

Person-Organization Fit, Person-Department Fit, and Their Relationship to Performance, Satisfaction, and Turnover Intention

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Abstract

Based on the level of congruence among three cultural entities (corporate culture, departmental culture, and individual characteristics), nine types of employees (happy spouse, happy insider, happy outsider, insider, outsider, middle, wandering insider, wandering outsider, and wanderer) are described. A description of a series of empirical studies verifying the usefulness of the typological framework using 39,515 subjects (of 16 countries) from three multinational companies are provided. Subcultural congruence (i.e., person-department fit and person-organization fit) turned out to be positively related to both satisfaction (toward company, department, and job) and performance (of the department and individuals), while negatively related to turnover intention (towards company, department, and job). MANOVA and ANOVA tests revealed that the nine types of employees were significantly different in every aspect of the dependent variables considered, irrespective of the company or industry.

1. Subcultural Congruence and Its Relationship to the Effectiveness of Employees

Organizations and organizational cultures are not monolithic. Organizations have a multiculture or multiple subculture due to the diversity of their function, hierarchy, location, product, or

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customer. Considering the differences among subcultures, Siehl and Martin (1984) identified three types of subcultures: enhancing, orthogonal, and countercultural.

Assumptions, beliefs, and values in *enhancing subcultures* are compatible with and often are stronger and held with more fervor than those in the dominant culture. Members of *orthogonal subcultures* accept the basic assumptions of the dominant *organizational culture* but also hold some that are unique. *Countercultures* have assumptions that conflict with the dominant culture (53-54).

When a subculture of an organization is not in congruence with its overall organizational culture, this incongruence may reduce the effectiveness of the department and its members. Further, subculture could sometimes influence the overall culture of an organization by enhancing, refining, or challenging the dominant organizational culture.

Subcultural congruence in this paper is defined as the degree of fit/misfit among three cultural levels within an organization. They are corporate and departmental cultures and individual characteristics¹⁾ of a corporate member. Therefore, subcultural congruence between individual characteristics and the organizational culture can be used interchangeably with the often-used term person-organization fit. Person-organization fit in this study is defined as a compatibility or similarity between an individual's characteristics (e.g., personality or values) and the organizational culture. Thus, according to Muchinsky and Monahan's (1987) definition, it is more of a supplementary fit than a complementary fit. Figure 1 shows a model that illustrates the influence of subcultural congruence upon employees' performance, satisfaction, and turnover.

Circle I in Figure 1 represents a corporate culture that dominates the shared values, norms, and beliefs among corporate members. Circle II represents a departmental culture that prevails within a department—the invisible forces that guide the behavior of its people. Circle III represents an individual's

1) I use the term 'characteristics' rather than 'culture' in the case of individuals since culture is a term we use to indicate something *shared* by people. Individual characteristics are something *owned* by a single person.

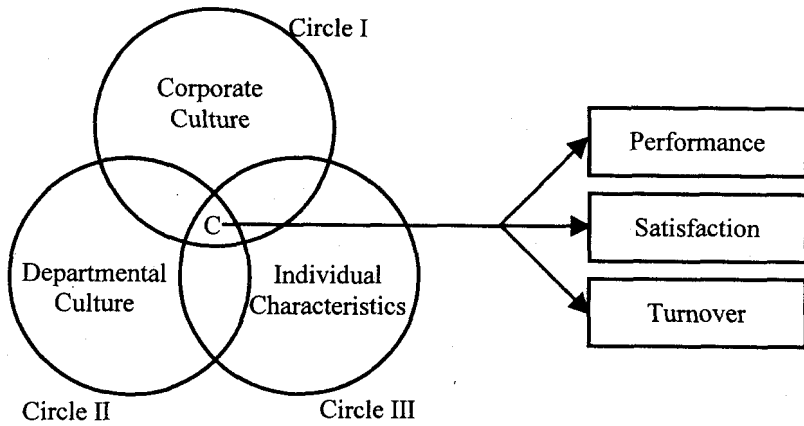


Figure 1. Relationship between Subcultural Congruence and the Effectiveness of Employees

characteristics such as values, assumptions, beliefs, and expectations. The area C is the degree of congruence among corporate and departmental cultures and an individual's characteristics. The size of area C affects performance, satisfaction, and the turnover rate of the department. That is, the larger the area C, the smaller the misfit among these three cultural entities. Therefore, larger size of the area C indicates higher level of performance and satisfaction, and lower level of turnover rate.

O'Reilly, Chatman, and Caldwell (1991) proclaimed almost a decade ago that "much previous research has suggested that person-culture fit increases commitment, satisfaction, and performance, but very little empirical research on these relationships has been done" (p.493). About twenty empirical articles were published after that, and Kristof (1996) reviewed the research works on person-organization fit very thoroughly. Foregoing research has focused on the issues of either person-job fit or person-organization fit. It was empirically proved that the congruence between individuals' personalities and the demands of their occupations are associated with positive affect (Mount and Muchinsky, 1978; Spokane, 1985) and a high likelihood of their staying with their jobs (Meir and Hasson, 1982). Boxx, Odom, and Dunn (1991) found that value congruence between organizational values and the values of

employees impacts satisfaction, commitment, and cohesion of the employees. Chatman (1991) and O'Reilly et al. (1991) found that person-organization fit correlated with normative commitment, intent to remain, and actual turnover.

Despite the ample empirical evidence on the importance of fit between person and job and between person and organization, there exist no empirical study focusing on the fit between person and department, not to mention the fit among the three cultural entities (organization, department, and an individual) at the same time. However, person-department (sometimes mentioned as group or team) fit was mentioned by some researchers (e.g., Klimoski and Jones, 1995; Kristof, 1996) because suborganizational units may have cultures different from that of the whole organization. Thus the degree of person-department fit may differ radically from person-organization fit. Klimoski and Jones (1995) suggested that high level of individual-team fit is the driving principle behind effective team composition. A study done by Bloor and Dawson (1994) is a scarce one since they focused on department-organization relationship rather than individual-organization relationship. To fill the gap that was left out in the foregoing researches, this paper not only focuses on the issue of fit among the three entities, but also goes further to differentiate organizational member's types based on the level of subcultural congruence among the three entities.

2. Employee Typology Based on the Level of Subcultural Congruence

Figure 2 shows nine different types of employees categorized based on the level of congruence between cultures of the whole company, or of their department, and the characteristics of their own.

First, **wanderers** are people who feel a high degree of misfit between both corporate culture and their departmental culture and themselves. They perceive themselves as not meshing with their organization and their department. They feel that their expectations for the future will never come true, that the managerial practices of the organization are never fair, and, finally, that they might have chosen a wrong place to fully devote

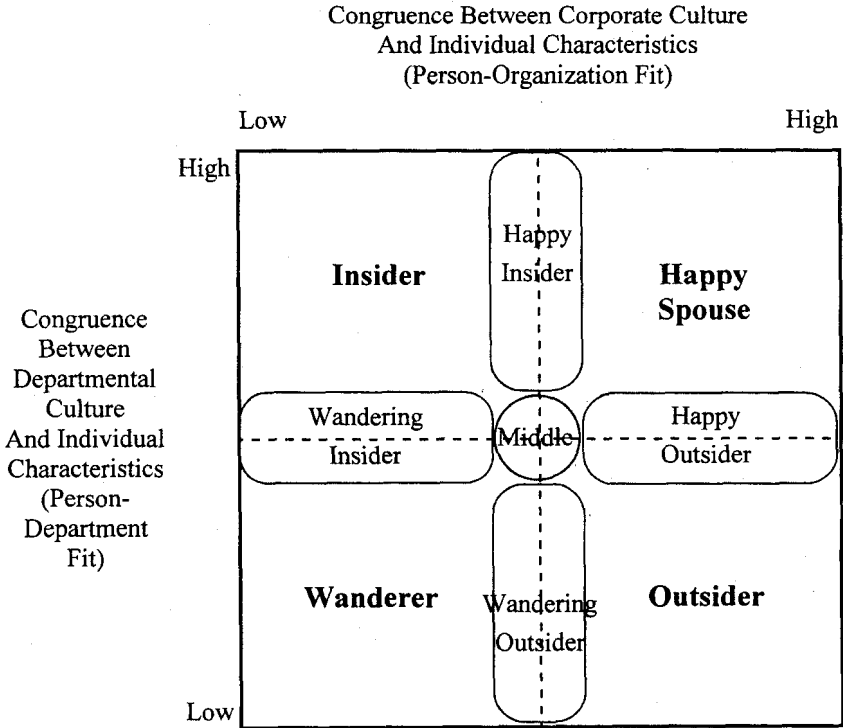


Figure 2. Types of Employees Based on the Level of Subcultural Congruence

their efforts. They are 'wandering' within that organization. Of course, the larger the number of 'wanderers' in a department, the lower the productivity and the higher the turnover rate of that department.

Second, **insiders** are people who feel a high degree of incongruence between corporate culture and themselves, but feel a high degree of congruence with their departmental culture. They like the shared values, assumptions, and cultural environments within their department. However, when they confront the corporate culture, they are likely to be frustrated and discouraged.

Third, **outsiders** are people who feel a high degree of incongruence between their departmental culture and themselves, but who feel comfortable with their corporate culture. They are uncomfortable with the working climate,

practices, rituals, norms, and values within the department. In contrast, they can easily adjust themselves to the shared values, norms, and beliefs that are dominant within the company. They typically express some difficulties in dealing with social relationships, rules, and various job-related control mechanisms within the department.

Fourth, **happy spouses** are people who are satisfied with both the corporate and the departmental cultures. They can fully devote themselves to their jobs since they have conflict with neither the corporate nor the departmental culture. Of course, the larger the number of happy spouses in the department, the higher the productivity and lower the turnover rate because they regard their organization and department as their satisfactory spouse, which makes them very comfortable and relaxed in their working life.

Fifth, **middle** are people whose personal characteristics are neither in fit nor in misfit with both their departmental and corporate cultures. Remaining four types (i.e., **happy insider**, **happy outsider**, **wandering insider**, and **wandering outsider**) are people with mixed or overlapping characteristics. They have combined names depending on what two types are combined to form them. Happy insiders for example are people in between happy spouse and insider. Thus they have the characteristics of both happy spouse and insider at the same time. They responded high on the person-department fit dimension but neutral (four in the 7-point scale) on the person-organization fit dimension.

Although three cultural entities are shown in Figure 1, only person-department fit and person-organization fit were used in classifying employee types. That is, department-organization fit was not included in the classification. It is assumed that cultures of the department and organization are in congruence for the happy spouse and the wanderer. On the contrary, two cultures are assumed not to be in congruence in the cases of insider and outsider.

The proportions of each type of people vary among different organizations. In some organizations, the majority of people in a department are wanderers, while in other organizations, the majority are happy spouses. We have to manage employees in a certain way so that they can all become happy spouses.

However, the way we lead them should be different depending on what type of people they are. It goes without saying that an ideal department is full of happy spouses. Therefore, in addition to establishment of an organization-level culture, organizations should also pay attention to the characteristics of its subculture and the degree of congruence among different levels of cultural entities. As the leader-member exchange theory in leadership (Scandura and Graen, 1984) indicates, employees within the same organization or department should not always be treated as the same people.

3. Hypotheses

Following hypotheses were made in relation to the characteristics of the nine types of employees.

Hypothesis 1: Both person-organization fit and person-department fit will be positively associated with employee's satisfaction and performance, while negatively associated with their turnover intention.

As described before, there exist ample evidence on the positive effect of person-organization fit on satisfaction and intent to remain. However, though much previous research has suggested the positive effect of person-organization fit on performance, only few empirical studies were done on it. Further, most of them focused on individual performance (e.g., Downey, Hellriegel, and Slocum, 1975; Tziner, 1987; Bretz and Judge, 1994) rather than organizational performance. Moreover, unlike the majority of the studies focused on individual performance which indicate a positive relationship, several studies on organizational performance have suggested that high levels of person-organization fit may have detrimental effects on organizations (e.g., Argyris, 1957; Schneider, 1987; Walsh, 1987). However, this relationship between person-organization fit and organizational performance has received little empirical examination. Thus, Kristof (1996) concluded in his review article of person-organization fit that "the benefit of P-O fit for performance are still questionable" (p.30).

Although more empirical examination is still needed to make a firm conclusion about the effect of person-organization fit, there exist a large number of empirical evidence to support it. However, very little empirical study has been done on the person-department fit. Therefore, an empirical study focusing on the effect of both person-organization fit and person-department fit on satisfaction, performance, and turnover intention is worthwhile to be taken.

Hypothesis 2a: There will be a significant difference in satisfaction, performance, and turnover intention among employees of different types.

Hypothesis 2b: Happy spouse's levels of satisfaction and performance will be higher than those of other types, while their level of turnover intention being lower than that of other types.

Hypothesis 2c: Wanderer's levels of satisfaction and performance will be lower than those of other types, while their level of turnover intention being higher than that of other types.

Hypothesis 3a: There will be a significant difference between insider and outsider. However, the relative magnitude of the two will be different depending on the dependent variable under consideration—company, department, and job.

Hypothesis 3b: Though insider's satisfaction towards company will be lower than that of outsider's, insider's satisfaction towards department and job will be higher than those of outsider's.

Hypothesis 3c: Though insider's turnover intention towards company will be higher than that of outsider's, insider's turnover intention towards department and job will be lower than those of outsider's.

Insider and outsider are, by definition, different from each other. Therefore, it is natural that their response (i.e., satisfaction or turnover intention) towards their organization and department will be different from each other. However, whether their responses would be different or be similar in relation to their job cannot be forecasted easily. It is hypothesized that insider's satisfaction towards their job would be higher than that of outsider's whereas insider's turnover intention being lower than that of outsider's.

The hypothesized relationship between insider and outsider in

terms of satisfaction and turnover intention would be the same even in the case between happy insider and happy outsider and also between wandering insider and wandering outsider. Although additional hypotheses were not made in the cases of happy and wandering insiders and outsiders, t tests were done to see the differences between the pairs.

4. Methods

4.1 Respondents

A series of empirical study was done to test the usefulness of the conceptual framework classifying the types of people based on the subcultural congruence approach. To increase the external validity, data were collected from three companies of different industries: food and confectionery (Bingrae Company, n=686), automobile manufacturing (Hyundai Motor Company, n=38,252), and electronics (LG Electronics, n=677). Thus, the total sample size used in the analysis was a relatively large number of 39,515 people.

Respondents sampled from Bingrae Company were about one-third of the total number of employees. The samples from Hyundai Motor Company (HMC) were almost identical to the number of entire population. Unlike these two companies where the samples came from all functional areas, 677 samples from LG Electronics were from the same functional area—they were all R&D researchers. The sample were analyzed separately since they came from three companies with different corporate cultures and were large enough.

Response rate of the questionnaire was over 80%. Questions asked were a part of a large questionnaire used for organizational diagnosis project done in each organization. Respondents were asked to return the questionnaire via a stamped envelope provided, which was addressed directly to the researcher. Line managers of each organization were told by their company to urge employees to finish and return the questionnaire.

Since the industries sampled were quite different from each other in their environmental characteristics (e.g., complexity or

stability), similar result from this analyses would increase external validity and since many foregoing papers on the issue of subculture (e.g., Hofstede, 1998) or person-organization fit (e.g., Posner, 1992) analyzed data collected only from a single organization. Since HMC and LG Electronics were multinational companies, race and nationality of the respondents were diverse. Employees of overseas branches of HMC and foreign-national researchers in LG Electronics were also included in the survey. Although the proportion (2.6%) itself was small, the number of non-Korean respondents (1,028) and the nationality of these respondents (16 nationalities) were not small at all.

4.2 Measures

Respondents were told by the company to respond to a questionnaire that included items used in this study. Surveys were done in 1994(HMC), 1995(LG Electronics), and 1996(Bingrae Company). English version of the questionnaire was used for foreigners who had difficulty in comprehending Korean. English questionnaire was prepared using a committee method described by Brislin (1980). Two bilingual Koreans translated the Korean version of the questionnaire into English. The resulting translation was then checked by a third bilingual Korean.

Subcultural Congruence. Although there are some fundamental areas of agreement in the definition of culture, less agreement exists about its measurement (O'Reilly et al., 1991). Therefore, there is no agreed upon measure to assess the degree of congruence between or among different units or levels of culture. One could think of measuring the cultural characteristics of the three units (organization, department, and person) individually with a common or commensurate measure and then see the level of similarity among them. That is, since the fit is defined in this paper as supplementary fit, it would be appropriate to use a commensurate measurement as advised by Kristof (1996). However, quantitative assessment of culture itself is controversial (Rousseau, 1990), not to mention finding a measure commonly applicable to all three units of culture.

Therefore, rather than using a long and complex questionnaire with multiple items which would still turn out to be

controversial at the end, two global questions were used to measure directly the levels of congruence: one measuring the level of congruence between person and department and the other measuring the level of congruence between person and organization. Respondents were asked on a 7-point scale to indicate the degree of congruence between their own characteristics (i.e., personality, values, etc.) and the culture of their department or organization. Since a 7-point scale was used in the measurement, responses above, equal to, and below the midpoint (i.e., four) were treated as high, neutral, and low congruence, respectively. Thus, the congruence or fit measured in this study is subjective or perceived fit. Some people (e.g., Edwards, 1991) are against the use of direct measures. However, as in the case of job satisfaction, a single global question asking about the abstract concept directly to the respondents is sometimes better than a summation of direct scores (Scarpello and Campbell, 1983) or indirect measures because the respondent knows best how much one is satisfied. Simplicity sometimes wins out over complexity.

Although the characteristics and inner state of oneself can best be assessed by oneself, respondents can be biased or have subjectivity in assessing organizational or departmental culture. Therefore, efforts were made to avoid respondent's subjectivity in assessing their level of fit. Corporate and departmental cultures had been surveyed beforehand (using Kilmann-Saxton Culture Gap Survey and Quinn's Competing Values Associate Assessment), and the results were distributed with the questionnaire to every respondent as part of the packet. One page describing the meaning of culture was also included in the packet, which the respondents had to read before answering the questionnaire. Therefore, respondents were able to answer the two questions with shared knowledge of the characteristics of their corporate and departmental cultures.

Satisfaction and Turnover Intention. As in the case of the level of fit, single global question method was used to measure satisfaction and turnover intention. Three questions were asked on a 7-point scale to measure the respondent's level of satisfaction with his/her company, department, and job, respectively. Three additional questions were used to measure the respondent's intention to leave his/her company,

department, and job. It must be stressed here that the turnover intention of the respondents was measured instead of the actual turnover. Turnover intention could indeed be different from the actual turnover behavior since attitude does not always translate into behavior. Therefore, the result must be limited clearly to the turnover intention.

Performance. Performance was measured only in the case of HMC since the sample of 38,252 respondents of HMC was believed to be large enough to test the model shown in Figure 1. Performance was measured in two different levels: the degree of departmental goal attainment and the degree of individual contribution toward organizational goal attainment. There was an item in the questionnaire asking each respondent on a 7-point scale to what degree his/her department's goal was achieved. Departmental goal attainment was measured by averaging department members' responses to the item. No matter what each respondent's initial response on the departmental goal attainment question was, his/her score was recoded later by the department's average score. Thus, the same score was given to the members of the same department. An internal or subjective evaluation of this type could face certain criticisms. However, since respondents were encouraged to have a discussion within their department (about the level of departmental goal attainment) before answering the item, the use of averaged score was believed to be the best possible method. In fact, most employees of HMC (especially those in production line) knew clearly what their departmental performance level was, and thus it turned out that standard deviation of employees' response of departmental goal attainment in each department was less than .65.

An external or objective evaluation was applied in measuring the individual contribution. Latest performance evaluation score (as of October 1994) of each respondent was acquired from the personnel department and was transformed into a 7-point scale to measure individual contribution to organizational goal achievement.

MPS. Some additional questions were asked to measure the level of motivating potential score (MPS). MPS was measured using the shortest version (i.e., 5-item questionnaire) of the *Job Diagnostic Survey* given at the back of the book written by

Hackman and Oldham (1980), in which each of the five core job characteristics was measured by a single global question.

5. Results

Table 1 shows the means, standard deviations, and intervariable correlations. Since the three companies were analyzed separately, Table 1 is also subdivided into three parts.

The R&D researchers of LG Electronics showed much higher level of subcultural congruence than the researchers of confectionery company (Bingrae) and automobile manufacturing company (HMC) did. The average level for HMC was almost identical to the midpoint of the scale (4.0) on both person-organization and person-department fit. However, when the level of person-department fit was compared to the level of person-organization fit, the former was higher than the latter in all three companies. This in turn has resulted that people in all three companies were more satisfied with their department than with

Table 1-1. Means, Standard Deviations, and Correlations^a: HMC

Variable	Mean	S.D.	1	2	3	4	5	6	7	8	9	10
Congruence(Fitness):												
1. Person-org. fit	4.01	1.33										
2. Person-dept. fit	4.01	1.42	.53									
Satisfaction:												
3. Company	3.56	1.55	.47	.33								
4. Department	3.87	1.57	.35	.57	.42							
5. Job	4.14	1.63	.36	.46	.58	.52						
Turnover intention:												
6. Company	2.70	1.77	-.26	-.24	-.29	-.25	-.28					
7. Department	4.11	2.06	-.17	-.31	-.19	-.36	-.41	.34				
8. Job	4.31	2.06	-.18	-.28	-.20	-.30	-.45	.31	.69			
Performance:												
9. Dept. goal achievement	4.38	1.40	.15	.21	.13	.25	.17	-.07	-.09	-.07		
10. Individual contribution	4.65	1.43	.17	.21	.13	.18	.27	-.12	-.13	-.14	.24	
11. MPS	88.14	66.63	.23	.28	.22	.28	.35	-.17	-.21	-.22	.19	.33

^aN=38,252. All correlation coefficients are significant at 0.01 level.

Table 1-2. Means, Standard Deviations, and Correlations^a: LG Electronics

Variable	Mean	S.D.	1	2	3	4	5	6	7	8
Congruence(Fitness):										
1. Person-org. fit	4.32	1.26								
2. Person-dept. fit	4.56	1.32	.46							
Satisfaction:										
3. Company	3.74	1.40	.52	.28						
4. Department	4.45	1.40	.32	.72	.37					
5. Job	4.64	1.40	.31	.57	.29	.59				
Turnover intention:										
6. Company	3.68	1.69	-.46	-.35	-.50	-.38	-.36			
7. Department	3.04	1.62	-.07	-.46	-.11	-.49	-.38	.31		
8. Job	3.44	1.78	-.19	-.35	-.18	-.31	-.45	.36	.49	
11. MPS	116.65	64.17	.22	.30	.25	.31	.30	-.23	-.26	-.17

^aN=677. All correlation coefficients are significant at 0.01 level.

Table 1-3. Means, Standard Deviations, and Correlations^a: Bingrae

Variable	Mean	S.D.	1	2	3	4	5	6	7	8
Congruence(Fitness):										
1. Person-org. fit	4.19	1.26								
2. Person-dept. fit	4.43	1.31	.55							
Satisfaction:										
3. Company	3.64	1.42	.57	.33						
4. Department	4.16	1.43	.35	.65	.53					
5. Job	4.41	1.41	.36	.58	.34	.60				
Turnover intention:										
6. Company	3.67	1.58	-.47	-.38	-.52	-.41	-.38			
7. Department	3.67	1.60	-.17	-.26	-.17	-.26	-.28	.27		
8. Job	3.83	1.74	-.19	-.39	-.22	-.33	-.43	.35	.61	
11. MPS	108.27	64.81	.20	.46	.23	.39	.46	-.23	-.20	-.29

^aN=686. All correlation coefficients are significant at 0.01 level.

their company. Further, it is interesting that employees of all three companies responded in the same manner, that they are more satisfied with their job than with their department or their company (i.e., company < department < job). However, when it comes to their turnover intention, the rank order differed among

the companies. Turnover intention toward their company is higher for the researchers of LG Electronics than for the remaining two, and this response is logically in accordance with their responses on satisfaction toward the company, the department, and the job. However, in the case of HMC, the result was exactly the opposite. Employees' rank order in turnover intention (i.e., company < department < job) was not logically in accordance with the rank order of their satisfaction level (i.e., company < department < job). Employees of HMC showed the most inclination to stay (i.e., least turnover intention) in the area where they were least satisfied, and vice versa.

The results of intervariable correlation analyses show that both person-organization fit and person-department fit had significant positive correlations with all three satisfaction measures, significant negative correlations with all three turnover measures, and significant positive correlations with the two performance measures. Further, the two fit measures had significant positive correlations with the MPS—often emphasized as an important topic in OB area. A stress should be made here that these correlation results were exactly the same in all three companies studied. Therefore, Hypothesis 1 was accepted.

For a typology to have meaning or usefulness in the real world, first of all it must be possible to classify people according to the typology, and second, there must be some significant differences among people of different types. A classification of people based on the level of subcultural congruence, their level of satisfaction, turnover intention, performance, and MPS are shown in Table 2. Table 2 is also subdivided into three parts depending on the company analyzed. Numbers shown in each cell are the average scores of employees' responses on 7-point scales (except in the case of MPS).

To test the difference among types of employees in terms of satisfaction, performance, and turnover intention, that is, the equality of vectors of means on multiple dependent variables across types was tested using multivariate analysis of variance (MANOVA). MANOVA was used because there was a need to control the experimentwide type I error rate and because there exists a intercorrelation among the dependent variables. MANOVA is known to be more powerful than the separate

Table 2-1. Differences in Responses of Employees of Different Types: HMC

Variable	Total (37,992)	Wanderer (5,295)	Wandering Outsider (3,316)	Wandering Insider (2,600)	Middle (11,962)	Outsider (1,241)	Insider (883)	Happy Outsider (2,329)	Happy Insider (3,982)	Happy Spouse (6,384)	Result of ANOVA (p value)	Result of MANOVA (p value)
Satisfaction:												.000
Company	3.56	2.36	3.37	2.74	3.52	4.08	3.01	4.37	3.78	4.59	.000	
Department	3.87	2.60	2.87	3.65	3.85	2.73	4.55	3.94	4.74	5.11	.000	
Job	4.14	2.93	3.47	3.75	4.08	3.55	4.41	4.38	4.84	5.29	.000	
Turnover:												
Company	2.70	3.56	2.94	3.15	2.76	2.51	2.74	2.37	2.37	1.96	.000	
Department	4.11	4.91	4.88	4.30	4.12	5.06	3.62	4.18	3.42	3.20	.000	
Job	4.31	5.12	4.95	4.57	4.33	4.93	4.02	4.35	3.68	3.47	.000	
Performance:												
Dept. Goal Achmt.	4.38	3.95	4.08	4.30	4.36	4.16	4.56	4.43	4.64	4.82	.000	
Ind'l Contribution	4.65	4.22	4.37	4.43	4.59	4.52	4.81	4.79	4.90	5.17	.000	
MPS	88.32	59.91	70.00	77.40	84.96	79.01	93.08	97.75	104.28	119.92	.000	

Table 2-2. Differences in Responses of Employees of Different Types: LG Electronics

Variable	Total (677)	Wanderer (73)	Wandering Outsider (32)	Wandering Insider (39)	Middle (75)	Outsider (33)	Insider (58)	Happy Outsider (29)	Happy Insider (75)	Happy Spouse (263)	Result of ANOVA (p value)	Result of MANOVA (p value)
Satisfaction:												.000
Company	3.73	2.47	3.56	3.28	3.47	3.88	2.81	4.31	3.72	4.37	.000	
Department	4.01	2.72	3.53	3.66	3.61	3.63	3.72	3.93	4.30	4.63	.000	
Job	4.64	3.08	3.78	4.29	4.31	3.66	5.26	4.28	4.76	5.32	.000	
Turnover:												
Company	3.68	5.01	4.16	4.46	3.80	4.03	4.72	3.34	3.63	2.89	.000	
Department	3.08	3.93	3.47	3.11	3.62	4.09	2.53	3.75	2.85	2.63	.000	
Job	3.44	4.06	4.63	3.49	3.80	4.70	3.41	3.66	3.48	2.82	.000	
MPS	116.30	81.69	94.93	99.16	102.76	98.22	122.43	106.97	114.60	137.20	.000	

Table 2-3. Differences in Responses of Employees of Different Types: Bingrae

Variable	Total (686)	Wanderer (86)	Wandering Outsider (42)	Wandering Insider (50)	Middle (110)	Outsider (24)	Insider (43)	Happy Outsider (34)	Happy Insider (88)	Happy Spouse (209)	Result of ANOVA (p value)	Result of MANOVA (p value)
Satisfaction:												.000
Company	3.64	2.41	3.50	2.90	3.55	4.54	2.74	3.82	3.43	4.52	.000	
Department	4.16	2.60	2.90	4.20	3.98	2.79	4.58	3.65	4.65	5.08	.000	
Job	4.41	3.14	3.45	4.18	3.99	3.33	4.84	4.47	4.92	5.21	.000	
Turnover:												
Company	3.67	5.00	4.10	4.40	3.60	3.43	4.37	3.65	3.69	2.78	.000	
Department	3.67	3.93	4.24	4.10	3.95	4.21	3.63	4.12	3.61	3.10	.000	
Job	3.83	4.57	4.64	4.39	3.91	5.71	3.56	4.00	3.53	3.12	.000	
MPS	111.46	68.62	71.33	104.97	85.60	71.74	129.26	93.80	135.34	146.06	.000	

univariate tests (i.e., ANOVAs) when there exists a multicollinearity among the dependent variables since MANOVA detects combined differences not found in the univariate tests (Hair, Jr. et al., 1995: 266).

Since demographic variables such as age, gender, rank, race, and nationality had no significant correlation with dependent variables, there was no need to control any demographic variable in seeing the difference among different types of employees.

There are several criteria for interpreting the significance of MANOVA result (i.e., Roy's greatest characteristic root, Wilk's lambda, Hotelling's trace, and Pillai's criterion). However, no matter which criterion was used, the result turned out to be the same (i.e., significant at $p < .001$ level) in all industries considered. There existed significant differences among the nine types of employees no matter on what dependent variable (e.g., satisfaction, turnover intention, performance, MPS) they were compared. Therefore, Hypothesis 2a was accepted.

Two approaches were made in interpreting the results of MANOVA. One was to assess which of the dependent variable contribute to the overall differences, the other was to identify which types of employees differ most on dependent variables. Univariate tests (ANOVAs) were done for the former and post hoc comparisons were made for the latter. As shown in Table 2, results of all separate ANOVAs were significant at $p < .001$ level. It means that not just one or two specific dependent variable but all of them contribute to the overall differences among nine employee types.

Scheffe's tests were done for post hoc comparison. For every industry considered, Scheffe's test for all combination of pairs of nine employee types were done for each dependent variable. That is, 36 Scheffe's tests were done for each dependent variable of each industry. Therefore, in the case of HMC alone, 324 Scheffe's tests were done.

Although the results of Scheffe's test were slightly different from industry to industry, and from dependent variable to dependent variable, there were certain similarities among the three industries. Results show that significant difference exist between almost all pairs of employee types. In the case of happy spouse, significant difference existed between it and all other types of employees irrespective of dependent variables

Table 3. Results of T-Tests between Insiders and Outsiders: HMC

Variables	Result of t-tests between Insider and Outsider	Result of t-tests between Happy Insider and Happy Outsider	Result of t-tests between Wandering Insider and Wandering Outsider
Satisfaction:			
Company	.000	.000	.000
Department	.000	.000	.000
Job	.000	.000	.000
Turnover Intention:			
Company	.005	.982	.000
Department	.000	.000	
Job	.000	.000	.000
Performance:			
Dept. Goal Achmt.	.000	.000	.000
Ind'l Contribution	.000	.001	.155
MPS	.000	.000	.000

considered.

As shown in Table 2, happy spouse's level of satisfaction was the highest on all three categories (i.e., company, department, and job), while their turnover intention was the lowest on all three categories. On the contrary, wanderer's level of satisfaction was the lowest and their turnover intention was the highest. Therefore, Hypotheses 2b and 2c were accepted. As hypothesized, there was significant difference between insiders and outsiders (see Table 3). Insider's company satisfaction was lower than that of outsider, whereas insider's department and job satisfaction were much higher than those of the outsider's. Therefore, Hypotheses 3a, 3b, and 3c were all accepted. As shown in Tables 2 and 3, differences between happy insider and happy outsider and between wandering insider and wandering outsider turned out to be very similar to those of insiders and outsiders.

The same phenomena also occurred in the case of performance. No matter whether it was departmental or individual performance measure, happy spouse's performance level was the highest, while those of the wanderer were the lowest. Further, insider's performance level was higher than that

of the outsider's.

6. Discussion

As proposed in the model, subcultural congruence turned out to be positively related to both satisfaction and performance, while being negatively related to turnover intention. This result is in line with the results of the foregoing research (Mount and Muchinsky, 1978; Meir and Hasson, 1982; Spokane, 1985; Boxx et al., 1991; Chatman, 1991; O'Reilly et al., 1991; Posner, 1992). Although the model turned out to be correct, some caution must be given to its interpretation. First, this study is focused on seeing the relationship among variables, and therefore the causality among the variables can only be inferred with limitation. Second, problems exist with the measurement and the level of analysis. Some variables were measured using data that reflected respondent's viewpoint. For example, subcultural congruence was the level of congruence perceived by the respondents. Although organizational and departmental cultures were measured and known to the respondents, it was a respondent himself/herself who subjectively determined the level of congruence between himself/herself and the two cultures. Therefore, an objective or actual measurement of the respondent's personal characteristics and the level of congruence could derive a different result.

Kristof (1996) has mentioned about the problem of consistency bias in using direct measures. That is, "when direct measures are used in conjunction with measures of other work-related attitudes, a consistency bias (i.e., 'I think that I fit well, so I must be satisfied with my job.')

could potentially influence the results" (p. 11). However, there was very little chance of the consistency bias in this study. First, although the level of congruence was asked before the levels of satisfaction, turnover intention, and performance, the items of subcultural congruence and the items of satisfaction were at least two pages apart in the questionnaire used. Second, although there were positive correlation between fit and satisfaction and negative correlation between fit and turnover intention in general, the relationships were not always the same when responses towards company,

department, and job were analyzed separately.

Another problem with the measurement would be the usage of the single-item measures of congruence. Although an unavoidable circumstance of using the single items was described before, it does not necessarily mean that the single item measures are flawless. Single items not only make it impossible to assess the psychometric properties, but also assume that excess (i.e., personal values that exceed those of the department or organization) has the same effect as deficiency (i.e., personal values that fall short of those of the department and organization).

Unlike in the case of satisfaction level where the responses from the three companies were exactly the same in terms of the rank order (i.e., company < department < job), the rank order in the case of turnover intention was different from company to company. The difference among the companies is thought to be derived not from the organizational size but from the characteristics of the job and the peculiarity of the corporate culture.

Respondents in LG Electronics were researchers in R&D area. Therefore, in general, they seem to be more loyal to their profession (or job) than their organization. They are people who chose their profession before choosing the organization to work with. On the contrary, most respondents of HMC are people who chose to become employees of the organization and then were assigned by the organization to do a specific job. In addition to the difference occurred in the beginning (i.e., job or organization search) stage, employees of HMC are different from the researchers of LG Electronics in the sense that they are accustomed to job rotation. Further, characteristics of the job itself were different. MPS from the jobs of researchers of LG Electronics was very much higher than that of the jobs of HMC.

Employees of HMC revealed a peculiar phenomenon. They showed the least intention to leave the company (when compared to their turnover intention with the department or the job) even though their satisfaction level toward their company was the lowest. They were reluctant to leave the company, but showed a high desire for job rotation. That is, they prefer to raise their 'voice' than to quit (or 'exit') from their organization to solve their dissatisfaction. This could be due to employees' perception

of the (bare) possibility of job mobility. Anyhow, a response like this is a good indication of the corporate culture of HMC. The HMC is known in Korea to have the most severe labor-management dispute. The employees of HMC (both management and labor) are quite accustomed to the repeated disputes, and some of them even think it is this kind of dispute that makes the company strong like soil hardening after the rain.

Although both person-department fit and person-organization fit were significantly related to the two measures (departmental and individual) of performance, person-department fit had stronger relation to the two performance measures than person-organization fit. This implies that a person's fit with the culture of a higher-level entity is more related to the performance at the higher-level entity than to the performance at the lower-level entity, and vice versa. Therefore, the result would be interesting if an organizational performance were measured and related to both person-department fit and person-organization fit. It could be argued that person-organization fit would be stronger in relationship to the organizational performance than to the departmental or individual performance.

Although measurement was done both at individual and departmental level, analysis of the relationship between subcultural congruence and performance can be inferred best at the individual level since the measurement of performance was better done at the individual level than at the departmental level. However, the relationship can also be inferred at the group or departmental level since performance at the departmental level was actually measured, and did turn out to be significantly related to the subcultural congruence. But we have to be cautious in inferring the relationship at the group level because departmental performance was measured from the internal employees' subjective evaluation of department's goal achievement. It would be more helpful if objective measure(s) of departmental performance were applied, similar to the measurement done for the individual performance in this paper.

7. Conclusion

The problems of stagnant productivity and the high turnover

rate of departments or people with specialty (e.g., IS personnel) have drawn an increasing amount of attention from top management. However, the foregoing approaches (i.e., technique-oriented or motivation-oriented approach) have some drawbacks and therefore there still is a need for a more accurate diagnosis of the problems within such departments.

As a new explanation of this phenomenon, the concept of intraorganizational subcultural congruence (among corporate culture, departmental subculture, and individual's characteristics) is proposed. With heated debate in the 1980s on the effect of culture on organizational performance, many people have become aware that organizations could become more effective if they build or develop the 'right' kind of culture. Because organizational culture influences not only what people do, but also how they communicate, feel, think, and justify their action (Sathe, 1985: 25), it has been argued that the right culture can be deliberately created (Ouch, 1981; Deal and Kennedy, 1982; Peters and Waterman, 1982). Thus the concept of creating a right subculture by reducing the level of incongruence between two or three conflicting entities is also one attempt in a stream of cultural approaches. There were many research works focused on an individual's congruence with an organizational culture. However, none paid attention to the congruence of an individual with his/her departmental culture and with his/her organizational culture at the same time.

The major point of this paper is that it is not only possible but also necessary to classify employees based on the level of subcultural congruence since creating a right subculture depends very much on the level of congruence among different levels of culture. Therefore, employees of three companies were classified into nine types based on two levels of subcultural congruence. MANOVA and ANOVA tests revealed that the nine types of people were significantly different in every aspect of dependent variables considered: performance, satisfaction, turnover intention, and MPS. The results proved that it is not only possible to classify people into various types, but also the classification itself is needed and helpful.

This study not just empirically examined the relationships among variables considered but also classified people into

various types based on their level of subcultural congruence. The former would be more of a theoretical contribution whereas the latter being a practical contribution. Classifying and naming people as proposed in this study would make it easy for both academics and practitioners to grasp the concept and importance of person-organization fit and person-department fit. Further, managing people differently depending on the type would make it easier and more effective for organizations to increase people's satisfaction and performance. That is, to let them become happy spouses.

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