

ISSN: 0189-5958

Website: [www.arabianjbm.com/NGJSD\\_index.php](http://www.arabianjbm.com/NGJSD_index.php)

Publisher: ZARSMI Dubai, UAE and Centre for Social  
Science Research Enugu Nigeria

## **EFFECTS OF ORGANIZATIONAL STRUCTURE ON JOB SATISFACTION IN THE NIGERIAN FINANCIAL SECTOR: EMPIRICAL INSIGHT FROM SELECTED BANKS IN LAGOS STATE**

**Olajide Olubayo Thomas, PhD**

*Department of Business Administration, Faculty of Management Sciences, Lagos State University, Ojo*  
[bayolajide2005@yahoo.com](mailto:bayolajide2005@yahoo.com)

### **Abstract**

*The level of job satisfaction and effectiveness of every human depends upon an appropriate organization structure; as organization structure is the prescribed pattern of work-related behavior that are deliberately established for the accomplishment of organizational goals. During the last decade quite a lot of discussions have taken place, in the corporate world, about organizational structure, and a lot of organizational success and job satisfaction by the employee are attached to the structure that is in place. Yet opinions still considerably differ with regard to the most appropriate organizational structure that would enhance job satisfaction. This study therefore examined the effects of organizational structure on job satisfaction in the Nigerian financial sector, empirical insight from selected leading banks in Lagos State, Nigeria. Survey research design was used in the study. Data for the study were gotten from both primary and secondary sources. A total of 335 questionnaires were administered randomly to selected banks out of 3711 officials of the leading banks. However, only 280 of the administered questionnaires were filled and returned and 259 of the questionnaires returned were found useful for data analysis. Two hypotheses was advanced to guide the study. The result of the first hypothesis shows that there is a correlation between organizational structure and optimum job satisfaction at 0.795 R-square, hence the Null hypothesis was rejected. Also, the result of the study reveals that there is a relationship between organizational structure and employee's recognition at 0.612 R-square, hence Null hypothesis two was rejected. Findings of the study shows that there is a correlation between organizational structure and components of job satisfaction via need for dominance, achievement & autonomy. The study recommends that organizations should design a suitable structure which must begin with some ideas of what the organization is out to achieve (prime purpose of the organization). The study therefore concludes that managers should bear it in mind that job satisfaction of workers go a long way to determine their productivity, and hence the realization of organizations goals and objectives. So, suitable structures should be put in place to enhance optimum level of job satisfaction.*

**Keywords:** *organizational structure, effects, job satisfaction, employee's recognition, and the Nigerian financial Sector.*

## **INTRODUCTION**

Organizations do have goals and objectives to achieve and could be better coordinated through a formalized procedure. For organization to achieve its goals and objectives, the work of such organization has to be divided among its members. Some structure is necessary to make possible the effective performance of key activities and to support the effort of staff, structure provide the framework of an organization and its pattern of management. It represents a formalized framework within which management operates. It is by means of organization structure that the purpose and work of the organization can be carried out. The workers that carried out the organizations work and purpose can only perform well where their satisfaction is adequately taken care of. It is therefore evident that for organization to realize its objectives, job satisfaction of the workers need to be considered. According to Blum and Nylor (1998), job satisfaction is a general attitude formed as a result of specific job factors, individual characteristics and relationships outside the job. Job satisfaction is an individual's general attitude toward his job, which is also conceptualized as a personalistic evaluations of conditions existing on the job-work, supervision, or outcomes, that arises as result of having a job. However, organizational behaviorists and human resources professionals have long been curious about the best way to structure a work environment in order to influence employee outcomes via job satisfaction. Organizational structure has an effect on individuals' attitudes and behaviors. It is influence by the manager's personal preferences for ways of relating to subordinates and other managers, and ways of attacking problems. Organization structure refers to the arrangement of task, interrelations of various departments and levels of authorities to achieve co-operation of efforts, delegation of authority and effective communication along the scalar chain of command. Structure defines how job tasks are formally divided, grouped, and coordinated. It shows the hierarchical relationships among members of the organizations (March & Simon 1998). Moreover, almost every organization wants to achieve the highest possible productivity level or optimized productivity. Undoubtedly skilled and efficient manpower is one of the most important tools for achieving organizational goals because human resources has important role in increasing and reducing productivity in organization. This therefore means that if organization has greatest capital and the best technology and facilities coupled with a good framework within which management operates, but don't have productive and well satisfied human resources, such organization will not achieve its goal (Mehdad, 2006; Ostovar & et al, 2008). Labour as a factor of production is very fundamental and sensitive to every bit of things around them. The way they relate with their colleagues, junior and even superiors in the organization go a long way to affect their productivity and job satisfaction. The way authority flows also goes a long way to influence the behavior of workers and hence their expressions of job satisfaction. These makes organization structure a big determinant of job satisfaction which thus makes it an important area of study.

### **Statement of Research Problem**

In the past decade the issue of organizational structure and job satisfaction have attracted the attention of scholars in organizational behavior and have ignited a lot of discussions and arguments. Organizations have goals and objectives to achieve and this is only realizable through the coordinated efforts of workers. The structure of an organization which is the framework within which these goals and objectives are carried out is very fundamental to the realization of these goals. In the study of organization, it is recognized that organizations are structured in various ways. This portrays the complexity of it and workers too with their own goals and

objectives amongst which is believed job satisfaction is paramount. Thus, the choice and application of the most suitable structure that would bring about the highest job satisfaction is a source of concern in this study.

### **Research Objectives**

The main objective of this study is to investigate the extent structure of an organization actually affects job satisfaction of workers in the financial sector (Banking Industry). Accordingly, the specific objectives of the study are to:

1. Assess if Organization Structure is a tool to enhance employee's recognition.
2. Examine how organization can be appropriately structured to enhance optimum job satisfaction.

### **1.3 Research Questions**

The study shall provide answers to the following research questions.

1. Does organizational structure have any effects on optimum job satisfaction?
2. Is Organization structure a significant tool to enhance employee's recognition?

### **Research Hypotheses**

The following Null hypotheses are stated to guide the study.

Hypothesis One

H<sub>0</sub>: Organization Structure does not have significant effect on job satisfaction

Hypothesis Two

H<sub>0</sub>: Organization Structure is not a significant tool to enhance employee's recognition.

## **LITERATURE REVIEW**

Louadi (2008), conceptualize organizational structure as facilitating interactions and communication for coordinating and control of the organizations activities. It is implemented in terms of specialization, formalization and centralization. Specialization refers to the number of occupational specialties and the length of training required by each (Hage, 2005) or the degree to which highly specialized requirements are spelled out in formal job descriptions for various functions (Reimann, 2004). Formalization refers to the rules, procedures and written documentation such as policy manuals and job descriptions that prescribe the rights and duties of employees (Walsh & Dewar, 2007): centralization refers to the levels of hierarchy with authority to make decisions (Thompson, 2007).

Germain (2006), conceptualize organizational structure as the way responsibility and power are allocated inside the organization and work procedures are carried out by organizational members. Thompson (2005), define organizational structure as the organization's internal pattern of relationships, authority, and communication. Similarly, Goldhaber et al., (2004) define organizational structure as "the network of relationships and roles existing throughout the organization".

Warren and Dennis (2005), defined organizational structure as the prescribed pattern of work-related behavior that are deliberately established for the accomplishment of organizational goals.

March and Simon (2008), defines organizational structure as how job tasks are formally divided and coordinated. It is the hierarchical relations among members of the organization.

Organizational structure is also conceptualized as the procedure through which an enterprise is managed. It could also be defined as the framework within which management operates. Therefore, an organization structure refers to the arrangements of task, interrelations of various departments and levels of authorities to achieve co-operation of effort, delegation of authority, and effective communication along the scalar chain (ISMN Study Pack, 2012).

Daft (2008), conceptualize organization as a social institution that is based on the target is consciously planned and coordinated with the active system that is associated with the external environment. Organizations consist Individuals with together relationship and organizational structure assist organizations in the field of optimum use of its resources to achieve organization goals and strategies (Araghi, 2008). Peter Drucker believes that organizational structure is method for achieve long-term and short-term goals in organization (Robbins, 2000).

Robbins (1998) defines Organizational structure as one of organization components that is composed element of complexity, Formalization, and centralization. According to present research aims consider two dimensions of Formalization and Centralization.

### **The Six Basic Elements of Organizational Structure**

**Specialization of work:** This element concerns about the division of work. It means how specific the work of each worker can be. There are two types of specialization, one is wide specialization and the other is narrow specialization. If the tasks are few and very specific, then this is the narrow specialization. If there are many tasks and the tasks are very flexible, then this is the wide specialization.

**Standardization:** Standardization means the degree of standardization of the work. If an organization has a high degree of standardization, it means there will be a clear statement of work, rules and regulations, detailed provisions on the work process. The higher the degree of standardization is, the less freedom a worker has to determine which work to do.

**Span of control:** It determines the number of levels and managers an organization has and determines the number of employees a manager can efficiently and effectively manage.

**Departmentalization:** Departmentalization means how to combine the division of work reasonably. We can find five types of departmentalization. It is the grouping of related functions into manageable units to achieve the objectives of the enterprise in the most efficient and effective manner. Grouping related functions into manageable units to achieve the objectives of the enterprise in the most efficient and effective manner is departmentalization. A variety of means can be utilized for this purpose. The primary forms of departmentalization are by function, process, product, market, customer, geographic area, and even matrix (also called project organization). In many organizations, a combination of these forms is used.

**Centralization:** The power of decision making is all in the authority's hands. The high level managers seldom listen to the grassroots level's opinion. Occurs in an organization when a limited amount of authority is delegated. Centralization determines where the decision-making authority in the organization lies. Highly centralized decision-making leads the senior executive(s) to make judgments. In organizations that are less centralized, decision-making authority trickles down to lower levels.

Advantages of Centralization

1. Closer control of operations
2. Uniformity of policies, practices, and procedures
3. Better use of centralized, specialized experts

Decentralization: The grassroots level can highly participate in the decision making process or they can decide something by themselves. Occurs in an organization when a limited amount of authority is delegated. Decentralized organizations require more communication and employee involvement (Robbins, 2000).

**Advantages of Decentralization.**

1. Faster decision-making without resort to higher level consultation
2. Excellent training experience for promotion to higher level management
3. Decisions better adapted to local conditions

**Components / Types of Organizational Structure**

By specializing into subunits, the organization was more equipped to handle the changes taking place in the dynamic environment. For the 21st century, Achrol (1997) predicted a turbulent marketing environment filled with new information such that the classic, vertical organization of the 20th century could no longer endure. All indications pointed to the emergence of a new type of organization; a network within which specialized firms operated in an exchange relationship. Next, specific types of organizational structures will be discussed, e.g., the simple structure, functional structure, multi-divisional structure, matrix structure, hybrid structure, and network structure. Also, the virtual organization is introduced as a relatively new concept in organizational design.

**Simple Structure.**

This type of organizational design may form as soon as at least two people make up an organization. The simple structure occurs usually in very small, flexible, and dynamic organizations that have little differentiation among tasks. According to Mintzberg (1983), the simple structure results when the strategic apex, or upper-level management, forms centralized control. The members involved in a simple structure share an informal relationship in which task allocation is decided based on mutual agreement. Often, organizations operating as a simple structure may appear to have no structure at all. The simple structure frequently occurs in a newly developed organization or an organization that is permanently small. However, large corporations may also utilize the simple structure within specific units, or departments, of the company (Hatch, 1997).

**Functional Structure**

The functional structure divides the organization based on a logical grouping of members that share common tasks or goals. In an organization that manufactures a product, some of the common functional units may be production, sales, accounting, marketing, and public relations. The idea behind the functional structure is to increase profits by specializing tasks and grouping them together for maximum productivity. The members of a functional organization can easily see the relationship between all individuals in one department. In the functional organization, the CEO, or top manager, has control over the organization and is the only organizational member who sees the whole picture of all departments working towards a common goal. This can be a disadvantage to the organization if the top manager suddenly vacates the position, leaving no other qualified individuals to effectively run the organization. Also, the top manager may easily become overwhelmed by increased decision-making as the organization grows (Hatch, 1997).

### **Multi-Divisional Structure**

Hatch (1997) claimed that when the functional structure becomes too large for one centralized decision-maker, the organization typically takes on a multi-divisional structure. In the multi-divisional structure, or M-form, the organization is divided into functional structures that all report to a staff at corporate headquarters. Within each functional structure, members are grouped according to production processes or products, customer type, or geographical region where their activity takes place. The functional structures are each responsible for making daily decisions regarding production schedules and sales while the headquarters staff monitors overall company performance and formulates strategy.

### **Matrix Structure**

The matrix structure exists as a combination of the functional and multi-divisional structures. The matrix organization employs both functional managers and project managers. The responsibilities of the functional managers include assigning specialists to projects and ensuring them the acquisition and maintenance of necessary skills to complete the project. These managers also monitor the progress of the task and make sure it meets company standards. The project managers, then, supervise each project in terms of budgeting and timeline (Hatch, 1997). The organization members involved in a matrix structure are assigned to project teams based on agreement between the functional and project managers. The teams include members that possess the functionally specialized abilities to complete the task at hand. The team members report to both the functional manager and the project manager; therefore, a disadvantage of the matrix structure lies with the conflict often created by dual lines of authority.

The simple, functional, multi-divisional, and matrix forms of organizations represent pure types of organizational structure. Sometimes, an organization will not fit neatly into one of these categories, but would rather utilize some combination of two or more structures. Hybrid structures may exist deliberately in order to gain the maximum advantage of certain structures, or the organization may be changing and temporarily incorporate more than one structural type. Confusion often occurs in a hybrid organization because relationships change accordingly between parts of the organization. However, the hybrid structure can be beneficial in that it provides the organization with the ability to embrace the structure that best fits its needs (Hatch, 1997).

### **Network Structure**

The network structure is a relatively new organizational type that replaces most vertical relationships with horizontal ones. Instead of the organization operating from formal vertical relationships, a partnership is formed among several organizations. The entire network, then, produces goods or provides services, so that one single organization does not provide a product or service. This coordination of activities eradicates the need for the traditional vertical hierarchy, which lowers administrative costs. While lessening overall costs, networks also increase efficiency and profitability that enable the organization to remain competitive (Hatch, 1997). Networks often form when organizations find themselves faced with technological change, short product lifecycles, or highly specialized markets.

### **Virtual Organization as a Modern Type of Organizational Structure**

A virtual organization exists when all the task activities of the company are outsourced (Hatch, 1997). The virtual organization is typified by the virtual product, or a product that is instantly

produced according to the specific desires of the customer. The characteristics of the virtual organization include work teams, flexible manufacturing, individual worker autonomy, and computer design and customization (Davidow & Malone, 1992). Rahman and Bhattachryya (2002) discussed the emergence of the virtual organization as a specific type of networked organization. There are two definitions that may represent the virtual organization. An organization may be virtual in that it is a temporary network of generally independent entities that are linked through technology to provide skills, costs, and accessibility to different markets. An organization may also be virtual in that it simply does not have a physical building from which it operates. In this context, that definition might imply that the organization is geographically distributed and therefore operates through electronic communication devices. Virtual organizations have five common characteristics as identified by Rahman and Bhattachryya (2002). First, virtual organizations have a shared vision and goal, and sometimes the organizations also have a universal protocol of cooperation. Second, the organizations group activities around certain core capabilities. Virtual organizations also operate in core competence teams in order to implement their tasks in a unifying approach throughout the entire network. In addition, these organizations both process and disseminate information in real time, allowing them to quickly make decisions and formulate actions. Finally, virtual organizations often delegate tasks and responsibilities from the bottom up when new conditions are introduced or a certain capability is required for the group goal to be accomplished.

### **Empirical Studies Review**

Campbell, Fowles and Weber (2005) in their study 'Organizational structure and job specification in public health nursing' found that there is a significant relationship between organizational structure variables and job satisfaction for public health nurses employed in down state Illinois local health departments. 764 questionnaires were administered to non-managing nurses in three Belgian general care hospitals and the results showed negative effect of centralization and positive effects of specification and formalization of nurses on job satisfaction.

Meadows (2000) discovered that the implementation of an organic structure was positively related to an increase in job satisfaction among employees working in small groups. He also found that individuals high on personality variables such as a need for dominance, a need for achievement, and a need for autonomy displayed a stronger correlation between organic structures and job satisfaction than did individuals low on these personality variables.

Hatch (1997) argued that structure refers to the relationships among the parts of an organized whole". In regards to organization theory, social structure specifically refers to relationships among people, positions, and organizational units, such as departments and divisions, to which they belong. He noted that the basic elements of organizational structure, first outlined by sociologist Max Weber, are hierarchy of authority, division of labor, and rules and procedures are directly related to job satisfaction. In an extensive overview of organizational structure and its many component parts, Robbins (2000) discussed ways many of those parts are related to one another and therefore affect job satisfaction. He maintained that organization structure defines task allocation, reporting relationships, and formal coordination mechanisms in an organization which might have positive or negative impact on job satisfaction if not well organized.

Kakabadse and Worall (2001) examined the relationship between aspects of organizational structure and job satisfaction as experienced by personnel employed in nine social service departments. They discovered that the best predictors of organizational structure were dimensions of centralization and formalization which related significantly but negatively to job satisfaction.

Ibrahim Ali (2004), in his study examined the effects of the interaction of technology, structure and organizational climate on job satisfaction in power generation plants. The result showed that technology was indicated to have influenced employee's job satisfaction. Structure of the organization showed a marked consistency in the effects of specialization, formalization and centralization on job satisfaction. Employees have higher job satisfaction when they are given the opportunity in some form of decision making. This, the author said was consistent with Hages Proposition (Hages, 1995) and also in line with the empowerment model of management whereby a participative workplace climate is created to provide opportunity for employees in decision making (Spitzer, 1996). The empowerment model generally assumes that organizational performance improves when hierarchy is reduced and delaying disposes power to workers (Mites and Snow, 2005).

(Robbins, 2000), observed that structure encompasses three other dimensions that are present in an organization. Organizations may be mechanistic, organic, or bureaucratic, depending on their levels of complexity, centralization, and formalization. A mechanistic organization harbors a highly complex, formalized, and centralized environment where tasks are greatly specialized, workers receive little discretion through the presence of strict procedures, and decisions are made at the highest level of the organization.

Toffler (2007) believed in the adhocracy, characterized by a task force whose members are assembled specifically to reach a certain goal, are becoming more and more popular in corporate organizations, especially in areas of science. Adhocracies are made up of specialists who can each perform their tasks autonomously; therefore, a hierarchy of authority is nonexistent. There are no formal rules, and problems are quickly dealt with as they arise. Power has the potential to change hands randomly and rapidly, depending on who has the expertise to manage the current situation. Specialists are typically grouped together in teams, but each team operates informally with adjustments taking place as conditions change. With the autonomy and informal nature of the adhocracy comes the possibility of conflict due to the absence of formal positions of power.

Achrol (1997) discussed forms of business organizations that first developed out of the Industrial Revolution. Henry Ford provides a classic example of a functional organizational form, a vertically integrated organization that was the principal structure during the late 1800s and early 1900s. This type of organization centered on standard high-volume production but with relatively low cost. Alfred Sloan at General Motors popularized the multidivisional form after World War I. This type of organization included the ability to cater to a large variety of consumer preferences by focusing more on the market and product development. As market preferences began to multiply and product technologies flourished, Achrol (1997) noted that the matrix organization materialized throughout the 1960s and '70s. In these new matrix structures, the idea was that marketing would develop a closer working relationship with science and engineering. The emphasis here was more lateral than vertical, with dual lines of authority in the organization. The rise of Japanese global enterprise in the 1980s gave birth to the network

organization. Business began to realize that the success of the global enterprise was dependent upon sources external to the firm. The network organization started to prosper further as a means of organizing the information overload and rapid technological advancements that began to take place.

### **Job Satisfaction**

Job satisfaction is a multifaceted construct with a variety of definitions and related concepts, which has been studied in a variety of disciplines for many years to now. Job Satisfaction is a general expression of workers' positive attitudes built up towards their jobs. Workers maintain an attitude towards their jobs as a result of diverse features of their job, social status that they've gained about their jobs and experiences in their job environment. This attitude also be also negative towards work. If the economic benefits, the social status, the job's own specific characteristics and the job expectation employees hoped, are appropriate for employees' desires, there is job satisfaction. Positive attitudes of employees towards the whole business environment as a result their experiences of work-environment are called job satisfaction. Besides its answering the individual needs of physiology and security, if job also affects the person's feelings and values in positive way, then it can be said that there is a job satisfaction (Edorgan, 2006).

### **The Effects of Organizational Structure on Job Satisfaction**

Organization structure goes a long way to affect job satisfaction. However the effects differ according to the different dimensions of structures and job satisfaction. A highly decentralized organization where authority to commit people, money and materials is widely diffused throughout every level of the organization structure could lead to loss of control and organizational goals may be jeopardize as subsidiary units may be inclined to look more to their own needs than to those of colleagues and in fact the overall organization needs. Organizational structure here will only enhance realization of certain aspects of job satisfaction say value attainmen. On the other hand over centralization of organizational structure which is more in line with the classical school of thought that stressed a strictly defined hierarchy governed by clearly defined regulations and lines of authority would kill initiatives and subsequently loss in job satisfaction.

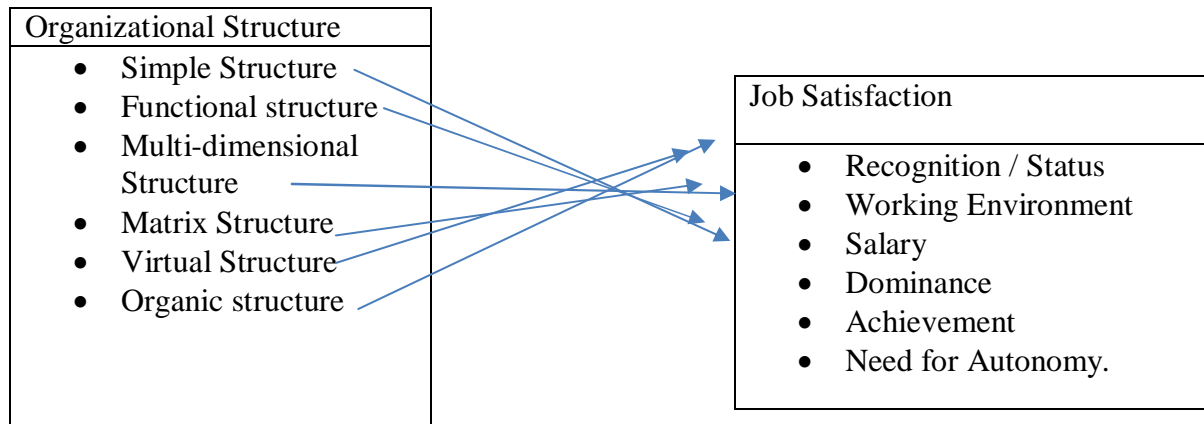
However, functional organizations (i.e. organizational structure based on groups of all the major business functions e.g. production, marketing, finance, personnel etc. is capable of facilitating both the utilization and coordination of resources in the organization and as a result enhances job satisfaction especially in area of promotion and career development- a discrepancy model of job satisfaction. Both the product and geographical structuring of organizations tend to produce decentralized activities which may cause additional control problems.

With increasing complexity and size of today's organization and the increasing level of components of job satisfaction, organization are opting for a mixed structure which combines the benefits of all forms of organizational structure and this goes a long way to enhance optimization of job satisfaction by workers. Though the contingency theory does not in any way support organization sticking to a particular model of organizational structure because of the dynamism of the environment. The uncertainty and instability of the present day organization's environment made them to advocate the use of structures in a situationally appropriate manner. Empirical studies of Cambell, Fowles, Weber (2005), Kakabadse and Worrall (2004), Ali (2004), Hage (1995), Spritzer (1996), confirmed a positive relationship between organizational structures

and job satisfaction. Their result substantially support positive effect of structure on job satisfaction.

### **Conceptual Framework**

The conceptual framework represent the model for the study which shows the link or relationship between the independent variable (Organizational structure) and the dependent variable (Job Satisfaction). The Framework explains how components of organizational structure has effects on components of Job satisfaction.



*Source: Researcher, 2013.*

### **METHODOLOGY**

The study was carried out in Nigeria, using descriptive survey research design. The target population are employees of selected branches of GTB Plc. in Lagos State. Lagos state was chosen because greater percentage of banks operating in Nigeria have their headquarters located in Lagos state, the industrial nerve centre of the country. A sample size of 335 employees formed the respondents out of 3711 employees that formed the total population for the study. Stratified and simple random sampling techniques were used to select the respondents whereby the employees were stratified according to their designation. Questionnaires were used to collect data which were validated through a pilot study. The questions were closed ended on a five point Likert scale. Descriptive statistics was used to analyze data.

The sample size was determined using Smith Formual  $n = 1 + Nb^2$  as cited in Asika, (2004)

Where  $n$ = sample size,  $N$ = population size and  $b^2$ = percentage error margin

$$n = 1 + 3711(30\%)^2$$

$$n = 1 + 3711(0.09)$$

$$n = 1 + 334.99 = 335.99$$

The sample size is therefore approximated to 335.

### **DATA ANALYSIS & INTERPRETATION**

A total of 335 questionnaires were distributed to respondents, 280 of the questionnaires were filled & returned and only 259 of the administered questionnaire were found useful for data

analysis. Data collected during the research were analyzed, the formulated hypotheses are subjected to empirical test using correlation and regression. The results of the findings are as follows. The results of the analysis are presented beginning with the presentation of demographics (bio-data) of the respondents which revealed that majority of the respondents were male which constitute (60.2%), while their female counterparts were (39.8%). This shows that male has the highest pool over their female counterpart in the banking industries.

**TEST OF HYPOTHESES**

Hypothesis one

Ho: Organization Structure does not have effect on optimum job satisfaction.

Correlations

		MOTIVATION	EMPLOYEE'S COMMITMENT
ORGANIZATION STRUCTURE	Pearson Correlation	1	.795**
	Sig. (2-tailed)		.000
	N	259	259
JOB SATISFACTION	Pearson Correlation	.795**	1
	Sig. (2-tailed)	.000	
	N	259	259

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Computer SPSS version 20.0 Output, field survey 2013.

The Correlation analysis showed the strength and direction of the linear relationship between organization structure and job satisfaction. From the table above, the Pearson correlation coefficient between organization structure and job satisfaction is 0.795, indicating a Positive and strong correlations between organization structure and job satisfaction. Therefore, we reject the null hypothesis and accept the alternate hypothesis.

Hypothesis Two

H0: Organization Structure is not a significance tool to enhance employee’s recognition.

Correlations

		MOTIVATION	JOB PERFORMANCE
ORGANIZATION STRUCTURE	Pearson Correlation	1	.612**
	Sig. (2-tailed)		.000
	N	259	259
EMPLOYEE RECOGNITION.	Pearson Correlation	.612**	1
	Sig. (2-tailed)	.000	
	N	259	259

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: Computer SPSS version 20.0 Output, field survey 2013.

The Correlation analysis showed the strength and direction of the linear relationship between Organization Structure and Recognition. From the table above, the Pearson correlation coefficient between Organization structure and Employee Recognition is 0.612, indicating a

Positive and strong correlations between Organization structure and Employee recognition. Therefore, we reject the null hypothesis and accept the alternate hypothesis.

### **CONCLUDING REMARKS**

This study has been able to examine the relationship between organizational structures and job satisfaction. It was successful in establishing the existence of relationships and paving the way for further research in this area. Through quantitative research, this study determined that multi-divisional and virtual structures each shared a relationship with need for recognition, while network and matrix structures each correlated with optimum job satisfaction. Multi-divisional and virtual structures, respectively, consist of departments and employees that are dispersed geographically. Due to the fact that employees in these organizational structures do not work in a shared environment, this correlated with need for autonomy. The network structure and matrix structure both include groups that need to share effective communication in order to be successful, hence enhancing employees view in decision making. In the network structure, groups of businesses share ideas, whereas in the matrix structure employees are divided into groups based on their specialized skills. Both of these structures enhances optimum job satisfaction via need for achievement and accomplishment. The significance of this study lies in the fact that it supports the idea that relationships do exist between organizational structures and job satisfaction. It is important for employees in every organization to realize that by recognizing and understanding the organizational structures in which they work, they can better participate actively towards achieving overall organizational performance towards understanding their roles or functions. Finally, it should be bore in mind that job satisfaction of workers go a long way to determine their productivity, and hence the realization of organization's goals and objectives and therefore should be given due consideration.

### **References**

- Achrol, R. S. (1997). Changes in the theory of inter-organizational relations in marketing: Toward a network paradigm. *Journal of the Academy of Marketing Science*, 25(1), 56-72.
- Allinson, S. (2005). The Relationship between Organisational Structure and Public Relations Practitioners Role, Masters of Art thesis, *University of South Florida*.
- Andrew, P., Kabakase, M., & Richard, W. (2001). 'Job Satisfaction and organizational Structure: A comparative study of Nine Social Service Departments. [www@yahoo.com](http://www@yahoo.com).
- Asika, N. (2004) *Research Methodology in the Behavioural Sciences*. Lagos: Longman Nigeria Plc.
- Campbell, S.L., Fowles, E.R., & Weber, B.J. (2000). 'Organizational structure and job satisfaction' [www@yahoo.com](http://www@yahoo.com).
- Cole, G.A. (2002). *Management theory and practice*. Educational low-priced sponsored texts printed by Martins the Printers Limited Berwick G.B.
- Davidow, W. H., & Malone, M. S. (1992). *The virtual corporation*. New York, NY: Harper Collins.
- Dillman, D. A. (2000). *Mail and Internet surveys: The tailored design method*. (2<sup>nd</sup> ed.). New York, NY: John Wiley & Sons.

El Louadi, M. (1998). 'The relationship among organizational structure, information, technology and information processing in small Canadian firms' *Canadian Journal of Administration Sciences*. Vol. 15(pp. 180-199).

Hatch, M. J. (1997). Organizational social structure. In *Organization theory* (pp. 161- 199). New York, NY: Oxford.

Ibrahim, A. (2004). 'The effects of the interaction of technology, structure and organizational climate on job satisfaction. [www@yahoo.com](http://www@yahoo.com)

Jennifer, G. and Jones, M. (1989). *Organizational Behavior, An introductory text book for undergraduates*, Limlat press, Lagos State.

Lawrence, P.R and Lorsch, J.W. (1967). *Organization and Environment*. Boston M.A. Havard Business School.

Rahman, Z., & Bhattachryya, S. K. (2002). Virtual organisation: A stratagem. *Singapore Management Review*, 24(2), 29-46.

Robert, K. and Angelo, K. (2000). *Organizational Behaviour*. Irwin McGraw Hill Boston.

Robbins, S. P. (1990). *Organization theory: Structure, design and applications*. (3<sup>rd</sup> ed.). Englewood Cliffs, NJ: Prentice Hall.

Scott, D.C. (2000). Assessng the effects of organizational commitment and job satisfaction on turnover; An event history approach'. *The prison journal*, [www@yahoo.com](http://www@yahoo.com).