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The Impact of Organizational Culture on Employee Turnover among Employees of Telecommunication Companies in Lagos, Nigeria

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Abstract

This study through the lens of Hofstede's Cultural Dimension and Schein's Model of Organizational Culture examines the impact of organizational culture on employee turnover among employees of Telecommunication companies in Lagos. The study adopted a descriptive research design while a survey was adopted as a research strategy. The sample consists of 254 employees of Telecommunications in Lagos state, Nigeria. The questionnaire was used to collect data from the participants. The study adopted Pearson Product-Moment Correlation to test the research hypotheses. Research findings showed a direct, strong, and significant relationship between leadership style and commitment to work among the employees of telecommunications companies; there is a significant relationship between the reward system and job satisfaction among employees of telecommunication companies. And that there is a direct, strong, and significant relationship between communication practices and work-life balance among employees of telecommunications companies.

Key Words: Commitment, Communication, Employees, Leadership Style, Organizational Culture, Reward System

1. Introduction

An organization is part of the broader social context that functions as a system of interdependent (Elegbede, Elegbede, and Bakare, 2020), which constitutes elements within a society rather than in its own right (Gbajumo-Sheriff and Elegbede, 2018). Thus, it is imperative to note that organization and society are both governed by a set of laws that serve as the foundation for the behavior of the organization's members (Otobo, 2000, Fajana, 2002, Flanders, 1965) According to Hofstede (1980), organizational culture plays a certain role in influencing employees' attitudes toward work. Organizational culture seems to be a factor when employees' intent to stay or leave an organization (Oni, Elegbede and Gbajumo-Sheriff, 2024) Management of organizational culture poses a major concern for managers (Kottler, 2022), and human resource practitioners (Armstrong, 2019). Organizational culture consists of the unspoken principles, practices, and values that provide the framework that specified actions such as decision-making, and hierarchy of authority (Weber, 1974).

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Therefore, culture governs business practices and the means of surviving in the organization that encourages boarding and individual achievement (Dave and Urich, 2021). According to researchers like Schein (2014) and Alvesson (2023), it can be concluded that the organization's culture has a direct effect on the organization's productivity. Armstrong (2019) states that culture within an organization refers to the web of values, norms, beliefs, and underlying assumptions that are often unspoken and reflect how people and activities are managed. The major building blocks of organizational culture encompass the people, their behaviors, norms, rituals, ceremonies, regulations, hierarchies, narratives, and tales that comprise the organization. Schein (2020) advocated that organizational culture is a glue that holds all the people together and the organization's system and encourages the commitment and performance of the employees. Njugi and Agusioma (2014) contend that a strong culture is the foundation of great performance. However, because of globalization and rapid advancements in technology, it is observed that organizational culture tends to change over time. In the view of Elegbede, Elegbede and Bakare (2020) the phenomenon of employee turnover has been a recurrent challenge for many firms globally with significant financial and operational consequences. Organizations must understand the significance of the internal, organizational, and national cultures in explaining employee retention. Neglecting these and other elements of 'culture', organizations expose themselves to the problem of a high turnover rate of employees. Thus, the need to contextualize the understanding of employee turnover necessitates this study. It therefore examines the extent of the relationship between (i) *leadership style and commitment to work among the employees of telecommunications companies*; (ii) *reward system and job satisfaction among employees of telecommunications companies*; and (iii) *communication practices and work-life balance among employees of telecommunications companies*.

2. Theoretical Framework

2.1 Hofstede Cultural Dimension

Hofstede (1980) explained key cultural dimensions such as power distance, individualism-collectivism, masculinity-femininity, uncertainty avoidance, long-term versus short-term normative orientation, and indulgence versus restraint. Hofstede's cultural dimensions emanated from a large survey that he conducted for a period of ten years from 1960- 1970 that examined various values among different divisions of IBM. Hofstede, using a specific statistical method called factor analysis, initially identified four value dimensions: individualism and collectivism, power distance, uncertainty avoidance, and

masculinity and femininity. Later research from Chinese sociologists identified a fifty-dimension, long-term, or short-term orientation.

2.2 Schein's Model of Organizational Culture

Edgar Schein (1985) proposes three levels of organizational culture: artifacts and behaviors which he refers to as the visible aspects. Schein identified espoused values expressed through conscious strategies and goal achievement within the organization. Lastly, Schein (1985) identified basic underlying assumptions that describe unconscious beliefs and philosophies in the organization. Organizations may focus on any or all of these levels to shape their culture.

2.3 Review of Empirical Literature

The study by Ashley and Brijball (2024) examined how organizational culture relates to staff commitment in the context of private hospitals in Ghana and fosters an enabling environment for the growth of employee commitment in organizations. A mixed-method approach involving the collection of qualitative and quantitative data was employed. Their study revealed a properly defined relationship between organizational culture and employee engagement and demonstrated that correlations exist. A comprehensive study by Adiak et al., (2020) focused on employee turnover intention and organizational culture in the Public and Private Organizations in Jos. Data from 150 respondents revealed a correlation between organizational leadership, employee management, and success props which differs significantly across public and private employee groups. Fasola and Popoola (2024), studied the effect of culture on the inclination of librarians to leave private universities in southern Nigeria. The study focused on the following constructs of the organizational culture: the type of culture, the bonds that tie, the configuration of the organization, and the leadership style. Their study revealed that the library administration of affiliated colleges undertakes measures encouraging bonding, structure, leadership, and culture-type policies to lessen turnover intention and reduce actual turnover. The aim of the research conducted by Niguse (2019) was to establish the impact of organizational culture on an individual's intention to quit actively, with employee satisfaction being the mediator. It was found that the bureaucratic culture had the most significant influence on the turnover intention rate. The study conducted by Dwomoh-Okudzeto (2014) investigated the relationship between organizational culture and employee turnover intention. This research aimed to establish how organizational culture impacts employee turnover, which was chosen using a simple random sampling technique. The study found that clan, adhocracy, and hierarchy cultures correlate negatively with

employee turnover intention, while market culture positively correlates with employee turnover intention. The study by Carol and Fridah (2017) focused on understanding and mitigating employee turnover, particularly as it pertains to organizational culture. The case of the Technical University of Mombasa was explored. The findings indicate that employee turnover is one of the fundamental human resource problems that organizations, whether public or private, have to deal with.

3. Research Methodology

This study utilized a cross-sectional design, and a survey was used as a research strategy because it enables the collection of data through structured questionnaires.

Table 1: Sampling Frame

Telecommunication Companies	Number of employees	Percentage of total population
Airtel Nigeria	280	40
MTN Nigeria	420	60
Total	700	100%

By employing simple random sampling techniques, the respondents were selected through the use of probability sampling. Borg and Grall (2019) noted, that the sample in the probability sampling is an unbiased one, which is every member of the population drawn has an equal chance of being selected. In this study, the determination of the sample size was carried out statistically based on the formula method by Yamane (1967) illustrated below:

$$n = \frac{N}{1 + N(e)^2}$$

$$n = \frac{700}{2.75} = 153.85 \cong 254$$

Therefore, the sample size for the study as determined from the population above consists of two hundred and fifty-four (254) employees of Telecommunications Companies in Lagos, Nigeria. Hence two hundred and fifty-four (254) employees were randomly selected from the population.

The primary tool for data collection in this study is the questionnaire, which was well organized into two parts. To ascertain the validity of the questionnaire, the questionnaire, the research objectives, and the study hypotheses were validated by experts who provided an expert view of the study. Reliability was established by testing the instruments measuring the values (the Alpha values). This was demonstrated by the Cronbach's alpha figure obtained from the administered questionnaire in the pilot survey. In conducting the reliability test, Cronbanch's Alpha reliability coefficients were obtained for each of the variables of the study as indicated below:

A pilot test was conducted and was subjected to the outcome of the reliability test below:

Table 2 Reliability Statistics

Cronbach's Alpha	N of Items
.826	30

The data collection technique used was face-to-face, in which the questionnaires were administered to the respondents at the study site. They completed the questionnaire and submitted it to the research assistant or the researchers.

3.1 Ethical Considerations

This study is social research, involving human beings. Therefore, utmost concern was given to all the respondents involved. In this respect, the ethical principles in conducting social research were observed. The respondents' consent was sought before their involvement in the study, and the statement of which was in the introductory section of the questionnaire. Also, reassurance regarding confidentiality was provided – that the information the individual will provide will be used solely for academic reasons and not passed on to the public. The statement also promised that the respondent's identity would be concealed with their name or any personal details that can link them to the information provided unavailable to anyone in academic publications and other forms in which the research findings are disseminated.

4. Results and Findings

Research Hypothesis One: There is no relationship between leadership style and commitment to work among employees of Telecommunications, Lagos-Nigeria.

Table 3: Correlation between Leadership style and Commitment to work

		Commitment to work
Leadership style	Pearson	.759**
	Correlation	
	Sig. (2-tailed)	.000
	N	241

*. Correlation is significant at the 0.5 level (2-tailed).

Table 3 shows that the returned Correlation Coefficient (r) was calculated as $+0.759$ and $p=.000$, indicating a strong relationship between leadership style and commitment. Hence, the research hypothesis one tested revealed a direct, strong, and significant relationship between leadership style and commitment to work among employees of Telecommunications companies in Lagos, Nigeria.

Research Hypothesis Two: There is no relationship between the reward system and job satisfaction among employees of Telecommunications Companies. Lagos, Nigeria

Table 4: Correlation between Reward System and Job Satisfaction

		Job satisfaction
Reward system	Pearson	.767*
	Correlation	
	Sig. (2-tailed)	.000
	N	241

*. Correlation is significant at the 0.1 level (2-tailed).

Table 4 shows $r = +0.767$ and $p=.000$ indicating a positive relationship between the reward system and job satisfaction among employees of Telecommunications Companies. Hence, research hypothesis

two revealed a direct, strong, and significant relationship between the reward system and job satisfaction among employees of Telecommunications Companies Lagos, Nigeria.

Research Hypothesis Three: There is no relationship between communication practices and work-life balance among employees of Telecommunications Companies in Lagos, Nigeria.

Table 5: Correlation between Communication Practices and Work-life Balance

		Work-life balance
Communication practices	Pearson	.758*
	Correlation	
	Sig. (2-tailed)	.000
	N	241

*. Correlation is significant at the 0.1 level (2-tailed).

Table 5 shows $r = +.758$ and $p = .000$ indicating a strong positive relationship between communication practices and work-life balance among employees of Telecommunications Companies. Hence, research hypothesis three shows a direct, strong, and significant relationship between communication practices and work-life balance among employees of Telecommunications Companies. Lagos, Nigeria.

4.1 Discussion of Findings

The study found a strong relationship between leadership style and commitment to work among employees of Telecommunications Companies. The returned Correlation Coefficient (r) was calculated as $+.759$ with a p-value of 0.000 , indicating a strong relationship between leadership style and commitment to work among employees of Telecommunications Companies. The research also revealed a strong positive relationship between the reward system and job satisfaction among the employees of Telecommunications Companies. The returned Correlation Coefficient (r) was calculated as $+.767$ with a p-value of 0.000 , suggesting that a strong relationship exists between the reward system and job satisfaction. Finally, the study revealed a strong relationship between communication practices and work-life balance among the employees of Telecommunications Companies. The correlation Coefficient (r) was calculated as $+.758$ with a p-value of 0.000 , affirming that a strong relationship exists between communication practices and work-life balance.

The examination of the first hypothesis indicated that there exists a direct, strong, and significant relationship between the leadership styles and work commitment of employees of Telecommunications Companies. This finding correlates with the comprehensive study by Adiak et al., (2020) that a correlation exists between organizational leadership, employee management, and success. The second hypothesis established a direct and strong positive correlation between employees' perception of the reward system and job satisfaction among the employees of Telecommunications Companies. This finding confirmed the findings from the study by Fasola and Popoola (2024) that culture impacted employees to resign from work. The third research hypothesis revealed a strong positive correlation between communication practices and work-life balance among Telecommunications Companies in Lagos, Nigeria. This supports the findings of Niguse (2019) that the bureaucratic culture had the most significant influence on the turnover intention rate. According to Cegarra-Leiva et al. (2012), task- and expectation-related communication alleviates anxiety and ambiguity and allows employees to disengage from work-related matters such that their home and work lives do not interfere with each other, thus improving their work-life integration.

5. Conclusion and Recommendations

This study has looked into the effect of corporate culture on employee turnover in Telecommunications Companies in Lagos. The findings indicated a correlation between the organizational culture and employee turnover in Telecommunications Companies. It has also been shown that such supportive cultures where there is good communication, leadership, and compensation lead to job satisfaction, work-life balance, and commitment. The strong association between communication and work-life balance among Telecommunications Companies suggests that work-related pressure is easily managed among employees who work in organizations that encourage communication. With effective communication and receptive leadership that is flexible to employees' needs for their well-being, employers can manage the challenges of losing employees who feel the need for equilibrium. In the same way, studies about the relationship between reward systems and job satisfaction show how critical it is to acknowledge and appraise employee input. An effective reward system improves morale and participation because the employees feel cohered and respected. Such admiration encourages commitment meaning that the employees rarely look for outside employment since there is a fair reward for their efforts.

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