

WestminsterResearch

<http://www.westminster.ac.uk/westminsterresearch>

**Working Together: Factors Affecting the Relationship between
Leadership and Job Satisfaction in Iranian HR Departments
Nazarian, A., Atkinson, P., Foroudi, P. and Soares, A.**

This is a copy of the accepted author manuscript of the following article: Nazarian, A., Atkinson, P., Foroudi, P. and Soares, A. 2021. Working Together: Factors Affecting the Relationship between Leadership and Job Satisfaction in Iranian HR Departments. *Journal of General Management*. 46 (3), pp. 229-245.

The final definitive version is available from the publisher Sage at:

<https://doi.org/10.1177/0306307020968535>

© The Author(s) 2021

The WestminsterResearch online digital archive at the University of Westminster aims to make the research output of the University available to a wider audience. Copyright and Moral Rights remain with the authors and/or copyright owners.

Working Together: Factors Affecting the Relationship between Leadership and Job Satisfaction in Iranian HR Departments

ALIREZA NAZARIAN

Westminster Business School, London, UK

Alireza.nazarian@mbacademy.org.uk

a.nazarian@westminster.ac.uk

PETER ATKINSON

Roehampton Business School, London, UK

peter.atkinson@roehampton.ac.uk

PANTEA FOROUDI

Middlesex Business School London, UK

P.Foroudi@mdx.ac.uk

ANABELA SOARES

University of West of England, Faculty of Business and Law, UK

Anabela.Soares@uwe.ac.uk

Published on 25th of Sep 2020 in Journal of General Management

Abstract

Implementation of HRM practices in Iran has been patchy and unenthusiastic despite them having been found to be beneficial in Western countries. To investigate this problem survey data were gathered from 63 private sector organizations in Iran, producing 325 usable responses, and were analysed using structural equation modelling. Our findings unexpectedly show that transactional leadership had a similar impact on balanced organizational culture to transformational leadership. Also, no relationship was found between balanced organizational culture and team working, or between team working and job satisfaction, which contradicts previous research.

We argue that, in HR departments in Iran, culturally generated attitudes towards aspects of HRM itself may produce low job satisfaction, and thus may compromise the implementation of HRM practices. We also argue that, since the cultural conditions that create these anomalies are common to other Middle Eastern and Southern Asian countries, our results can be generalised to these regions. Based on these findings, recommendations are made for practitioners.

Keywords: leadership style; organizational culture; job satisfaction; team working; professional and personal development

Introduction

Western Human Resource Management (HRM) concepts and practices have not been received with universal enthusiasm in Iran. The adoption of HRM has been slow and patchy and there is a high turnover of employees in Human Resource (HR) departments (Tayeb, 2003; Namazie & Frame, 2007). Following Sadri and Lees (2001), who argue that for an organization to be effective its culture must be aligned with the values of its employees, we assume that any negative feelings towards aspects of HR of personnel within HRM departments themselves in Iran may tend to reduce their job satisfaction, defeat the successful implementation of HRM practices and lead to high turnover (Frenkel *et al.*, 2013; Salleh *et al.*, 2012; Yih & Htaik, 2011). Thus, this paper investigates factors affecting job satisfaction among employees in HRM departments in Iranian private sector organizations.

This research contributes to the literature that examines the influence of national culture on HRM practice which is based on the assumption that HRM practice is context specific (Afiouni *et al.*, 2014; Budhwar *et al.*, 2018) and uses the conceptual integrative framework of Budhwar and Sparrow (2002). Our study was designed so that it would produce results that would help practitioners to adapt Western theories and practices for use in other parts of the world. We chose not to gather data on national culture because this is not something that managers can have any effect on, also there are reliable secondary data available (GLOBE, 2004). Managers can directly affect their own leadership style, so this factor was included. They can also affect how they use their leadership style to build organizational culture so this factor was included also (Cameron & Quinn, 2011; Schein, 2017). Additionally, to investigate factors that might have a more specific effect on HRM practices and that might be influenced by national culture, team working and personal and professional development. Therefore, in this research we measured the effect of these on job satisfaction.

Budhwar and Sparrow (2002) point out the need to understand how HRM practices in the West may be applied in other parts of the world by conducting empirical research to understand the relationships between HRM practices and their determining factors. Thus, the aim of this study was to discover if the lack of enthusiasm report in Iran for the adoption of Western HR practices are influenced by a difference in the relationships between factors affecting job satisfaction in HR departments in Iran. This aim led to our research questions which were: in the Iranian HR context (1) what is the effect of leadership style on balanced organizational culture? (2) what are the effects of balanced organizational culture on team working and personal and professional development? and, (3) what are the effects of team working and personal and professional development on job satisfaction?

The answers to these questions are important for practitioners since they indicate some specific guidelines for managers in Iran for the successful implementation of HR practices. Our results show that, as expected, personal and professional development did have a positive relationship with job satisfaction and was influenced by the organisational culture. Our results also show that, despite Bass's (1990) assumption that only transformational leadership really makes a difference, transactional leadership had as strong an influence on organizational culture as transformational leadership and there was no significant relationship between either organizational culture and team working, or team working and job satisfaction, which contradicts the current literature (Griffin *et al.*, 2001). From these results we argue that the national cultural conditions within Iran, which has high in-group collectivism, accompanied by comparatively low institutional collectivism (House *et al.*, 2004), indicate that Iranian managers should adopt a combination of transactional and

transformational leadership styles and should attempt to build an organizational culture where employees perceive their colleagues as being within their circle of trust enabling team working to produce benefits for the organization. Additionally, we argue that these national cultural characteristics of Iran are also found in other countries in the Middle East and Southern Asia (House *et al.*, 2004; Sarkar, 2009); hence our results may be generalised to these regions also.

The remainder of this paper offers an overview of the literature on the relevance of these variables to the problems of HR departments, providing justification for the suggested hypotheses, and explains the methodology used to address them. This is followed by an analysis and discussion of the findings leading to concluding remarks regarding implications and suggestions for future research.

Background of Research and Conceptual Framework

National Culture and HRM Practice

Iran was chosen for the context of this study because it has experienced difficulty in introducing Western HRM practices and because Iran is in the Middle Eastern region of the world which has some significant cultural differences between it and the West (Javidan and Dastmalchian, 2003; Nazarian *et al.*, 2020). Iranian managers have been thrown back on their traditional values by the economic pressures of the sanctions imposed on the country (Budhwar *et al.*, 2019; Tayeb, 2003) Thus, for them to make progress in developing their organizations, they have to be mindful of how their implementation of practices originated in the West need to be adapted to their cultural context.

This research builds on Budhwar and Sparrow's (2002) integrative framework for analysis of cross-national HRM practices which was developed in response to the authors' recognition of the need for a model that would enable the analysis of the roles of the context-specific factors that affect HRM practices. The main adaptation of this model for this study is to place more emphasis on culture than in the original version by specifically including organizational culture as a significant factor.

Budhwar and Sparrow's framework has four levels, each one creating a context for the next level below. At the outer level are national, or environmental, factors which create an "HRM meta-logic" (p.387) that is the conditions and mindset that creates implementations of HRM in that country or region. These factors are national culture, institutions, industrial sector and dynamic business environment. For the purposes of focus and simplification only the factors in the levels beneath national culture have been included (Table 1). At the next level are factors that define the specific organization such as its size and legal structure. It is here that this study has inserted organizational culture. At the third level is Organizational Strategies and Policies and these include policy about group working. At the core of the framework are the HR Strategies and Policies of the organization which include paternalism and professional development.

[Insert Table 1 Here]

In this study the influence of certain factors on job satisfaction among the employees in the HR department. These are organizational culture and leadership from the second level of this study's adaptation of Budhwar and Sparrow's framework, Organizationally Contingent Variables; group work from the third level, Internal Organizationally Contingent Variables

and talent improvement, represented here as personal and professional development, from the fourth level, HR Strategies and Policies. All of these are constrained by the meta-logic of the national context partly determined by the national culture.

The GLOBE (Global Leadership and Organizational Behaviour Effectiveness) Project's survey (House *et al.*, 2004) measures national culture using 9 dimensions giving two scores for each, one being for values and the other being for practice. The scores for two of these dimensions for Iran help to understand attitudes towards HRM in the country. The *institutional collectivism* dimension which measures the degree to which collectivist behaviour is rewarded in society as a whole scores highly as a value whereas in practice it only scores in the medium range. The *in-group collectivism* dimension measures the degree to which people create loyalty and cohesion in a circle of trust based on family and people they know well. Here Iran scores highly on both in-group collectivism as a value and in practice, though it scores even higher in practice than as a value suggesting that this is a deeply ingrained principle in Iranian culture. The scores on these dimensions indicate that it may be revealing to examine the influence of team working on job satisfaction in the Iranian context since, if organizations do not have an organizational culture where employees regard their colleagues as part of their circle of trust, it is the institutional measure of collectivism that is relevant and on this measure Iranians are only moderately collectivist and might be expected to gain little satisfaction from working in teams. Team working is often promoted by HR professional training as a way of achieving good levels of effectiveness (CIPD, 2014; HRP, 2014) and in the popular subject textbooks (for example: Armstrong & Taylor, 2014; Beardwell & Claydon, 2010; Cornelius, 2001; Torrington, 2009) so attitudes towards team working and team climate (Sun *et al.*, 2014) among HR professionals may also tell us something about their gaining satisfaction from their work. Thus, we included team working as a factor that may play a part in the relationship between organizational culture and job satisfaction.

The GLOBE Project's dimension of power distance, that measures the degree to which people who lack power accept that others have more, shows that Iran has a relatively low score for power distance as a value but a relatively high score for it in practice (House *et al.*, 2004). This suggests that it is entrenched in Iranian culture and other studies have shown that in Iran there is an expectation that managers adopt a role of paternalistic nurturing in developing selected subordinates (Javidan & Dastmalchian, 2003; Tayeb, 1997). Thus, it might be expected that the HRM practices of learning and development might be consistent with the culture and a measure of this factor was included in our research. To measure this aspect of Iranian HR departments, we developed the novel construct of *personal and professional development* which combines training with the professional development of individual employees.

Leadership Styles

In this study we assume that leaders have the ability to shape organizational culture since leaders shape and develop organizational values, beliefs and strategy (Bass and Avolio, 1994; Denison, 1990; Schein, 2017). The transformational-transactional model of leadership styles (Bass, 1985; Bass, 1990) was chosen for this study because it is a well-established construct that is in constant use by many researchers and covers a full range of styles. Transformational leadership inspires followers with a vision of an ideal future where they are transformed through their involvement with something bigger than themselves. Transactional leadership, on the other hand, motivates followers with material rewards for desired behaviour. The

model also includes laissez-faire leadership, where the leader adopts a passive role as an uninvolved figurehead, as a third type.

Leadership style, as it is represented in the literature, is a Western concept and its relationship with other organizational factors has also been investigated, for the most part, in Western contexts. However, these relationships may be different in the contexts of developing countries. Studies of leadership in Iranian organizations have been inconclusive as a whole with Tojari et al. (2011) finding a positive effect of transformational leadership on organizational culture and effectiveness and a negative effect of transactional leadership whereas Bikmoradi et al. (2010) and Mehrabani and Mohamad (2011) suggest that the predominant leadership style there is patriarchal and transactional. Thus, we chose to investigate the effect of leadership style on job satisfaction through organisational culture

Balanced Organizational Culture

One of the most commonly used approaches to the study of organizational culture has been the Competing Values Framework (CVF) which posits that there are four organizational culture types: *hierarchy* with a focus on stability, structure and clear rules and procedures; *market* with a focus on competitiveness, customer focus and responsiveness; *adhocracy* with a focus on innovation and flexible, adaptable structures and *clan* with a focus on internal consensus and external co-operation (Cameron & Quinn, 2011). An understanding of these culture types is useful for managers since they may find it valuable to influence the organizational culture so that the proportions of each type in the mixture is appropriate to the needs of the organization at that time.

Some researchers have argued that it is desirable for an organization to have a supportive combination of all culture types (Quinn, 1988; Cameron & Quinn, 2011). According to Quinn (1988) all four culture types are present in varying degrees in all organizations and Denison and Spreitzer (1991) follow Quinn (1988) in advocating a balance between the CVF culture types. They argue that all four types produce cultural resources which comprise a mix of different values and perspectives, which enable the organization to respond to a changing environment that may produce unexpected circumstances, and generally boosts its performance (Gregory *et al.*, 2009; Nazarian *et al.*, 2017). Organizations exhibiting all four culture types would be likely to have the flexibility to be able to fully implement HR. Cameron and Quinn (2011) draw attention to the fact that subunits of an organization may exhibit a different dominant culture type to the organization as whole. Thus, this study examines the culture of the HR department using the construct of balanced organizational culture.

Cross-cultural leadership research has shown that collectivist societies tend to be more receptive to transactional and autocratic leadership styles while individualistic, Western societies tend to be receptive to transformational, participative styles (Bass, 1998; Gerstner & Day, 1994). However, much of the research on the effect of leadership style on organizational culture has been conducted within Western organizations, mostly in the US and UK (Yeganeh and Su, 2011); hence further research is necessary to understand the effect of the national context on this relationship (House & Aditya, 1997; Huang *et al.*, 2006; Tsui *et al.*, 2004) and particularly in developing countries. For these reasons, we investigate the effects of all three leadership styles on organizational culture in Iranian HR departments, by testing the following hypotheses:

Hypotheses 1, 2 & 3: Transformational leadership (H1) transactional leadership (H2) laissez-faire leadership (H3) helps to achieve balanced organizational culture.

Job Satisfaction

Job satisfaction is an overall attitude towards jobs based on individual perceptions (O'Reilly *et al.*, & Caldwell, 1991; Weiss, 2002). In a meta-analysis, Judge *et al.* (2001) showed that there is a significant relationship between job satisfaction and job performance despite the results of earlier studies that apparently showed a contrary result. This disparity is explained by the complexity of job satisfaction which aggregates many facets all of which may not have an effect in a particular context suggesting that job satisfaction may be sensitive to national cultural variation in its antecedents. For this study we chose job satisfaction as the main dependent variable because it indicates how, in general terms, employees feel about their jobs and has been correlated with intention to turnover (Abraham, 1999; Aydogdu & Asikgli, 2011).

A study conducted in India by Lange, Pacheco and Shrotryia (2010) showed that intrinsic motivators, as well as the expected extrinsic motivators, influenced job satisfaction. These authors speculate that this result might be explained by the increasing dynamism of the Indian economy which has shifted the national culture towards individualism and indicates that HR practices should be introduced that address employees' individual aspirations and needs. This observation again suggests that the national culture may have an effect on job satisfaction and, therefore, that its relationship with other variables may vary geographically.

Several studies in Western contexts have shown that transformational leadership influences job satisfaction (Dirks & Ferrin, 2002; Podsakoff *et al.*, 1996) as well as team performance (Ishikawa, 2012) and is linked to organizational culture. Goodman, Zammuto and Gifford (2001), Silverthorne (2004) and Brazil *et al.* (2010) found that group (clan) culture values were positively related to job satisfaction whereas hierarchical cultural values were negatively related to job satisfaction.

Among scholars and practitioners in HR generally there are several principles that have entered the episteme of the discipline. For example, most introductory textbooks on HRM contain sections on team working and professional development (in the form of training or coaching) of employees and attitudes towards these factors among HR personnel could be indicative of their attitudes towards HR in general. Team working, coaching and training are not novel concerns and there is overall awareness of their importance. Thus, to investigate how organisational culture and job satisfaction are related with each other, we included two possible intermediating variables in our study that are related to HRM processes: team working and personal and professional development.

Team Working

Beer and Spector (1985) identify a set of HRM assumptions that include levelling hierarchical differences in order to encourage collaboration and improve communications for team building to engender trust and increase commitment. A direct relationship between leadership and team working has been shown (Dionne *et al.*, 2004) and it has been suggested that transformational leadership works primarily at the group, rather than the individual level (Lord & Dinh, 2011). Transformational leaders can generate the perception of high competence and a clear vision which in turn spawns enthusiasm and commitment to the team's objectives (Conger & Kanungo, 1987; Keller, 2006; Waldman *et al.*, 2001). However,

the majority of these studies have been conducted in Western countries, particularly in the USA.

Studies have also shown that there is a relationship between culture and team working. At the national level, Sosik and Jung (2002) compared team working between US students, representing an individualist culture, and Korean students, representing a collectivist culture and they found that the US students exhibited higher levels of group potency and performance. On the other hand, Chen and Tjosvold (2002) argued that in the collectivistic values developing justice can improve team effectiveness. At the organizational level, Cameron and Quinn (2011) connect team building and open communication with clan culture. Since balanced organizational culture must, by definition, have a component of clan culture, it may be expected that the clan culture type would have a positive relationship with team working. Therefore, this hypothesis is proposed:

Hypothesis 4: The more balanced the organizational culture is the more favorable are the conditions for team working.

Apart from the failure to develop a strategic function, the dysfunctionality of HR departments is evidenced by the high staff turnover. The relationship between staff turnover and job satisfaction has been well known for some time (Holtom *et al.*, 2008; Mobley, 1977; Porter *et al.*, 1974). Team working has been shown to have a positive correlation with job satisfaction. In a study conducted in Australia, Williams (1998) found that team working was positively correlated with job satisfaction but that pressures to complete work could cause legacy hierarchical practices to reappear and disrupt the self-managing nature of the team. They conclude that training is required for team members on how to maintain practices for self-managing team working. Griffin, Patterson and West (2001) found that though there was a generally positive relationship between team working and job satisfaction this was also affected by the degree of autonomy from hierarchical supervision perceived by team members. A study of inter-professional team working among German health-care staff found that team working completely mediated the relationship between organizational culture and job satisfaction (Körner *et al.*, 2015). Hanaysha and Tahir (2016) showed that there was a positive correlation between team working and job satisfaction among university staff in Malaysia. To investigate the relationship between team working and job satisfaction in Iran, the following hypothesis is proposed:

Hypothesis 6: The more favorable conditions there are for team working the higher is the employees' job satisfaction.

Personal and Professional Development

In this study, we extend the concept of training, which is something that is provided by the employer, by adding personal development, which is an enhancement of the individual's professional skills for his or her own development. This combination makes the construct *professional and personal development* as employed in this study. This construct was developed by combining different variables used in previous studies such as training (Choi & Yoon, 2015), skills development (Byham *et al.*, 2002) and personal development (Cameron, 1978) as the authors believe that any one of these alone is insufficient for analysing the requirements of the HR department. Hence, for the purposes of this study, professional and personal development is defined as a "planned intervention that is designed to enhance the determinants of individual job performance" (Chiaburu & Tekleab, 2005, p.29); thus, training is often a large component of professional and personal development. There have been few studies of the relationship between organizational culture and training; for example, Rougas

et al. (2015) found that the different CVF culture types produced different types of feedback in medical training and Simosi (2012) found that organizational culture influences the application of knowledge and skills acquired in training to the job. However, these are concerned with specific aspects of training rather than giving us a general overview and no studies could be found regarding the relationship between organizational culture and the professional development of individuals. Therefore, using our novel construct of professional and personal development in this study this hypothesis is proposed:

Hypothesis 5: The more balanced the organizational culture is the more favourable are the conditions for personal and professional development.

Studies which have addressed the question of which HRM practices affect job satisfaction have found that training is one of the most significant of these practices. Studies have confirmed that training has a positive effect on job satisfaction in a Western context (Choo & Bowley, 2007; Eaglen *et al.*, 2000; Georgellis & Lange, 2007). However, this effect not only holds good for the Western context but also for the Far East, though no studies for the Middle Eastern context could be found. For example, Hosie et al. (2013) showed that training was the best predictor of job satisfaction among the factors that they examined in a study of employees in Singapore and Ljigu (2015) found a similar result in a study of Ethiopian bank employees. A concern of employers is that training employees increases their value on the labour market and may encourage them to seek better paid employment elsewhere; however, a study by Koster et al. (2011) found that training did not increase intention to turnover among Dutch pharmacy assistants, as predicted by Human Capital theory, but instead had the opposite effect. Cameron (1978) discovered in a study of American academics that, to achieve organizational effectiveness, the personal development of individuals needs to be considered alongside the professional development provided by their employers. However, no studies could be found that investigate the effect of the paternalistic, career nurturing expectations of managers in the Middle East. To investigate the relationship between these factors in our Iranian sample, this hypothesis is proposed:

Hypothesis 7: Professional and personal development is positively related to job satisfaction. The more pppd is promoted the higher the job satisfaction

Since data were gathered from the employees of the HR departments of private sector organizations, H6 and H7 may be expected to indicate the attitudes and, therefore, the motivation to implement practices that support team working and professional and personal development on the part of these employees.

Conceptual Framework

The conceptual framework shows the relationships between the five constructs used in this research: leadership, balanced organizational culture, team working, professional and personal development and job satisfaction (Figure 1). First, the relationship between leadership styles and balanced organizational culture is tested to discover the extent to which each of the three leadership styles correlates with balanced organizational culture. In this case, it is not the culture of the whole organization that is being measured but only the organizational culture of the HR department where all four culture types are present to a significant degree. Second, the relationship between balanced organizational culture and team working and balanced organizational culture and professional and personal development are tested. Finally, the relationship between team working and job satisfaction, also professional and personal development and job satisfaction, are tested. Job satisfaction is a construct that

allows an insight into what the respondents perceive as being normal and correct. In this case, where there is a positive relationship it would imply that there is a tendency to pursue team working or personal professional development built into the specific culture of the organization whereas the absence of a positive relationship would imply that these are not pursued.

Insert Figure 1 Here

Methodology

Data Collection and Sample

This study investigates some of the problems of implementing HRM principles and practices in Iran. We approached this task by gathering data from employees in the HR departments of private sector organizations. We chose this data population because if the cultural preferences of these personnel are not in alignment with HRM principles, this may in itself impede the implementation of HR practices.

Data were gathered using the questionnaire survey method. The instrument contained items on leadership style, organizational culture, team working, professional and personal development and job satisfaction. The selection criteria were that the company must be registered with the Iranian ministry of labour and must have an organizational structure where the HR department was clearly defined and have a minimum of 5 employees in this department. 150 organizations of various sizes and in different locations were identified in the first stage to be contacted. After contacting these organizations using either email or telephone, 46 of them agreed to participate in our study. Due to travel and time restrictions, and other constraints, the researchers proceeded with 38 of these organizations. However, after the first round of data collection, using the non-probability snowball technique of using respondents to make further contacts, the number of organizations was increased to 63. Generally, in the Middle East it is difficult to collect substantial data as there is a tendency not to trust outsiders; however, once trust is built between researcher and managers, data collection becomes easier.

The questionnaire was produced in both hard copy and digital form. The HR departments had the choice of whether the questionnaires should be completed in hard copy or in the digital version. Approximately 80 packages were sent to managers of HR departments in these 63 organizations which included hard copies of the questionnaire accompanied by a covering letter about the aim and objectives of the research for distribution. Additionally, an email which included the covering letter and a link to the digital version was also sent to the managers who were asked to forward it to their colleagues if appropriate.

After 6 weeks, a total number of 325 questionnaires were received in either hard copy or digital format. After eliminating incomplete responses and missing data, 308 were found suitable for use in this study. Data were gathered from organizations in the: motor manufacturing, telecommunications, food, packaging, IT, advertising and financial industries. The 63 organizations had a total of approximately 920 staff in their HR departments which provided us with the effective response rate of 34.67%. Out of 308 respondents 69.8% were male (30.2% female), 71% of the respondents were aged between 35-44 and 45-54, 36.4% held undergraduate degrees and 35.4% pre-university degrees, and 45.1% worked in large organizations (over 250 employees). Among the participants, 10.3% were in senior management positions and 42.1% in junior management and middle management positions,

as summarized in Table 2. The non-response bias was examined by comparing the construct means for early and late respondents (Armstrong & Overton, 1977). No significant differences were found between these two groups, suggesting that nonresponse bias was not a problem.

Insert Table 2 Here

Instrument

The questionnaire was designed in English and then translated into Farsi (local language) using the 4 steps of the back translation technique (Brislin, 1986). In the first stage the questionnaire was designed in English and then translated into Farsi by one of the researchers who was native in the language. In the second stage a professional translator was hired to translate the questionnaire back from Farsi to English to check for precise meaning and cross-cultural equivalence of the language. In the third stage, the researchers reviewed the translated version and layout to look for discrepancies. After reviewing the translated questionnaire expert opinion was consulted on both versions and, as a result, some corrections were made to the Farsi version by the native researcher. Finally, another professional translator was hired to translate the new version of the questionnaire into English. This version was reviewed by the researchers to make a final quality check of the questions. When the questionnaire was thought to be of the best possible quality, the final survey questionnaire in Farsi was sent to organizations for data collection.

Measures

To develop the measurement scales, this study followed standard psychometric procedures recommended by Anderson and Gerbing (1988). We employed the validated scales from previous studies to measure the constructs. A seven-point Likert scale was used with scale 1 ('strongly disagree') to 7 ('strongly agree'). Leadership style was measured using the dimensions transactional, transformational and laissez-faire and items were adopted from the Multifactor Leadership Questionnaire (Avolio & Bass, 2004). Transformational leadership was measured using 12 items; transactional leadership was measured using 6 items and laissez-faire leadership was measured using 6 items.

Organizational culture was measured using 20 items from the Organizational Culture Assessment Instrument (OCAI) developed by Cameron and Quinn (2011) based on CVF. The original questionnaire asked respondents to divide 100 points among 4 statements related to six dimensions based on their judgement where the closest to their situation would score the highest and others according to their closeness to the situation would score lowest and the total adds up to be precisely 100. However, after discussion with different experts in the field, and in light of the fact that some studies have used a Likert scale for OCAI (Table 3).

A seven-item scale drawn from the existing literature was used to measure team work (Katzenbach & Smith, 2005; Katzenbach & Smith, 1993). The professional and personal development section included 10 questions. In order to design this section of the questionnaire the authors employed the 5 stages model of managers' skill development proposed by Byham et al. (2002) which are: (1) employees having high level of potential are drawn together, (2) further assessment of the employees' development/training possibilities, (3) making specific recommendations for improvement, (4) implementation of the program and process documentation and (5) assessment of progress and defining new directions. By using this theory and using some existing instruments for measuring professional and personal development (Cameron, 1995; Cameron, 1978), this section was designed to

measure professional and personal development. Job satisfaction was measured using items modified from Cellucci and DeVries (1978), MacDonald and MacIntyre (1997) and an adapted version of the Minnesota Satisfaction Questionnaire (MSQ) (Weiss *et al.*, 1967), which was originally developed for measuring employees' intrinsic and extrinsic job satisfaction.

Insert Table 3 Here

Several procedures were used to test the properties of the reflective scales with the data. Discriminant validity was examined through confirmatory factor analysis and measured by average variance extracted (AVE) for each construct and compared with the square correlation between them (Fornell & Larcker, 1981). Based on Dillon and Goldstein's (1984) and Fornell and Larcker's (1981) recommendations, the variance extracted for each construct was compared to the square of each off-diagonal value within the Phi matrix for that construct. The results show that the average variance extracted (AVE) for each construct and the items represent a distinct underlying concept. Moreover, a good rule of thumb is that an AVE of .5 or higher indicates adequate convergent validity (Hair *et al.*, 2006). To address multi-collinearity, established procedures were followed to calculate mean centre related variables prior to generating proposed interaction terms to assess the hypotheses (Aiken & West, 1991).

Results

Reliability and Validity of the Measures

According to the recommendations of Anderson and Gerbing (1988) and Hair, Tatham, Anderson and Black (2006), the two-stage approach in structural equation modelling (SEM) was employed to test the importance of all pattern coefficients of the seven hypotheses, using 308 observations for analysis. The first stage examined the measurement model (inner-model) by using AMOS 21 and was carried out to identify the causal associations between observed items (variables) and the latent (unobserved) construct. The validity of the construct was tested by confirmatory factor analysis in this stage. The second stage was tested using the structural (i.e. regression path) model (outer-model), which explained the causal relations among the observed constructs (Anderson & Gerbing, 1988). The items that were measured were unidimensional, and confirmatory factor analysis (CFA) provided an acceptable fit (Df=1.673; CFI=.934; IFI=.934; TLI=.930). Reliability was assessed using Cronbach's alpha. As shown in Table 3, Cronbach's alpha was higher than .871 for all measures, indicating a high degree of internal consistency (Bagozzi & Yi, 1988).

In addition, the reliability of each measure was examined using composite reliability (ρ). They were found to be greater than the recommended 0.7 which suggested a satisfactory level of reliability (Bagozzi & Yi, 1988; Hair *et al.*, 2006). Convergent validity was checked with the values of CFA loadings and standard errors. All item and construct loadings were noteworthy (t -value/CR>1.96). The correlations between study variables are presented in Table 4. We examined common method bias by using Harman's one-factor test (1967) and the result suggests there is 39 percent variance which is lower than the common method bias value (Podsakoff *et al.*, 2003). Also, we tested a common latent factor by employing a chi-square difference assessment among the original and fully constrained model. Two models were meaningfully dissimilar but share a variance, and the data was credited for additional study.

Insert Table 4 Here

Hypotheses Testing

Using the relationships shown in the conceptual model, Figure 1, the seven hypotheses were tested using structural equation modelling. The results are shown in Table 5 and depicted in Figure 2. Hypothesis 1 posits that transformational are positively related to balanced culture. The result supports this hypothesis ($\gamma=0.96$, $t=2.906$). Figure 1 shows that hypothesis 2 posits a positive relationship between transactional and balanced culture. The result, however, does not support this hypothesis ($\gamma=.162$, $t=2.520$). The results show that hypotheses 3 (laissez-faire > balanced culture) and hypothesis 4 (balanced culture > team work) are significantly different from 0 at the 0.001 significance level, therefore, were rejected ($\gamma=1.669$, $t=1.046$, $p. 0.296$; $\gamma=0.271$, $t=1.761$, $p. 0.078$ respectively). There is a positive relationship between balanced culture and professional and personal development, and hypothesis 5 was supported ($\gamma=1.245$, $t=4.673$). Hypothesis 6, which predicts the relationship between team work and job satisfaction, is not supported ($\gamma= -.090$, $t= -1.924$, $p .054$). The last hypothesis concerns the potential impact of professional and personal development on job satisfaction. The analysis shows that there is significant positive relationship ($\gamma=0.433$, $t=2.294$) (Table 5). Thus, the conceptual model (Figure 1) was validated through testing these hypotheses resulting in a validated model shown in Figure 2.

Insert Table 5 Here

Insert Figure 2 Here

Discussion

As shown in previous studies, there have been problems with the implementation of HRM principles and practices in Iran. Among the problems for the HR function in Iranian organizations have been HR not having a strategic role and a high staff turnover (Namazie & Frame, 2007; Soltani, 2010; Tayeb, 2003). To investigate these problems this research examined the relationship between leadership style, balanced organizational culture, team working, professional and personal development and job satisfaction of employees in the HR departments of Iranian private sector organizations. The analysis of the data resulted in two unexpected findings concerned with the relationship between leadership and organizational culture and the perception of team working. These relationships indicate that the values and beliefs of employees are somewhat different from those of employees in Western contexts where most of the previous research has been conducted and that a different approach is required for managing Iranian employees.

First, both the transactional and transformational leadership styles have a similarly strong positive relationship with balanced organizational culture. This finding was unexpected since the literature indicates that transactional leadership is generally thought to have this relationship less strongly than transformational leadership (Bass & Avolio, 1993; Xenikou & Simosi, 2006). It suggests that Iranian employees are more often motivated by extrinsic factors and, therefore, have a more transactional work orientation (Wrzesniewski *et al.*, 1997) than Westerners, who are more often motivated by intrinsic factors.

The recent history of Iran should be kept in mind. Because of uncertainties in the general economic circumstances, brought about by years of sanctions, management thinking may have become overly risk averse and unimaginative. The stronger than expected role of transactional leadership found in this study suggests that managers in Iran tend to place a higher priority on organizational stability and consistency of processes (Afsar *et al.*, 2017) than Western managers. While Western management theories and practices may eventually prove to be beneficial, their introduction is a step into the unknown for Iranian managers.

Second, team working took no part in the relationship between balanced organizational culture and job satisfaction. Also, there was no relationship between balanced organizational culture and team working and no relationship between team working and job satisfaction. The literature dealing with team working in a Western context indicates that team working should be expected to have a positive relationship with job satisfaction (Judge *et al.*, 2001; Nielsen *et al.*, 2009; To *et al.*, 2015). This suggests that these relationships are affected by a different set of values and beliefs among Iranian personnel from those of Western employees.

According to Tayeb (2003), Iranians are reluctant to participate in self-regulating teams, do not automatically perceive colleagues as being members of their circle of trust and expect managers to exercise control. These factors add up to a perception that peer consultation and decision making is inappropriate and that decisions should be made autocratically by superiors (Yeganeh & Su, 2007). This is supported by the GLOBE survey (2004) which found that people in the Middle East region, which includes Iran, are collectivist when their interactions are within their circle of trust but individualistic outside it (Javidan & Dasmalchian, 2003).

Thus, our findings indicate that attitudes towards team working within the HR department itself may be indicative of attitudes towards HRM principles concerning how to enable employees to work together effectively that could affect job satisfaction, and so compromise the full implementation of HRM practices. Team working depends on a sense of trust and belonging and it may be that managers need to make a deliberate effort to promote an organizational culture that fosters these.

On the other hand, the relationship between transformational leadership and balanced organizational culture was as expected and so too was the finding that laissez-faire leadership had no effect on balanced organizational culture. According to previous studies, the Iranian perception of the manager as a father figure means that employees are dependent on him for his active interventions (Tayeb, 2003) and Iran scores highly on Hofstede's dimension of power distance (Hofstede, 1980), so having a passive manager who, for example, encourages self-regulating teams would be unsatisfactory to them.

Additionally, it was also expected that professional and personal development as a newly developed construct based on the concept of training would have an effect on the relationship between balanced organizational culture and job satisfaction. Since managers are expected to be father-figures, Iranians tend to see personal development alongside of professional development (the notion of training) as a natural aspect of that relationship. So, professional and personal development, when it occurs, contributes to job satisfaction because it fulfils an expectation of paternalistic nurturing (Javidan & Dastmalchian, 2003; Tayeb, 1997) which has been observed by previous researchers, where managers take responsibility for developing the skills of selected junior employees to prepare them for more responsibility (Namazie & Frame, 2007; Yeganeh & Su, 2011).

The GLOBE Project (2004) collected data on national culture. Countries are grouped into regions with Iran included in the South Asian region along with India and Malaysia. On the dimension which is most significant to this study's findings about team working, the practice of in-group collectivism, the countries of this region have similar scores: Iran scores 86% compared to the regional average of 83%. For comparison, the lowest scoring region on this dimension is the Nordic countries at 53% and one region, Middle East, scores a little higher at 81%. Since the Iranian score on this dimension is close to the scores for both the Middle East (Qatar, Kuwait, Egypt) and the Southern Asia (India, Indonesia, Malaysia, Philippines and Thailand) regions, it follows that our results concerning team working may be generalised to these regions.

Implications and Limitations

Our research set out to investigate some problems reported to be experienced by HR departments in Iran. This problem was addressed by collecting data from personnel working in HR departments in 63 private sector organizations. We chose to collect data from within the HR department to find if some HRM principles are not in alignment with the culture of the personnel who are expected to implement them. Our results have interesting and practical implications for scholars and practitioners.

Theoretical Implications

This study has several theoretical implications. First, it improves the utility of Budwhar and Sparrow's (2002) integrative framework by including organizational culture and leadership. Second, it contributes to our understanding of team working in Iran, and by generalisation in the Middle East region as a whole and Southern Asia. Third, it demonstrates that transactional leadership is as significant in bringing about job satisfaction as transformational leadership in Iran. Fourth, it introduces the new construct, professional and personal development, which combines concepts of training and development from the employer's point of view with the concept of professional development from the employee's point of view. Fifth, it demonstrates the usefulness of balanced organisation culture, which has been a relatively neglected construct (Quinn, 1988).

Although previous studies (Namazie, 2003; Nazarian, 2013; Tayeb, 1997) have speculated that team working would not be successful in the Middle Eastern context, this study empirically demonstrates that it does not contribute to job satisfaction. This could create a problem for HRM implementation as, generally, in the HR department there is a need for group and team effort to achieve organizational goals (Jiang & Liu, 2015). Additionally, HR personnel may be expected to promote a culture of team working in the rest of the organization, for example, through training. Since the Iranian score on the dimension of the Globe Project national cultural survey which is most relevant to this phenomenon, practice of in-group collectivism, is similar to those of other countries in the Middle East and Southern Asia, we argue that our results may be generalised to these regions.

Our novel construct of personal and professional development combines the constructs of training and coaching. Training is concerned with developing the usefulness of the employee to the organization whereas coaching develops the capacity of the employee to achieve his or her personal professional goals (Bright & Crockett, 2012). We suggest that this new construct is a potentially powerful one since training and coaching should have aims which are aligned and the combination should produce employees who are both more useful and more motivated.

This study uses the construct of balanced organizational culture, meaning that all four of the CVF culture types are represented in the organization's culture, or as in this case, subculture. Balanced organizational culture helps to maintain flexibility and responsiveness and it seems likely that it may have an impact on a wide range of organizational factors and further research is needed to investigate this. In our study its impact on job satisfaction has been investigated. This construct has not been used in this way before since, in the past, researchers have tended to focus only on the effects of the individual cultural types though, as Cameron and Quinn (2011) point out, they are not separable entities.

Practical Implications

From a practical standpoint, these results suggest that managers should also be mindful of the cultural context when attempting to transfer Western HRM principles and practices to another context and this is valid whether they are foreign managers, local managers trained abroad or local managers implementing Western practices. This research implies that interpretations and measures of job satisfaction, leadership and organizational culture are all relative to national culture (values and beliefs) and it follows that this principle applies not just in the context of HR but to all the organizational functions. Our study shows that transactional leadership exhibited more influence than expected on balanced organizational culture (eg. Xenikou & Simosi, 2006; Bealer & Bhanugopan, 2014) and transactional leadership was shown to be as important as transformational leadership in its influence on job satisfaction. Together these, suggest that extrinsic motivation is as important as intrinsic motivation for Middle Eastern employees. Therefore, it is useful for managers to be aware that they need to develop a complimentary mixture of extrinsic and intrinsic factors when considering the motivation of their employees.

The HR function particularly requires a flexibility of approach which comes from diversity of thinking, not only to successfully run its own processes, but also to work with the subcultures of the other functions within the organization (Torrington, 2009). Thus, balanced organizational culture is a good context for HRM implementation because it encourages diversity of thinking which may be harnessed through team working if employees are willing to accept teams. Our findings demonstrate a relationship between balanced organizational culture and professional and personal development, also between professional and personal development and job satisfaction, thus supporting existing research into the relationship between organizational culture and training (eg. Simosi, 2012; Hosie *et al.*, 2013; Tabvuma *et al.*, 2015; Hanaysha & Tahir, 2016). However, the novel construct of personal and professional development created for this study extends the existing constructs of training and coaching by adding the element of personal development which combines developing the individual as an employee through training and developing the individual towards achieving personal goals through coaching. Our findings suggest that, due to the collectivist nature of Middle Eastern culture where managers are expected to fulfil a paternalistic role, they are expected to take an interest in the personal goals of their subordinates as well as seeing them as a resource of the organization.

Our findings suggest that to leverage the positive effects of team working observed elsewhere (Lehmann-Willenbrock *et al.*, 2015; Nielsen *et al.*, 2009; To *et al.*, 2015), Middle Eastern managers should promote a clan organisational culture so that employees accept each other as part of their own circles of trust. Clan culture might, for example, be fostered by using some of the principles and techniques of DHL (Chan, 1997) which encourages friendly and collaborative relationships between employees, trust between managers and subordinates and promotes the idea of 'us' against their competitors.

Limitations and Future Studies

Inevitably, this study has limitations in the distribution and size of the sample. The first limitation is that this data was collected from a few major cities and in order to have a better view of HR departments it would be sensible to expand the data collection locations. Additionally, an increase in sample size would increase the reliability of the results.

Another limitation is that this study only looked at private sector organizations and, as the public sector plays a major role in the Iranian economy, it would give a more complete picture to look at the HR departments in the public sector and compare them with the private sector. It would also be advantageous to investigate organizations recently privatised according to Article 44 of the Iranian Constitution (which enables the privatisation of state-owned entities) and, perhaps make comparisons between them and existing private sector organizations so as to make policy recommendations and assist managers and employees in the transition from public to private sectors. Also, it may be revealing to look at the HR departments in joint ventures involving Western companies and compare them with local organizations.

Given the particular nature of the context considered, the conclusions of this research also imply that job satisfaction, leadership and organizational culture are relative to national culture, in this case Middle Eastern values and beliefs. This principle applies not just to the HR department but to all the organizational functions. Since we have found that the relationships between the chosen constructs were not as expected, further research is required to confirm and further explore these findings. This further research would probe the causes of these relationships and would, therefore, be of a qualitative nature. Once the relationships between these constructs have been explained, researchers will be in a better position to formulate further recommendations for practitioners.

This study gives rise to other further questions for future study, particularly in connection with organizational culture types and location. We have looked at organizational culture in terms of balanced organizational culture which is thought to be advantageous to organizations because it allows them the flexibility to respond to a changing environment. However, it may be instructive to examine how each of the four CVP culture types affect team working and professional and personal development; for example, it may be that clan culture has a relationship with team working. Having shown evidence that suggests that HR theories and practices are not transferrable to the Middle East without adaption it would also potentially be useful to investigate how these theories and practices are received in other regions of the world.

References

- Abraham, R. (1999), "The relationship between differential inequity, job satisfaction, intention to turnover, and self-esteem", *Journal of Psychology: Interdisciplinary and Applied*, Vol. 133 No. 2, pp. 205–215.
- Afiouni, F., Ruël, H. and Schuler, R. (2014), "HRM in the Middle East: toward a greater understanding", *The International Journal of Human Resource Management*, Routledge, Vol. 25 No. 2, pp. 133–143.
- Afsar, B., Badir, Y.F., Saeed, B. Bin and Hafeez, S. (2017), "Transformational and transactional leadership and employee's entrepreneurial behavior in knowledge-intensive industries", *The International Journal of Human Resource Management*, Routledge, Vol. 28 No. 2, pp. 307–322.
- Aiken, L.S. and West, S.G. (1991), *Multiple Regression: Testing and Interpreting Interactions*, Sage, Newbury Park, CA.
- Anderson, J.C. and Gerbing, D.W. (1988), "Structural equation modeling in practice: A review and recommended two-step approach", *Psychological Bulletin*, Vol. 103 No. 3, pp. 411–423.
- Armstrong, J.S. and Overton, T.S. (1977), "Estimating Nonresponse Bias in Mail Surveys", *Journal of Marketing*, Vol. 14 No. 3, pp. 396–402.
- Armstrong, M. and Taylor, S. (2014), *A Handbook of Human Resource Management*, Kogan Page, London.
- Avolio, B.J. and Bass, B.M. (2004), *Multifactor Leadership Questionnaire*, available at: <https://doi.org/10.1037/t03624-000>.
- Aydogdu, S. and Asikgli, B. (2011), "An Empirical Study of the Relationship Among Job Satisfaction, Organizational Commitment and Turnover Intention", *International Review of Management and Marketing*, Vol. 1 No. 3, pp. 43–53.
- Bagozzi, R. and Yi, Y. (1988), "On the evaluation of structural equation models", *Journal of the Academy of Marketing Science*, Vol. 16 No. 1, pp. 74–94.
- Bass, B.M. (1985), *Leadership and Performance beyond Expectations*, Free Press, New York NY.
- Bass, B.M. (1990), "Transformational Leadership: Learning to Share the Vision", *Organizational Dynamics*, Vol. 18 No. 3, pp. 19–31.
- Bass, B.M. (1998), *Transformational Leadership: Industrial, Military, and Educational Impact*, Lawrence Erlbaum Associates, Mahwah, NJ.
- Bass, B.M. and Avolio, B.J. (1993), "Transformational leadership and organizational culture", *Public Administration Quarterly*, Vol. 17 No. 1, pp. 112–121.
- Bass, B.M. and Avolio, B.J. (1994), *Improving Organizational Effectiveness through Transformational Leadership*.
- Bealer, D. and Bhanugopan, R. (2014), "Transactional and transformational leadership behaviour of expatriate and national managers in the UAE: a cross-cultural comparative analysis", *The International Journal of Human Resource Management*, Vol. 25 No. 2, pp. 293–316.
- Beardwell, J. and Claydon, T. (2010), *Human Resource Management: A Contemporary Approach*, Financial Times/Prentice Hall, Harlow, UK.
- Beer, M. and Spector, B. (1985), "Corporate wide transformations in human resource management", in Walton, R. and Lawrence, E.R. (Eds.), *Human Resource Management Trends and Challenges*, Harvard Business School Press, Boston, MA.
- Bikmoradi, A., Brommels, M., Shoghli, A., Khorasani-Zavareh, D. and Masiello, I. (2010), "Identifying challenges for academic leadership in medical universities in Iran", *Medical Education*, Vol. 44 No. 5, pp. 459–467.

- Brazil, K., Wakefield, D.B., Cloutier, M.M., Tennen, H. and Hall, C.B. (2010), "Organizational culture predicts job satisfaction and perceived clinical effectiveness in pediatric primary care practices", *Health Care Manage Rev*, Vol. 35 No. 4, pp. 365–371.
- Bright, D. and Crockett, A. (2012), "Training combined with coaching can make a significant difference in job performance and satisfaction", *Coaching*, Vol. 5 No. 1, pp. 4–21.
- Brislin, R. (1986), "Brislin, R. (1986). Field methods in cross-cultural psychology.", in Lonner, W.J. and Berry, J.W. (Eds.), *The Wording and Translation of Research Instruments.*, Sage, Newbury Park.
- Budhwar, P., Pereira, V., Mellahi, K. and Singh, S. (2018), "The state of HRM in the Middle East: Challenges and future research agenda", *Asia Pacific Journal of Management*, Asia Pacific Journal of Management, pp. 1–29.
- Budhwar, P., Pereira, V., Mellahi, K. and Singh, S.K. (2019), "The state of HRM in the Middle East: Challenges and future research agenda", *Asia Pacific Journal of Management*, Asia Pacific Journal of Management, Vol. 36 No. 4, pp. 905–933.
- Budhwar, P.S. and Sparrow, P.R. (2002), "An integrative framework for understanding cross-national human resource management practices", *Human Resource Management Review*, Vol. 12 No. 3, pp. 377–403.
- Byham, W.C., Smith, A.B. and Paese, M.J. (2002), *Grow Your Own Leaders: How to Identify, Develop, and Retain Leadership Talent*, FT Press, London.
- Cameron, K. (1978), "Measuring Organizational Effectiveness in Institutions of Higher Education", *Administrative Science Quarterly*.
- Cameron, K. (1995), "Downsizing, quality, and performance", in Cole, R. (Ed.), *The Death and Life of the American Quality Movement*, Oxford University Press, New York NY.
- Cameron, K.S. and Quinn, R.E. (2011), *Diagnosing and Changing Organizational Culture*, 3rd ed., Jossey-Bass, San Francisco, Ca.
- Cellucci, A.J. and DeVries, D.L. (1978), *Measuring Managerial Satisfaction: A Manual for the MJSQ (No. 11)*, for Creative Leadership, Greensborough NC.
- Chan, A. (1997), "Corporate culture of a clan organization: A case study of DHL International", *Management Decision*, Vol. 35 No. 2, pp. 94–99.
- Chen, G. and Tjosvold, D. (2002), "Conflict Management and Team Effectiveness in China: The Mediating Role of Justice", *Asia Pacific Journal of Management*, Vol. 19, pp. 557–572.
- Chiaburu, D.S. and Tekleab, A.G. (2005), "Individual and contextual influences on multiple dimensions of training effectiveness", *Journal of European Industrial Training*, Vol. 29 No. 8, pp. 604–626.
- Choi, M. and Yoon, H.J. (2015), "Training investment and organizational outcomes: a moderated mediation model of employee outcomes and strategic orientation of the HR function", *International Journal of Human Resource Management*, Vol. 26 No. 20, pp. 2632–2651.
- Choo, S. and Bowley, C. (2007), "Using training and development to affect job satisfaction within franchising", *Journal of Small Business and Enterprise Development*, Vol. 14 No. 2, pp. 339–352.
- CIPD. (2014), "Building the Best Team", *CIPD Web Site*.
- Conger, J.A. and Kanungo, R.N. (1987), "Toward a Behavioral Theory of Charismatic Leadership in Organizational Settings", *The Academy of Management Review*, Vol. 12 No. 4, pp. 637–647.
- Cornelius, N. (2001), *Human Resource Management: A Managerial Perspective*, Cengage Learning EMEA, Andover, UK.
- Denison, D.R. (1990), *Corporate Culture and Organizational Effectiveness*, Wiley, New York NY.

- Denison, D.R. and Spreitzer, G.M. (1991), "Organizational culture and organizational development: A competing values approach", *Research in Organizational Change and Development*.
- Dillon, W.R.G., Dillon, M.W.R. and Goldstein, M. (1984), *Multivariate Analysis Methods and Applications*, Wiley & Sons, New York NY.
- Dionne, S.D., Yammarino, F.J., Atwater, L.E. and Spangler, W.D. (2004), "Transformational leadership and team performance", *Journal of Organizational Change Management*, Vol. 17 No. 2, pp. 177–193.
- Dirks, K.T. and Ferrin, D.L. (2002), "Trust in Leadership: Meta-Analytic Findings and Implications for Research and Practice", *Journal of Applied Psychology*, Vol. 87 No. 4, pp. 611–628.
- Eaglen, A., Lashley, C. and Thomas, R. (2000), "The benefits of training in leisure retailing: a case study of McDonald's restaurants", *Strategic Change*, Vol. 9 No. 6, pp. 333–345.
- Fornell, C. and Larcker, D.F. (1981), "Evaluating Structural Equation Models with Unobservable Variables and Measurement Error Author (s)", *Journal of Marketing Research*, Vol. 18 No. 1, pp. 39–50.
- Frenkel, S., Sanders, K., Bednall, T., Frenkel, S., Sanders, K. and Bednall, T. (2013), "Employee perceptions of management relations as influences on job satisfaction and quit intentions", *Asia Pac J Manag*, Vol. 30, pp. 7–29.
- Georgellis, Y. and Lange, T. (2007), "Participation in continuous, on-the-job training and the impact on job satisfaction: Longitudinal evidence from the German labour market", *International Journal of Human Resource Management*, Vol. 18 No. 6, pp. 969–985.
- Gerstner, C.R. and Day, D. V. (1994), "Cross-Cultural-Comparison of Leadership Prototypes", *Leadership Quarterly*, Vol. 5 No. 2, pp. 121–134.
- GLOBE. (2004), "An overview of the 2004 study: Understanding the Relationship Between National Culture, Societal Effectiveness and Desirable Leadership Attributes", *GLOBE*.
- Goodman, E.A., Zammuto, R.F. and Gifford, B.D. (2001), "The Competing Values Framework: Understanding the impact of Organizational Culture on the Quality of Work Life", *Organization Development Journal*, Vol. 19 No. 3, pp. 58–68.
- Gregory, B.T., Harris, S.G., Armenakis, A. a. and Shook, C.L. (2009), "Organizational culture and effectiveness: A study of values, attitudes, and organizational outcomes", *Journal of Business Research*, Elsevier Inc., Vol. 62 No. 7, pp. 673–679.
- Griffin, M.A., Patterson, M.G. and West, M.A. (2001), "Job satisfaction and teamwork: The role of supervisor support", *Journal of Organizational Behavior*, Vol. 22 No. 5, pp. 537–550.
- Hair, J.F., Tatham, R.L., Anderson, R.E. and Black, W. (2006), *Multivariate Data Analysis*, Pearson Prentice Hall, Upper Saddle River, NJ.
- Hanaysha, J. and Tahir, P.R. (2016), "Examining the Effects of Employee Empowerment, Teamwork, and Employee Training on Job Satisfaction", *Procedia - Social and Behavioral Sciences*, Vol. 219, pp. 272–282.
- Hofstede, G. (1980), "Culture and Organizations", *International Studies of Management & Organization*, Vol. 10 No. 4, pp. 15–41.
- Holtom, B.C., Mitchell, T.R., Lee, T.W. and Eberly, M.B. (2008), "Turnover and Retention Research: A Glance at the Past, a Closer Review of the Present, and a Venture into the Future", *The Academy of Management Annals*, Vol. 2 No. 1, pp. 231–274.
- Hosie, P., Jayashree, P., Tchantchane, A. and Lee, B.S. (2013), "The effect of autonomy, training opportunities, age and salaries on job satisfaction in the South East Asian retail petroleum industry.", *The International Journal of Human Resource Management*, Taylor & Francis.
- House, R.J. and Aditya, R.N. (1997), "The Social Scientific Study of Leadership: Quo

- Vadis?", *Journal of Management*, Vol. 23 No. 3, pp. 409–473.
- House, R.J., Hanges, P.J., Ruiz-Quintanilla, S.A., Dorfman, P.W., Javidan, M. and Dickson, M. (2004), *Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies*, Sage Publications, London.
- HRPA. (2014), *Human Resources: Professional Competency Framework*.
- Huang, X., Shi, K., Zhang, Z. and Cheung, Y.L. (2006), "The impact of participative leadership behavior on psychological empowerment and organizational commitment in Chinese state-owned enterprises: The moderating role of organizational tenure", *Asia Pacific Journal of Management*, Vol. 23 No. 3, pp. 345–367.
- Ishikawa, J. (2012), "Transformational leadership and gatekeeping leadership: The roles of norm for maintaining consensus and shared leadership in team performance", *Asia Pacific Journal of Management*, Sinclair, Vol. 29, pp. 265–283.
- Javidan, M. and Dastmalchian, A. (2003), "Culture and leadership in Iran: The land of individual achievers, strong family ties, and powerful elite", *Academy of Management Executive*, Vol. 17 No. 4, pp. 127–142.
- Jiang, J.Y. and Liu, C.W. (2015), "High performance work systems and organizational effectiveness: The mediating role of social capital", *Human Resource Management Review*, Elsevier Inc., Vol. 25 No. 1, pp. 126–137.
- Judge, T.A., Thoresen, C.J., Bono, J.E. and Patton, G.K. (2001), "The Job Satisfaction-Job Performance Relationship: A Qualitative and Quantitative Review", *Psychological Bulletin*, Vol. 127 No. 3, pp. 376–407.
- Katzenbach, J.R. and Smith, D.. (2005), "The Discipline of Teams", *Harvard Business Review*, Vol. 83 No. 7, p. 162.
- Katzenbach, J.R. and Smith, D.K. (1993), *The Wisdom of Teams*, Harvard Business School Press, Boston, MA.
- Keller, R.T. (2006), "Transformational leadership, initiating structure, and substitutes for leadership: a longitudinal study of research and development project team performance.", *The Journal of Applied Psychology*, Vol. 91 No. 1, pp. 202–10.
- Körner, M., Wirtz, M.A., Bengel, J. and Göritz, A.S. (2015), "Relationship of organizational culture, teamwork and job satisfaction in interprofessional teams.", *BMC Health Services Research*, BMC Health Services Research, Vol. 15 No. 1, pp. 243–255.
- Koster, F., de Grip, A. and Fouarge, D. (2011), "Does perceived support in employee development affect personnel turnover?", *International Journal of Human Resource Management*, Vol. 22 No. 11, pp. 2403–2418.
- Lange, T., Pacheco, G. and Shrotryia, V.K. (2010), "Culture, industrialisation and multiple domains of employees' job satisfaction: a case for HR strategy redesign in India", *The International Journal of Human Resource Management*, Vol. 21 No. 13, pp. 2438–2451.
- Lehmann-Willenbrock, N., Meinecke, A.L., Rowold, J. and Kauffeld, S. (2015), "How transformational leadership works during team interactions: A behavioral process analysis", *The Leadership Quarterly*, Vol. 26, pp. 1017–1033.
- Ljigu, A.W. (2015), "The effect of selected human resource management practices on employees' job satisfaction in Ethiopian public banks", *EMAJ: Emerging Markets Journal*, Vol. 5 No. 1, pp. 1–16.
- Lord, R.G. and Dinh, J.E. (2011), "Aggregation processes and levels of analysis as organizing structures for leadership theory", in Day, D. V. and Antonakis, J. (Eds.), *The Nature of Leadership*, 2nd ed., Sage Publications Inc, Thousand Oaks, Ca, pp. 29–65.
- MacDonald, S. and MacIntyre, P. (1997), "Employee Assistance Quarterly The Generic Job Satisfaction Scale", *Employee Assistance Quarterly*, Vol. 13 No. 2, pp. 1–16.
- Mehrabani, S.E. and Mohamad, N.A. (2011), "Challenges of Organizational Leadership Development in Iran's Private Sector", *International Conference on Economics, Trade*

- and Development, Vol. 7, pp. 35–37.
- Mobley, W.H. (1977), “Intermediate linkages in the relationship between job satisfaction and employee turnover”, *Journal of Applied Psychology*, Vol. 62 No. 2, pp. 237–240.
- Namazie, P. (2003), “Factors affecting the transferability of HRM practices in joint ventures based in Iran”, *Career Development International*, Vol. 8 No. 7, pp. 357–366.
- Namazie, P. and Frame, P. (2007), “Developments in human resource management in Iran”, *The International Journal of Human Resource Management*, Vol. 18 No. 1, pp. 159–171.
- Nazarian, A. (2013), *The Mediating Influence of Leadership Style and Moderating Impact of National Culture and Organizational Size on the Culture-Effectiveness Relationship: The Case of Iran*, Brunel University.
- Nazarian, A., Atkinson, P. and Foroudi, P. (2017), “Influence of national culture and balanced organizational culture on the hotel industry’s performance”, *International Journal of Hospitality Management*, available at: <https://doi.org/10.1016/j.ijhm.2017.01.003>.
- Nazarian, A., Atkinson, P., Foroudi, P. and Edirisinghe, D. (2020), “Leaders or organisations?: A comparison study of factors affecting organisational citizenship behaviour in independent hotels”, *International Journal of Contemporary Hospitality Management*, Vol. 32 No. 6, pp. 2055–2074.
- Nielsen, K., Yarker, J., Randall, R. and Munir, F. (2009), “The mediating effects of team and self-efficacy on the relationship between transformational leadership, and job satisfaction and psychological well-being in healthcare professionals: A cross-sectional questionnaire survey”, *International Journal of Nursing Studies*, available at: <https://doi.org/10.1016/j.ijnurstu.2009.03.001>.
- O’Reilly, C.A., Chatman, J. and Caldwell, D.F. (1991), “People and Organizational Culture: a Profile Comparison Approach To Assessing Person-Organization Fit”, *Academy of Management Journal*, Vol. 34 No. 3, pp. 487–516.
- Podsakoff, P.M., MacKenzie, S.B. and Bommer, W.H. (1996), “Transformational leadership behaviors and substitutes for leadership as determinants of employee satisfaction, commitment, trust, and organizational citizenship behaviors”, *Journal of Management*, Vol. 22 No. 2, pp. 259–298.
- Porter, L.W., Steers, R.M., Mowday, R.T. and Boulian, P.V. (1974), “Organizational commitment, job satisfaction, and turnover among psychiatric technicians”, *Journal of Applied Psychology*, Vol. 59 No. 5, p. 603.
- Quinn, R. (1988), *Beyond Rational Management: Mastering the Paradoxes and Competing Demands of High Performance*, Jossey-Bas., San Francisco.
- Quinn, R.E. and Rohrbaugh, J. (1983), “A Spatial Model of Effectiveness Criteria: Towards a Competing Values Approach to Organizational Analysis”, *Management Science*, Vol. 29 No. 3, pp. 363–377.
- Rougas, S., Clyne, B., Cianciolo, A.T., Chan, T.M., Sherbino, J. and Yarris, L.M. (2015), “An Extended Validity Argument for Assessing Feedback Culture.”, *Teaching and Learning in Medicine*, Vol. 27 No. 4, pp. 355–8.
- Sadri, G. and Lees, B. (2001), “Developing corporate culture as a competitive advantage”, *Journal of Management Development*, Vol. 20 No. 10, pp. 853–859.
- Salleh, R., Nair, M.S. and Harun, H. (2012), “Job Satisfaction, Organizational Commitment, and Turnover Intention: A Case Study on Employees of a Retail Company in Malaysia”, *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering*, Vol. 6 No. 1.
- Sarkar, S. (2009), “Individualism-collectivism as predictors of BPO employee attitudes toward union membership in India”, *Asia Pacific Journal of Management*, Vol. 26, pp.

93–118.

- Schein, E.H. (2017), *Organizational Culture and Leadership*, 5th ed., John Wiley, Hoboken, NJ.
- Silverthorne, C. (2004), “The impact of organizational culture and person-organization fit on organizational commitment and job satisfaction in Taiwan”, *Leadership & Organization Development Journal*, Vol. 25 No. 7, pp. 592–599.
- Simosi, M. (2012), “The moderating role of self-efficacy in the organizational culture-training transfer relationship”, *International Journal of Training and Development*, Vol. 16 No. 2, pp. 92–106.
- Soltani, E. (2010), “The overlooked variable in managing human resources of Iranian organizations: workforce diversity – some evidence”, *The International Journal of Human Resource Management*, Vol. 21 No. 1, pp. 84–108.
- Sosik, J.J. and Jung, D.I. (2002), “Work-Group Characteristics and Performance in Collectivistic and Individualistic Cultures”, *Journal of Social Psychology*, Vol. 142 No. 1, pp. 5–23.
- Sun, W., Xu, A. and Shang, Y. (2014), “Transformational leadership, team climate, and team performance within the NPD team: Evidence from China”, *Asian Academy of Management Journal*, Vol. 31, pp. 127–147.
- Tabvuma, V., Georgellis, Y. and Lange, T. (2015), “Orientation Training and Job Satisfaction: a sector and gender analysis”, *Human Resource Management*, Vol. 54 No. 2, pp. 303–321.
- Tayeb, M. (1997), “Islamic revival in Asia and human resource management”, *Employee Relations*, Vol. 19 No. 4, pp. 352–364.
- Tayeb, M. (2003), “Human Resource Management in Iran”, in Budwhar, P.S. and Debrah, Y.A. (Eds.), *Human Resources in Developing Countries*, Roudedge, Abingdon, UK, pp. 121–134.
- To, M.L., Tse, H.H.M. and Ashkanasy, N.M. (2015), “A multilevel model of transformational leadership, affect, and creative process behavior in work teams”, *Leadership Quarterly*, Elsevier Inc., Vol. 26 No. 4, pp. 543–556.
- Tojari, F., Heris, M.S. and Zarei, A. (2011), “Structural equation modeling analysis of effects of leadership styles and organizational culture on effectiveness in sport organizations”, Vol. 5 No. 21, pp. 8634–8641.
- Torrington, D. (2009), *Fundamentals of Human Resource Management: Managing People at Work*, Pearson Education, Harlow, UK.
- Tsui, A.S., Schoonhoven, C.B., Meyer, M.W., Lau, C.-M. and Milkovich, G.T. (2004), “Organization and Management in the Midst of Societal Transformation: The People’s Republic of China”, *Organization Science*, Vol. 15 No. 2, pp. 133–144.
- Waldman, D.A., Ramirez, G.G., House, R.J. and Puranman, P. (2001), “Does Leadership Matter? CEO Leadership Attributes and Profitability under Conditions of Perceived Environmental Uncertainty”, *European Management Journal*, Vol. 44 No. 1, pp. 134–143.
- Weiss, D.J., Dawis, R.V., England, G.W. and Lofquist, L.H. (1967), *Manual for the Minnesota Satisfaction Questionnaire. Vol. 22*, University of Minnesota, Industrial Relations Center, Minneapolis Mn.
- Weiss, H.M. (2002), “Deconstructing job satisfaction. Separating evaluations, beliefs and affective experiences”, *Human Resource Management Review*, Vol. 12 No. 2, pp. 173–194.
- Williams, T. (1998), “Job satisfaction in teams”, *The International Journal of Human Resource Management*, Vol. 9 No. 5, pp. 782–799.
- Wrzesniewski, A., McCauley, C., Rozin, P. and Schwartz, B. (1997), “Jobs, Careers, and

- Callings: People's Relations to Their Work", *Journal of Research in Personality*, Vol. 31 No. 1, pp. 21–33.
- Xenikou, A. and Simosi, M. (2006), "Organizational culture and transformational leadership as predictors of business unit performance", *Journal of Managerial Psychology*, Vol. 21 No. 6, pp. 566–579.
- Yeganeh, H. and Su, Z. (2007), "Comprehending core cultural orientations of Iranian managers", *Cross Cultural Management: An International Journal*, Vol. 14 No. 4, pp. 336–353.
- Yeganeh, H. and Su, Z. (2011), "The effects of cultural orientations on preferred compensation policies", *The International Journal of Human Resource Management*, Vol. 22 No. 12, pp. 2609–2628.
- Yih, W.W. and Htaik, S. (2011), "The impacts of perceived organizational support, job satisfaction, and organizational commitment on job performance in hotel industry", *The 11th International DSI and the 16th APDSI Joint Meeting, Taipei, Taiwan, Taipei, Taiwan*.

Table 1: Factors determining cross-national HRM practices (adapted from Budwhar & Sparrow, 2002, p.398)

<p>National Factors – influencing HRM metalogic</p>	<p>National Culture:</p> <ul style="list-style-type: none"> • Common values, norms of behaviour and customs • Assumptions that shape managers' perceptions, insights and mindsets • Personal dispositions, attitudes and manners
<p>Organizationally Contingent Variables – dependencies</p>	<ul style="list-style-type: none"> • Organizational age, size, nature, life cycle stage, ownership and structure • Organizational culture • Leadership • Presence of HR department • Presence of HR strategy
<p>Internal Organizational Contextual Variables – organizational strategies and policies</p>	<p>Organization's HR strategy and policies:</p> <ul style="list-style-type: none"> • Group work • Levels of integration and devolvement • Nature of work flexibility
<p style="text-align: center;">HR Strategies and Policies:</p> <ul style="list-style-type: none"> • Talent improvement • Paternalism 	

Table 2: Sample composition

		Frequency	Percent			Frequency	Percent
Sex				Position			
Male		215	69.8	Chief Executive		6	1.9
		93	30.2	Senior Management		32	10.3
Female				Middle Management		54	17.5
				Junior Management		76	24.6
				Employee		140	45.4
Age				Education level			
Under 25		1	.3	PhD		1	.3
25-34		27	8.5	Postgraduate		27	8.8
35-44		110	35.7	Undergraduate		112	36.4
45-54		109	35.3	Pre university		109	35.4
55 and Above		61	19.1	Diploma		53	17.2
Company Size				High school or lower		6	1.9
Small		75	24.4				
Medium		94	30.5				
Large		139	45.1				
Total		308	100.0				

Table 3: Mean, std. deviation, item reliability and Cronbach alpha

	Mean	Std. Deviation	Factor Loadings	Cronbach α
Transformational Leadership				.768
Go beyond self-interest for the good of the group	5.44	1.216	.822	
Act in ways that builds respect	5.48	1.282	.875	
Sense of power and confidence	5.56	1.271	.872	
Talks optimistically about the future	5.56	1.398	.910	
Talks enthusiastically about what we need to accomplish	5.49	1.378	.900	
Expresses confidence that we can achieve the goals	5.34	1.458	.879	
Always re-examines critical assumptions	5.65	1.297	.866	
Always seeks for different perspectives	5.60	1.341	.856	
Look at problems from many different angles	5.58	1.375	.842	
Have time for teaching and coaching	5.31	1.737	.863	
Every individual has different needs, abilities, and aspirations	5.26	1.894	.926	
Helps individuals to develop their strengths	5.24	1.879	.908	
Transactional Leadership				.852
Provides assistance in exchange for their efforts	5.79	1.228	.854	
Who is responsible for achieving performance targets	5.70	1.341	.905	
What people should expect when goals are achieved	5.80	1.339	.909	
Focus on irregularities, mistakes, and deviations	5.71	1.355	.819	
Concentrate on dealing with mistakes, complaints, and failures	5.68	1.376	.849	
Direct individual's attention toward failures	5.61	1.425	.837	
Laissez-faire Leadership				.726
Take action when things go wrong	5.87	1.075	.827	
Does not need to be fixed, if something is not broken	5.80	1.143	.880	
Problem must be chronic before taking action	5.59	1.277	.808	
Avoid getting involved when important issues arise	5.51	1.404	.861	
People are absent when they are needed	5.37	1.648	.901	
They try to avoid making any decisions	5.29	1.747	.894	
Balanced Culture				.874
Company is a personal place, like an extended family	5.39	1.366	.820	
Management is characterized by teamwork, consensus and participation	5.22	1.408	.886	

'Glue' that holds the company together is loyalty and mutual trust	5.15	1.471	.846
Company emphasises human development. High trust, and openness	5.39	1.366	.841
Success defined as the development of human resources, teamwork, and employee commitment	5.10	1.500	.818
Company is a dynamic entrepreneurial place	5.23	1.524	.838
Leadership is considered to exemplify entrepreneurship, innovating, or risk-taking	5.20	1.536	.876
Management is characterized by individual risk-taking, innovation, freedom and uniqueness	5.52	1.325	.781
Success defined on the basis of having unique, or the newest, products	5.21	1.192	.605
Company is results orientated	5.53	1.339	.911
Leadership is considered to exemplify a no-nonsense, aggressive, results-orientated focus.	5.46	1.341	.933
'Glue' that holds the company together is the emphasis on a achievement and goal accomplishment	5.43	1.283	.900
Company emphasises competitive actions, a achievement and winning in the marketplace	5.45	1.334	.896
Leadership is considered to exemplify co-coordinating, organizing, and smooth-running efficiency	5.21	1.470	.895
Management style is characterized by security of employment, conformity, and stability	5.31	1.405	.915
'Glue' that holds the company together is formal rules and policies.	5.11	1.533	.925
Team working			.904
Organization promotes open and trusting communication	5.01	1.275	.852
Organization encourages teamwork among employees.	5.19	1.357	.778
Organization has a very effective system of communication	5.01	1.349	.898
There is a good level of trust in the management's view of the workforce.	5.05	1.286	.883
Professional and personal development			.826
Employee's attendance at professional training course is increasing.	5.85	1.339	.883
Employees' output such as product or service is decreasing.	5.87	1.336	.904
High quality work is always expected from us.	5.84	1.337	.901
Constantly develops new services or products	5.74	1.340	.881
Continuous non-professional activities offered for employee's personal development is increasing.	4.98	1.427	.936
Employees participate actively in non-professional activities are decreasing.	5.02	1.354	.936
Access to supporting facilities for non-professional activities is increasing.	5.05	1.350	.928
Job satisfaction			.799
Employee complaints about their job experience received at the organization is decreasing.	5.34	1.278	.891
Employee attrition resulting from dissatisfaction is increasing.	5.40	1.292	.883
Employee visit the consulting centre is decreasing.	5.25	1.393	.824
Employees are satisfied with their jobs and employment.	5.40	1.358	.821
Employees' satisfaction of their organization is decreasing.	5.36	1.285	.921
Leaving employees is increasing.	5.34	1.328	.929

Table 4: Constructs correlation matrix

	Transformational	Transactional	Laissez-faire	Balanced Culture	Team Working	Professional and Personal Development	Job Satisfaction
Transformational	1						
Transactional	.329**	1					
Laissez-faire	.132*	-.041	1				
Balanced Culture	.397**	.345**	.132*	1			
Team Working	.125*	-.124*	.248**	.065	1		
Professional and personal development	.426**	.272**	.174**	.289**	.228**	1	
Job Satisfaction	.328**	.264**	.154**	.253**	.069	.353**	1

Note: Average variance was extracted from the square roots of average variance extracted.

Table 5: Results of hypothesis testing

Standardised Regression Paths				Estimate	S.E	C.R	p	Hypothesis
H1	Transformational Leadership	--->	Balanced Org. Culture	0.708	0.284	2.493	0.013	Supported
H2	Transactional Leadership	--->	Balanced Org. Culture	0.162	0.064	2.520	0.012	Supported
H3	Laissez-faire Leadership	--->	Balanced Org. Culture	1.694	1.627	1.041	0.298	Not Supported
H4	Balanced Org. Culture	--->	Team Work	0.271	0.154	1.761	0.078	Not Supported
H5	Balanced Org. Culture	--->	Professional and Personal Development	1.515	0.438	3.458	***	Supported
H6	Team Work	--->	Job Satisfaction	-0.090	0.047	-1.924	0.054	Not Supported
H7	Professional and Personal Development	--->	Job Satisfaction	0.433	0.189	2.294	0.022	Supported

*** $p < 0.05$

Notes: Path = Relationship between independent variable on dependent variable; β = Standardised regression coefficient; S.E. = Standard error; p = Level of significance.

Figure 1: The research model

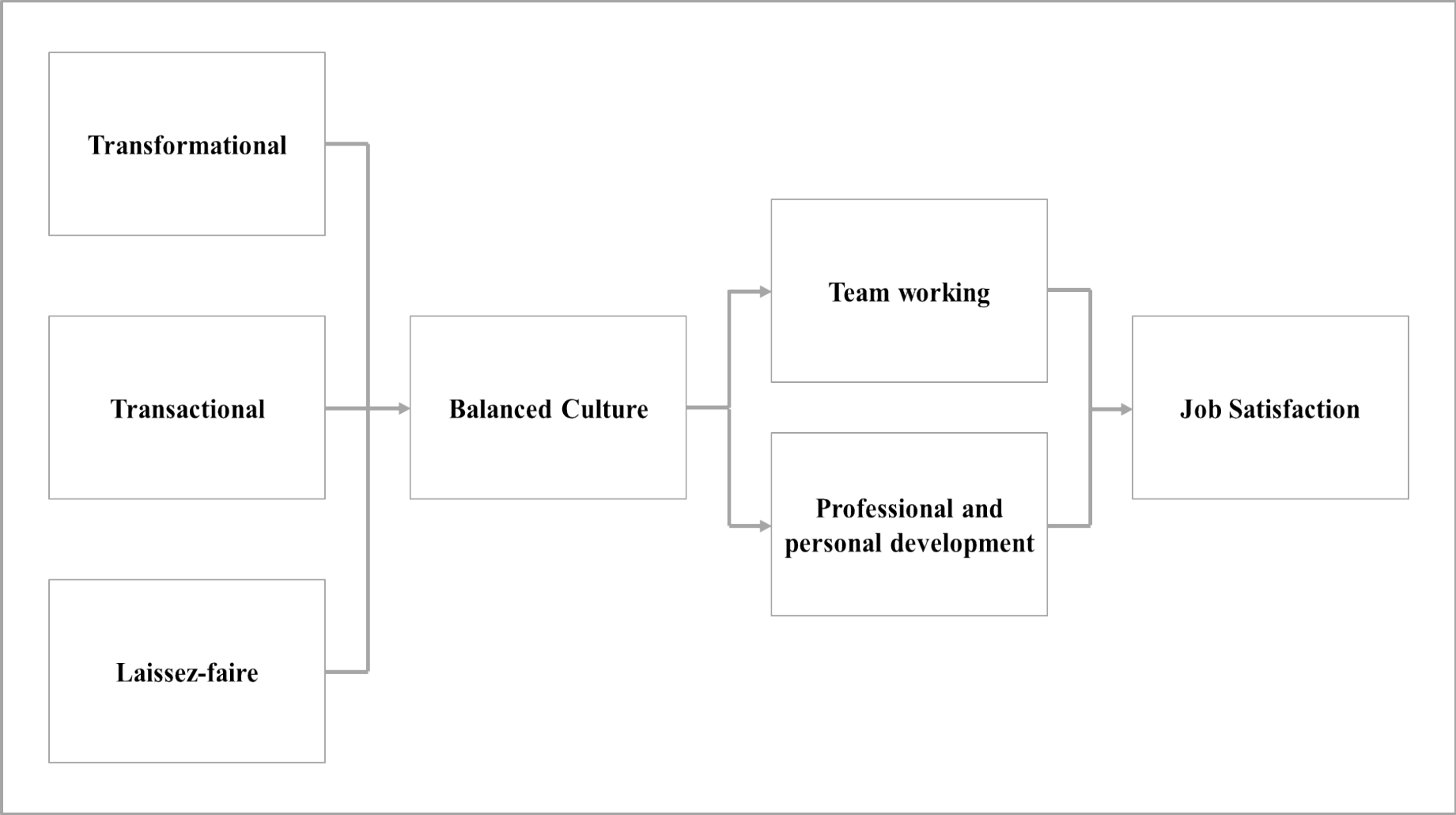


Figure 2: Validated Model

