

See discussions, stats, and author profiles for this publication at: <https://www.researchgate.net/publication/315834229>

The Relationship of Organizational Culture and Wage Policies in Turkish Family Firms

Article · February 2016

CITATIONS

5

READS

117

3 authors, including:



Haluk Tanrıverdi
Istanbul University

115 PUBLICATIONS 254 CITATIONS

SEE PROFILE



Erkut Altındağ
Beykent Üniversitesi

44 PUBLICATIONS 268 CITATIONS

SEE PROFILE

The Relationship of Organizational Culture and Wage Policies in Turkish Family Firms

Haluk TANRIVERDİ¹, Can ÇAKMAK² and Erkut ALTINDAĞ³

Abstract

Organizations cannot exist independently of people, as they are communities that people establish by coming together with a definite aim and objective. The human factor is thus an indispensable element of organizations' existence. How humans feel, think, and act, and whether this is productive or not, affects the sustainability and competitiveness of an organization. Since the human factor has the power to deeply influence an organization, two organizations with the same features, such as technological innovation, management style, sector, size, wage conditions, aims, or objectives, can experience very different sorts of problems. In this empirical study, we investigate the relationship between organizational culture and wage policies in Turkish family-owned firms. Correlation and regression analyses were used to establish the relationship between these factors. Our findings suggest that organizational culture has a strong effect on perceptions of general wage policies.

Key words: Organizational Culture, Wage Policies, Job Evaluation

Jel Codes: M10, M12



Available online
www.bmdynamics.com
ISSN: 2047-7031

INTRODUCTION

Culture is a concept that is hard to define and for this reason, there is great divergence in its definitions. It is abstract, vast, and has no definite boundaries, which presents challenges for researchers. Furthermore, it must be considered that every researcher who tries to define culture is part of a culture, which means that all definitions involve some level of subjectivity.

Performance and production charts are based on the knowledge, ability, and capacity of employees. Firms with managers who address the performance of employees and the factors that affect performance are likely to be more successful than those without such managers. The most important factors that affect the performance and productivity of employees are payments and other rewards. Payments compensate employees for their efforts, as do rewards. Employees who realize that they are rewarded for their efforts will do their best to be successful. Money is important to people because it is instrumental in satisfying a number of their most pressing needs. It is significant not only because of what they can buy with it, but also as a highly tangible method of recognizing their worth, and can thus improve their self-esteem and gaining them the esteem of others. Pay is the key to attracting people to join an organization, although job interests, career opportunities, and the organization's reputation will also be factors. Satisfaction with pay amongst existing employees is mainly related to feelings about equity, and these feelings influence employees' desire to stay with organizations (Armstrong, 1993; Mendonca, 1997; Sanwal, 2009). In this study, definitions, specifications, and strategies related to payment and reward methods are explored, as are job evaluation studies, aims, problems, and solutions. These are considered with regard to organizational culture, and directly affect organizations.

THEORETICAL BACKGROUND

Organizational Culture

According to Morgan (1998) the concept of culture was produced by attributing a metaphorical meaning to the idea of processing the soil through cultivation, and explains the fact that different human

¹ Associated Prof. Dr. at Istanbul University
E-mail: haluktanriverdi34@gmail.com

² Master Student at Beykent University
E-mail: ccakmak@ku.edu.tr

³ Assist. Prof. Dr. at Beykent University
E-mail: erkutaltindag@beykent.edu.tr

communities have different lifestyles. Cultures express the lifestyles of different human communities, and so however much they are similar, just as every person is different, cultures are also all unique. Culture is formed through historical processes, and includes all social interactions within a community and all kinds of habits and skills, such as information, beliefs, laws, morals, and tradition (Bakan et al., 2004). Barney (1986) has asked whether culture can really be a factor that provides a competitive advantage. If it can, which strategic models should managers adopt and adapt to their companies? A range of research from the past 30 years has explored this subject in depth. However, changing environmental conditions and modern management techniques mean that specific solutions suit different time periods. Barney (1986) has analyzed relationships between organizational culture and financial performance, which is a topic that is likely to be researched long into the future. In his study, he concludes that special, inimitable, and valued cultural phenomena can provide competitive advantages for companies.

A similar study by Athanassiou et al. (2012) has determined that organizational culture affects social performance. It is assumed that intra-organizational relations and organizational climate, in terms of social performance, indirectly affect the financial performance of a company. As an element of organizational structure, organizational culture can thus influence the performance of a company (Csaszar, 2012). Valencia and Jimenez (2011) have determined that organizational culture is an element that affects innovation strategy directly. Innovation has a strengthening effect on the performance of a company. By offering new products and services, innovative firms access niche markets and “take the gilt of the market,” as is said in marketing.

Organizational culture is a total symbolic structure, which is learnt by group members, becomes a norm, and leads them. Additionally, it can be defined as a structure which involves nearly all of the elements in an organization. These elements can include values, beliefs, attitudes, norms, moral values, behavior patterns, rituals, practices, specially developed communication models, ideas, symbols, heroes, knowledge, and technology (Livari and Livari, 2011). The concept of organizational culture has recently drawn attention in Turkey. Studies from America have been studied with regard to their application to Turkish companies. Some scholars argue that theories and hypotheses do not apply in the same way in different societies, and so studies carried out in America may not be appropriate for Turkey. Leading fields of study in Turkey focus on the differentiation between cultures, and aim to identify the characteristic features of Turkish organizations and their administrators. However, while such studies of organizational culture in Turkey will lead to the development of appropriate scales of measure for Turkish culture and businesses, they may be unable to advance new theories in general.

Wages

Wages are a factor that has an important role in the satisfaction of all employees. Surveys have shown that payment directly affects job satisfaction (Lam, 1995; Feldman and Hugh, 1986). The attitudes of employees toward their jobs are determined by the sufficiency of their salaries, in terms of both what they consider the norm and their needs. However, in some cases, the effects of wages on job satisfaction are not as determined by amount as by the level of equal distribution among employees. When some employees get paid less than others with the same statuses, and especially less than those that they believe have less talent than themselves, it creates job dissatisfaction (Erdoğan, 1996).

Labor has a different nature than other production factors. It involves individuals' energy and time. The labor force consists of employees' physical, psychological, mental, and moral power, as well as their cultural attributes and skills (Ataay, 1988: 43-44; Benligiray, 2003: 1). Wages are the in-kind or in-cash value that the labor force receives in exchange for its work, in terms of intellectual and physical labor. All intellectual and physical labor that contributes directly or indirectly to the production of goods and services should be compensated, and the wages gained indicate the value of the labor in question (Benligiray, 2003).

The definition of wage may differ according to point of view. From the perspective of administrators, wage is a cost element. From the human resource point of view, wages have economic and social aspects. Wages are the money, goods, and services with monetary value that are paid to human resources by

administrators in exchange for labor. From the economic perspective, wages are money. From the social perspective, wages are opportunities provided to human resources (e.g., housing, clothing and food aid, transportation, day care, school, holidays, camp), which can be as effective as money (Bilgin, 2004).

According to Bryant and David (2013):

Unmanaged employee turnover is costly to organizations, and smart managers know that competing to retain top talent on price alone (higher pay and more benefits) is a losing strategy. Fortunately, there are several approaches managers can take to retain their top talent that do not entail additional costs. Compensation and benefits-related approaches include managing pay dispersion, using and communicating fair and equitable standards and procedures for making compensation and benefits decisions and having reasonably long vesting periods for some benefits.

Wage management, in related literature, involves concepts such as remuneration, wage and salary administration, awards, and award management. In business, human factors have gained increasing importance and, correspondingly, the importance of human resource and wage management has increased. Remuneration is a function of human resource management that relates to the distribution of all kinds of awards given in exchange for fulfilling organizational duties. One of the important reasons for the increase in the importance of this function is the fact that it has created major costs for organizations since the beginning of 21st century (Ivancevich, 2004). An organization's investment in its employee compensation program is always an area that cries out for innovative approaches that ensure a reasonably fair return. An action program is an approach that transforms a manager's role from that of a passive, helpless observer of enormous compensation expenditures to an active, confident manager who makes deliberate, conscious decisions on behavioral objectives for particular reward items. By applying an action program, a manager can evaluate the effectiveness of a reward system by subjecting it to the same rigorous analysis that is routinely employed for other operating costs. This also serves as a diagnostic tool. When a manager probes a reward item whose targeted objective is not being realized, the data provided by analysis will reveal specific reasons why (Mendonca, 1997). In today's world of intense competition, every organization needs to establish a work culture that motivates employees to offer their best possible performance. Employees must be motivated, as they are ultimate source of organizational profit (Sanwal, 2009).

Employers need to maintain a balance between remuneration costs, ensuring organizational competition, and providing sufficient reward for the information, skills, and performance of employees. Moreover, remuneration programs should be closely related to organizational aims and strategies. An effective remuneration program should:

1. Be in accordance with legislation
2. Be cost-effective for the organization
3. Provide external, internal, and individual equality for employees
4. Improve organizational performance

Milkovich, and Newman (1999) have defined primary objectives for successful remuneration approaches. These are efficiency, equality, and harmony. Efficiency means performance enhancement, quality control, customer satisfaction, and the control of labor costs. Equality includes fair remuneration behaviors for all participants taking place in a business relationship. It requires that remuneration be in accordance with the contributions of employees, such that higher payments are given to those who perform better or have more experience, and considers employee needs. Harmony means acting in accordance with relevant legislation. Strategic wage management is a process that includes the establishment of a wage management system in accordance with organizational and functional objectives and strategies, and the management of the system in the manner that provides a competitive advantage. Strategic wage management is the consequence of a strategic management mentality at the functional level of an organization, as well as human resource management. This suggests that wage policies, structures, and systems should be designed and implemented in accordance with the objectives and strategies of the organization. With regard to wage structures, strategic wage management leads to broadband structures

that are based on compliance with foreign markets, and prioritizes the skills and competence of individuals. However, such approaches should increase options for dealing with circumstances in the field of wage management, rather than replacing traditional systems completely. Within this framework, based on the internal and external conditions of a business, situations may arise in which it is necessary to choose between traditional business-driven wage structures, new individual-driven wage structures, or a hybrid system (Milkovich and Newman, 1999).

In the first years when labor was considered as a production base, in roughly the 18th century, the “scientific management” mentality emerged as one of the first incentive systems. The first applications only considered monetary incentives, such as in the case of the “proportional piece rate” of F. W. Taylor, but broader approaches gradually emerged. Many studies then explored the fulfillment of all of the human and social needs of employees, as in the “Hawthorne experiments” by Mayo, the “hierarchy of needs” of Maslow, and the “two-factor theory” of Herzberg. Theories were developed based on these resources, and these became the basis of today’s incentive systems (Akal, 1980).

Expectancy theory, developed by Vroom, explains concepts of value, expectancy, and power. Vroom’s model supports the argument that individuals choose between individual behaviors and actions related to psychological results. In this model, power and motivation are both used in the same manner. Instead of focusing on the inner worlds of employees, the model considers the objectives that are important for them to realize. Individuals may aspire to better salaries, promotions, or professions (Ataay, 1988).

In contrast with the holistic explanations of motivation theories, models describing wage satisfaction focus only on the relationships between individuals and their wages. The base objective of motivation theories is not to address wages, which are only considered among other factors. Wage satisfaction theories explain wage satisfaction based on motivation theories, but also consider the relationship between wages and wage earners (Ergin, 2009).

Job Evaluation

Job evaluation is the basis of the business structure in organizations, and is used to evaluate the size and importance of businesses. By presenting the relative values of differences in performed work, job evaluation data play a big role in determining wage policies and the final wages of employees. Job evaluation is the most important factor in appropriate use of the workforce, and for determining fair wage policies. It also makes it possible to evaluate organizational changes, such as grouping work, creating job families, and selecting, placing, promoting, and laying off employees. Job evaluation systems are basically divided into two categories: numerical and non-numerical methods. Factor comparing and point scoring techniques are used in numerical methods, while other techniques, such as grading and classifying, are used in non-numerical methods. However, job evaluations alone are not sufficient to determine wages. Economic, social, and psychological factors, among others, play a role in wage formation. In contemporary understandings of wages, many internal and external factors affect wage determination. Business structures, wage levels, and wage structures are some of the main outcomes of job evaluations.

Success in total compensation management requires a good compensation program to start with. It then requires an effective approach that can include numerous applications. Such an effort must have buy-in and support at all levels of the organization. Most importantly, it requires clear and effective communication. According to Weldon (2012), compensation experts recommend the following steps to ensure success within a total compensation program:

- Survey the local market to be sure your compensation is competitive.
- Standardize the processes for collecting compensation data.
- Document the proper procedures for collecting compensation data.
- Automate the process of collecting compensation data.
- Integrate compensation management with other human capital applications.
- Define compensation policies clearly.
- Communicate compensation policies to employees.

The aim of this study, with regard to organizational society, is to explore what human resources feel and think, how they behave, whether they are efficient, and how this affects the sustainability and competitiveness of an organization. When it comes to ensuring the satisfaction of the human resources within the organization, the first topic to be considered is wages. One of the most common and important problems experienced by employees is wage dissatisfaction, which affects organizations directly. When dissatisfaction is widespread among employees, it is also probable likely to negatively affect organizational culture, which can lead to the disturbance of the business peace, and so this is a major issue for employers to consider. In organizations in which the organizational culture is corrupted, wage policies are often managed poorly or there are flaws in communication that have led to misunderstandings. The aim of this study, by analyzing organizational culture and wages policies, is to try to determine how the relationship between the two affects the organization. The relationship between wage policies and the overall wage management of organizational culture types within conceptual frameworks are thus examined in detail.

METHODOLOGY

The Importance of the Research

Wage policy is a field which is hard to do research on. In every organization, wage policies are determined by using different variables. There is a range of research that has been conducted on the effects of these policies on the individual. In this study, unlike others, wage policy effects on organizations are examined, rather than effects on employees. This will make it possible for employers to take effective action by understanding which areas they are powerful in, and by determining in which areas they have room for development in their wage policies.

Scales

A literature and history review was part of the research for this study. Both electronic and printed resources were examined, and all relevant publications were used. Scaled questionnaires were also employed to test consistency. To facilitate classification and the processing of data, the questionnaires were presented to participants via an electronic form. This ensured that the questionnaires were completed by participants from many different regions and institutions, and that the securest possible results were obtained.

The organization culture scale (OCS) developed by Danişman and Özgen (2003) was prepared as a five point Likert-type scale [(5) "Strongly Agree", (4) "Agree", (3) "Neutral", (2) "Disagree", (1) "Strongly Disagree"]. The typical scale consists of 53 questions, but in this study, only 20 questions were used. The 53 questions in the original scale were used to measure nine dimensions. The items in the scale consist of judgment statements such as "There are too many existing rules that create a feeling of limited movement among employees," "The employees consider managers to be like family elders," "New approaches and ideas are encouraged," or "The administration is open to criticism." The overall reliability of the 20 items from the organizational culture scale used in this study was found to be $\alpha=0,882$. A KMO and Barlett analysis showed that the KMO value was 0.849, the Barlett value was smaller than 0.05, and factor analysis could be executed. As a result of the factor analysis, six factors were determined, whose total variance was 63.68%.

Table1. Factor Structure of Organizational Culture Scale

Dimensions	Items	Factor Load	Variance Ratio	Cronbach's alpha
Clan tendency	I consider myself as a part of this institution.	0,897	18,568	0,853
	Among the employees working in the institution, there is cooperation and solidarity.	0,871		
	I think that my values and the values of the institution I am working at are quite similar.	0,862		
	In the place I am working, team work is important.	0,816		
	Good team members put their personal objectives aside and focus on the team objectives.	0,798		
Prescriptivism tendency	My objectives and the objectives of the institution are the same.	0,829	12,471	0,755
	The institution I am working at keeps the unique traditional values alive.	0,784		
	For the organization members, the responsibility involves everybody.	0,753		
	For the organization's interest, interference in personal life is acceptable.	0,716		
Development tendency	The working environment fulfills my expectations.	0,811	10,068	0,786
	The institution I am working at is open to change and new ideas.	0,788		
	I do not avoid taking risks related to change.	0,748		
	The success gained in the organization provides more motivation than job security.	0,705		
Supportive tendency	The workplace I work at supports establishing fiduciary, transparent and open relationships.	0,755	9,320	0,715
	For the workers of the institutions, regular social activities like meetings, trips, cocktails are organized.	0,701		
	When individuals make a sacrifice for the organization's benefit, the organization works the best.	0,657		
Hierarchy tendency	I am content with my relationships with my co-workers.	0,741	7,984	0,711
	In the organization, the ones working in lower status cannot have any power.	0,682		
Openness tendency	The employees have access to the administration and present ideas.	0,842	5,264	0,726
	The new ideas and behaviors should be welcomed tolerantly.	0,713		
Total Variance: % 63, 675				

The scale of the perception of organization culture, which was first developed for this study, was approved to be used after a validity and reliability test. It was aimed that the evaluations of the participants were more reflected by including order of priority besides the 5-point Likert scale. The overall reliability of the 14 items in the scale of the perception of wages policy scale was found $\alpha=0,895$. As a result of the Kmo and Barlett analysis, it was observed that KMO value was 0,861 and Barlett value was smaller than 0,05 and the factor analysis can be executed. As a result of the factor analysis, 3 factor whose total variance was %53,516 was formed.

Table2. Factor Structure of the Scale of the Perception of Wages Policy

Dimensions	Items	Factor Load	Variance Ratio	Cronbach's alpha
Wage Management Principles	I think that in my workplace there is equal wage for equal work.	0,835	22,587	0,874
	I think that in my workplace as my status goes higher, my salary will rise as well.	0,821		
	I think that in the workplace a fair remuneration is done.	0,787		
	I think that when my wage was determined, my competences and skills were taken into consideration.	0,762		
	I find my salary normal compared to other employees working in the market.	0,724		
Job Evaluation And Justice	In my workplace, a performance evaluation system based on objective values is practiced.	0,756	18,564	0,840
	Job analysis applications are practiced in my workplace.	0,716		
	Job evaluation applications are practiced in my workplace.	0,675		
	I think that my wage is similar to that of those who work in the same position as I in the institution.	0,652		
	I believe that in case my wage is lower compared to the inner balance of the institution, there would be corrections.	0,623		
Side Benefits	In my workplace, there is flexible side benefits practice.	0,746	12,365	0,810
	The side benefits which my workplace provide me satisfy me.	0,721		
	In case of a job change, the side benefits are important for me.	0,697		
	In the improvement of the side benefits, I would prefer a raise in my net wage.	0,668		
Total Variance: % 53,516				

Evaluation criteria used in the evaluation of the Cronbach's Alpha coefficient:
 $0,00 \leq \alpha < 0,40$ the scale is not reliable.
 $0,40 \leq \alpha < 0,60$ the scale has low reliability.
 $0,60 \leq \alpha < 0,80$ the scale is quite reliable.

$0,80 \leq \alpha < 1,00$ the scale is a highly reliable.

For the Likert scale used in the study, individuals were asked to define their opinions which they produced for the statements with the options arranged from very positive to very negative. According to this, a scale was used such as (5) Strongly Agree, (4) Agree, (3) Neutral, (2) Disagree, (1) Strongly Disagree. The scale results ranged on $5,00-1,00=4,00$ points. The levels that define the breakpoints of the scale were identified by splitting this range. In the assessment of the scale statements, the criteria below were used as a base.

Options	Points	Point Interval	Scale Assessment
Strongly Disagree	1	1,00 - 1,79	Very low
	2	1,80 - 2,59	Low
	3	2,60 - 3,39	Medium
	4	3,40 - 4,19	High
Strongly Agree	5	4,20 - 5,00	Very High

Statistical Analysis of Data

The data gathered with the study was processed by using a software: SPSS (Statistical Package for Social Sciences) for Windows 21.0. Descriptive statistical methods (number, percentage, mean, standard deviation) were used in the evaluation of the data.

In the processing of the quantitative data, when comparing the difference between two groups of data, t-test was used; when there were more than two groups, in the comparison of the parameters among groups, One way ANOVA test was used and in the identification of the group which was causing the difference, Tukey Post Hoc test was used.

The relation between the dependent and independent variables of the research was tested with Pearson correlation, and the effect of the two was tested with regression analysis. Correlation relations between the scales were evaluated as in the below (Kalaycı, 2006, p.116);

<u>r</u>	<u>Relation</u>
0,00-0,25	Very low
0,26-0,49	Low
0,50-0,69	Medium
0,70-0,89	High
0,90-1,00	Very High

The findings gathered were evaluated in the %95 confidence interval and %5 significance level.

RESULTS AND COMMENTS

This section presents the results of analyses of data gathered from the employees participating in this study. Explanations and comments are also provided, based on the findings gathered.

Table 3. The Distribution of Employees Participating in the Research, According to Demographic

Characteristics	Group	Number	Percentage (%)
Characteristic			
	Gender		
	Male	96	43.6
	Female	124	56.4
	Total	220	100.0
Age	18-25 years old	12	5.5
	26-32 years old	100	45.5
	33-40 years old	82	37.3
	40 years old and above	26	11.8
	Total	220	100.0
Marital Status	Single	90	40.9
	Married	116	52.7
	Widowed or Divorced	14	6.4
	Total	220	100.0
Educational Level	College	18	8.2
	University	126	57.3
	Graduate School	76	34.5
	Total	220	100.0
Total Work Experience	1-3 years	34	15.5
	3-5 years	30	13.6
	5-10 years	64	29.1
	10 years and above	92	41.8
	Total	220	100.0
Sectors Worked In	Finance	52	23.6
	Education	50	22.7
	IT	54	24.5
	Health	14	6.4
	Service	16	7.3
	Other	34	15.5
	Total	220	100.0
Title in the Workplace	Personnel	12	5.5
	Assistant Expert	12	5.5
	Expert	84	38.2
	Executive Candidate	10	4.5
	Low-Level Manager	20	9.1
	Mid-Level Manager	34	15.5
	Senior Manager	12	5.5
	Other	36	16.4
	Total	220	100.0

Table 4. Examination of the Relationship between Organizational Culture and Employee Perceptions of Wage Policy: Correlation and Regression Analysis

		Wage Management Principles	Job Evaluation and Justice	Side Benefits	General Perceptions of Wage Policy		
Clan Tendency	r	0.665**	0.633**	0.411**	0.700**		
	p	0.000	0.000	0.000	0.000		
Prescriptivism Tendency	r	0.432**	0.399**	0.236**	0.441**		
	p	0.000	0.000	0.000	0.000		
Development Tendency	r	0.538**	0.412**	0.342**	0.525**		
	p	0.000	0.000	0.000	0.000		
Supportive Tendency	r	0.606**	0.561**	0.471**	0.657**		
	p	0.000	0.000	0.000	0.000		
Hierarchy Tendency	r	0.308**	0.214**	0.141*	0.276**		
	p	0.000	0.001	0.037	0.000		
Openness Tendency	r	0.433**	0.318**	0.344**	0.436**		
	p	0.000	0.000	0.000	0.000		
Overall Organizational Culture	r	0.668**	0.587**	0.433**	0.687**		
	p	0.000	0.000	0.000	0.000		
Dependent Variable	Independent Variable	β	t	p	F	Model (p)	R ²
Wage Management Principles	Stable	-0.756	-1.936	0.054	31.031	0.000	0.451
	Clan tendency	0.532	4.163	0.000			
	Prescriptivism tendency	-0.031	-0.277	0.782			
	Development tendency	0.084	0.695	0.488			
	Supportive tendency	0.162	1.537	0.126			
	Hierarchy tendency	0.134	1.665	0.097			
	Openness tendency	0.129	1.449	0.149			

A regression analysis carried out to identify the relationships between clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, openness tendency, and wage management principles was found to be statistically significant ($F=31.031$; $p=0.000<0.05$). As the identifier of the level of wage management principles, its relationship (explanatory power) with the variables of clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, and openness tendency was observed to be very strong ($R^2=0.451$). The level of clan tendency of employees increases the level of wage management principles ($\beta=0.532$). The level of prescriptivism tendency among employees does not affect the level of wage management principles ($p=0.782>0.05$). The level of development tendency of employees does not affect the level of wage management principles ($p=0.488>0.05$). The level of supportive tendency of employees does not affect the level of wage management principles ($p=0.126>0.05$). The level of hierarchy tendency among employees

does not affect the level of wage management principles ($p=0.097>0.05$). The level of openness tendency of employees does not affect the level of wage management principles ($p=0.149>0.05$).

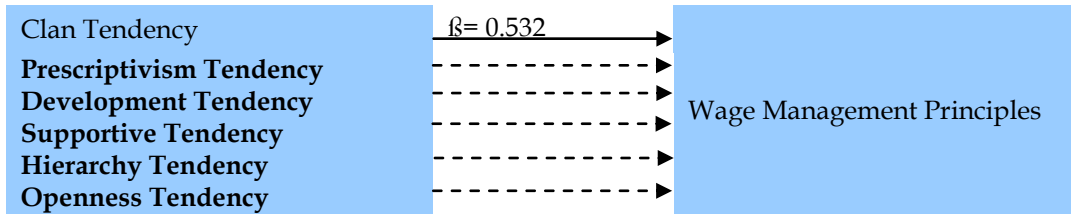


Figure 1. Result Model of the Effect of Organizational Culture Levels on Wage Management Principles

The regression analysis that was done in order to identify the relationship between clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, openness tendency, and job evaluation and justice was found to be statistically significant ($F=24.754$; $p=0.000<0.05$). As the identifier of the level of the job evaluation and justice, its relationship (explanatory power) with the variables of clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, and openness tendency was observed to be strong ($R^2=0.394$). The level of clan tendency of employees increases the level of job evaluation and justice ($\beta=0.700$). The level of prescriptivism tendency of employees does not affect the level of job evaluation and justice ($p=0.889>0.05$). The level of development tendency of employees does not affect the level of job evaluation and justice ($p=0.194>0.05$). The level of supportive tendency of employees does not affect the level of job evaluation and justice ($p=0.173>0.05$). The level of hierarchy tendency of employees does not affect the level of job evaluation and justice ($p=0.874>0.05$). The level of openness tendency of employees does not affect the level of job evaluation and justice ($p=0.599>0.05$).

Table 5. The Effect of Organization Culture Levels on Job Evaluation and Justice

Dependent Variable	Independent Variable	β	t	p	F	Model (p)	R ²
Job Evaluation and Justice	Stable	0.666	1.716	0.088	24.754	0.000	0.394
	Clan tendency	0.700	5.515	0.000			
	Prescriptivism tendency	0.015	0.140	0.889			
	Development tendency	-0.157	-1.303	0.194			
	Supportive tendency	0.143	1.366	0.173			
	Hierarchy tendency	0.013	0.159	0.874			
	Openness tendency	-0.047	-0.526	0.599			

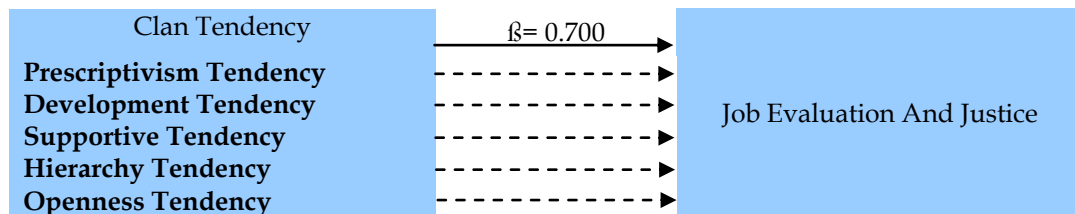


Figure 2. Result Model of the Effect of Organizational Culture Levels on Job Evaluation and Justice

The regression analysis that was carried out in order to identify the relationship between clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, openness tendency, and side benefits was found to be statistically significant ($F=11.259$; $p=0.000<0.05$). As an identifier of the level of importance of side benefits, its relationship (explanatory power) with the

variables of clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, and openness tendency was observed to be strong ($R^2=0.219$). The level of clan tendency among employees does not affect the level of side benefits ($p=0.853>0.05$). The level of prescriptivism tendency of employees does not affect the level of side benefits ($p=0.319>0.05$). The level of development tendency of employees does not affect the level of side benefits ($p=0.941>0.05$). The level of supportive tendency of employees increases the level of side benefits ($\beta=0.342$). The level of hierarchy tendency of employees does not affect the level of side benefits ($p=0.738>0.05$). The level of openness tendency of employees increases the level of side benefits ($\beta=0.157$).

Table 6. The Effect of Organizational Culture Levels on Side Benefits

Dependent Variable	Independent Variable	β	t	p	F	Model (p)	R ²
Side Benefits	Stable	1.815	5.330	0.000	11.259	0.000	0.219
	Clan tendency	0.021	0.186	0.853			
	Prescriptivism tendency	-0.097	-1.000	0.319			
	Development tendency	0.008	0.074	0.941			
	Supportive tendency	0.342	3.728	0.000			
	Hierarchy tendency	0.023	0.335	0.738			
	Openness tendency	0.157	2.023	0.044			

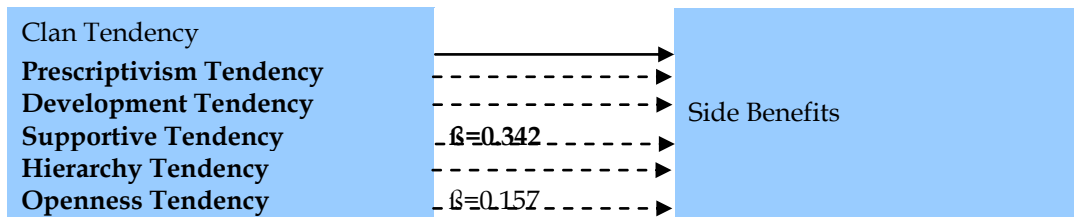


Figure 3. Result Model of the Effect of Organizational Culture Levels on Side Benefits

The regression analysis carried out to identify the relationship between clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, openness tendency, and general perceptions of the wage policy was found to be statistically significant ($F=37.331$; $p=0.000<0.05$). As the identifier of the level of general perceptions of wage policy, its relationship (explanatory power) with the variables of clan tendency, prescriptivism tendency, development tendency, supportive tendency, hierarchy tendency, and openness tendency was observed to be very strong ($R^2=0.499$). The level of clan tendency of employees increases the level of general perceptions of wage policy ($\beta=0.446$). The level of prescriptivism tendency of employees does not affect the level of general perceptions of wage policy ($p=0.685>0.05$). The level of development tendency of employees does not affect the level of general perceptions of wage policy ($p=0.790>0.05$). The level of supportive tendency of employees increases the level of general perceptions of wage policy ($\beta=0.207$). The level of hierarchy tendency of employees does not affect the level of general perceptions of wage policy ($p=0.318>0.05$). The level of openness tendency of employees does not affect the level of general perceptions of wage policy ($p=0.256>0.05$).

Table 7. The Effect of Organization Culture Levels on General Perceptions of Wage Policy

Dependent Variable	Independent Variable	β	T	p	F	Model (p)	R ²
General Perceptions of Wage Policy	Stable	0.486	1.699	0.091	37.331	0.000	0.499
	Clan tendency	0.446	4.761	0.000			
	Prescriptivism tendency	-0.033	-0.407	0.685			
	Development tendency	-0.024	-0.267	0.790			
	Supportive tendency	0.207	2.677	0.008			
	Hierarchy tendency	0.059	1.002	0.318			
	Openness tendency	0.075	1.139	0.256			

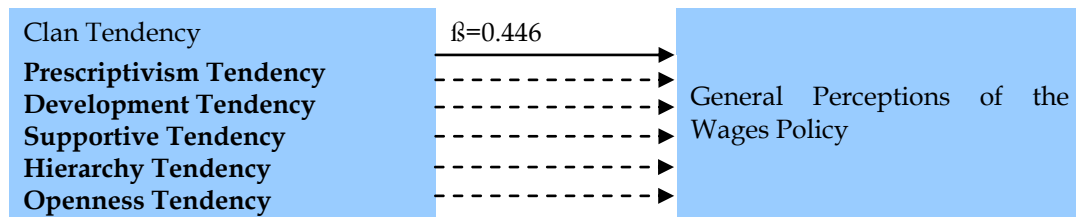


Figure 4. Result Model of the Effect of Organizational Culture Levels on General Perceptions of Wage Policy

The regression analysis was done in order to identify the relation between general organization culture, and a general perception of the wages policy was found statistically significant ($F=194,921$; $p=0,000<0.05$). As the identifier of the level of the general perception of the wages policy, its relation (explanatory power) with the variables of the general organization culture was observed very strong ($R^2=0,470$). The level of general organization culture of the employees increases the level of general perception of the wages policy ($\beta=0,901$).

Table 8. The Effect of General Organization Culture Levels on General Perception of the Wages Policy

Dependent Variable	Independent Variable	β	t	p	F	Model (p)	R ²
General Perceptions of the Wages Policy	Stable	-0,138	-0,597	0,551	194,921	0,000	0,470
	General Organization Culture	0,901	13,961	0,000			

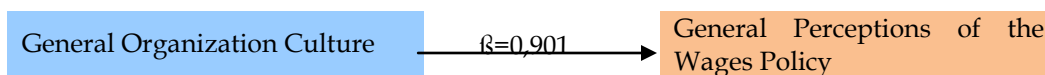


Figure 5. Result Model of the Effect of General Organizational Culture Levels on General Perception of the Wages Policy

CONCLUSION

At the beginning of this study, the validity and reliability of the scales were tested, as were the overall reliability of statements in the organizational culture scale. It was determined that factor analysis was

doable. The overall reliability of the statements in the perceptions of wage policy scale was tested through KMO and Barlett analysis, which both found that they were valid and that factor analysis was doable. The factor analysis of the perceptions of wage policy scale revealed three factors whose total variance was greater than 50%. The data gained through research was analyzed with SPSS software and evaluated with descriptive statistical methods. All findings were evaluated at the 95% confidence interval and 5% significance level. In terms of the demographic characteristics of the employees participating in the study, it was observed that female employees' participation was greater than that of male employees, and almost half of the participants were in the 26-32 age range. In addition, three-quarters of the participants were from the education, IT, and finance sectors, while expert-level participants were a majority. Wage changes and wage raises are among the most important issues in institutions, and so we tried to focus on these issues from different perspectives. Based on the findings of our study, seniority and performance were most important to wage evaluations, followed by education level and inflation, which we also considered to be priorities in creating our questionnaire. One important issue to consider is that only 1.8% of employees stated that market research was important in carrying out wage evaluations, and more than half of the respondents did not include wage surveys in their first seven criteria. Based on these results, it is clear that the communication to employees of how wage evaluations are carried out should be done correctly. Explaining how objective criteria are used as tools in defining employee wages can create far-ranging trust, and can promote wage definition transparency within an institution.

A t-test was done to determine whether the average levels of organizational culture of participants in our research varied significantly with regard to gender variables. Prescriptivism tendency differences between groups were thus found that were statistically significant. Prescriptivism tendency was greater among male employees than among female employees. In terms of adherence to rules in the organization, it was greater among male employees, who were also determined to have greater supportive tendencies. However, for the other variables, no statistically significant differences were found with regard to gender difference.

The openness tendency of participants in this study was found to vary with age. Participants in the 26-32 age range had greater openness tendencies, as expected. The influence of "generation Y" employees working in institutions was also made clear by our questionnaire. No significant differences according to age were found in the other variables. Employees who were married were found to have greater hierarchy tendencies, while those who were single had greater openness tendencies, showing that social culture clearly has an effect on organizational culture. With regard to job experience, we found that the more job experience employees had, the greater hierarchy tendencies they had. The relationship between these two variables shows that the importance of authority is more clearly understood as business life experience increases. The fact that experienced individuals had weaker openness tendencies can be explained by the generation gap and by institutionalization.

Clan tendency was found to be very high among employees working in the IT sector. This result is not surprising, considering that group and coordinated work is very important in that sector. Clan tendency was found to be fairly low among employees working in the education sector. Supportive tendency was found to be the highest among employees working in the health sector, which was another expected result. Openness tendency was highest in the education sector, and low in the finance sector. Since the individuals working in the education sector are more familiar with education and development, it is also unsurprising that they have the greatest openness tendencies.

With regard to development tendency, individuals with expert status are the most prone to development tendencies, yet the fact that development tendency is lower among senior managers shows us that as individuals proceed in their careers, they accord less importance to development. In the analysis of wage policy, one of the most significant variables is gender. The perceptions of wage policy and justice were greater among male employees than female employees, and the perceptions of job evaluations were also slightly higher among males. Individuals working in the IT sector and those with manager status had higher results regarding perceptions of general wage. The relationship between general organization culture and general wage policy was found to be significant at the highest level. The fact that these two dimensions, which form the basis of this study, are greatly related is an important result.

While clan tendency affects the level of wage management principles the most, the openness tendencies of employees do not have any effect on wage management principles. Also, despite the fact that organizational culture levels have quite a strong effect on job evaluation and justice, the other variables do not have any significant effect on job evaluation and justice. Even though we have come to the conclusion that organizational culture levels relate to almost all sub-levels of side benefits, clan tendency and prescriptivism tendency have no effect on side benefits. With regard to relationships between perceptions of the general wage policy, we see that all organizational culture sub-levels are highly related.

Consequently, with the successful finalization of regression analysis, it is determined that the General organization culture has a strong effect on the perception of general wages policy. The general wages policy perception of employees effects the organization culture. It is possible to provide changes that may have an effect on several levels of the organization culture by proper communication of the wages policy in the institutions to the employees and by ensuring the implementation of transparency policy. The employees who trusts their institution and thinks that they are earning what they deserve carry out their duty while being more attached to the organization and they help the organization culture to move forward in a positive direction. In light of these results, our suggestions will be like in the following; the institutions can access some of the points that the institutions should be careful while applying them to their employees from the questionnaire questions and analyses. In the cases which the wage satisfaction of the employees is not fulfilled, how their justice perceptions are affected negatively and the fact that this situation causes deformation in the institution culture are facts that should not be ignored by the institutions.

REFERENCES

- AKAL Z. (1980). Özendirici Ücret Sistemleri ve Kamu İktisadi Teşebbüslerinde Uygulanma Durumu (Implementation status of the incentive fee system and state-owned enterprises). Milli Produktivite Merkezi Yayınları.
- ARMSTRONG, M. (1993) *Managing reward systems*. Open University
- ATAAY İ. D. (1988). İşletmelerde İnsan Gücü Verimliliğini Etkileyen Faktörler : Verimlilik, Çalışma Zamanı ve Ücret Tatmini (Manpower Factors Affecting Productivity in the business (Productivity, Working Time and Fees Satisfaction)). Ankara: MESS Yayını:126, MESS Eğitim Kitapları Dizisi:19, Bizim Büro Basımevi.
- ATHANASSIOU, N., CRITTENDEN, W. F., KELLY, L. M., & MARQUEZ, P. (2002). Founder centrality effects on the Mexican family firm's top management group: Firm culture, strategic vision and goals, and firm performance. *Journal of World Business*, 37(2), 139-150.
- BAKAN, İ., BUYUKMEŞE, T. ve BEDESTENCİ, H. C. (2004), Örgüt Sırlarının Çözümünde Örgüt Kültürü Teorik ve Ampirik Bir Yaklaşım (Organizational Culture Organization Secrets of the Solution of Theoretical and Empirical Approach), İstanbul, Alfa Akademi.
- BARNEY. JAY, B. (1986), Organizational Culture: Can It Be a Source of Sustained Competitive Advantage? Source: The Academy of Management Review, Vol. 11, No. 3 (Jul), pp. 656-665
- BENLİĞİRAY S. (2003). Ücret Yönetimi (Wage Management). Eskişehir: T. C. Anadolu Üniversitesi Yayınları No:1462, İktisadi ve İdari Bilimler Fakültesi Yayınları No: 178.
- BRYANT, PHIL C., AND DAVID G. ALLEN (2013). "Compensation, Benefits and Employee Turnover HR Strategies for Retaining Top Talent." *Compensation & Benefits Review* 45.3: 171-175.
- BİLGİN, K. U. (2004). Kamu Performans Yönetimi Memur Hak ve Yükümlülüklerinin Performansa Etkisi (Performance Impact of Performance Management Officer Rights and Obligations). Ankara: Türkiye ve Orta Doğu Amme İdaresi Enstitüsü.
- CSASZAR, F. A. (2012). Organizational structure as a determinant of performance: Evidence from mutual funds. *Strategic Management Journal*, 33(6), 611-632. DOI: 10.1002/smj.1969
- DANIŞMAN, A., & ÖZGEN, H. (2003). Örgüt Kültürü Çalışmalarında Yöntem Tartışması: Niteliksel-Niceliksel Yöntem İkileminde Niceliksel Ölçümler Ve Bir Ölçek Önerisi (Organizational Culture

- Studies Discussion Methods: Quantitative Measurements Of Qualitative-Quantitative Method And A Scale Proposal Dilemma). *Yönetim Araştırmaları Dergisi*, 3(Ekim).
- ERDOĞAN, İ. (1996), *İşletme Yönetiminde Örgütsel Davranış (Organizational Behavior art Business Administration)*, İstanbul.
- ERGİN, G. (2009). "Çalışanların Ücretlendirilmesi: Sağlık Kurumlarında Çalışanların Ücret Sistemini Değerlendirmelerine İlişkin Bir Araştırma" (Remuneration of Employees: A Study on the Evaluation of the Workers Compensation System in Health Institutions) Hacettepe Üniversitesi Sağlık Bilimleri Fakültesi Sağlık Kurumları Yönetimi Anabilim Dalı Doktora Tezi, Ankara.
- FELDMAN, D., HUGH, A. (1986), *Managing Individual and Group Behavior in Organizations*, McGraw-Hill International Book Company: Auckland.
- IIVARI, J., & IIVARI, N. (2011). The relationship between organizational culture and the deployment of agile methods. *Information and Software Technology*, 53(5), 509-520.
- IVANCEVICH J. M., (2004). *Human Resource Management*. (9.bs.). USA: McGrawHill Irwin.
- KALAYCI, Ş. (2006). *SPSS uygulamalı çok değişkenli istatistik teknikleri (SPSS applied multivariate statistical techniques)* (Vol. 2). Asil Yayın Dağıtım.
- LAM, S.S.K. (1995), *Quality Management and Job Satisfaction* , *International Journal of Quality & Reliability Management*, Vol. 12 No. 4, 72-78.
- MILKOVICH G. T., NEWMAN J. M.,(1999). *Compensation*. (6. Bs.) Malaysia: Irwin McGraw-Hill.
- MORGAN, G. (1998), *Yönetim ve Örgüt Teorilerinde Metafor (Metaphor at Management and Organization Theories)* (G. Bulut, Cev.). İstanbul: Mess Yayınları, (Original Publishing Date:1997).
- MENDONCA, M. (1997). *Compensation: Effective reward management*. Butterworths.
- NARANJO-VALENCIA, J. C., JIMÉNEZ-JIMÉNEZ, D., & SANZ-VALLE, R. (2011). Innovation or imitation? The role of organizational culture. *Management Decision*, 49(1), 55-72.
- SANWAL, T.(2009). "Compensation Management." Paradigm 1: Academic OneFile. Web.
- WELDON, D. (2012). "Linking total compensation to performance." *Compensation & Benefits Review* 44.3: 149-153.