

## THE STUDY OF RELATIONSHIP BETWEEN THE CURRENT MANAGEMENT STYLE AND EMPLOYEES' AND CUSTOMERS' SATISFACTION

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### Abstract

The aim of this research was to study the relationship between the current management style with employees' and costumers' satisfaction. According to the objectives, this research could be considered as a practical one, and according to the methodology; it could be considered as descriptive – deductive. In this research, the current management style (self-seeking and organizational seeking) is defined according to psychological, structural and cultural, and costumers' and employees' satisfaction. The statistical society included 51 managers, 275 employees and 3510 costumers of Lorestan Keshavarzi Bank. Beside library research, the researchers used a questionnaire in order to collect the data needed. The validity and reliability for management style questionnaire was 0/78 and for costumers satisfaction questionnaire was 0/090, which was tested through Alpha Coefficient, and then it was accepted. In order to evaluate the relationship between the variables, we used Pearson and one sample t-test. The results showed that the managers of Lorestan Keshavarzi Bank are completely devoted to organization oriented style of management and the amount of employees' and costumers' satisfaction are more than the mean point.

**Keywords:** Self based management (agency), Organization Oriented Management, Job Satisfaction, Costumers' Satisfaction.

### Introduction

The rapid growth of changes and evolutions of managerial issues in recent decades caused managers to face innovative challenges. Because of the reason that the roots of these changes are deep in human desires, therefore, the important factor for managers is to deal and pay attention to these desires in terms of society and organization. In recent years, there have been introduced two ideas about organization management with different perspectives about different managers. One is related to economical and material view in which managers are considered as individuals seeking their own private benefits and prefer them over organizational profits. In the second view, which is a social and psychological one, managers are considered as the servants of organizations, and who devote themselves to organizational goals rather than private ones (*Alvani 2002*).

According to what is mentioned, we can conclude that there are two major problems in society. One is the imbalance between practical and theoretical views and the other between managers' and individuals' profits. The environment in which organizations nowadays are existing is full of changes and evolutions. The philosophy refers to the view that production is run by inner costumers (employees) and then outside costumers (customers) consume them. Therefore, the weak or power points of each organization are related to these issues. Moreover, these issues are largely depended upon the style and attitude of management toward desires discusses above.

The task of management is to communicate with employees to provide patterns and standards and therefore increase the quality of behaviours toward costumers. If the task of a hero employee is to be the best service provider, the task of the manager, therefore, is to lead the service providing procedure. Consequently, it is obvious that employees' satisfaction has a great influence on costumers' satisfaction and if there exists no productivity, at first we should consider employees' satisfaction and then costumers' satisfaction.

## **Literature Review**

**Management Style:** It refers to a special change or interpretation that entails its proper performance. Management and leadership usually are considered as the same, but the main difference between these two terms is related to the concept of organization. Management is a special kind of leadership in which organizational objectives are preferred over other objectives. Leadership is formed when an individual tries to influence others' behaviours. This issue can be "due to reach private or others' objectives and it can be whether adaptable with organization or not" (*Rezayan 2005, p. 183*). Many managerial scholars believe that manager's style of leadership is under the influence of his/her view about his/her role and employees' roles.

**Theories of Agency and Organizational Oriented Management:** In recent years, there have been introduced two ideas about management in organizations with different judgments regarding management. Agent oriented management seeks private and individuals benefits, while organizational oriented management seeks organizational and collective objectives. The first idea is related to economical model and believes that human being is always in search of his/her own benefits. In governmental management the increasing of individual benefits leads to a reduction in people's benefits in society. The second idea refers to organizational oriented management which considers managers as the servants of the organizations and before any action of procedure (this idea) seeks organizational and collective benefits. According to the view, "managers want to be at the service of organization" (*Donaldson and Davis, 1991, p. 16*). These managers, by implementing individual and organizational objectives and also considering ideal objectives, count the organization in the same directions along with their goals and forget small differences and always think about one ideal objective.

**Job Satisfaction:** It refers to a set of individuals' positive emotions and attitudes toward their jobs. It is the result of employees' understandings which provide content and job background – what are necessary for employees. Job satisfaction is a positive or sweet emotion that is the result of job evaluation or personal experience. "This emotion highly supports mental and physical health" (*Moghimi 2007, p. 34*).

Regarding this issue, there have been done many researches in Iran. Saeed Zarabi studied the relationship between evaluation of services and customer satisfaction for Saderat Bank of Iran in his M.A. thesis and concluded that there is a positive and significant relationship between the variables.

In another study, Mr. Firdausi Montazer investigated and compared the management styles and their influence on job satisfaction for high school teachers in 1994. The results were in accordance with the results obtained by the other study mentioned.

## **Materials and Methods**

The aim of this research was to study the relationship between the current management style with employees' and costumers' satisfaction. According to the objectives, this research could be considered as a practical one, and according to the methodology; it could be considered as descriptive – deductive. In this research, the current management style (self-seeking and organizational seeking) is defined according to psychological, structural and cultural, and costumers' and employees' satisfaction. The statistical society included 51 managers, 275 employees and 3510 costumers of Lorestan Keshavarzi Bank. Beside library research, the researchers used a questionnaire in order to collect the data needed. The validity and reliability for management style questionnaire was 0/78 and for costumers satisfaction questionnaire was 0/090, which was tested through Alpha Coefficient, and then it was accepted. In order to evaluate the relationship between the variables, we used Pearson and one sample t-test. Finally, in order to evaluate the data, as it is mentioned, we used SPSS software.

## **Research Findings**

This research contains 3 alternative hypotheses whose variables and results are analyzed.

**The 1<sup>st</sup> alternative hypothesis test:** The management style of organization oriented.

**The null hypothesis:** The management style is not organization oriented.

**The 1<sup>st</sup> alternative hypothesis:** The management style is organization oriented.

**The result of the 1<sup>st</sup> alternative hypothesis:** According to table 1 and 2, 100 percent of managers have great desires toward organization oriented management; therefore, the null hypothesis is rejected and the alternative hypothesis is accepted.

**The 2<sup>nd</sup> alternative hypothesis test:** The relationship between management style and customer satisfaction.

**The null hypothesis:** There is no relationship between management style and customer satisfaction.

**The 2<sup>nd</sup> alternative hypothesis:** There is a relationship between management style and customer satisfaction.

**The result of the 2<sup>nd</sup> alternative hypothesis:** According to table 3, because the significance is 0.007; therefore, the null hypothesis is rejected and the alternative hypothesis is accepted. Consequently, there is a relationship between management style and customer satisfaction.

**The 3<sup>rd</sup> alternative hypothesis test:** The relationship between current management style and employees' satisfaction.

**The null hypothesis:** There is no relationship between current management style and employees' satisfaction.

**The 3<sup>rd</sup> alternative hypothesis:** There is a relationship between current management style and employees' satisfaction.

**The result of the 3<sup>rd</sup> alternative hypothesis:** According to table 4, because the significance is 0.166; therefore, the null hypothesis is accepted and the alternative hypothesis is rejected. Consequently, there is no relationship between current management style and employees' satisfaction.

Table 1

	Mean	Variance	T	Freedom	Significance
<b>Psychological</b>	4.33	0.43	20.228	43	P<0.001
<b>Structural</b>	4.11	0.52	14.126	43	P<0.001
<b>Cultural</b>	4.12	0.43	16.955	43	P<0.001
<b>Style of Management</b>	4.21	0.36	22.087	43	P<0.001

Table 2

	Frequency	Percent
<b>Organization Oriented</b>	44	100.0

Table 3

Correlation	N	r	Significance
<b>Style of Management and Customer Satisfaction</b>	44	+0.399	0.007

Table 4

Correlation	N	r	Significance
<b>Style of Management and Employees Satisfaction</b>	44	+0.213	0.166

### **Conclusion**

The aim of this research was to study the relationship between the current management style with employees' and costumers' satisfaction. According to the objectives, this research could be considered as a practical one, and according to the methodology; it could be considered as descriptive – deductive. In this research, the current management style (self-seeking and organizational seeking) is defined according to psychological, structural and cultural, and costumers' and employees' satisfaction. The statistical society included 51 managers, 275 employees and 3510 costumers of Lorestan Keshavarzi Bank. Beside library research, the researchers used a questionnaire in order to collect the data needed. The results showed that the managers of Lorestan Keshavarzi Bank are completely devoted to organization oriented style of management and the amount of employees' and costumers' satisfaction are more than the mean point.

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