

# **Investigating the Effect of Organizational Socialization on the Employee Efficiency and Effectiveness through Mediating Role of Organizational Commitment (Isfahan Persian Bank as a Case Study)**

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## **Abstract**

Organizational socialization of employees is one of the most important processes of manpower in which new organizational members are informed about organizational values, norms, and behavioral styles. This research, in terms of its purpose, is an applied one; and in terms of implementation method, is a survey with a correlation approach. The population includes 88 experienced managers, vice-presidents and employees of the Parsian Bank in Isfahan city. The data were collected using questionnaires with a Cronbach's alpha coefficient calculated as 0.88, which includes personal data and main, specialized questions for examination of research hypotheses. From 88 distributed questionnaires 74 (84%) were returned. The collected data were analyzed using SPSS and AMOS software programs through statistical tests at descriptive (frequency, percentage, accumulated percentage, average and standard deviation) and inferential (t-test, regression modeling, variance analysis, non-parametric Kolmogorov and Smirnov test, and Freedman non-parametric test) levels. The findings supported all research hypotheses. The results indicated that the Third sub-hypothesis, with a path coefficient of 0.375 is of the highest importance, and that the Sixth sub-hypothesis with a path coefficient of 0.075 is of the lowest importance. Indeed, socialization is an instrument by which employees are coordinated with organizational culture. As a result, appropriate socialization of employees leads to more efficiency and effectiveness of employees.

**Key words:** Socialization, Education, Supported partnership, Future Prospects, Organizational Commitment, Effectiveness and Efficiency Staff

## **1. Introduction**

Currently, organizations and companies compete with each other and a large part of their attempts are allocated for manpower as the most important organizational asset. The reason is that manpower is the main organizational factor which helps organizations in the competitive

environments. It is the manpower that lets organizations to improve their activities and thereby compete in the competitive environments. Socialization of employees is one of the main general functions of organizations. Employees face different problems, difficulties, tension, and anxious in entering organization. Such negative activities destroy their efficiency and effectiveness. This is why that it is necessary to accelerate employee socialization. Employee socialization refers to a process in which employees are informed about organizational opinions, values, and norms to adapt their own opinions, values, and norms with organizational ones (Mohseni, 2002). Socialization is considered as one of the main organizational processes that its appropriate utilization minimizes employees' anxiety and tension especially in the organizations with different missions and functions. As a result, a large part of organizational costs such as employment, financial, and other costs will be reduced (Nikpour et al., 2012). Also socialization is necessary for adapting employees with organization, as appropriate socialization leads to more and more belongings to organization and its assets. In addition, socialization reduces other negative outcomes such as job turnover (Shaemi and Asgharour, 2010).

Organizational commitment is psychological state in which employees have willingness to continue their participation in the organization. it also is considered as an important factor in the employee behavior which influences employee performance and thereby improve organizational efficiency (Ghalavandi and Soltanzad, 2010). Indeed, the main prerequisite of organizational success is organizational commitment of its employees (Reisi, 2011). Based on the review of literature and importance of employee socialization, the purpose of this study is to the effect of organizational socialization on the employee efficiency and effectiveness through mediating role of organizational commitment in Isfahan Parsian Bank.

## **2. Review of literature**

### **2.1. Socialization**

Employee socialization is an organizational process by which employees are informed and coordinated with organizational values and organization expectations from them (Bigliardi et al., 2005). Organizational socialization can be defined through several dimensions which have considerable positive relationship with job satisfaction. All of these factors can be grouped in four sets including education, understanding self and organizational functions, colleague support, and future visions of organization. Generally, employee socialization is designed and utilized in the organizations for promoting employee adaptability (Naderi et al., 2009).

### **2.2. Organizational Commitment**

- ❖ Organizational commitment can be defined as following:
- ❖ Desire to maintain the membership in an organization
- ❖ Desire to help the organization
- ❖ Desire to accept the organizational values and goals

Therefore, it can be said that organizational commitment is the employees' attitude and loyalty toward their organization. It also is a continuous process that can be determined employees' participation in the organizational decisions, their attention toward organization, and finally organization's success and welfare. Organizations can increase employees' organizational commitment through two main methods. The first method is that the organizations improve

the employees' perception from organizational membership. The second is that the organizations can pay attention to the employees and value them (Hamdi and Moradi, 2011: 38). With regard to the literature review that has been presented in the past section, the following hypotheses can be developed.

### **2.3. Effectiveness & Productivity**

Effectiveness is a method by which organizations evaluate their visions actualization through organizational strategies. In other words, organizational effectiveness can be measured in the frame of extent and degree of goal achievement. Organizational goal should indicate the organization's vision and its short-term and long-term goals. The goals draw the future ideal condition on which organization focuses its efforts and activities. Therefore, effectiveness evaluation and measurement refers to measurement of organization's success in achieving its goals and purposes (Daft, 2007).

if we want to present a general definition of productivity, we can say that productivity is acquiring maximum profit from workforce, human force's power, talent and skill, ground, machine, money, equipment, time, place and etc. in order to enhance social welfare so that increasing it is always considered by political and economic critics as a necessity to improve the level of human's life and building more wealthy society. But, there are several definitions of productivity. As it is concluded beyond all definitions, productivity is acquiring maximum possible profit from workforce, human force's power, talent and skill, ground, machine, money, equipment, time, place and etc. in order to enhance social welfare level and finally the purpose of improving productivity is optimized usage of material resources, human force, facilities etc. scientifically, reducing production costs, developing markets, increasing employment and attempts for increasing real wages and improving living criteria so that it is beneficial for worker, management and consumers (Denis et al., 2013).

### **3. Hypotheses development**

Based on the review of literature, the following hypotheses are developed.

1. Employee education influences employee organizational commitment significantly.
2. Colleague supports influence employee organizational commitment significantly.
3. Organizational vision influence employee organizational commitment significantly.
4. Employee education influences employee efficiency and effectiveness significantly.
5. Colleague supports influence employee efficiency and effectiveness significantly.
6. Organizational vision influence employee efficiency and effectiveness significantly.
7. Organizational commitment influences employee efficiency and effectiveness significantly.

### **4. The Conceptual Model of Study**

Model is relationship between theoretical design and the job of data collection and analyzing of information. In social science models include symbols and signals that is characteristics of some of empirical phenomenon (including components and their relationships) relate reasonably through concepts related to each other. Therefore, model reflects fact and figures out given aspects of real world that related to the investigated problem. Model shed light on mentioned

aspects and eventually makes empirical test of theory possible regarding the nature of these relationships. After testing model, better understanding of some parts of real world is achieved. In summary, model is a set that consists of concepts, hypotheses and measures which facilitates selection and collection of required information to test the hypotheses.

In order to make an analytic model, researcher finally can act in two ways which there is no significant difference between them: either begins with setting hypotheses and then works on concepts or goes through a reverse way (Khaki, 2010). Therefore, regarding the above reasoning, defined hypotheses, professors' and experts' point of view in the context of management and marketing and also according to the theoretical basics, model has been designed and established as follows:



**5. Research methodology**

**5.1. Research methods:**

This study is a descriptive-survey research from methodology view, practical from purpose view, and correlation from identity view. The relationship between research variables is examined in the correlation studies. Because the authors of this study seek to study the relationship between dependent and independent variables, it can be said that this study is a correlation study. In order to collect the research data, both library and field methods have been used.

**5.2. Statistical population and sample**

the statistical population of this study includes managers, assistants, and employees Parsian Bank In Esfahan Because this population is not very large, the authors decided to use census method rather than sampling.

**6. Data collection method:**

in order to collect the research data, both library and field methods have been used. The survey method has been used for collecting the research data in order to confirm or reject the research hypotheses. For this purpose, library method has been used for reviewing the research

literature and then a self-administrated questionnaire has been used for collecting the research data.

### **7.Validity of the questionnaire**

reliability refers to degree of generalization of the results of study to a larger population. In order to improve validity of the questionnaire, it is necessary that the questionnaire is reviewed and modified by other experts and professors so that the questionnaire is finalized in a defect-less version. The questionnaire of this study has been developed based on reviewing research literature and then is reviewed and modified by experts and professors for improving its validity.

#### **7.1.Reliability of the questionnaire**

most of the studies that using questionnaire for collecting data use Cronbachs' Alpha coefficient for examining reliability of the questionnaire. In order to examine reliability of this questionnaire, Cronbachs' Alpha coefficient has been used in the SPSS. In order to this, 24 questionnaires have been used. This coefficient was 0.88 for our questionnaire. Because the minimum level of Cronbachs' Alpha coefficient should be 0.70, it can be said that the questionnaire of this study has good and desirable reliability as a data-collection instrument. Also Cronbachs' Alpha coefficient has been calculated for each items of this questionnaire individually. These findings have been indicated in table 1.

**Table 1:Pre Test Cronbach's Alpha**

<b>Cronbach's Alpha</b>	<b>N of Items</b>
total	0.88

Because the minimum acceptable level of reliability is 0.70, it can be said that the questionnaire of this study has desirable reliability. Also this coefficient was calculated individually for each of research variables. These findings have been indicated in table 2.

**Table 2: scale, frequency of the questions, Cronbachs’ Alpha coefficient, and resources of the questions**

Variables	Scale type	Cronbachs’ Alpha coefficient
Education	Likert five-point	0.83
Supported partnership	Likert five-point	0.81
Future Prospects	Likert five-point	0.85
, Organizational Commitment	Likert five-point	0.87
Effectiveness and Efficiency Staff	Likert five-point	0.82

**8.Data analysis**

In order to summarize demographic characteristics of the respondents, 4 questions have been developed. The findings revealed that 76.3% of the respondents were male and 24.7% of them were female. From age perspective, 31.6% of the respondents had 30-39 years old and only 9.3% of them had more than 50 years old. 55% of the respondents had M.Sc. and only 1.4% of them had Ph.D. degree. 37.1% of the respondents had 6-10 years job experiences and only 15% of them had 16-20 years job experiences. About 39.2% of the respondents were managers, 22.9 of them were assistants, and 44.3 were employees. 33.6 of the hotels were three-star and only 1.4 of them were five-star. These results have been indicated in table 2.

As the results revealed, all of the path coefficients were significant and so it can be said that all of the hypotheses of this study are confirmed.

**Table 2: the respondents’ demographic characteristics**

percent	Distribution	Variables
69.3	Male	Sex
30.7	Female	
26.6	Less than 30 years	Age
41.4	30-39 years	
25.7	40-49 years	
9.3	More than 50 years	
39.2	Manager	Organizational Posts
22.9	Assistant	
44.3	Employee	

27.9	Less than M.Sc.	<b>Educational levels</b>
55	M.Sc.	
15.7	M.A.	
1.4	P.H.D	
25	Less than 5 years	<b>Job experiences</b>
37.1	6-10 years	
22.9	11-15 years	
15	16-20 years	

**9.Measurement model**

Generally, two main models are tested in the structural equation models. The first is measurement model for latent variables. This model refers to the factor loadings of observed variables for latent variables. The goodness of fit measures has been indicated in the following table for all of the latent variables. As indicated in table 3, all of the goodness of fit indexes is in acceptable and in desirable range.

**Table 4: the goodness of fit indexes for structural equation modeling**

main model	index	kind of fit index
6	NPAR	
0	DF	
---	P (More than 0.05)	
0	CMIN (Chi Square)	Unconditional
---	AGFI (More than 0.9)	
1	GFI (More than 0.9)	
---	(More than 0.9)TLI	Comparative
1	(More than 0.9) NFI	
1	CFI (More than 0.9)	
0	PNFI (More than 0.5)	Thrifty
0	PCFI(More than 0.05)	
0.689	RMSEA (Less than 0.08)	
---	CMIN/DF(Less than 5)	

### 9.1. Structural model

It is necessary to test the structural model after testing the measurement model. It is possible through structural equation modeling. In order to this, the Amos has been employed. The conceptual model of this study has been showed in figure 2. In order to use Amos, it is should be remembered that  $\gamma$  refers to the effects of external variables on the internal variables and the  $\beta$  refers to the effects of internal variables on each other. In order to examine significance of  $\beta$  and  $\gamma$ , it is necessary to examine t-value of every path. If the t-value is more than 2 and is significant, it can be said that all of the paths are confirmed. Therefore, it can be said that all of the research hypotheses are confirmed and all of the paths are significant

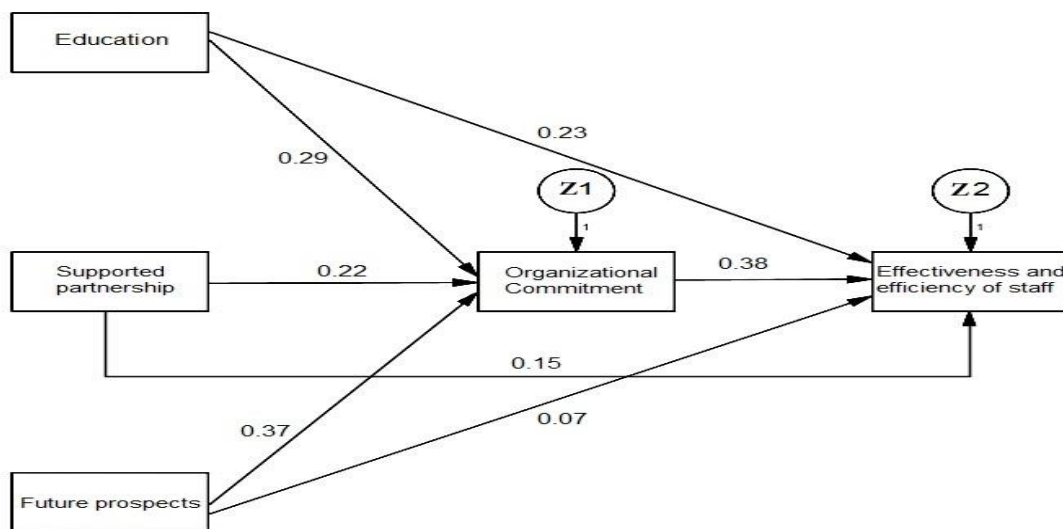


Figure 2: the effects of internal and external variables



**Table 5: The results of hypothesis test**

	Secondary hypotheses	Standard coefficient	Standard error	Critical ratio	p-value	Result
Education → Organizational Commitment	<b>H1</b>	0.294	0.067	4.107	***	Is confirmed
Supported partnership → Organizational Commitment	<b>H2</b>	0.219	0.085	2.754	0.006	Is confirmed
Future Prospects → Organizational Commitment	<b>H3</b>	0.375	0.062	5.545	***	Is confirmed
Education → Effectiveness and Efficiency Staff	<b>H4</b>	0.232	0.072	2.952	0.003	Is confirmed
Supported partnership → Effectiveness and Efficiency Staff	<b>H5</b>	0.148	0.090	1.745	0.081	Rejected
Future Prospects → Effectiveness and Efficiency Staff	<b>H6</b>	0.075	0.070	0.968	0.333	Rejected
Organizational Commitment → Effectiveness and Efficiency Staff	<b>H7</b>	0.377	0.084	4.436	***	Is confirmed
*** P is less than 0.001						

**10. Discussion and conclusion**

The results of this study revealed that the first hypothesis is supported and it can be said that employee education influences employee organizational commitment significantly. The findings showed that the standard coefficient of this hypothesis 0.294 and its t-value is 4.107. The results of this study revealed that the second hypothesis is supported and it can be said that colleague supports influence employee organizational commitment significantly. The findings showed that the standard coefficient of this hypothesis 0.219 and its t-value is 2.754. The results of this study revealed that the third hypothesis is supported and it can be said that organizational vision influence employee organizational commitment significantly. The findings showed that the standard coefficient of this hypothesis 0.375 and its t-value is 5.545. The results of this study revealed that the fourth hypothesis is supported and it can be said that employee education influences employee efficiency and effectiveness significantly. The findings showed that the standard coefficient of this hypothesis 0.232 and its t-value is 2.952. The results of this study revealed that the fourth hypothesis is supported and it can be said that

employee education influences employee efficiency and effectiveness significantly. The findings showed that the standard coefficient of this hypothesis 0.232 and its t-value is 2.952. The results of this study also revealed that the fifth and sixth hypotheses are not supported. The reason is that significant levels of these hypotheses are not acceptable.

## **11.Limitations**

In every research even it is comprehensive and complete, researcher faces problems and limitations during doing research which these limitations make a research cannot be expended to all aspects. Identifying these limitations makes possible the capability of better interpretation of study results and also improving the quality level of future research. In this study, with excreting some measures such as anonymous questionnaire, motivating the respondents and full explanation about study target we attempted to lessen the probable errors in the study. Nonetheless, study results should be observed accurately. Because respondents were managers and senior employees of organization, some of them during responding to study questions used a conservative way, so presenting inaccurate and incorrect points of view which each research usually faces is the first limitation. Difficulty of getting access to the senior managers is another limitation in this study beside frequent follow ups finally we get connect to them directly or indirectly and we tried to get their points of view.

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