

The Relationship Between Managerial Grid Model Position and Job Satisfaction of Regular Employees of Bank X

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Abstract

This study aims to use Blake and Mouton's Managerial Grid Model as the basis for understanding the significant relationship among the research's variables, namely concern for people, concern for production, and job satisfaction. This research uses a quantitative approach; thus, the researcher's claim was tested through Chi-Square Test of Independence on a hierarchical private universal bank. Using Likert's Scale of Value-Frequency, the researcher surveyed a sample size of 73 top management employees and a sample size of 102 regular employees, selected through a combination of proportional purposive sampling scheme and stratified random sampling. The results of the research showed the dependence of the three sets of variables, namely: (1) concern for production and employee job satisfaction; (2) concern for people and employee job satisfaction; and (3) concern for production and concern for people. These results can be said to validate Blake and Mouton's Managerial Grid, as well as the approach used by Bank X's top management.

Keywords: Blake and Mouton's Managerial Grid, concern for people, concern for production, job satisfaction

As an organization tries to excel in this competitive and turbulent world, management thinks of strategies to keep up with expansion. Competitive and survival tactics are constantly being considered because of emerging markets. These newly formed businesses, both local and foreign, affect the stability of local industries. Some organizations think that business expansions would automatically broaden their reach to the public. What organizations seem to forget is the possibility that the problem of the company is not solely because of emerging challenges but because of the operations within the company themselves and the poor level of cooperation and communication among departments. As a part of the top management's strategic crisis management response, the role of managers is to mitigate the issue and act as soon as they can to continue operations with little to no threat. It is their responsibility to decide on concrete actions that will not only be beneficial to the company but also to its employees. To achieve this, communication is needed to enhance the relationship between a manager and his/her subordinate.

Communication is commonly defined as an interaction in which a source transmits a message to a receiver, who, upon receiving and decoding the message, gives feedback to the original source (Pepper, 1995). Wilmot and Wenberg (as cited in Goldhaber, 1990) stated that all persons are engaged in sending and receiving messages simultaneously; thus, each person is constantly sharing in the encoding and decoding processes, with each one affecting the other.

This is where purposes of messages come in—messages are created and exchanged in response to an organization's goals, policies, and objectives (Goldhaber, 1990). Working hand in hand with the purposes of messages is Schuler and Blank's study on the relationship between adequate communication of task, maintenance, human and innovative messages, and job satisfaction and work performance. Their findings on the types of messages indicate that higher level employees within an organization need more task and human messages because of the greater complexity of their tasks (Goldhaber, 1990). The different types of messages are deemed important

because these can be related to a manager's concern for people and concern for production and an employee's job satisfaction—the variables of this research.

Goldhaber (1990) stated that each message type seems to interact with specific organizational levels to differentially affect employee satisfaction and performance.

It is believed that through these types of messages, organizations would be sensitive to message differences especially during upward communication, which refers to transmitted messages upward from subordinates to superiors, and downward communication, which refers to transmitted messages downward from superiors to subordinates (Koehler, Anatol, & Applbaum, 1981).

Communication in the Workplace

According to Deetz (1994), everyday communication is different from business communication. Communication in the workplace is not just the flow of information but rather an activity such as planning, controlling, and managing (Dainton & Zelle, 2011).

In her paper "Communication within the Workplace," Mallett-Hamer (2005) stated that managers and their employees constantly have opportunities to maintain or develop non-threatening and mutually rewarding relationships. The study showed that supervisors share data with employees through weekly or biweekly meetings. In any organization, a manager who is having a trouble with his/her employees is advised to send clearer messages for the staff to better understand the situation. To achieve effective communication in the workplace, the manager should include in their meetings any information or detail that has been foreseen as bringing about a change or solving a problem within the organization.

The researcher aims for the study to be a crisis communication tool, specifically when emerging businesses come along the way. Using this research, organizations will be open to fixing the problem within the company first instead of jumping into conclusions that the crisis is ultimately coming from competitors. On the other hand, the research may also be a great tool in risk management because even before the problem arises, the management would already have an idea of which aspects to consider in improving the organization. This research could also be beneficial to the company as it achieves organizational development. This is because the study aims to assess the fundamental framework of any company which is a manager's relationship with his/her employees. This is where Blake and Mouton's Managerial Grid will be used.

Theoretical Framework

Blake and Mouton's Managerial Grid, according to Cummings and Worley (2013), originated from a research on managerial and organizational effectiveness across 198 organizations located in the United States of America, Japan, and Great Britain. The research found that the two most important barriers to excellence were planning and communication. These two factors resulted in the creation and formation of the Managerial Grid (Figure 1). The two key objectives of the Managerial Grid are to improve planning by developing strategies for organizational excellence based on clear logic and to help managers gain the necessary knowledge and competence to supervise their employees effectively.

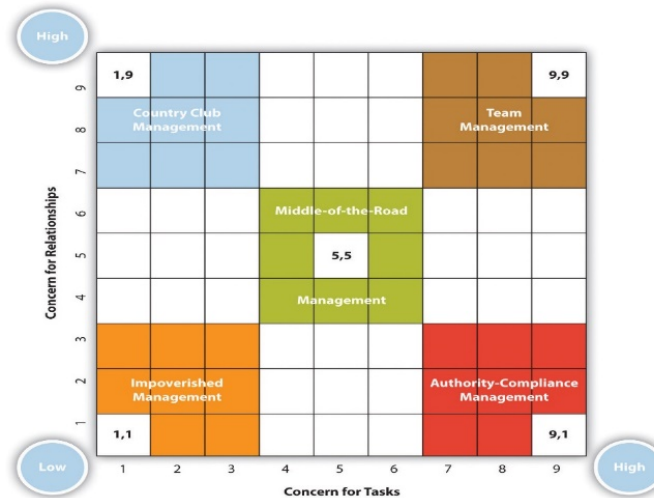


Figure 1. Blake and Mouton's Managerial Grid Model (Wrench, Punyanunt-Carter, & Ward Sr., n.d.)

The Managerial Grid has been used since 1964 to monitor an individual worker's performance and satisfaction (Molloy, 1998). The horizontal axis of the grid represents concern for production, while the vertical axis illustrates concern for people. Concern for production refers to how a leader is concerned with achieving organizational tasks, while concern for people refers to attending to the needs of the employees who are achieving the task (Northouse, 2013). It must be remembered that "concern for production is not limited to things but may also involve human accomplishments within the organization, regardless of the assigned tasks or activities" (Cummings & Worley, 2013, p. 10).

Concern for people, on the other hand, entails promoting good employee relations and encompasses a variety of situations, "including concern for employee's personal worth and belongingness, good working conditions, a degree of involvement or commitment to completing the task, security, a fair salary structure, compensation and benefits, and even good social relationships" (Cumming & Worley, 2013, p. 10). These attributes would lead managers to consider which style would best suit an employee's satisfaction and which would highly affect an employee's job performance.

Robert Blake and Jane Mouton's analysis of leadership styles illustrates that the vertical axis of the grid manifests the manager's degree of concern for workers and the relationships they share in the workplace. The horizontal axis, on the other hand, plots the magnitude of the manager's concern for employees who are getting the job done. The quadrants in the grid are descriptive of the various managerial styles that are prevalent in various organizations today (Koehler et al., 1981). The 9-point scale—with 1 symbolizing minimum concern, 5 illustrating an intermediate degree of concern, and 9 representing maximum concern for either production or satisfaction—illustrates the 81 possible variable combinations. Despite these 81 combinations, only 5 are most likely and commonly used in different scenarios (Bedeian & Glueck, 1980). These are *Impoverished Management* (1/1), *Country Club Management* (1/9), *Authoritarian Management* (9/1), *Middle-of-the-Road Management* (5/5), and *Team Management* (9/9).

Koehler et al. (1981), however, argued that Blake and Mouton's assumption of having a team-oriented management as the most effective style in any organization was faulty. They believed that it would be difficult to find a team-leader for every type of job or for any organization despite development programs. Like Koehler et al., some scholars also disagree with Blake and Mouton's assumption, citing evidences to show that some managers

were very effective when they had very low concern for people, whereas other managers were very effective when they had low concern for production. In some cases, managers were also effective even if they demonstrated low concern for both employee satisfaction and production. The effectiveness and validity of a team-oriented managerial style would be dependent or contingent upon the methods used, the attitudes and behaviors of employees, and the situational constraints prevalent in the given organizational setting (Koehler et al., 1981).

Although criticisms were raised against Blake and Mouton's claims, they continued working together in using the Managerial Grid to examine practices in several employer-employee relationships present in various corporations, universities, and even the government. The Managerial Grid has been used for more than five decades as a reference for development programs for various agencies including industrial, service, research, and even the medical field. Together with Drs. Robert Blake and Jane Mouton, Dr. Mildred Tapper, a head nurse in several hospitals, aimed to address the problems of managerial administration of primary patient care using their formulated Nurse Administrator Grid (Blake et al., 1981).

Just like any manager, a nursing administrator plans, organizes, and supervises nursing responsibilities. Using the same model, the horizontal axis represents concern for production of hospital services, while the vertical axis indicates concern for staff members as people. The various combinations on the Nurse Administrator Grid can aid a head nurse in understanding his/her own behavior as well as the reactions of the nurses he/she supervises. The *Grid Approaches for Managerial Leadership in Nursing* concludes that with a sound understanding of his/her own behavior, the administrative nurse is motivated to excel in his/her tasks while helping other nurses do their job (Blake et al., 1981). This just proves that Blake and Mouton's Managerial Grid is deemed beneficial not only in the corporate world but also in the public health sector.

Knowing that the Managerial Grid can be used in different fields, the researcher decided to choose the banking and finance industry as the setting for the research. In addition, its hierarchical organizational chart lends itself particularly well to the theory's main presuppositions.

Bank X

The researcher focused on Bank X's head office in Metro Manila, which has its board of directors, advisory council, and management team. This top management team consists of the president, executive vice presidents, senior vice presidents, and vice presidents. Under this, key committee heads oversee the accounts officers and auditors. Accounts officers, on the other hand, monitor the progress of various departments such as Legal Services, Communications Department, and Human Resources, among others (Figure 2).

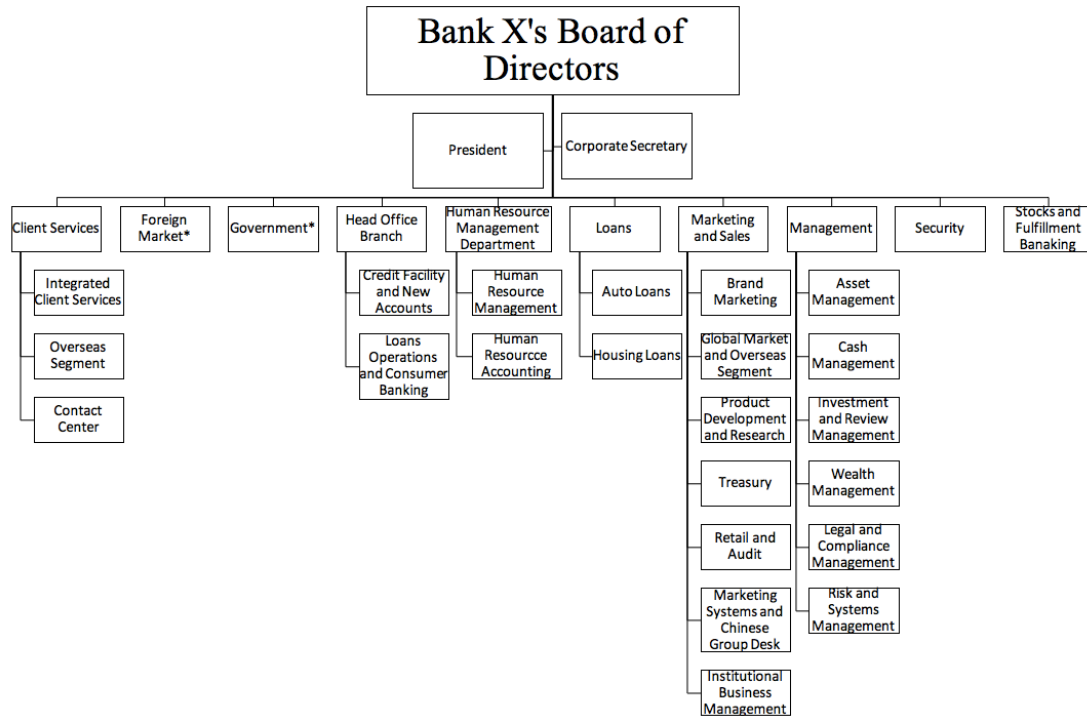


Figure 2. Bank X's Organizational Chart

Through Bank X, the researcher aims to understand the relationship between the Managerial Grid components, concern for people and concern for production and the employee's job satisfaction within the organization. The researcher aims to know if employee satisfaction is given due importance by the management, given that "concern for people" is one of the bank's core values. Another core value of Bank X is "teamwork." Through this, the researcher aims to discover how employees perform and communicate to comply with group assignments. The researcher used another core value "Excellence" to validate the job productivity of individuals.

The research aims to study Bank X's managers' understanding of the importance of communication, planning, controlling, and managing. The rigid structure of their company is beneficial to the study because the style of manager-employee communication is highlighted. Their organizational structure is also believed to be advantageous to the study because communication lines can be explicitly identified. Through this hierarchical organization, the researcher has a clearer view of the manager-employee relationship within the organization. In line with this, the relationship among the variables of the study is assessed in Bank X's hierarchical structure.

Conceptual Framework

Having Blake and Mouton's Managerial Grid Model as the independent variable, with concern for people and concern for production as its main factors, employee job satisfaction was analyzed (Figure 3). Using the grid's axes, the researcher was able to see if there is a significant relationship between concern for production, concern for people, and job satisfaction. Through Bank X's managers, concern for production and concern for people were evaluated while job satisfaction was analyzed through Bank X's regular employees.

It is believed that a descriptive design is suitable for this research because the chain of command within the organization was taken into consideration to avoid miscommunication among employees and managers. These

variables keep the descriptive design of the research aligned with its goal, which is to describe the relationship between the Grid itself and job satisfaction.

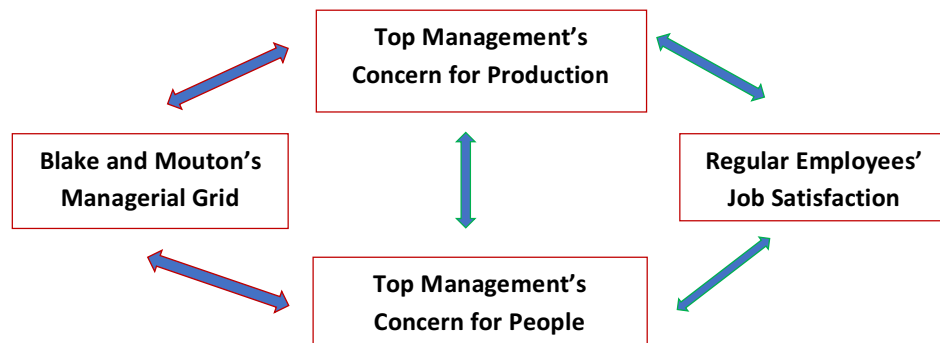


Figure 3. Conceptual Diagram Showing the Relationship of Variables

The dependent variable, regular employees' job satisfaction, was checked if it was significantly related with the independent variables, concern for people and concern for production. High or low morale and workers' expectations from the job also affect employee satisfaction resulting in a high or low job performance ("Job Satisfaction", n.d).

Employee Job Satisfaction

Kronberg (2003) cited several authors and their studies in creating a continuum of what employee job satisfaction really is:

According to Fisher (2000), job satisfaction is an attitude and attitudes are said to contain at least two components: an affective component (e.g. emotional, feeling) and a cognitive component (e.g. belief, judgment, comparison). It is indicated further that both components are important since they contribute to the overall attitude, which may be differentially caused by and linked to behavior. Locke (1976, p. 1300) also takes the two components into account and defines job satisfaction simply as "a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience." By contrast, "job satisfaction is the unpleasurable emotional state resulting from the appraisal of one's job as frustrating and blocking the attainment of one's values" (Locke, 1969, p. 316). Spector (1997) simply describes the concept as the feeling people have about their jobs and different aspects thereof.

The level of job satisfaction of employees has been a major area of concern for managers, academics, and the community as a whole for many years (Savery, 1987). The reason for this interest is the concern that low job satisfaction of the workforce may lead to negative organizational outcomes such as high labor turnover or poor overall job performance which ultimately influences the productivity of the organization. Understanding how satisfied employees are with their jobs is, therefore, not only desirable but also essential for any organization (p. 16).

Statement of the Problem

Knowing that job satisfaction is crucial in the workplace, the researcher posed the research question:

RQ1: Is there a significant relationship between Blake and Mouton's Managerial Grid Model and Job Satisfaction of Regular Employees in Bank X?

Considering the Grid Model's capacity to illustrate the relationship between concern for people and concern for production, the researcher thought of incorporating that concept with Bank X regular employees' satisfaction. The researcher aimed to describe the impact of the Grid Model on the ability of the top management's concern for production and concern for people. Just as communication and productivity are highlighted, interpersonal relationships and employee job satisfaction too are vital in the workplace. Further, the researcher proposed the following hypotheses:

H1: The Grid Model's concern for production has a significant relationship with Bank X regular employees' satisfaction

H2: The Grid Model's concern for people has a significant relationship with Bank X regular employees' satisfaction

H3: The Grid Model's concern for production has a significant relationship with the grid model's concern for people.

Research Sampling and Sampling Technique

A combination of Proportional Purposive Sampling Scheme and Stratified Random Sampling was used. The researcher established a criterion of selecting only regular and permanent employees for Purposive Sampling. The set criterion means that only employees who have been engaged to perform necessary activities issued by the employer, except where the employment has been fixed for a specific time is seasonal in nature of the employment, were invited to answer the survey (DOLE, 2009). This also means that regular employees who are scheduled to work eight hours per day for five days and are eligible to company benefits and paid time-off were the targets of the survey (DOLE, 2009).

Proportional Stratified Random Sampling was used to divide the number of regular employees of Bank X into strata (i.e., by department and in proportion depending on the total number of employees in every relevant department of Bank X). This combination of sampling methods resulted in 102 regular employees being surveyed from a population of 510 employees.

Aside from a survey for regular employees, the researcher also conducted a survey for top management employees. This helped the researcher understand the motivational tools and styles of communication that managers use when they assign complicated tasks to their subordinates. The survey of managers is deemed beneficial to the research because team performance was evaluated and communication lines were studied.

To this end, Slovin's formula was used to measure the population of the managers in the organization. Of the 90 managers in the population, 73 were selected to receive the survey.

Instrumentation and Statistical Treatment

The formulated survey instrument for Bank X employees consisted of two parts, the first dealing with demographic profiles and the second dealing with scenarios that illustrate job performance, job satisfaction, and communication lines, along with manager-employee relationships.

A different set of questions was formulated for Bank X managers because even though technically they are employees of Bank X, they still play a different role compared to their subordinates. The questions formed were not about how Bank X treats them, but more of how managers communicate, motivate, and monitor their subordinates.

Both questionnaires were also derived from Rensis Likert's Scale of Value, particularly Frequency. Although Sullivan and Artino (2013) mentioned in *Analyzing and Interpreting Data from Likert-Type Scales* that the differences among always, often, and sometimes on a frequency response Likert scale are not necessarily equal, the researcher still believed that this scale is the most efficient for this type of research.

The Chi-Square test for independence at the 95% confidence level was used to test for the existence of a relationship among the variables.

Analysis and Summary of Findings

Employee profile with employee position, department, and number of years an employee has worked in Bank X were identified in the survey proper. This is to ensure that the participants of the survey, both Bank X managers and Bank X employees, are regular employees who have had at least two years of experience in Bank X. The data collected revealed that the positions of Bank X top management range from manager, assistant manager, senior manager to accounts officer for each department. Bank X employees, on the other hand, range from client service associates, accountants, retail and audit staff to loans clerk, depending on the department they are assigned to work in.

Table 1 presents the summary of data among the research's putative independent and variables, with the critical value being 11.07.

Relationship	Chi-Square Value	P-Value
Concern for Production and Employee Job Satisfaction	201.26	<0.01
Concern for People and Employee Job Satisfaction	168.59	<0.01
Concern for Production and Concern for People	133.19	<0.01

Table 1. Summary of the Relationships Among All Variables in the Research

Conclusion and Recommendation for Future Research

The results of the research showed the dependence of the three sets of variables, namely: (1) concern for production and employee job satisfaction; (2) concern for people and employee job satisfaction; and (3) concern for production and concern for people. These results can be said to validate Blake and Mouton's Managerial Grid, as well as the approach used by Bank X's top management.

This research used an entirely quantitative approach. Knowing this, future researchers may use a quantitative-qualitative approach to better calculate and measure the strength of the variables through interviews with top management employees and other Bank X regular employees. Having a qualitative approach will address

the lack of equidistance among the options. The researcher also recommends the quantitative-qualitative approach so that Bank X regular employees' productivity will also be compared with the other variables, namely concern for people, concern for production, and regular employee satisfaction. Having a quantitative-qualitative approach will also improve other researcher's studies as they will not only be limited to conducting surveys.

Bank X may use this research to monitor the relationship between top management and regular employees. The researcher also recommends that other researchers try to apply the conceptual framework to other organizations beyond Bank X. Specifically, non-hierarchical organizations may be looked at.

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