The Fit between National Culture, Organisational Culture and Management Practices and its Effect on Employee Satisfaction and Commitment

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With the internationalisation of business, doubt is expressed whether certain managerial methods or styles are as effective elsewhere as they are at home. This in turn sparked interest in cross-national management studies, in which various management theories were tested or previous studies were replicated in order to reveal whether differences exist in attitudes toward aspects of management across countries. However, it is currently no longer as important to test whether cross-cultural differences in attitudes exist, as it is to reveal how organisational culture and management practices are influenced by national culture and to describe this relationship as explicitly as possible. This study attempts to explore the national culture of Sri Lanka and draw some conclusions as to what kind of management styles are most suitable for the local workforce. The study examines the management practices of multinational companies and local companies operating in Sri Lanka and seeks to examine the factors that affect employees' satisfaction and commitment. These factors are the congruency between national culture and management practices and the effects of strong organizational culture, job design and empowerment. The study provides an understanding of the appropriate organisational practices that yields the most satisfied and committed workforce. Such findings will be useful to human resource managers of multinational corporations. Five hundred questionnaires were disseminated to a total of five companies. The targeted respondents were the supervisory-level to managerial-level employees of these companies. In addition, interviews with various human resource mangers of the companies were conducted to obtain further insight into their management practices. The sample size is 255, a response rate of 51%. The results showed that the congruence between national culture and management practices is just one of the various elements affecting the employees' satisfaction and their commitment. Other factors like strong corporate culture, job design and empowerment do play important roles too in affecting the employee satisfaction and commitment.

Key words: management, practices, national, culture, organization, culture, performance, satisfaction