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MANAGEMENT OF ORGANIZATIONAL CULTURES AND JOB PERFORMANCE: THE CASE FOR GCC COMPANIES

Abstract. *This paper summarizes the arguments and counterarguments within the scientific discussion on the issue the link between organizational cultures on the job performance in the Gulf Council countries companies. The main goal of the paper is to examine empirically the determinants of organizational cultures (structure, strategy, leadership, and high-performance work), and their impacts on job performance. The relevance of the decision of this scientific problem is that organizational cultures are a relevant problem for the companies in the Gulf Council countries. The Investigation of the topic of organizational cultures and the job performance in the paper is carried out in the following logical sequence: The methodological tool of this contribution tries to measure the effect of organizational cultures, structure, strategy, leadership, and high-performance work on job performance. The main purpose of the research is focused on the empirical approach justified by the use of the structural equations. The paper presents the results of an empirical analysis which showed that the effect of organizational cultures, structure, strategy, leadership, and high-performance work exerts positive relationships on job performance. The results found suggest that structure and strategy as indicators of organizational cultures, job performance with a high-performance work practice. The results showed a positive impact between the variables and implied that organizational cultures in the Gulf Council countries companies have a positive and significant relationship with job performance. The results confirm the existence of positive relationship as significant between structure, strategy and job performance in the Gulf Council countries companies. The research empirically confirms and theoretically proves that organizational cultures are significant relationships with job performance. The results of the research can be useful for the Gulf Council countries companies to promote the organizational cultures for good job performance.*

Keywords: organizational cultures, strategy, leadership, high-performance work, job performance.

Introduction. The Gulf Cooperation Council (GCC) companies are at a decisive stage in their history because of the political tensions surrounding the region and the alarming decline in the price of oil, which underpins their economies. This was a catalyst for radical and structural changes in their economic policies and strategic plans. As a result of the changes that have taken place in the external environment of the organization, it featured a series of challenges facing the Organization in general management and human resources management in particular. Besides, the objectives of Vision 2030 joined with the involvement of civil society were essential to ensure a positive response.

Therefore, the transformation from the era of industrialization to the information age, the transition from limited markets to global markets, the transition from a stable environment to a changing environment, the switching from command to routing, the transformation from physical and physical work to mental and mental work, the transition from individual performance to collective performance in the form of teams, the transition from specialization in work to diversity in skills, the transition from following orders to initiative and participation in decision-making, and the transformation from human resources to partners in the activity.

Concretely, the Human Resources systems have witnessed a remarkable development in recent years in the GCC companies as follows improved employee protection, wage protection system and incentives, developing the system of selection and polarization and developing the training system. Where modern human resources management has become adopted a new philosophy for the implementation of activities by focusing on organizational culture characterized by democracy and contribute to the decision-making, use of stimulus tools and personal achievement, be flexible policies

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for the management of human resources, which depends on the needs and desires of the working organization, kidney switching to customer service Whether internal customers or external customers focus on knowledge management and intellectual capital.

The literature survey was marked by relevant studies in different contexts, for example we cite Amagoh (2009) and Goldman et al. (2006) For Amagoh (2009), and the leadership development should be comprehensive and systematically integrated into the organizational culture in order to produce leaders who can deal adequately with organizational challenges.

Whereas for Goldman et al. (2006) the organizational culture inventory, a normed and validated instrument designed to measure organizational culture in terms of behavioural norms and expectations.

This research aims to study the impact of organizational culture on the level of performance and effectiveness. The study problem and its hypothesis were constructed through the literature of previous studies which confirmed the existence of a causal relationship of statistical significance to the independent variables that constitute the organizational culture on the variable of functional performance. The study recommended the need to increase attention and activate the role of organizational culture through the establishment of clear criteria and mechanisms capable of keeping up with the comprehensive development within the Kingdom of Saudi Arabia.

In the end, we emphasize the degree of response and conformity of the study sample to the current situation in companies passing through the GCC.

Literature Review. Theoretical and applied studies were an essential element in determining the problem between organizational cultures and the effectiveness of job performance. Meng and Berger (2019) examine the impact of Organizational culture that affects the decisions and actions of employees and managers at work, especially when faced with ethical dilemmas. The authors attempt to study the influence of management on job performance. Hartnell et al. (2019) gives the importance to the Organizational culture effectiveness and studied organizational system of highly interdependent elements like strategy, structure, leadership, and high-performance work practices (HPWPs). The result that culture dimensions explained the effectiveness criteria after controlling for the effects of leadership. Marinova et al. (2019) advance the study of the model that used the value climate in the estimation of the work and job performance.

The aims of Luring et al. (2019) examine the relationship between transformational leadership and service recovery performance. Nagendra and Deshpande (2014) noted that organizations nowadays spend large sums on human resources programs to develop and improve the performance and behaviour of these resources through the adoption of strategic human resources management. Wright and McMahan, (2011) defined strategic human resources management (SHRM) as an administrative pattern for the distribution and deployment of human resources and their planned activities to be dedicated to enabling the organization to achieve its objectives. In response to these changes and developments, the organizations found themselves obliged to adopt a human resources information system.

Some researchers (Lepak et al, 2006) have justified the importance of an organizational culture based on the purpose of its existence, as it enhances the knowledge and skills of employees, maximizes the motivation of employees towards work and provides them with a good opportunity to contribute to the success of the organization. Based on this philosophy, the philosophy of adopting HRMS based on its purpose. Chakraborty and Manso (2013) pointed out that no factors are calling for organizational culture to adopt HRMS. It helps the organization to achieve a high degree of success, depending on two important things: the size of the organization, and the commitment and support of senior management for the existence of such a system.

However, other researchers (Hannah and Robertson, 2015) discuss the commitment of senior management alone is not enough to maintain the confidentiality and privacy of HRMS information

because staff in the organization itself may break the privacy and confidentiality rules or adapt them to their objectives. For Arora (2013), the Organizational culture should contain productive information relating to all human resources management activities. In this case, the Performance Management and evaluation is undoubtedly one of the most complex tasks of human resources management, and requires the use of computers to produce an objective performance assessment, based on information about the performance of each employee who enters it on the computer supervising departments and departments (Shields et al., 2015)). Hence, our hypotheses are:

H1: Organizational culture impacts positively the on-job performance.

This hypothesis is subdivided into the following sub-hypotheses:

H2: Strategy impacts positively the on-job performance.

H3: Leadership impacts positively the on-job performance.

H4: High-performance work practices impact positively on-job performance.

Methodology and research methods. We study the effect of organizational culture on job performance in GCC companies. The study population consists of national companies listed in the financial markets in the GCC companies. After completing the data collection and unloading the responses of the respondents, the data were processed statistically.

We use the SPSS software to test the validity of the scale and the reliability of the items. We adopt the exploratory and confirmatory factor (principal component analysis). This was repeated where the communalities were lower (0.5) since the system contained well-purified scales and measures to ensure the verification of reliability, consistency and dimensionality of items. Then, we proceeded to confirm the validity of the different scales of the research. Finally, our study approves AMOS software. With the help of different index respectively: RMSEA, RMR, CFI, GFI, CAIC, etc.

The sample of the study includes (150), which was selected to be a representative sample of the study population according to the following bases: there are six companies in the Gulf Cooperation Council (GCC), and at least twenty companies should be selected from each country. Preliminary data were collected using a questionnaire, which was distributed to the in the sample companies.

Results. This section of the study aimed at investigating the nature of the relationships between organizational culture as an independent variable (structure, strategy, leadership, High performance work) and the dependent variable (Job performance) The estimation was performed iteratively using the maximum likelihood method, which is advocated by default as the best of the methods tested. The level of fit of the model was estimated by the chi-square statistic (χ^2), which is considered good when the p-value associated with (χ^2) is greater than 5%.

The results show a (χ^2) equal to (0,065) with a p-value equal (0,005), the GFI (Goodness of Fit), the RMR (Root Mean Square Residual), as well as other comparators such as AIC (Akaike Information Criterion) Correlation analysis results.

The results indicated in Table 1 show that all the respondents were strongly on account of the lack of variation in the median rates. The results show high quality, with the centre, weighted for each axis = or > 3. The results also indicated that the third hypothesis, Leadership impacts positively the on-job performance, manifested the highest quality among the rest of the hypothesis, reaching the arithmetic mean weight of 3.40 and a coefficient of variation of 38.08.

The fourth hypothesis was followed by High-performance work practices impact positively the on-job performance, which had an arithmetic mean of 3.53 and a coefficient of variation of 32.17.

The first hypothesis, with a mean of 2.93 and a weighted coefficient of variation 34.56, and finally, the second hypothesis, Strategy impacts positively the on-job performance, followed with an arithmetic mean of 3.46 and a coefficient of variation 31.05.

The Cronbach's alpha values for the constructs were ranged from 0.658 to 0.887, which denoted that reliabilities were excellent (Table 2).

Table 1: Results of descriptive statistics

Hypothesis	Mean		Standard deviation		Coefficient of variation		T-Test
	Internal	External	Internal	External	Internal	External	
First: Organizational culture impact positively the on-job performance	2.66	2.93	0.93	1.01	35.03	34.56	1.97
Second: Structure impacts positively the on-job performance	2.97	3.46	0.92	1.05	31.05	30.46	3.47
Third: Strategy impacts positively the on-job performance	2.80	3.40	1.06	1.01	38.08	29.68	4.10
Fourth: Leadership impacts positively the on-job performance	2.96	3.53	0.95	1.00	32.17	28.25	4.10
Fifth: High-performance work practices impact positively the on-job performance	2.97	3.46	0.92	1.05	31.05	30.46	3.47

Source: developed by the author based on (Saudi Arabia, 2019).

All items loaded significantly on their corresponding latent construct. The following indices of adjustment provided by the AMOS software are used in the following ; The Root Mean Square Error of Approximation (RMSEA), the Root Mean Residual (RMR), the Comparative Fit Index (CFI), the Goodness of Fit Index (GFI), The Consistent Akaike information criterion (CAIC), The Tucker-Lewis index (TLI), The Kaiser-Meyer-Olkin (KMO) Test, The Chi-Square (χ^2), with a p-value>0.005 and degree of freedom (DDL)

Table 2. Results of the exploratory factor analysis

Indices of goodness of fit	KMO Indice	Cronbach Alpha	Significance of Bartlett
Organizational culture	0,770	0,887	0,000
Structure	0,597	0,697	0,000
Strategy	0,557	0,658	0,000
Leadership	0,613	0,749	0,000
High performance work	0,742	0,817	0,000
Job performance	0,597	0,697	0,000

Source: developed by the author on the basis of (Saudi Arabia, 2019).

After testing the model using structural equations, it appears that the conditions tested model fit the data are generally observed: The associated p-value equals (0.053), which is greater than (0.005). GFI coefficient is higher than the norm (0.9), the GFI = 0.978. This value reflects a good "fit" between model and data. At this level, the two research hypotheses and the overall hypothesis can be broadly adopted. Besides, the RMR index (in terms of residual variance, that is to say, unexplained variance) is very low, it is equal to 0.045. Side indices to judge the quality of fit of the model such as the CFI is equal to 0.993. The RMSEA is equal to 0.053; AIC is equal to (137,083) strictly less than the saturated model (139,014).

The values of χ^2 (34.064) and CFI (0.993) estimated by AMOS indicate that the level of overall fit of the model is very high. We can, therefore, conclude that the fit of the proposed model is acceptable according to the results, indices assessment used.

Table 3. Test results of the structural model

The goodness of fit index	Acceptability threshold	Value found
χ^2 (p-value associated)	p must be > 0.05 do not reject the model	34,064
χ^2 /DDL		P=0,053
GFI	>0,9	0,978
TLI	>0,9	0,997
CFI	>0,9	0,993
RMR	<0,08	0,045
RMSEA	<0,08 and possibly <0,06	0,053
CAIC model tested	CAIC model tested must be lower than the saturated model/independence ²	137,083
CAIC saturated model		139,014

Source: developed by the author based on (Saudi Arabia, 2019).

The structural model was converting to factor scores. With the utilization of the method of Anderson Rubin. This method provided by the SPSS statistical software to calculate factor scores for each measurement scale based on items selected. The structural model is shown in table 4. Thus, the following table with the test results of the structural model shows a very good fit judged by indices.

The results in Table (4) show the existence of a positive relation between quality indicators: Organizational culture, Structure, Strategy, and Leadership. The output states of AMOS show that all the coefficients' regression is significant; the student's test (R.C.) is greater than 1.96 for all the variables of the model. This confirms that the overall model is acceptable.

Table 4. Significance of the model parameters

Regression coefficient	Estimate	(S.E.)	(R.C.)	P
Organizational culture <--- Job performance	1,055	4,766	9,723	***
Structure <--- Job performance	1,114	2,313	9,723	***
Strategy <--- Job performance	1,025	,813	8,226	***
Leadership <--- Job performance	1,025	,840	9,036	***
High-performance work <--- Job performance	0,890	1,266	11,149	***

Source: developed by the author based on (Saudi Arabia, 2019).

Conclusion. Through the results of the analysis, it is clear that there is full agreement in the opinions of the respondents on the importance of the Organizational culture. The results of the structural and principal component analyses indicate the existence of a positive relationship between Organizational culture and the other variables. In a broader sense, these results confirm that Organizational culture is an essential factor in interpreting the quality of Job performance. This is clear from the finding of this study. The results of the study can be summarized as follows:

There is full agreement in the views of respondents about the appropriate Organizational cultures for GCC companies in improving the quality of job performance. Also, the structure, the strategy, and the leadership are positively linked with job performance.

The results of this study confirm the positive linear relationship between the variables in the context of GCC companies in particular. These results are consistent with the findings of earlier studies such as

Meng and Berger (2019), Hartnell et al. (2019), Marinova et al. (2019), and Luring et al. (2019). Overall, the study indicates Organizational cultures can be used as practical tools for improving Job performance. This study attempts to shed light on the link between Organizational cultures with the quality of Job performance for GCC companies in Saudi Arabia. The study identified and analysed the determinants of Organizational cultures and their implications for Job performance. The data were collected using a questionnaire and processed using exploratory and confirmatory analysis by the methods of structural equations. The survey covered a sample of 150 companies of the GCC companies. The results show a strong relationship between Organizational cultures and Job performance. The structure, the leadership style and strategy are strongly connected to Job performance with the quality of High-performance work. The study, in general, suggests that structure, the leadership style and strategy, as indicators of Organizational cultures, have positive effects on Job performance with the quality of High-performance work. In particular, the results showed that high-performance work is reflected in the clarity of Job performance.

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Управління організаційною культурою та продуктивністю праці: на прикладі компаній країн Перської затоки

Анотація. У статті систематизовано аргументи та контраргументи у рамках наукової дискусії щодо взаємозв'язку між організаційною культурою та продуктивністю праці в країнах Перської затоки. На основі аналізу умов функціонування компаній країн Перської затоки обґрунтовано, що питання формування ефективної організаційної культури підприємства є актуальною проблемою. Автором доведено, що до основних детермінант організаційної культури відносяться: її структура, стратегія формування, тип лідерства та рівень продуктивності праці. Головною метою статті є емпіричне дослідження впливу детермінант організаційної культури на ефективність роботи працівників компаній країн Перської затоки. Так, основними гіпотезами дослідження є: стратегія формування організаційної культури позитивно впливає на ефективність роботи працівників, лідерство позитивно впливає на результати роботи працівників; інноваційні технології позитивно впливають на продуктивність праці. Для перевірки висунутих гіпотез дослідження використано програмне забезпечення SPSS та AMOS, а також метод головних компонентів та структурне моделювання. Вихідні дані для розрахунку було сформовано на основі результатів опитування двадцяти компаній з шести країн Перської затоки, даних фінансових звітів компаній. Емпіричні результати дослідження свідчать про статистично значущий позитивний вплив організаційної культури компанії та її основних детермінант (структура, стратегія, лідерство та рівень продуктивності праці) на ефективність функціонування компанії. У статті обґрунтовано та емпірично підтверджено гіпотезу про наявність позитивного статистично значущого взаємозв'язку між запропонованими детермінантами організаційної культури підприємств країн Перської затоки. Результати дослідження можуть бути використані у якості рекомендацій менеджментом компанії при формуванні системи управління організаційною культурою.

Ключові слова: організаційна культура, стратегія, лідерство, висока продуктивність праці, продуктивність праці.

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