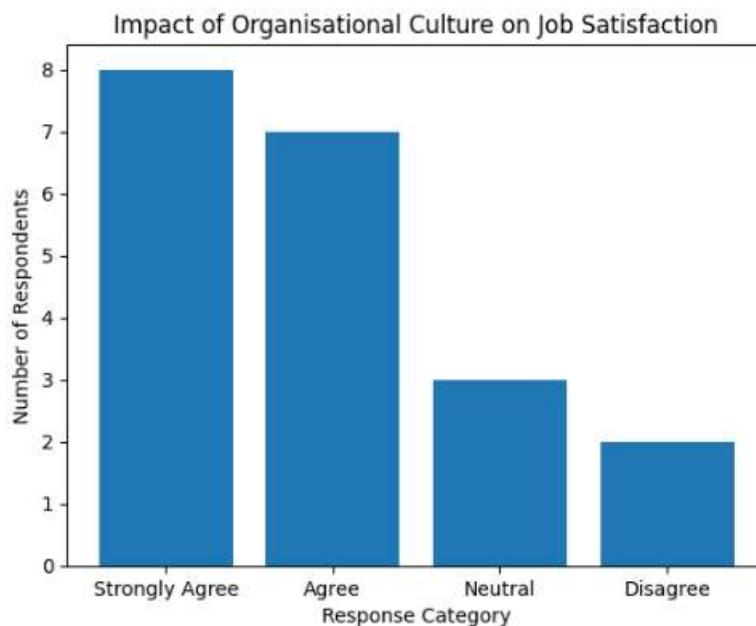


| Job Satisfaction Level | Number of Respondents | Percentage |
|------------------------|-----------------------|-------------|
| Satisfied | 12 | 60% |
| Neutral | 5 | 25% |
| Dissatisfied | 3 | 15% |
| Total | 20 | 100% |

Interpretation:

The above data shows that **60% of employees are satisfied** with their jobs, indicating a generally positive work environment in private banks in Amravati. However, **25% of respondents are neutral**, suggesting that there is scope for improvement in organisational practices. **15% of employees are dissatisfied**, which may be due to factors such as work pressure, leadership style, or lack of recognition. Overall, the results indicate that organisational culture and leadership have a noticeable impact on employee job satisfaction.

7.3 Impact of Organisational Culture on Job Satisfaction



| Response Category | Number of Respondents | Percentage |
|-------------------|-----------------------|-------------|
| Strongly Agree | 8 | 40% |
| Agree | 7 | 35% |
| Neutral | 3 | 15% |
| Disagree | 2 | 10% |
| Total | 20 | 100% |

Interpretation:

The data reveals that a majority of respondents (75%) either strongly agree or agree that organisational culture influences their job satisfaction. This indicates that factors such as **fair policies, teamwork, communication, and a supportive work environment** play an important role in shaping employee satisfaction. Only **10% of respondents disagree**, showing that very few employees feel organisational culture does not affect their satisfaction. Hence, it can be concluded that organisational culture is a significant determinant of job satisfaction in private banks.

7.4 Dimensions of Organisational Culture Influencing Job Satisfaction

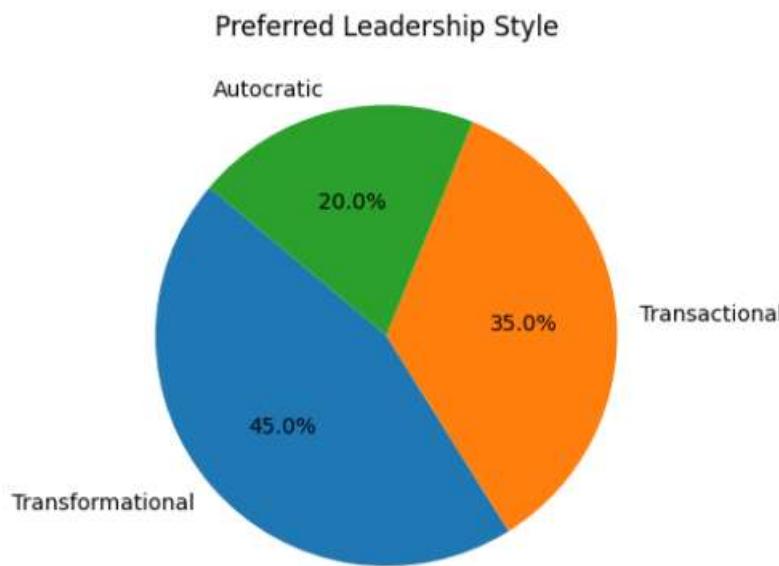
Based on employee responses, the following dimensions of organisational culture were identified as major contributors to job satisfaction:

- **Fairness and Transparency:** Employees feel satisfied when policies and appraisal systems are fair and transparent.
- **Teamwork and Cooperation:** A cooperative work environment increases employee morale and satisfaction.
- **Recognition and Rewards:** Acknowledgement of good performance positively influences job satisfaction.
- **Work Environment:** A respectful and supportive work environment reduces stress and improves satisfaction.

Interpretation:

Employees working in private banks value a culture that promotes fairness, recognition, and teamwork. The absence of these factors may lead to dissatisfaction and stress.

7.5 Leadership Styles Adopted by Bank Managers and Supervisors



| Leadership Style | Number of Respondents | Percentage |
|------------------|-----------------------|-------------|
| Transformational | 9 | 45% |
| Transactional | 7 | 35% |
| Autocratic | 4 | 20% |
| Total | 20 | 100% |

Interpretation:

The data indicates that **45% of employees prefer transformational leadership**, where leaders motivate, guide, and support employees. **35% prefer transactional leadership**, which focuses on targets and rewards. Only **20% prefer autocratic leadership**, suggesting that rigid and controlling leadership styles are less effective in enhancing job satisfaction. Therefore, transformational leadership is most suitable for improving job satisfaction in private banks.

7.6 Relationship Between Leadership and Job Satisfaction

Employees who reported satisfaction with their jobs also expressed positive opinions about their managers' leadership styles. Supportive leaders who communicate clearly, involve employees in decision-making, and provide recognition contribute to higher job satisfaction. On the other hand, employees working under autocratic leaders reported comparatively lower satisfaction levels.

Interpretation:

Leadership behaviour directly influences employee attitudes and satisfaction. Positive leadership practices help reduce work stress and improve commitment.

7.7 Overall Interpretation of Pilot Study Results

The pilot study clearly indicates that **organisational culture and leadership have a significant impact on job satisfaction** of employees working in private banks in Amravati City. A supportive organisational culture combined with transformational leadership practices leads to higher satisfaction, motivation, and employee engagement. The results of the pilot study also confirm that the questionnaire is suitable for further detailed research.

8. Findings

- Organisational culture significantly influences job satisfaction.
- Supportive and transparent culture improves employee morale and commitment.
- Transformational leadership is the most preferred leadership style.
- Leadership behaviour directly affects employee motivation.
- Positive culture and leadership help reduce employee turnover.

9. Suggestions

- Develop a positive and inclusive organisational culture.
- Encourage transformational and participative leadership styles.
- Improve communication between management and employees.
- Recognise and reward employee performance regularly.
- Conduct leadership development and training programmes.

10. Limitations of the Study

- The study is limited to private banks in Amravati City.
- Small sample size (pilot study).
- Time constraints.
- Responses are based on employee perceptions.

11. Conclusion

The study concludes that organisational culture and leadership have a significant impact on job satisfaction of employees in private banks in Amravati City. A supportive organisational culture combined with effective leadership enhances employee satisfaction, motivation, and organisational commitment. Private banks should focus on strengthening cultural values and leadership development to achieve long-term organisational success.

12. References

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