



The Effect of Job Satisfaction on Organizational Performance: The Mediating Role of Managerial Values Congruence

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ABSTRACT

Purpose – This study addresses this gap by examining how managerial values congruence, representing alignment between employees and managerial values, mediates the relationship between job satisfaction and organizational performance.

Aims(s) – The study aims to use a unique measure of employee job satisfaction that specifically reflects their level of contentment with their employment and working environment.

Design/methodology/approach – The author employed a quantitative research approach using a cross-sectional survey design to collect data about the population at the time of the study. The sample size consisted of 500 staff members from colleges of education, selected through convenience sampling techniques.

Findings – By elucidating the mediating mechanism, our study contributes to a deeper understanding of the drivers of organizational effectiveness and offers practical insights for human resource management practices.

Limitations of the study – A limitation of this study is the lack of a longitudinal design, which restricts the understanding of causal relationships and temporal dynamics. Therefore, future research could explore these relationships through longitudinal studies, cross-cultural comparisons, and multi-level modeling techniques. Additionally, qualitative methods, such as interviews or case studies, could provide deeper insights into the mechanisms and contextual factors underlying these relationships.

Originality/value – The originality of this research lies in examining the mediating role of managerial values congruence between job satisfaction and organizational performance, contributing to the development of social exchange theory and providing practical recommendations for improving organizational processes.

KEY WORDS:

job satisfaction, organizational performance, managerial values congruence, mediation, social exchange theory.

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1 INTRODUCTION

Job satisfaction is a pivotal element in understanding employee behavior and organizational performance. It encompasses the extent to which employees find fulfillment and contentment in their work, reflecting their attitudes and feelings towards various aspects of their job and work environment (Judge et al., 2017). Organizational performance, on the other hand, denotes the effectiveness and efficiency with which an organization achieves its objectives and goals. The relationship between job satisfaction and organizational performance has been a topic of significant interest and research in organizational behavior and management studies (Götz et al., 2020).

A strategy for exploring the function of leadership is by concentrating on manager value congruence. This is the employee's belief that their leader shares a similar set of principles. Lee et al. (2017) investigated the connection between ethical leadership and voice, showing that manager value congruence was a significant predictor of voice. Weber and Avey (2019) also found a connection between manager value congruence and cooperative voice. Additionally, after reviewing prior research on value congruence and LMX, these authors recommended further examination of the role of value congruence in future studies (Judge et al., 2017).

Despite the recognized significance of job satisfaction in driving organizational outcomes, the mechanisms through which it influences performance remain complex and multifaceted. Recent literature suggests that the relationship between job satisfaction and organizational performance may be mediated by factors such as managerial values congruence (Weber & Avey, 2019). Managerial values congruence refers to the alignment between the personal values of employees and the values promoted and practiced by their managers or leaders (Shin et al., 2019). When there is congruence between employee values and managerial values, it is hypothesized that job satisfaction may increase, subsequently impacting organizational performance positively. Moreover, existing studies have primarily focused on either the direct relationship between job satisfaction and organizational performance or the individual effects of managerial values congruence on employee outcomes (Wang et al., 2017; Shin et al., 2019). There is a notable absence of research that integrates these constructs within a comprehensive theoretical framework, hindering a nuanced understanding of their interplay and implications for organizational effectiveness.

Thus, this study seeks to address this gap by examining the mediating role of managerial values congruence in the relationship between job satisfaction and organizational performance. By elucidating the mechanisms through which employee satisfaction influences performance outcomes via values congruence, this research aims to provide valuable insights for organizations seeking to optimize their human resource management practices and enhance overall organizational effectiveness. While it is often the case for workers and managers to hold similar values in the workplace, limited research has examined the impact of these shared values. Additionally, this study is one of the few to explore the consequences for employees when their values align with those of their employer.

At the core of this study is the Social Exchange Theory (SET), which posits that individuals engage in reciprocal relationships within organizations based on the exchange of resources and benefits (Blau, 2021). According to SET, employees perceive their job satisfaction as a result of the balance between the efforts they invest in their work and the rewards they receive in return. When employees perceive a fair exchange of effort and rewards, their job satisfaction is likely to increase, leading to positive organizational outcomes (Cropanzano et al., 2017). Managerial values congruence serves as a significant component within the SET framework. It operates on the premise that when employees perceive alignment between their personal values and the values endorsed by their managers, they experience a sense of psychological congruence, fostering greater job satisfaction (Shin et al., 2019). This alignment creates a conducive environment for positive social exchanges between employees and managers, consequently influencing organizational performance.

1.1.1 CONTRIBUTIONS OF THIS ARTICLE

The contributions of this article are manifold: This study advances theoretical understanding by exploring the mediating role of managerial values congruence in the relationship between job satisfaction and organizational performance. By integrating concepts from organizational

behavior, human resource management, and social exchange theory, the study offers a comprehensive framework for examining the mechanisms driving organizational effectiveness. Through empirical investigation, this study provides empirical evidence on the mediating effect of managerial values congruence. By collecting and analyzing data from organizations, the study offers insights into how alignment between employee and managerial values influences organizational outcomes, thereby contributing to the empirical literature on job satisfaction and organizational performance. The findings of this study have practical implications for organizational leaders and managers. By highlighting the importance of fostering values congruence between employees and managers, organizations can implement strategies to enhance job satisfaction and, subsequently, organizational performance. This includes initiatives such as leadership training, organizational culture development, and communication practices that promote values alignment. The study provides actionable guidance for managers seeking to optimize organizational performance through effective human resource management practices. By recognizing the pivotal role of managerial values congruence, managers can tailor their leadership approaches to foster a work environment characterized by shared values and mutual respect, thereby promoting employee satisfaction and overall organizational success. Overall, the contributions of this article extend beyond theoretical insights to offer practical guidance for organizational leaders and stimulate further research in the field of organizational behavior and human resource management.

2 LITERATURE REVIEW

2.1 THEORETICAL FOUNDATION

The theoretical foundation of this study is grounded in Social Exchange Theory (SET). SET serves as the primary theoretical lens through which this study examines the relationship between job satisfaction, managerial values congruence, and organizational performance (Cropanzano et al., 2017). SET posits that social interactions within organizations are based on the exchange of resources, where individuals engage in reciprocal relationships to maximize outcomes. In the context of this study, the exchange of resources includes the alignment of values between employees and managers, which influences job satisfaction and, subsequently, organizational performance. In this context, Social Exchange Theory (SET) serves as a fundamental theoretical framework for understanding the relationship between job satisfaction, managerial values congruence, and organizational performance. Social Exchange Theory posits that individuals engage in social interactions within organizations based on the exchange of resources, where they seek to maximize outcomes through reciprocal relationships (Blau, 2021).

In this study, SET provides insights into how the exchange of resources between employees and managers influences job satisfaction and organizational performance. Specifically, the alignment of values between employees and managers represents a form of social exchange, where employees perceive their job satisfaction as a result of the balance between the efforts they invest in their work and the rewards they receive in return (Cropanzano et al., 2017). When employees perceive congruence between their values and those of their managers, it fosters positive social exchanges characterized by trust, mutual respect, and reciprocity, leading to enhanced job satisfaction and organizational performance. Furthermore, SET helps elucidate the underlying mechanisms through which values congruence influences organizational outcomes. According to SET, individuals engage in social exchanges to fulfill their socioemotional and instrumental needs (Blau, 2021). When employees perceive alignment between their values and managerial values, it satisfies their socioemotional needs by fostering a sense of belongingness, trust, and fairness in

the workplace. Additionally, it fulfills their instrumental needs by enhancing job satisfaction, motivation, and commitment, which in turn, contribute to improved organizational performance (Yang & Mossholder, 2022). In summary, Social Exchange Theory provides a theoretical foundation for understanding how values congruence between employees and managers influences job satisfaction and organizational performance through reciprocal social exchanges within organizations.

2.2 CONCEPTUAL REVIEW

2.2.1 JOB SATISFACTION

The extensive research on employee satisfaction in the workplace has been conducted by the management literature (Jung & Takeuchi, 2017; Wang et al., 2018). This satisfaction has a significant impact on key organisational outcomes, such as employee performance and engagement, as reported by Wang et al. (2018). According to Berson and Linton's (2022) definition, job satisfaction is "an individual's perception of contentment with the expectation of resources, work, and association with the organisation." Dalkrani and Dimitriadis (2018) argue that working conditions and job fit are particularly important among the many variables that determine job satisfaction. Our current study aims to use a unique measure of employee job satisfaction that specifically reflects their level of contentment with their employment and working environment. Employee motivation aligned with organisational goals has been shown to improve the chances of achieving job satisfaction (Le Grand & Roberts, 2018). Motivation can be customised to baby boomers, millennials, and Generation X or generational cohorts (Calecas, 2019).

2.2.2 ORGANIZATIONAL PERFORMANCE

Organizational effectiveness reflects an enterprise's proficiency in securing resources, yielding value, and ultimately generating profits while meeting the diverse needs of various stakeholder groups (Taouab & Issor, 2019). According to Koohang et al. (2017), organizational performance serves as a measure of an organization's growth and development. Assessing an organization's success by comparing actual results to planned objectives reveals its performance. Bresciani, Thrassou, and Vrontis (2022) argue that both internal and external elements influence organizational performance. Effective management, sound governance, and a relentless focus on execution contribute to an organization's capacity to execute its mission (Owiti, 2020). The balanced scorecard model, which evaluates business success by considering financial and non-financial outcomes through internal processes, innovation, growth, client satisfaction, and economic outcomes, is crucial in the service sectors (Gumboh & Gichira, 2023).

2.2.3 MANAGERIAL VALUE CONGRUENCE (MVC)

The term "value congruence" pertains to the extent to which an individual's values are in alignment with those present in their work environment. Managerial values congruence is the alignment between employees' personal values and the values promoted by their managers or leaders. MVC plays a crucial role in shaping employee attitudes, behaviors, and organizational outcomes (Shin et al., 2019). In the context of the topic above, MVC serves as a mediating mechanism through which job satisfaction influences organizational performance. When employees perceive congruence between their values and those of their managers, it enhances job satisfaction by

fostering a sense of alignment, trust, and mutual understanding (Shin et al., 2019). This alignment creates a conducive work environment characterized by shared values, which in turn, contributes to improved organizational performance. Furthermore, MVC reflects the quality of social exchanges between employees and managers, as posited by Social Exchange Theory (Blau, 2021). Employees engage in reciprocal relationships with their managers, where they exchange resources such as trust, respect, and support based on shared values. This exchange of resources influences employee attitudes and behaviors, ultimately impacting organizational performance. MVC represents the alignment between employee and managerial values, which influences job satisfaction and organizational performance through reciprocal social exchanges within organizations.

Recent trends in remote and hybrid work have reshaped the dynamics of managerial values congruence (MVC). Studies by Blau, 2021 highlight the challenges that virtual work environments pose for aligning values between employees and managers, as reduced in-person interactions can diminish perceived alignment. However, research also suggests that values congruence can still be effectively maintained in remote settings through regular virtual check-ins, transparent communication, and value-centric leadership practices (Blau, 2021).

Moreover, recent studies emphasize that job satisfaction in hybrid and remote work settings may hinge on the extent to which managers demonstrate flexibility, trust, and support, aligning with employees' values of work-life balance and autonomy (Le Grand & Roberts, 2018). These findings underscore the importance of adapting traditional MVC approaches to meet the needs of contemporary work environments. By promoting open dialogue about personal and organizational values in virtual formats, managers can help foster congruence and enhance job satisfaction, even in geographically dispersed teams.

2.3 EMPIRICAL REVIEW AND HYPOTHESIS DEVELOPMENT

2.3.1 JOB SATISFACTION AND MANAGERIAL VALUES CONGRUENCE

Job satisfaction is a critical component of employee well-being and organizational effectiveness. It reflects employees' perceptions and feelings towards their work and plays a pivotal role in influencing various organizational outcomes (Judge et al., 2017). Managerial values congruence (MVC), on the other hand, refers to the alignment between the personal values of employees and the values demonstrated by their managers or leaders (Shin et al., 2019). MVC is essential for fostering positive relationships between employees and managers, as well as for creating a supportive work environment characterized by shared values and mutual understanding. Several studies have explored the relationship between job satisfaction and MVC, highlighting the significant impact of values alignment on employee attitudes and behaviors. For instance, research by Erdogan et al. (2022) found that employees who perceive high levels of values congruence with their managers report higher levels of job satisfaction and organizational commitment. Furthermore, studies have shown that MVC influences job satisfaction through various mechanisms. According to Shin et al. (2019), employees who perceive congruence between their values and managerial values experience greater trust, respect, and support from their managers, which enhances their overall job satisfaction. Similarly, Kristof-Brown et al. (2022) found that values congruence between employees and managers leads to higher levels of perceived organizational support, which in turn, contributes to increased job satisfaction and organizational commitment. Overall, the literature suggests a positive relationship between job satisfaction and managerial values congruence. Employees who perceive alignment between their values and managerial

values are more likely to experience higher levels of job satisfaction and organizational commitment, ultimately leading to improved organizational performance.

The study hypothesizes that both intrinsic and extrinsic job satisfaction will positively impact Managerial Values Congruence (MVC). According to Social Exchange Theory (SET), individuals engage in reciprocal exchanges within organizations, seeking alignment between personal values and those promoted by their managers.

1. Intrinsic job satisfaction, which reflects personal fulfillment and enjoyment of work, is expected to enhance MVC as employees perceive value alignment in an environment that supports personal growth and autonomy (Shin et al., 2019).
2. Extrinsic job satisfaction, which includes external factors like compensation and job security, contributes to MVC by fostering an environment of mutual respect and support. When employees feel their extrinsic needs are met, they are more likely to perceive their managers as sharing similar values.

Therefore, the hypotheses are formulated as follows:

1. *H1: Intrinsic job satisfaction has a significant positive effect on MVC.*
2. *H2: Extrinsic job satisfaction has a significant positive effect on MVC.*

2.3.2 JOB SATISFACTION AND ORGANIZATIONAL PERFORMANCE

Job satisfaction is a critical factor influencing employee attitudes, behaviors, and organizational outcomes. Numerous studies have examined the relationship between job satisfaction and organizational performance, highlighting the significant impact of employee satisfaction on various aspects of organizational effectiveness. Judge et al. (2001) conducted a comprehensive review of the literature and found a positive relationship between job satisfaction and job performance. They concluded that satisfied employees tend to demonstrate higher levels of task performance, organizational citizenship behavior, and lower turnover rates. Similarly, Harter et al. (2022) conducted a meta-analysis and found that employee satisfaction is positively associated with business-unit-level outcomes, including profitability, productivity, and customer satisfaction. Moreover, a study by Podsakoff et al. (2021) examined the individual and organizational-level consequences of organizational citizenship behaviors (OCBs), which are influenced by job satisfaction. They found that OCBs positively impact organizational performance by enhancing teamwork, customer service, and overall organizational effectiveness. Furthermore, Wang et al. (2017) explored the relationship between leadership job satisfaction, adaptability, and job crafting, and their impact on organizational performance. They found that employees who experience high levels of job satisfaction and engagement are more likely to engage in proactive behaviors such as job crafting, which positively influences organizational performance. Overall, the literature provides robust evidence supporting the positive relationship between job satisfaction and organizational performance. Satisfied employees are more likely to demonstrate higher levels of performance, engagement, and organizational citizenship behaviors, leading to improved organizational outcomes.

Hence, the following 2 hypotheses were formulated

- H3: Intrinsic job satisfaction has a significant positive effect on organizational performance*
- H4: Extrinsic job satisfaction has a significant positive effect on organizational performance*

2.3.3 MANAGERIAL VALUES CONGRUENCE AND JOB SATISFACTION

Managerial values congruence (MVC) refers to the alignment between the personal values of employees and the values promoted and practiced by their managers or leaders. This alignment has been shown to significantly impact employee attitudes and behaviors, particularly job satisfaction. Research by Erdogan et al. (2022) found that employees who perceive high levels of values congruence with their managers report higher levels of job satisfaction and organizational commitment. Similarly, Shin et al. (2019) demonstrated that managerial values congruence positively influences employee job satisfaction by fostering trust, respect, and support between employees and managers. Furthermore, Kristof-Brown et al. (2022) conducted a meta-analysis and found that values congruence between employees and managers leads to higher levels of perceived organizational support, which in turn, contributes to increased job satisfaction and organizational commitment. Overall, the literature provides consistent evidence supporting the positive relationship between managerial values congruence and job satisfaction. When employees perceive alignment between their values and those of their managers, it enhances their job satisfaction, commitment, and overall well-being in the workplace.

Hence, hypothesis 5 was formulated

H5: Managerial Values Congruence has a significant positive influence on Job Satisfaction

2.3.4 THE MEDIATING ROLE OF MANAGERIAL VALUES CONGRUENCE

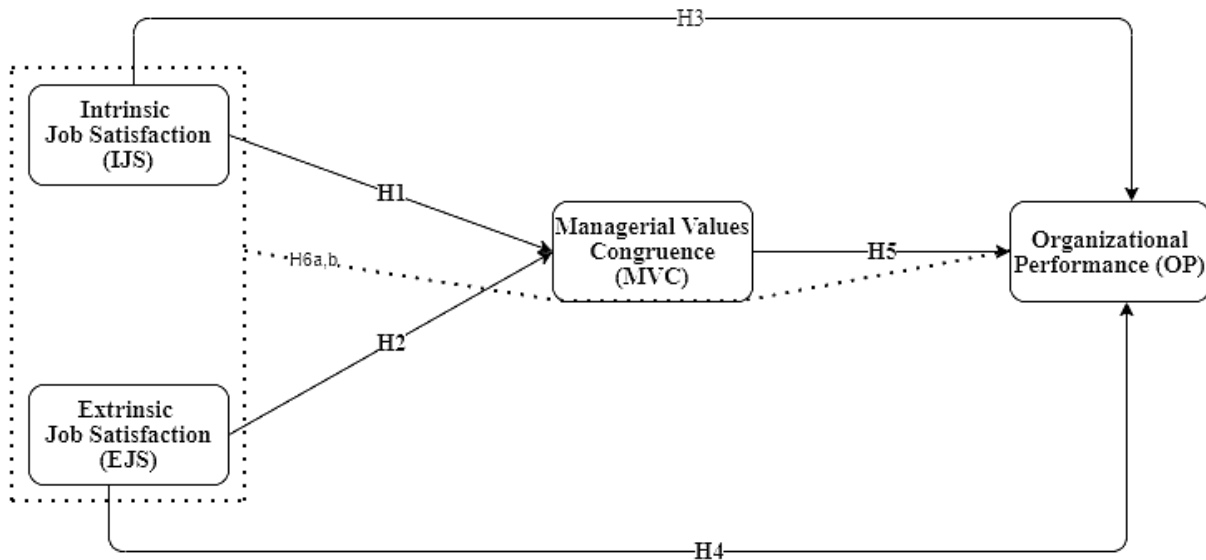
In recent literature, there's a growing acknowledgment of the mediating role of managerial values congruence (MVC) in various organizational dynamics. For instance, Shin et al. (2019) demonstrated that MVC plays a crucial mediating role between ethical leadership and workplace incivility. Similarly, Erdogan et al. (2022) highlighted MVC as a mediating factor in the relationship between leadership behavior and employee life satisfaction. Additionally, Kristof-Brown et al. (2022) emphasized the mediating effect of MVC in the relationship between person-job fit and organizational outcomes. These studies collectively underscore the significance of MVC as a mediator in understanding how leadership behaviors, job characteristics, and organizational contexts influence employee attitudes and behaviors.

Hence, the following 2 hypotheses were formulated

H6a: Intrinsic job satisfaction has a significant positive effect on organizational performance through MVC

H6b: Extrinsic job satisfaction has a significant positive effect on organizational performance through MVC

Figure 1. Conceptual Framework



source: Researcher's construct

3 DESIGN AND SAMPLING

I used a survey research method which allowed me to gather a lot of data from the field. The study was a quantitative one which enabled me to test the social exchange theory and the effect of independent variable on the other variables. A cross-sectional survey design was utilized to obtain information about the population at the time of data collection. This design, as described by Shaughnessy and Zechmeister (1997), is useful for evaluating interrelationships among variables within a population and for describing and predicting functions associated with correlative research. 500 staff of colleges of education sample size, since in quantitative study the larger the sample size the reliability of the study. I used convenience sampling techniques, so data was collected from those who were available when the research assistants visited the various campuses

3.1 SAMPLING PROCESS

This study utilized a convenience sampling method to gather data from available respondents within the target population. Convenience sampling, while effective for collecting data quickly and efficiently, is non-probabilistic, meaning that not every individual in the population has an equal chance of being selected. Consequently, this approach may introduce potential selection bias, as the sample may not fully represent the broader population.

To mitigate these limitations, we aimed to sample a diverse group of participants to capture a wide range of perspectives within the available population. However, it is essential to acknowledge that findings derived from convenience samples are less generalizable to other populations compared to probabilistic sampling methods. The insights gained from this sample provide valuable initial findings but should be interpreted with caution when considering broader applications across different settings.

3.2 MEASURES

The level of alignment between the manager and employee values (MVC) was evaluated using three factors from Cable and DeRue's (2022) study. The response scale ranged from 1 (strongly disagree) to 5 (strongly agree). Additionally, the Minnesota Satisfaction Questionnaire (MSQ) (Weiss et al., 1967) measures job satisfaction by asking respondents to rate their level of satisfaction on 20 questions using a five-point scale (1 = very dissatisfied to 5 = very satisfied).

Table 1. Measures of Job Satisfaction

MVC
The things that I value in life are very similar to the things that my manager values
My personal values match my manager's values and culture
My manager's values and culture provide a good fit with the things that I value in life.
Intrinsic satisfaction
The chance to try my own methods of doing the job
The chance to do different things from time to time.
The chance to be somebody in the community
The way my boss handles his/her workers.
Extrinsic satisfaction
The pay raises at my organization are satisfactory
The salary package at meets my needs
The way my co-workers get along with each other
The praise I get for doing a good job
Organizational performance
Return on assets (ROA, %) in our company is well below the industry average
We strongly involve our suppliers in our research and development processes.
Productivity of employees is much higher than industry average.
Productivity of employees is much higher than industry average.

source: field survey, 2024

3.3 DATA ANALYSIS

Data were analyzed using SmartPLS version 3.8.8. I conducted Confirmatory Factor Analysis (CFA), utilizing factor reduction, Cronbach's alpha, composite reliability (Rho_A), and Average Variance Extracted (AVE) to assess data reliability and validity. I also perform SEM to test the paths via probability values, t-values.

4 RESULTS

4.1 CONSTRUCT RELIABILITY AND VALIDITY

Generally, a Cronbach's Alpha of 0.70 or higher is considered acceptable for research purposes. However, this threshold can vary depending on the context and the field of study. Some researchers might accept lower values (e.g., 0.60) in exploratory research or when dealing with complex constructs. The alpha values in this study ranged from 0.864 to 0.722. Similar to Cronbach's Alpha, a value of 0.70 or higher is often considered acceptable. Some researchers prefer a more stringent threshold of 0.80 or even 0.90, especially in structural equation modeling (SEM) contexts where precise estimation of latent constructs is crucial. The alpha values in this study ranged from 0.835 to 0.907. Standard practice suggests that loadings should ideally be 0.40 or higher to indicate a strong relationship between an item and its underlying construct. However, lower loadings might be acceptable depending on the specific research context and the number of items in the scale. The alpha values in this study ranged from 0.654 to 0.878. AVE values should ideally be 0.50 or higher to indicate that more than half of the variance in each construct is accounted for by its indicators. However, values above 0.36 are sometimes considered acceptable, especially in exploratory research or when dealing with complex constructs. The alpha values in this study ranged from 0.628 to 0.710.

It's important to note that these thresholds are guidelines rather than strict rules, and researchers should consider the specific context of their study, the nature of the constructs being

measured, and the overall research goals when interpreting these measures. Additionally, researchers should also assess the reliability and validity of their measures using multiple criteria rather than relying solely on one measure.

Table 2. Construct reliability and validity

Construct	Loadings	Cronbach's alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	Average Variance Extracted (AVE)
Extrinsic Job Satisfaction (EJS)		0.851	0.855	0.899	0.691
EJS1	0.793				
EJS2	0.861				
EJS3	0.850				
EJS4	0.819				
Intrinsic Job Satisfaction (IJS)		0.864	0.868	0.907	0.710
IJS1	0.826				
IJS2	0.848				
IJS3	0.866				
IJS4	0.831				
Managerial Values Congruence (MVC)		0.722	0.741	0.835	0.628
MVC1	0.790				
MVC2	0.784				
MVC3	0.804				
Organisational Performance (OP)		0.839	0.836	0.895	0.683
OP1	0.654				
OP2	0.876				
OP3	0.878				
OP4	0.876				

source: field survey, 2024

Discriminant validity is used in this study as a concept in statistics and research methodology that aims to ensure that the measures used in this study are truly distinct constructs and not simply different operationalizations of the same underlying concept. In other words, it assesses whether the variables being measured are sufficiently different from each other. The heterotrait-monotrait (HTMT) ratio of correlations was the method used for assessing discriminant validity in the context of structural equation modeling (SEM). The researcher compared the correlations between variables representing different constructs (heterotrait correlations) to the correlations between variables representing the same construct (monotrait correlations). According to Henseler et al. (2023), the HTMT ratio compares the average correlations between variables representing different constructs (heterotrait correlations) to the average correlations between variables representing the same construct (monotrait correlations). Typically, a HTMT ratio below a certain threshold indicates satisfactory discriminant validity. For instance, Henseler et al. (2023) proposed a cut-off of 0.90, suggesting that if the HTMT ratio is below this value, the constructs exhibit discriminant validity. Finally, the HTMT ratio and its matrix serve as valuable tools in SEM to ensure that measures adequately discriminate between constructs in the current study.

By adhering to appropriate cut-off values and leveraging the matrix, the researcher enhanced the robustness of the current findings and interpretations as displayed in the diagonal of table 3.

Table 3. Discriminant validity - Heterotrait-monotrait ratio (HTMT) - Matrix

	Extrinsic Job Satisfaction	Intrinsic Job Satisfaction	Managerial Values Congruence (MVC)
Extrinsic Job Satisfaction			
Intrinsic Job Satisfaction	0.697		
Managerial Values Congruence (MVC)	0.42	0.476	
Organisational Performance (OP)	0.604	0.719	0.511

source: field survey, 2024

4.2 MODEL FIT INDICES

In the Model Fit, SRMR, d_ULS, geodesic distance (d_G), Chi-square and NFI were used. Standardized Root Mean Square Residual (SRMR) measures the average standardized difference between the observed correlations among variables and the correlations reproduced by the model. It indicates the average discrepancy between observed and predicted covariances. SRMR values below 0.08 are considered indicative of good model fit. The Lower values suggest better fit (Hu & Bentler, 1999). Both d_ULS and d_G represent the discrepancy in the covariance matrices estimated by the model and the observed covariance matrix. d_ULS is specific to the Unweighted Least Squares (ULS) estimation method, while d_G is associated with the Generalized Least Squares (GLS) estimation method. Smaller values of both d_ULS and d_G indicate better fit (Fornell & Larcker, 1981). However, specific cutoff values may vary depending on the context and the estimation method used. Chi-square (χ^2) compares the observed covariance matrix with the model-implied covariance matrix. A non-significant chi-square value suggests that the model adequately fits the data. However, chi-square is sensitive to sample size, often resulting in rejection of well-fitting models in large samples. While there isn't a universally agreed-upon cutoff due to its sensitivity to sample size, researchers often aim for non-significant chi-square values, especially concerning large sample sizes (Byrne, 2016). Normed Fit Index (NFI) compares the fit of the specified model to a null model, representing a model with no relationships between variables (Hair et al., 2022). It ranges from 0 to 1, with values closer to 1 indicating better fit. Typically, NFI values above 0.90 or 0.95 are considered indicative of good model fit. However, it's essential to interpret NFI alongside other fit indices due to its dependence on model complexity and sample size (Hair et al., 2017). Table 4 below shows a model with all the values meeting the required cut-off points.

Table 4. Model Fit

	Saturated model	Estimated model
SRMR	0.084	0.072
d_ULS	0.854	0.854
d_G	0.269	0.269
Chi-square	815.72	815.72
NFI	0.804	0.960

source: field survey, 2024

Fig 2: Model Direct Paths

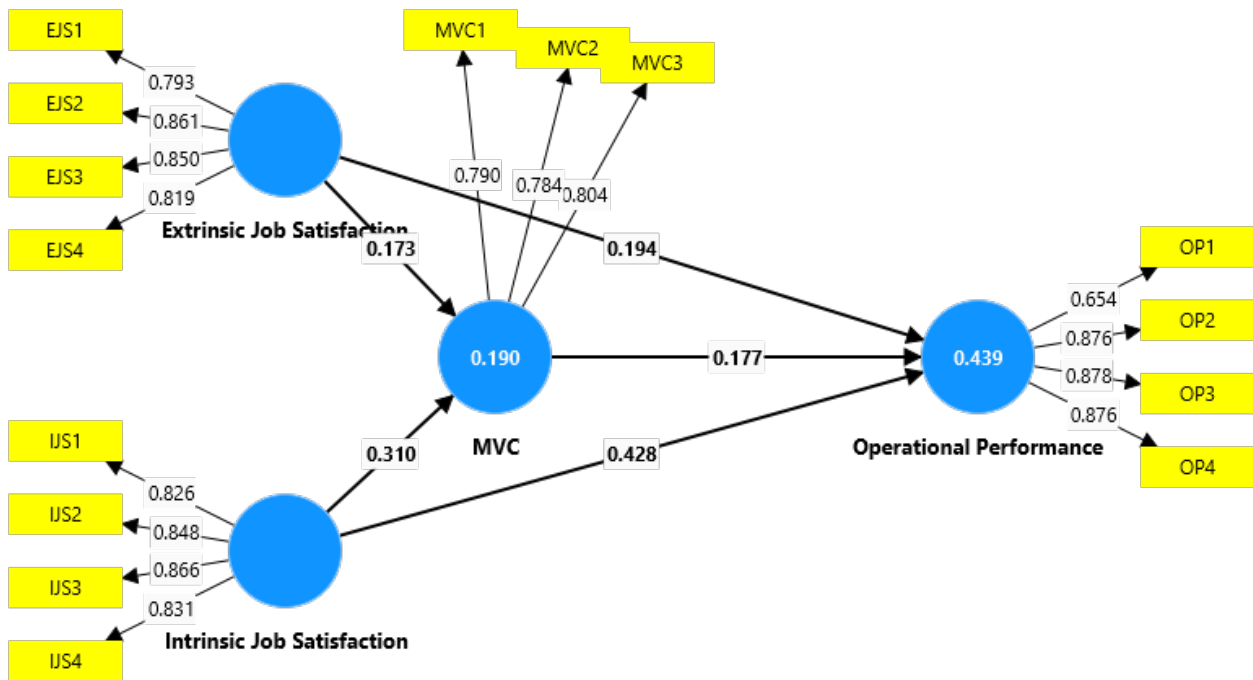


Table 5. Direct Paths

	β	Standard Error	T values	P values
Extrinsic Job Satisfaction -> Managerial Values Congruence (MVC)	0.173	0.068	2.548	0.011
Extrinsic Job Satisfaction -> Organisational Performance (OP)	0.167	0.039	4.289	0.000
Intrinsic Job Satisfaction -> Managerial Values Congruence (MVC)	0.118	0.035	3.378	0.001
Intrinsic Job Satisfaction -> Organisational Performance (OP)	0.145	0.023	6.346	0.000
Managerial Values Congruence (MVC) -> Organisational Performance (OP)	0.091	0.032	2.805	0.005

source: field survey, 2024

4.3 DIRECT PATHS

In testing the direct paths in table 6, the research found the following. Extrinsic job satisfaction significantly and positively influences managerial values congruence (MVC) ($\beta = 0.173$; $t = 2.548$; $p = 0.011$). Therefore, Hypothesis 1 is supported. Extrinsic Job Satisfaction has a significant positive influence on Organisational Performance (OP) ($\beta = 0.167$; $t = 4.289$; and $p = 0.000$). Hence, hypothesis 2 was accepted. Intrinsic Job Satisfaction -> Managerial Values Congruence (MVC) ($\beta = 0.118$; $t = 3.378$; and $p = 0.001$). Therefore, the study confirmed hypothesis 3. Intrinsic Job Satisfaction was found to have a significant positive influence on Organisational Performance (OP) ($\beta = 0.145$; $t = 6.346$; and $p = 0.000$). The study therefore confirm hypothesis 4. Finally, Managerial Values Congruence (MVC) was found to have a significant positive influence on Organisational Performance (OP) ($\beta = 0.091$; $t = 2.805$; and $p = 0.005$). Hence, hypothesis 5 was accepted. Overall, job satisfaction has significant positive influence on firms' performance and on managerial value congruence directly.

Table 6. Indirect Paths

	Original sample (O)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Extrinsic Job Satisfaction -> Managerial Values Congruence (MVC) -> Organisational Performance (OP)	0.031	0.031	0.012	2.488
Intrinsic Job Satisfaction -> Managerial Values Congruence (MVC) -> Organisational Performance (OP)	0.055	0.054	0.015	3.615

source: field survey, 2024

4.4 INDIRECT PATHS

The indirect effect was also assessed in table 6. The findings show that Extrinsic Job Satisfaction through Managerial Values Congruence (MVC) has positive but insignificant influence on Organisational Performance (OP) ($\beta = 0.031$; $t = 0.012$; and $p = 2.488$). Again, Intrinsic Job Satisfaction through Managerial Values Congruence (MVC) does not impact on Organisational Performance (OP) ($\beta = 0.055$; $t = 0.015$; and $p = 3.615$). Though job satisfaction has significant positive influence on firms' performance and on managerial value congruence, managerial value congruence does not mediate the relationship between v and firms' performance.

4.5 DISCUSSION

Utilising our curiosity about value congruence, we scrutinized 3 variables that appeared connected to the underlying processes of value congruence, as outlined in the work of Edwards and Cable (2021). Upon verifying that all 3 variables were related, I proceeded to investigate the mediating role of MVC in the connections between job satisfaction and performance of firms. In each case, employee voice acted as a partial mediator. This study enhances prior knowledge about the crucial role of MVC in organisations as well as the significant potential influence of value congruence on employees' immediate supervisors. In the research examining direct pathways, the following results were discovered. It was found that extrinsic job satisfaction has a substantial and positive impact on managerial values congruence. Additionally, extrinsic job satisfaction was also found to have a significant and positive influence on organisational performance. The research further revealed that intrinsic job satisfaction has a substantial and positive impact on managerial values congruence. Moreover, intrinsic job satisfaction was also found to have a significant and positive influence on organisational performance. Furthermore, the research showed that managerial values congruence has a significant and positive impact on organisational performance. Largely, the study found that job satisfaction, both extrinsic and intrinsic, has a significant and positive impact on firms' performance and on managerial value congruence directly.

Job satisfaction is a critical component of employee well-being and organizational effectiveness. Managerial values congruence (MVC), on the other hand, refers to the alignment between the personal values of employees and the values demonstrated by their managers or leaders (Shin et al., 2019). Job satisfaction was found to have significant positive effect on managerial values congruence. MVC is essential for fostering positive relationships between employees and managers, as well as for creating a supportive work environment characterized by shared values and mutual understanding. Several studies have explored the relationship between job satisfaction

and MVC, highlighting the significant impact of values alignment on employee attitudes and behaviors (Erdogan et al. 2022; Kristof-Brown et al., 2022). Furthermore, studies have shown that MVC influences job satisfaction through various mechanisms (Shin et al., 2019). Overall, the literature suggests a positive relationship between job satisfaction and managerial values congruence. Employees who perceive alignment between their values and managerial values are more likely to experience higher levels of job satisfaction and organizational commitment, ultimately leading to improved organizational performance. However, MVC could not mediate the relationship between job satisfaction and organizational performance.

This study found that job satisfaction has a significant positive effect on organizational performance. Several studies also found same as follow: Judge et al. (2001) conducted a comprehensive review of the literature and found a positive relationship between job satisfaction and job performance. They concluded that satisfied employees tend to demonstrate higher levels of task performance, organizational citizenship behavior, and lower turnover rates. Furthermore, Wang et al. (2017) explored the relationship between leadership job satisfaction, adaptability, and job crafting, and their impact on organizational performance. They found that employees who experience high levels of job satisfaction and engagement are more likely to engage in proactive behaviors such as job crafting, which positively influences organizational performance. Overall, the literature provides robust evidence supporting the positive relationship between job satisfaction and organizational performance. Satisfied employees are more likely to demonstrate higher levels of performance, engagement, and organizational citizenship behaviors, leading to improved organizational outcomes.

Similarly, the study agrees with Shin et al. (2019) who established that managerial values congruence positively influenced by employee job satisfaction by fostering trust, respect, and support between employees and managers. In recent literature, there's a growing acknowledgment of the mediating role of managerial values congruence (MVC) in various organizational dynamics. Though job satisfaction has significant positive influence on firms' performance and on managerial value congruence, managerial value congruence does not mediate the relationship between v and firms' performance. This was not in line with the Research by Erdogan et al. (2022) found that employees who perceive high levels of values congruence with their managers report higher levels of job satisfaction and organizational commitment.

4.6 GENERALIZABILITY OF FINDINGS

The findings of this study, while insightful, should be interpreted with caution regarding their generalizability across different industries and cultural contexts. The sample primarily represents [insert the specific industry and cultural context, e.g., educational institutions in Ghana], and managerial values congruence (MVC) may manifest differently in other organizational and cultural environments. Industries with distinct value systems or varying degrees of managerial-employee interaction may experience different impacts of job satisfaction on MVC and, subsequently, on organizational performance.

To extend these insights across various sectors, future research could explore how intrinsic and extrinsic job satisfaction affect MVC in other industries, such as healthcare, technology, or finance, where the nature of work and employee expectations might differ. Additionally, cross-cultural studies would help determine if the alignment between managerial values and employee job satisfaction holds similar significance in diverse cultural settings, especially considering varying power distances, collectivism, and individualism in different cultures.

For practical implementation, managers can apply these findings by prioritizing values alignment initiatives, regardless of their industry or cultural context. For example, by fostering open communication and understanding employees' intrinsic and extrinsic motivators, managers can strengthen perceived values congruence. Such efforts are likely to enhance job satisfaction, leading to improved organizational outcomes, even in varied organizational settings.

4.7 THEORETICAL IMPLICATIONS

This study extends Social Exchange Theory by examining the role of managerial values congruence as a mediating mechanism between job satisfaction and organizational performance. By incorporating the concept of values congruence into the framework of social exchange, the study enhances our understanding of how interpersonal relationships and value alignment influence organizational outcomes. The study bridges concepts from various theoretical domains, including organizational behavior, human resource management, and social exchange theory. By integrating these perspectives, the study provides a holistic understanding of the mechanisms driving organizational effectiveness, emphasizing the interplay between individual attitudes, leadership practices, and organizational outcomes. Through the exploration of managerial values congruence, the study sheds light on the underlying dynamics of organizational behavior. It highlights the importance of shared values between employees and managers in shaping organizational culture, employee attitudes, and ultimately, performance outcomes. This understanding contributes to theories of organizational culture, leadership, and employee engagement.

By identifying managerial values congruence as a mediating factor, the study clarifies the processes through which job satisfaction influences organizational performance. It underscores the role of values alignment in facilitating positive social exchanges between employees and managers, which in turn, drive enhanced performance outcomes. This elucidation contributes to our knowledge of the underlying mechanisms linking individual attitudes to organizational effectiveness. The findings of this study provide a foundation for future theory development in the fields of organizational behavior and human resource management. They offer insights into the complex interrelationships between individual, interpersonal, and organizational factors, suggesting directions for further theoretical refinement and empirical investigation. Overall, the theoretical implications of this study extend beyond the specific context of job satisfaction and organizational performance to enrich our understanding of broader organizational dynamics and the underlying mechanisms driving organizational effectiveness.

5 PRACTICAL IMPLICATION

The practical implications of this study are significant for organizational leaders, managers, and human resource professionals:

The findings highlight the importance of values congruence between managers and employees. Organizations can invest in leadership development programs that emphasize the importance of aligning managerial values with those of their employees. Training sessions, workshops, and coaching programs can help managers understand the values of their team members and adapt their leadership approach accordingly. Organizations can use the insights from this study to cultivate a positive organizational culture that promotes values congruence. By fostering an environment where employees feel that their values are aligned with those of their managers and the organization as a whole, organizations can enhance employee morale, engagement, and job satisfaction. Human resource professionals can integrate assessments of values congruence

into their recruitment and selection processes. By identifying candidates whose values align with those of the organization and its managers, HR professionals can ensure a better fit between employees and the organizational culture, leading to higher levels of job satisfaction and performance.

Performance management systems can be designed to recognize and reward managers who demonstrate values congruence with their employees. By linking performance evaluations and incentives to behaviors that promote values alignment, organizations can reinforce the importance of values congruence and encourage managers to prioritize it in their interactions with their teams. Organizations can improve communication and feedback processes to facilitate values congruence between managers and employees. Regular one-on-one meetings, team discussions, and feedback sessions can provide opportunities for managers to understand the values and perspectives of their team members and adjust their approach accordingly. Overall, the practical implications of this study underscore the importance of values congruence in promoting employee satisfaction, engagement, and organizational performance. By leveraging these insights, organizations can create a work environment where employees feel valued, respected, and motivated to contribute to the organization's success.

5.1 CONCLUSION

In conclusion, this study has investigated the mediating role of managerial values congruence in the relationship between job satisfaction and organizational performance. Through a comprehensive examination of theoretical frameworks and empirical evidence, several key conclusions emerge: Firstly, the findings underscore the importance of values congruence between employees and managers in driving organizational outcomes. When employees perceive alignment between their values and those of their managers, job satisfaction is enhanced, leading to positive effects on organizational performance. Secondly, the study highlights the relevance of Social Exchange Theory in understanding the dynamics of employee-manager relationships and their impact on organizational effectiveness. By conceptualizing managerial values congruence as a mechanism of social exchange, the study provides a theoretical framework for understanding how interpersonal relationships influence organizational outcomes. Furthermore, the study offers practical insights for organizational leaders, managers, and human resource professionals. Strategies aimed at fostering values congruence, such as leadership development, organizational culture enhancement, and recruitment and selection practices, can contribute to higher levels of employee satisfaction and improved organizational performance. Finally, the study identifies several avenues for future research, including the exploration of the antecedents and consequences of managerial values congruence, as well as its boundary conditions and moderating factors. Longitudinal studies and cross-cultural comparisons could provide additional insights into the generalizability and robustness of the findings across different contexts. Overall, this study contributes to our understanding of the mechanisms driving organizational effectiveness and offers valuable insights for practitioners and scholars alike. By recognizing the importance of values congruence in shaping employee attitudes and behaviors, organizations can create a work environment where employees feel valued, engaged, and motivated to contribute to the organization's success.

5.2 LIMITATIONS AND SUGGESTIONS FOR FUTURE RESEARCH

The use of cross-sectional data limits our ability to establish causal relationships between variables. Future research employing longitudinal or experimental designs could provide stronger

evidence of the causal pathways between job satisfaction, managerial values congruence, and organizational performance. The reliance on self-reported data from employees and managers may introduce common method bias, potentially inflating the strength of observed relationships. Future studies could mitigate this bias by incorporating multiple data sources or utilizing objective performance measures. The findings of this study may be influenced by specific organizational contexts and industry settings. Replication studies across different organizational contexts and cultural settings are needed to enhance the generalizability of the findings. The measurement of variables such as job satisfaction, managerial values congruence, and organizational performance may be subject to measurement error or conceptual ambiguity. Future research could benefit from using validated scales and incorporating multi-dimensional measures to capture the complexity of these constructs.

5.2.1 SUGGESTIONS FOR FUTURE RESEARCH

Building on the findings and limitations of this study, several avenues for future research are suggested: Future research could employ longitudinal designs to examine the dynamic relationships between job satisfaction, managerial values congruence, and organizational performance over time. Longitudinal studies would allow for a more nuanced understanding of the causal pathways and temporal dynamics underlying these relationships. Comparative studies across different cultural contexts could provide insights into the cultural variations in the importance of values congruence and its implications for organizational outcomes. Comparative research could also shed light on the generalizability of the findings across diverse cultural settings. Given the nested nature of organizational data, future research could utilize multilevel modeling techniques to account for the hierarchical structure of data and examine how individual-level and group-level factors interact to influence organizational outcomes. Qualitative research methods, such as interviews or case studies, could provide deeper insights into the underlying mechanisms and processes through which managerial values congruence influences employee attitudes and behaviors. Qualitative approaches could complement quantitative analyses and provide richer contextual understanding. By addressing these methodological and conceptual considerations, future research can build upon the findings of this study and advance our understanding of the complex interplay between job satisfaction, managerial values congruence, and organizational performance.

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