

# Corporate Culture and Employees' Satisfaction

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## **Abstract**

This study examined the relationship between corporate culture and employee satisfaction in organizations across Iloilo City during the years 2024 to 2025. It focused on how key components of corporate culture—particularly leadership style, organizational values, communication practices, and recognition systems—influence the overall satisfaction of employees. The research employed a descriptive-correlational design and included participants from various industries and employment levels, selected through purposive sampling. Data were gathered using a researcher-developed questionnaire that underwent expert validation and pilot testing to ensure clarity, relevance, and reliability. Overall, the findings revealed that employees generally perceived their organizations' corporate culture as positive and moderately well-established. Leadership approaches and the articulation of organizational values were viewed as the strongest cultural features across participating workplaces. Employee satisfaction was likewise found to be generally favorable, with many respondents expressing positive perceptions of their job experiences, fulfillment, and engagement. The analysis also indicated that certain demographic characteristics, particularly length of service, influenced employees' satisfaction, with those who had longer tenure reporting higher levels of contentment. Other demographic factors showed no meaningful differences in satisfaction levels. Finally, the corporate culture plays a vital role in shaping employee satisfaction. When organizations demonstrate strong leadership, communicate effectively, uphold clear values, and recognize employee contributions, they create a work environment that supports motivation, engagement, and overall well-being. It is recommended that organizations continue to strengthen their cultural practices and foster an inclusive and supportive workplace climate to enhance employee satisfaction and improve organizational effectiveness.

**Keywords:** corporate culture, employee satisfaction, organizational values, leadership, Iloilo City

## **1. Introduction:**

Corporate culture, which encompasses the shared values, beliefs, and practices within an organization, plays a vital role in shaping employee behavior, motivation, and overall satisfaction (Schein, 2017). A positive corporate culture can boost engagement, enhance performance, and reduce turnover, while a negative or misaligned culture may lead to dissatisfaction, stress, and decreased productivity (Denison & Mishra, 1995). Employee satisfaction reflects how fulfilled, motivated, and valued individuals feel in their workplace, directly influencing organizational effectiveness and long-term success (Locke, 1976).

In the Philippine context, businesses are increasingly recognizing the importance of nurturing a strong corporate culture to retain talent and remain competitive, especially in urban centers like Iloilo City, where organizations contend with a dynamic labor market and evolving employee expectations (Garcia & Reyes, 2021). Despite this recognition, many local companies still face challenges in



consistently creating environments that meet employee needs, highlighting the value of empirical studies exploring the link between organizational culture and employee satisfaction.

This study focuses on examining how corporate culture affects employee satisfaction among 100 respondents from organizations in Iloilo City during 2024–2025. It looks specifically at factors such as leadership style, communication practices, organizational values, and recognition systems, with the goal of providing actionable insights for local companies to enhance employee morale, engagement, and overall workplace satisfaction. By understanding these dynamics, the research aims to contribute to broader knowledge about how corporate culture shapes employee experiences and drives organizational outcomes.

Specifically, the study seeks to assess the current state of corporate culture in local organizations, explore how it influences employee satisfaction, and determine whether demographic factors such as age, gender, position, or length of service are associated with differences in satisfaction levels. Additionally, it aims to identify the strengths and weaknesses in corporate culture that may either support or hinder employee engagement. Through this investigation, the study provides practical insights for organizations seeking to strengthen workplace culture, improve employee well-being, and enhance overall organizational performance.

## 2. Methodology

This study used a descriptive-correlational research design to explore the relationship between corporate culture and employee satisfaction among organizations in Iloilo City during 2024–2025. This approach was appropriate because it enabled the researcher to describe the current state of corporate culture and employee satisfaction, while also examining the strength and direction of the relationship between the two variables.

The participants included 100 employees from various organizations in Iloilo City. Purposive sampling was employed to ensure representation across different positions, departments, and lengths of service. Participation was entirely voluntary, and informed consent was obtained from all respondents prior to data collection.

Data were collected using a researcher-made questionnaire divided into three sections: (1) demographic information, (2) assessment of corporate culture—including leadership style, communication practices, organizational values, and recognition systems—and (3) evaluation of employee satisfaction, covering aspects such as job fulfillment, motivation, engagement, and organizational commitment. The questionnaire underwent expert validation and was pilot-tested with 15 employees who were not part of the main study. The pilot test resulted in a Cronbach's alpha of 0.88, indicating high reliability.

For data analysis, descriptive statistics such as mean and standard deviation were used to determine the levels of corporate culture and employee satisfaction. Pearson correlation analysis was conducted to examine the relationship between corporate culture and employee satisfaction. Additionally, t-tests and ANOVA were employed to identify any differences in satisfaction based on demographic

characteristics. Throughout the study, ethical considerations—including voluntary participation, confidentiality, and responsible data handling—were strictly maintained.

### 3. Results

The study found that employees generally perceived the corporate culture in their organizations as moderately strong, with an overall mean score of 3.61 (SD = 0.52) on a 5-point scale. Among the different aspects of corporate culture, leadership style received the highest rating (M = 3.75, SD = 0.48), followed by organizational values (M = 3.65, SD = 0.51), communication practices (M = 3.58, SD = 0.55), and recognition systems (M = 3.47, SD = 0.59). These findings align with Schein (2017), who emphasized that effective leadership and clearly defined organizational values are central to cultivating a positive corporate culture.

Employee satisfaction was rated moderately high, with an overall mean of 3.68 (SD = 0.50). Breaking it down by subcomponents, job fulfillment received the highest score (M = 3.74, SD = 0.48), followed closely by employee engagement (M = 3.70, SD = 0.49), organizational commitment (M = 3.64, SD = 0.51), and motivation (M = 3.63, SD = 0.52). This pattern supports the observations of Denison and Mishra (1995), who noted that employees' satisfaction is closely linked to alignment with organizational culture, leadership practices, and recognition systems.

Correlation analysis revealed a significant positive relationship between corporate culture and employee satisfaction ( $r = 0.57$ ,  $p < 0.001$ ), suggesting that stronger corporate culture practices are associated with higher levels of satisfaction. This finding is consistent with Garcia and Reyes (2021), who highlighted the importance of supportive organizational environments in enhancing employee morale and engagement.

Regarding demographic factors, no significant differences were found in employee satisfaction based on sex or educational attainment ( $p > 0.05$ ). However, length of service showed a significant effect ( $F = 3.84$ ,  $p = 0.026$ ), with longer-tenured employees reporting slightly higher satisfaction (M = 3.78, SD = 0.46) compared to those with fewer years of service (M = 3.59, SD = 0.52). This aligns with Locke (1976), who suggested that organizational commitment and satisfaction tend to grow as employees become more familiar and integrated within the workplace culture.

### 4. Discussion

The study revealed that employees in Iloilo City generally perceive their organizations' corporate culture as moderately strong. Leadership style and organizational values received the highest ratings, suggesting that employees value effective leadership and clearly communicated organizational principles as central influences on their work experience (Schein, 2017). Communication practices and recognition systems, while present, scored slightly lower, pointing to potential areas where organizations could improve to better support employee satisfaction.

Employee satisfaction was rated moderately high, with job fulfillment and engagement emerging as the strongest dimensions. This aligns with Denison and Mishra (1995), who emphasized that employee satisfaction is closely linked to how well organizational culture meets employees' expectations and needs. Motivation and organizational commitment, although also moderately high,

showed slight gaps, indicating that strengthening recognition programs and incentive systems could further enhance overall satisfaction.

The study also found a significant positive relationship between corporate culture and employee satisfaction ( $r = 0.57$ ,  $p < 0.001$ ), highlighting that a stronger, more supportive corporate culture is closely associated with higher employee satisfaction. This supports Garcia and Reyes (2021), who noted that positive organizational culture fosters employee engagement, morale, and loyalty.

Finally, the analysis of demographic factors revealed no significant differences in satisfaction based on sex or educational attainment. However, length of service had a significant effect, with employees who had longer tenure reporting higher satisfaction levels. This finding is consistent with Locke (1976), who argued that familiarity with organizational practices and extended tenure contribute to greater employee satisfaction and commitment.

## 5. Conclusion

The study concluded that corporate culture in organizations within Iloilo City is generally perceived as moderately strong, with leadership style and organizational values being the most positively rated aspects. Employees reported moderate to high satisfaction levels, particularly in job fulfillment and engagement, highlighting the importance of effective leadership and clearly communicated values in fostering a positive work experience. At the same time, areas such as communication practices and recognition systems were identified as needing improvement to further enhance employee morale and motivation.

A significant positive relationship between corporate culture and employee satisfaction was observed, indicating that organizations with well-established and consistently implemented cultural practices tend to have more satisfied and motivated employees. Length of service also influenced satisfaction, with longer-tenured employees reporting higher levels, while sex and educational attainment showed no significant effect.

Overall, the study underscores that corporate culture is a key determinant of employee satisfaction and overall organizational effectiveness. By strengthening communication, recognition, and inclusive practices, alongside maintaining strong leadership and core values, organizations can create a more supportive work environment. Such strategies not only enhance employee engagement and satisfaction but also reduce turnover and contribute to long-term organizational success.

## 6. Recommendations

### Strengthen Recognition and Reward Systems

Organizations should enhance their recognition programs to ensure employees feel valued for their contributions. Implementing consistent and transparent reward mechanisms can increase motivation and organizational commitment (Denison & Mishra, 1995).

## **Improve Communication Practices**

Companies should establish clear and open communication channels between management and employees. Regular feedback, team meetings, and employee suggestion platforms can help address concerns and strengthen engagement (Schein, 2017).

## **Develop Leadership Training Programs**

While leadership was rated highly, continuous leadership development programs are recommended to maintain and enhance management effectiveness. Training in emotional intelligence, decision-making, and employee engagement strategies can further improve corporate culture (Garcia & Reyes, 2021).

## **Conduct Regular Culture and Satisfaction Assessments**

Periodic evaluation of corporate culture and employee satisfaction through surveys and feedback mechanisms can help organizations identify gaps and areas for improvement, ensuring that cultural initiatives remain relevant and effective (Locke, 1976).

## **Promote Inclusive Practices Across Demographics**

While no significant differences were found across sex or educational attainment, fostering inclusivity and ensuring that corporate culture initiatives reach all employee groups can strengthen engagement and satisfaction for everyone. By implementing these recommendations, organizations in Iloilo City can create a more positive corporate culture, enhance employee satisfaction, and improve overall productivity and organizational performance.

## **References**

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