Reorganization on employee satisfaction: The gray area of corporations

A case study on Intel Corporation’s employees
# Table of Contents

Abstract: ............................................................................................................. 4  
Keywords: ........................................................................................................ 4  
Definitions: ....................................................................................................... 4  

1. Introduction ................................................................................................. 5  
   1.1. Problem .................................................................................................. 6  
   1.2. Purpose .................................................................................................. 7  
   1.3. Perspective ............................................................................................ 7  
   1.4. Delimitations ......................................................................................... 7  

2. Literature Review ....................................................................................... 8  
   2.1. Proactive Reorganization ...................................................................... 8  
   2.2. Job Satisfaction ..................................................................................... 10  
   2.3. Internal and external factors of job satisfaction .................................. 11  
   2.4. Human Resources ............................................................................... 17  
   2.5. Cultural and Regional Differences ..................................................... 20  

3. Methodology and Method ........................................................................ 22  
   3.1. Research Design ............................................................................... 22  
   3.2. Sample ................................................................................................ 23  
   3.3. The case company ............................................................................. 23  
   3.4. Data collection .................................................................................... 24  
   3.5. Ethical considerations ......................................................................... 25  
   3.6. Procedure .......................................................................................... 26  

4. Results and Empirical Findings ............................................................... 27  

5. Analysis .................................................................................................... 29  
   5.1. Overall Level of General Satisfaction ............................................. 29  
   5.2. Satisfaction levels based on type of change experienced ............... 30  
   5.3. Effects on individual factor of employees' job satisfaction, based on type ................................................................................................................. 32  
   5.4. Regional and cultural influence on job satisfaction after proactive reorganization ................................................................. 36  

6. Discussion .................................................................................................. 38  
   6.1. General Job Satisfaction ..................................................................... 38  
   6.2. Job Satisfaction Dependency on Type of Organizational Change .... 38  
   6.3. Effects on Individual Factors ............................................................ 40  
   6.4. Regional and Cultural Differences .................................................... 43  

7. Conclusion ................................................................................................ 45
7.1. Limitations .................................................................................................................. 46
7.2. Future Studies ............................................................................................................. 47
References .......................................................................................................................... 48
Appendix ............................................................................................................................. 55
Appendix I: Questionnaire Questions .............................................................................. 55
Appendix II: Frequency statistics of each individual factor on a global scale ............... 56
Appendix III: Independent samples t-test of all factors, based on region ...................... 57
Abstract:

The present thesis exploits a concept that lays in the core of human capital, employee satisfaction, under the context of a proactive organizational change. The prior literature depicts organizational change as a strategy applied to increase the efficiency of the company and its relevance to the market involved. The unique element of the matter is that proactive reorganizations are a product of a structural practice initiated by an entity’s human resources department. The department operates under a standardized model of change, which focuses on addressing the technical discrepancies that may occur in the human capital. Mainly analyzed from a company’s perspective, its influence on the employees involved in the change is often been neglected. The thesis was conducted in an effort to assess the need for a change in the current model in order to better address employee’s needs. To achieve that a sample of 100 Intel employees was used to uncover the state of the employees’ job satisfaction after an organizational change has been taken place. Results of the analysis exhibited above average overall satisfaction scores. The areas that employees seem to be the least satisfied were that of job security and company’s policies. Moreover, the elements of culture and the type of reorganization have also seemed to influence the overall satisfaction scores. Upon viewing the results the authors concluded that a need does exist, for a more interpersonal human resource approach to be incorporated within the current reorganizational model of an entity.

Keywords:
Proactive Reorganization, Work Satisfaction, Intel Corporation, Intrinsic factors, Extrinsic factors

Definitions:

Proactive Reorganization: The corporate changes that a company implements that aim to improve organizational functioning. It is usually accompanied with the opening of new departments, employee repositioning, manager changes, dissolving of unprofitable teams and rearrangements in resource allocations (Kiefer, Hartley, Conway, & Briner, 2014).

Downsizing Reorganization: The corporate changes that a company engages to cope with financial recession and it concerns resource reservation. It is usually accompanied by employee layoffs, employee reposition, office closings, reduction of departments budgets (Kiefer, Hartley, Conway, & Briner, 2014; Petrou, Demerouti, & Xanthopoulou, 2017).

High commitment human resources practices: A human resource model which, aims to enhance employee performance and commitment and to retain human capital (Allen et al., 2003; Riketta, 2002).

EMEA: It stands as an acronym for the regions Europe, the Middle East and Africa. It is often used by institutions, governments and business (Intel, 2019).
1. Introduction

This chapter aims to provide a short introduction to the concept of reorganization, as well as its importance in today’s society. Additionally, the concept is divided into two distinct aspects that will be critical to identifying the problem and purpose of the study: Proactive and Downsizing reorganization. Furthermore, the concept of job satisfaction is introduced and its connection to reorganization is touched upon. The research question is formed and discussed, the perspective and delimitations are defined.

In today’s market, global businesses who wish to remain relevant and actively compete for market shares proceed to small or large-scale organizational changes. An entity naturally changes over time to adjust to the realities of the market. However, changes in organizational structure may vary between strategic approaches, product portfolios, number of employees and human capital, and are usually initiated for growth and market expansion (Suparjo & Darmanto, 2015). There is sufficient literature regarding the benefits of reorganization, with variables such as increased employee productivity, resource efficiency, reduction in production costs and product quality improvements, being consistently linked to them (Brynjolfsson and Hitt, 2000; Bresnahan et al., 2002; Bertschek and Kaiser, 2002; Stverkova and Pohludka, 2018). In addition, the studies conclude that the reorganization of companies is a rather common phenomenon and it has been commonly characterized as ‘the new trend’. Reorganization stands as a corporate change that a company implements in order to improve organizational functioning (Cheng, Tsai & Xiao, 2006). A large part of the literature, depicts such change in favor of the company with little focus given on the way employees are affected by it. Researches that do focus on the employees indicate distortion in the employees overall work satisfaction and trust towards the company, guided by feelings of uncertainty (Grdinovac & Yancey, 2012). Furthermore, two main types of internal organizational change have been identified: regular and downsizing. While regular, or ‘proactive’ reorganization consists of internal restructuring to prioritize projects and increase efficiency, downsizing involves employee cuts within the organization. In the light of a regular organizational change, several factors differ. Whereas factors such as position and coworkers vary, wages and resource access tend to remain stable (Kerman & Hanges, 2002; Kiefer et al., 2014).
The reason that global companies engage in patterns of organizational change is survival. If a company does not proceed to a change in its organizational structure at the appropriate time, it may have negative effects on its development (Bresnahan et al., 2002). An impeccable example is depicted in the case of Intel. Intel Corporation was not afraid to proceed to immediate reorganizational process. A process that caused them to exit the market of memory sticks upon the entrance of the Asian markets, which were offering better technologies with a faster growth rate (Intel, 2019). Intel knew when it was time to exit and reorganize their structure to focus on their core competencies which lead to a prevention of a potentially major financial loss. The entity’s recent exit from the 5G smartphone Modem business is guided by similar motives (Intel, 2019). While these examples display great results for the organization, such global brands may fail to account the implications of its internal reorganizations on their employees work satisfaction. An element that, if considered, may aid to the enhancement of a more sustainable high performing talent pool (Zhou, Zou, Williams & Tabvuma, 2017).

1.1. Problem
Global companies hold a strong constant framework that aids to their employee satisfaction, yet it is highly standardized. Managerial practices measured under the concept of reorganization, take on the perspective of the entity rather than the employee. Despite the successful implementation human resources practices had under normal organizational settings, it is uncertain if they are still effective during periods of organizational change. Targeted human resource practices are applied during change (Kernan & Hanges, 2002). However, the present literature on the matter constitutes only comparative studies that analyze the difference between regular and downsizing organizational changes, with the majority of them being solely devoted to the prior. Internal elements of satisfaction do not receive the same direct attention from human resources, as there not a part of the structure reorganization approach, despite being equally impacted (Lencioni, 2012). This could be considered a vulnerability in the company’s efforts to retain a sustainable pool of high functioning human capital. The restrictive attributes that it holds raise further concerns on its effectiveness under the concept of organizational change across the country regions it supports. There are clear gaps in the literature on the impact of proactive reorganizations to employee satisfaction, as it is a rather new phenomenon. Therefore, the research question is:

*Is employee satisfaction impacted under the context of proactive organizational change? What factors contribute to it?*
1.2. Purpose
The purpose of this study is to clear a gap in the literature. This will be established by analyzing the overall satisfaction rates of the employees who have recently being a subject of a proactive reorganization. Also, to provide some analytical clarity on whether or not cultural differences influence the effect of human resource practices during such change (Petrou, Demerouti, & Xanthopoulou, 2017; Karin et al., 2014). The present paper depicts a cross-cultural quantitative study on the effects of reorganization. By analyzing the correlation between proactive reorganization and employees’ responses to human resources practices. The authors’ aid to provide clarity on the degree that employee’s job satisfaction is affected by it. The results of this study will aid the development of targeted human resources actions that address and defuse any discomfort that may occur during reorganizations, early in the process. In addition to expanding the limited literature that exists on the matter. In an effort to isolate the components of cultural and high-commitment human resource practices and get the most valid insight on how to work satisfaction is impacted during organizational change. The authors have sided with Intel Corporation.

The present study aims to uncover whether employees general satisfaction falls within the upper or lower spectrum of the satisfaction scale. To provide clarity on the domains that appear to be impacted the most by the change, and finally to uncover any differences based on the cultural context they are applied to.

1.3. Perspective
The thesis takes purely the employee perspective. The research questions directly concern them, therefore, theirs is the best perspective to take in the situation. Having a purely employee-centered perspective endures that the study would keep its focus on the subject and limits the possibilities of ambiguity in the results.

1.4. Delimitations
For the purpose of this study, the authors will not be looking at the Asian, South American and Oceania regions of the case company’s operations. The reasoning behind this decision is that their human resource practices are wholly different than their western counterparts due to a mix of political, legal and cultural factors. Such stark contrasts in the company’s practices would result in differing results on a global scale, which would muddle the findings and harm the study’s validity.
2. Literature Review

This chapter contains a review of existing literature and theoretical frameworks that are relevant to the subject. Additionally, they are the basis of the methods chosen and the main comparison point during the discussion of the findings. A deep look has been given to the topic of internal reorganization. Additionally, the same has been done with the subject of job satisfaction, and its connection to internal reorganization has been further analyzed. Four hypotheses have been identified to provide structure to the findings and address the research questions.

2.1. Proactive Reorganization

The concept of internal corporate reorganization is well established within western organizational practices and brings a multitude of benefits for the company (Mishra & Spreitzer, 1998; Bertschek & Kaiser, 2004; Stverkova & Pohludka, 2018). It is heavily associated with a rise in productivity, work efficiency and it is a prime product of prioritization whenever multiple projects are involved (Cheng, Tsai & Xiao, 2006). In other literature, it is described as a tool for cost reduction, purely benefiting the company monetarily with a noticeable disregard for the effect on employees (Darmanto, Choerudin, Rahayu & Wardaya, 2017; Bertschek & Kaiser, 2004; Huselid, 1995). This implies that there is an established attitude regarding reorganization that ranges from a ‘main efficiency driver of the company’ to a ‘necessary inconvenience to keep the organization afloat’. Furthermore, the spread of this attitude among researchers, managers, and employees additionally cement the thesis that internal reorganization has become a widespread tactic for organizations and an unavoidable circumstance in any workplace. Whether or not it brings benefits to the employees, however, is a completely different question. The research on the topic has had conflicting results based on what type of internal reorganization the employees have experienced. Academics have, therefore, identified the two main types of internal restructuring as regular restructuring and downsizing (Petrou, Demerouti & Xanthopoulou, 2017). For the purpose of the thesis, regular restructuring, also known as ‘proactive restructuring’ is defined as change implemented within a company or organization, in order to improve efficiency and productivity. On the other hand, downsizing refers to organizational change that is a result of a recession or a need for resource conservation within the organization (Kiefer, Hartley, Conway & Briner, 2014).
Firstly, in a downsizing situation, some employees are forced to become terminated, bringing no value to them whatsoever, career-wise (Kiefer, Hartley, Conway & Briner, 2014). Extensive research has been done on both the practical and emotional effects of job loss for employees with conclusions that range from temporary discomfort, loss of productivity and motivation to spillover effects on the employee that carry over into their next workplace (Zhou, et al., 2017; Jones, Sliter & Sinclair, 2015; Karin Andreassi, Lawter, Brockerhoff & J. Rutigliano, 2014; Chung, Bekker & Houwing, 2012). This effect is amplified in a situation where the individual changes not only their employer but their occupation as well. Such drastic changes may negatively impact the employee’s job satisfaction for up to six years after the occupational change (Zhou, et al., 2017). The effects on the employee in a case where only their employers are changed are less severe. In fact, a so-called ‘Honeymoon period’ is identified in these circumstances (Boswell, Boudreau & Tichy, 2005; Boswell, Shipp, Payne & Culbertson, 2009; Chadi & Hetschko, 2017). To specify, the Honeymoon period is the interval of time right after an individual engages in a new occupation, where they receive an increased amount of job satisfaction than usual until it gradually returns back to normal. Important to note, however, is that this period is observed in cases where employees change their workplace entirely, in contrast with regular organization, for example. Downsizing severely affects the employees that still remain in the company as well (Petrou, Demerouti & Xanthopoulou, 2017). Such cutback-related changes bring heavy doses of uncertainty within the work environment, bringing down productivity, company loyalty, and trust.

Regular, also known as ‘proactive’, the reorganization has a completely different influence on the employees, as it does not completely remove them from the company’s environment (Kiefer, et al., 2014; Jones, Sliter & Sinclair, 2015). Instead, it merely re-positions them into a different role due to the fact that upper management believes that they would be more effective there. In theory, proactive reorganization provides employees with variety in the workplace, opportunities to learn new skills, to refine and utilize current skills that have not been utilized before, and to network with an extended group of individuals within the organization (Piderit, 2000). However, some data contradicts with this statement, as proactive reorganization has also been associated with stress, burnout, and uncertainty (Chung, Bekker & Houwing, 2012), which in turn, negatively impacts productivity, trust towards the management and organization, as well as general life satisfaction (Schmidt, Roesler, Kusserow & Rau, 2012). This negative side
of reorganization is depicted on the basis that a constant change in one’s position, results to low stability for the individual employee, fewer opportunities to prove themselves and weaker integration with co-workers (Kusserow & Rau, 2012).

2.2. Job Satisfaction
Job satisfaction in a vacuum is the general attitude of an employee towards their occupation. Studies have looked at downsizing situations, where the threat of one losing their job acted as the main stress source, as previously mentioned (Zhou, Zou, Williams & Tabvuma, 2017; Mishra & Spreitzer, 1998; Kiefer, Hartley, Conway & Briner, 2014). However, all of these studies fail to bring into focus the consequences of proactive reorganization onto the employees’ well-being. Paraskevas Petrou and Evangelia Demerouti (2017), on the other hand, have managed to connect job satisfaction with both types of reorganization in order to further cement the need for different approaches towards both types. Additionally, they managed to identify factors that influence the employees’ openness to change and work towards a more smooth transition through a time of change and a smaller impact on job satisfaction after the process. According to them, despite observing very differing behavior from employees exposed to both types of organizational change, the employees’ job satisfaction has taken a significant blow in both (Petrou, Demerouti & Xanthopoulou, 2017).

In all cases, there have been multiple major research limitations to the topic that is critical to discuss. Most of the relevant research on the general topic of organizational change has been conducted in the late ’90s to early 2000s (Huselid, 1995; Howard & Frink, 1996; Saari & Judge, 2004). However, recently, there has been a surge of research done on the topic (Petrou, Demerouti & Xanthopoulou, 2017; Jones, Sliter & Sinclair, 2015; Karin Andreassi, Lawter, Brockerhoff & J. Rutigliano, 2014), implying that the trend is gradually coming back due to factors that can only be speculative as of today. Furthermore, there has been a noticeable pattern in the way these studies have been conducted throughout the years. During the late ’90s and early 2000s, organizational change has been observed very broadly. The focus on the development of HR models, understanding the phenomenon and its effects mainly on productivity (Bertschek & Kaiser, 2004). On the other hand, more recent research has focused on more centralized observations, such as case studies, leading from the findings of their predecessors. More specifically, authors that have looked at organizational change’s effects on job satisfaction, have discovered that the issue is much more complex than previously. They reach to the assumption that it involves many external and contextual factors that differ from
case to case (Howard & Frink, 1996; Zhou, et.al., 2017; Al-Zu’bi, 2010). According to them, further research needs to look at specific industries, specific regions or specific companies in order to have more constant variables, therefore, more valid results.

This leads to another gap, observed in research, related to organizational change. So far the focus has been on the health care sector (Chen, Wu, Chang & Lin, 2013), non-profit organizations (Brown, 2012), the education sector (Hosseinkhanzadeh & Yeganeh, 2013) as well as the previously mentioned region specific studies in The Netherlands and Greece (Petrou, Demerouti & Xanthopoulou, 2017). All of these observations of the phenomenon have reached conclusive, yet very differing findings. The Netherlands and Greece comparison claim that the leading factors that were critical in retaining optimal levels of job satisfaction were resource availability and challenging employees. This conclusion has been drawn due to the fact that employees want to prove their worth to their managers and hopefully keep their positions, despite the lesser risk of downsizing. Others have identified communication and education as the lead factors that keep the employees focused and satisfied (Bennett & Durkin, 2000). Coming back to the previous point, these studies were conducted in different environments with different contextual elements. This leaves a lot of room for future research in both blue-collar and white-collar jobs in various industries.

2.3. Internal and external factors of job satisfaction.
In the workplace, job satisfaction is often been viewed as the byproduct of the interplay of internal and external factors (Wright, Christensen & Isett, 2013). Those factors are composed of various elements that affect the individual’s perception of its current position. Elements depicted within each category have been analyzed, tested and debated by various theorists within the occupational literature (Hirschfeld, 2000; Goldthorpe, 2007). However, there is a mutual agreement within the theories regarding the overall concept of each domain. Internal factors usually include elements such as recognition, responsibility, achievement, advancement and the work itself. On the other hand, external factors include elements that are more directed towards the working environment such as compensation, company policies and values, and less so to the position itself (Cerasoli, Nicklin & Ford, 2014). Internal elements that are implied by literature to be influenced the most are an advancement, social homeostasis, independence, and ability utilization.
2.3.1 Advancement

Opportunities for advancement and growth within an organization are proven to be beneficial both for the organization and for the employee (Back et al., 2010). Individuals seek these opportunities in order to expand their set of skills and their influence in an organization (Zhou, Zou, Williams & Tabvuma, 2017). This is usually being achieved in the form of promotions or opportunities to be involved in different projects in areas outside someone’s field of expertise (Harrison et al., 2006). When employees have a reason. For example, intense workload and the autonomy to shape their work. They appeared to be more involved and to receive more pleasure from their work activities (Wrzesniewski & Dutton, 2001; Hirschfeld, 2000). The literature on the matter shows a strong correlation between environments that encourage people to go beyond their normal job scope and organization commitment (Isett, Glied, Sparer & Brown, 2013; Kelman, 2005). Under these circumstances, employees have the ability to expand their scope of work and get involved into new areas, learn new skills and aid to their self-growth and development (Lovelace, Manz, & Alves, 2007). This practice has proven to empower employee engagement and to have a positive impact on their overall work performance and satisfaction (Kelman, 2005).

During the reorganization, the concept of advancement is often been shattered, an employee’s positions and job assignments change in a manner that is outside of their control. Employees tend to seek resources in order to be able to respond to the demands of the new order. This entails finding the information and gaining the skill set needed to respond to this position while reforming their pathway of advancement under the new order (Petrou, Demerouti & Xanthopoulou, 2017; Bellou & Chatzinikou, 2015; Isett, Glied, Sparer & Brown, 2013). Interesting results on the matter appeared in a comparative study that analyzed job crafting behaviors under a proactive and a cutback related change. In both concepts of change, seeking resources seemed to function as a coping strategy that employees use to substitute the lack of autonomy in an effort to deal with high demands and uncertainty (Robinson & Griffiths, 2005). Despite the type of reorganization, elements such as lack of autonomy and uncertainty remain persistent. The degree of each element may vary depending on the context but on both occasions, it results in employee distress (Petrou, Demerouti & Xanthopoulou, 2017). A positive perspective is presented in Longhi’s, (2010) journal which argues that occupational change depicts a functional process of career advancement. Even when it does not involve upward mobility. His arguments, however, were not supported by this study when both concepts
were analyzed and exhibited the same negative responses (Zhou, Zou, Williams & Tabvuma, 2017).

Although opportunities for growth and development remain content, the impact on autonomy and the degree of uncertainty that derives from an organizational change is presumed to impact employee’s attitudes towards their work (Fila, Paik, Griffeth & Allen, 2014). Whether or not the impact is great enough to be significant however is highly debated.

2.3.2. Supervision

A sense of personal control over the work environment has shown to have a positive influence on employee’s health, group-corporation, and satisfaction (Samani, Rasid & Sofian, 2015). Although the sense of control is not a characteristic that is usually associated with reorganizations, it tends to be accounted for the degree of its success. Upon taking over new task employees, experience feelings of uncertainty, as they entered in a resource seeking mode in order to develop the skill set needed to execute their tasks (Petrou, Demerouti & Xanthopoulou, 2017). Supervision is essential on this occasion, it gives the employees a sense of support and assurance. Support under this context refers to the helpful relationships regarding job-related matters and it does not entail intervening to alter someone’s work tasks (Berman et al. 2002). It mainly aids to the expansion of the employees’ personal resources. Constant feedback and open communication between the manager and the individual has shown to decrease the stress derived from the change. It gives the individual a sense of control in the acquirement of new job-related skills (Chen et al. 2009). A comparative study between a downsizing and a proactive reorganization has shown that employees of the latter had less difficulty in finding resources to respond to their new position oppose to the prior (Petrou, Demerouti & Xanthopoulou, 2017). This is constituted of the structural element of proactive reorganization, which entails a sufficient level of support. Supporting functions that aid to the reestablishment of the sense of control that employees have over their task; have the potential to minimize the ill emotions that were initially formed due to the lack of autonomy over the change (Fila, Paik, Griffeth & Allen, 2014). Lack of autonomy under uncontrollable working conditions is shown to have a negative effect on employee productivity and to increase stress (Samani, Rasid & Sofian, 2015). The degree of success that supervision will have on countering these negative effects, however, remains unclear by current literature.
2.3.3. Ability Utilization (Job Identity)

Changes to improve the internal functioning of a corporation are essential for an entity (Bertschek & Kaiser, 2002). However, under an employee’s perspective, reorganizations usually result in changes in position, work tasks, team and/or manager. In any occasion, an erosion in occupation specific human capital is formed (Weeden & Grusky, 2012). Occupation specific human capital refers to the skills and knowledge acquired from education and on the job training, elements that affect employees productive (Lemieux, 2006). By analyzing the transition of occupation specific skills they found that a mismatched on skill set related transitions between previous and current job (Kambourov & Manovskii, 2009; Zhou et al., 2017). Although, within reorganization, the employer and the employee's title remain content the requirements of their new line of work or expectations from the new manager do change. In both situations, they can lead to feelings of frustration derived by skill mismatch (Green & Gallie, 2002).

Job characteristics theory stresses the importance of core job characteristics on employee’s motivation and job satisfaction. It constitutes elements such as skills variety, task identity, task significance, feedback from supervisors and autonomy (Sashkin, 1982). Alterations, in these characteristics, might be followed by further disruptions in employee satisfaction (Green & Gallie, 2002). Upon taking on a new position, employees enter into a learning curve period in which they are educated and trained to respond to the requirements of their new responsibilities (Francis, 2003). This period is strongly associated by feelings of frustration and task insecurity but it appears to be of a temporary nature (Zhou et al., 2017). A longitudinal study on the effects on the internal and external effects on job satisfaction has shown that employees who change occupations often experience a drop on their levels of job satisfaction (Green & Gallie, 2002). However, after a set amount of time the job satisfaction levels return back to their initial state. The study was focused on employees which, they willingly switched occupations and the change was initiated by the individual and not by external influences (Zhou, et.al., 2017). During the proactive reorganization, the degree of autonomy is minimum, as the decision was made by the organization (Jones & Sliter, 2015; Petrou, Demerouti & Xanthopoulou, 2017). In addition to the changes within an occupation, the study also tested changes on both occupation and employer. Opposed to the prior, job satisfaction despite exhibiting an initial decline it didn’t show signs of going back to the baseline (Zhou, et.al., 2017). These are constituted to the larger impact the change had on not only the aspects related to the work itself but in their socioeconomic position (Goldthorpe, 2007). According to the social satisfaction theory, people
who share an occupation have similar job tasks, subculture and social identity (Weeden and Grusky, 2012). Thus, any alteration in the job core characteristic, despite the degree may lead to psychological discomfort due to the impact it has on towards these domains.

2.3.4. Social environment

Job satisfaction does not only derive from the reinforcements from core job characteristics but also from reinforcements from the employee’s social environment (Sashkin, 1982). The term social environment refers to the daily interactions with coworkers, managers, and clients, interactions that shape one’s professional network (Berman et al., 2002). Upon entering a new position, a person is automatically exposed to an environment that constitutes actors from a similar socioeconomic background (Goldthorpe, 2007). Notably, the nature and depth of these relationships have been repeatedly linked with employee’s well-being (Chen et al., 2009). Moreover, emotions evoked by relationships developed internally within a company are strongly linked to the feelings that an individual has towards the organization. Namely, the presence of mutual trust, respect, and support appeared to be persistent in both employee/employee and employee/employer relationships (Kernan & Hanges, 2002; Stverkova & Pohludka, 2018). Within the context of reorganization relationships among coworkers were seen to influence both employee’s attitude towards the change and towards the entity (Guillon & Cezanne, 2014).

A study on survivors of downsizing reorganizations found similarities between the way prior employees were leased from the company and the remained employee’s feelings towards the company. If an employee’s lease was presumed as unfair. Then the remaining employees tended to develop ill feelings towards the entity and had a difficult time to adapt to the realities of the new order (Marzucco et al., 2014). Similar outcomes were present in the context of proactive reorganizations. A study within the social domain exhibited that employees were more prone to support a change if it appeared to be beneficial for the people of their department. Even if the said change led to their discomfort. The study constitutes these findings as to the result of the social service, traits often shared by the people of this occupation (Wright, Christensen & Isett, 2013). This may be viewed as the byproduct of the social identity theory. According to the theory, individuals have the tendency to identify themselves by the group of people they are surrounded by (Turner & Oakes, 1986).
A common sense of pride, occupational prestige and belongingness are often been observed in the employees of the same teams and departments (Weeden & Grusky, 2012; Wright, Christensen & Isett, 2013). Changes in someone’s position or department can cause alterations to his or her professional networks and subsequently, social identity (Goldthorpe, 2007; Weeden, 2002). Impairment in these concepts might be present. However, the nature of the impact, as well as its effect on the overall job satisfaction, is not so clear by the present literature. This is constituted to its high dependency on different co-occurring and complementary factors.

2.3.5. Job Security
Job security has been observed to take a heavy fall in both types of reorganization: proactive and downsizing (Zhou, Zou, Williams & Tabvuma, 2017; Chung, Bekker & Houwing, 2012). However, it is important to note that in a downsizing situation, the loss of job security and fear of losing one’s job is much more severe. In those cases, remaining employees in the company are recorded to experience increased levels of stress, anxiety, and uncertainty, which is further magnified by managers who lack communication skills (Allen, Jimmieson, Bordia & Irmer, 2007). Bringing such conditions onto employees critically reduces their trust towards management, their commitment to the company, as well as the state of their life satisfaction outside of work (Schmidt, Roesler, Kusserow & Rau, 2012). On the other hand, in a situation on proactive reorganization, the same situation brings less severe consequences to the employees (Petrou, Demerouti & Xanthopoulou, 2017). The main threat that brings anxiety in a downsizing case - the potential loss of occupation - is missing. However, other potential threats may appear. According to some researchers, the main threat is the prospect of lower compensation. Lower confidence in an individual’s monetary motivators would result in lower general job satisfaction (Mafini & Dlodlo, 2014). Other perspectives observe the limited access of resources that some employees experience after reorganization as the main culprit (Petrou, Demerouti & Xanthopoulou, 2017). This is a circumstance that is connected to the internal factors of Responsibility and Efficiency. Entailing that the individual may not be able to perform well on their new position, implying anxieties over a job and payment security (reference ).

The present literature views proactive reorganization as an organizational change that aids to increase an entity’s capacity. However, taking the perspective of an employee, the reorganization has several potential outcomes, depending on its magnitude. A change may vary
from a change of manager, dissolving of a department, merging or promotion. Even under the proactive spectrum, the type of change may still influence an individual’s attitudes towards it (Longhi, 2010; Zhou, Zou, Williams & Tabvuma, 2017). This leads to the authors’ first hypothesis:

**Hypothesis I:** Individuals that were involved in Proactive internal reorganization display low levels of overall job satisfaction

**Hypothesis II:** A difference will be observed in general job satisfaction based on the type of organizational change.

2.4. Human Resources

Entities use commitment human resource practices to sustain a high performing talent pool within their premises (Lemiux, 2006). Employees, commitment and job satisfaction derived from their perception of the degree of support they receive (Hirschfeld, 2000). Especially under periods of organizational change, human resources role is to aid any erosion that immerses in the human capital by bringing it back to a stable level (Kerman & Hanges, 2002). The department’s practices aim to show to employees that the organization is highly committed to them. A feeling that is reciprocated by the employees through positive attitudes and work behaviors, in a form of social exchange (Allen et al., 2003; Chen et al., 2009). Perceptions of human resources support usually mirror the perceptions of organizational support which are shown to be associated with increased job satisfaction and organizational commitment (Allen et al., 2003). A cross-culture study analyzing the human resources practices of over 100 corporations across seas; found six practices high commitment human resources practices that they were present in all the entities. The domains were rewards and benefits, performance management, information sharing, team involvement, work-life policies and training and development (Harrison et al., 2006; Karin et al., 2014).

Rewards and benefits are mainly referred to as the external elements that aid to employee satisfaction. Practices include increases in salaries, extra bonuses, and compensations. Factors that tend to remain constant even in in the occasion of a proactive organizational change (Wright, Christensen & Isett, 2013). Technical aspects such as teamwork enforcements and
work-life policies are domains which the entities invest the most. Human resources offer courses which usually involve external vendors to increase the teamwork and team trust across the organization (Karin et al., 2014). Team players and community-oriented employees tend to support organization change if they are assured that is for the greater good (Wright, Christensen & Isett, 2013). Opportunities in training and development have been also perceived positively (Karin et al., 2014). People feel more assured when they have opportunities to develop within an organization, learn new skills that will enhance their occupational career (Back et al., 2010). Moreover, in times of organizational change are been viewed as means to support the new order, as they supply the employees with the knowledge and experience needed to handle their new responsibilities (Sluss et al., 2008). Also, its’ presence is noted as a reassurance to the employee that despite the changes that might occur, they could never go outside the ‘business as usual’ spectrum (Petrou, Demerouti, & Xanthopoulou, 2017; Stverkova & Pohludka, 2018; Bertschek & Kaiser, 2002).

High commitment human resources practices are a part of a highly standardize human resource model which, aims to enhance employee performance and commitment and to retain human capital (Allen et al., 2003; Riketta, 2002). Although this model has been proven to be effective under normal organizational settings, it is not certain if its effectiveness remains persistent during periods of change (Bertschek & Kaiser, 2002; Bellou & Chatzinikou, 2015). Taking into consideration that the practices were designed to enhance commitment under normal organizational settings (Karin et al., 2014). The degree of success of those practices is unclear during situations when employee’s autonomy, position characteristics and social networks are impaired. Proactive reorganizations depict a structural change, which encompasses targeted efforts from the human resources department to address any blank spots in the employee's skill set between its prior and its current position (Kerman & Hanges, 2002). However, the more internalized less technical implications of the change are left unattended. This is constituted to the fact that opposed to the technical discrepancies, they are not directly visible. Internal elements such as the sense of belonging, recognition and task satisfaction despite the large influence they have upon overall job satisfaction, are difficult to measure (Buitendach & Rothmann, 2009). The current tool that aids to this assessment within companies is performance management. The tool encompasses guidelines to the managers on how to provide feedback to the employees in a positive, non-judgmental manner (Colquitt et al., 2001). The tactic aims to enhance employee’s personal acknowledgment, inclusion, and recognition for good
performance (Fila et al., 2014; Sluss, Klimchak & Holmes, 2008). It also incorporates a standardized feedback model, set to be done on every quarter by the management and peer acknowledgment and recognition tools (Guillon & Cezanne, 2014). Although, this model has been proven to elicit positive results on occupational satisfaction its effectiveness lays upon the actors involved and the setting that is applied. These elements change during reorganization as the individual is suddenly faced with new tasks that require new skills, a new team, and a new manager. The disruption that is depicted on the employee’s job identity and social identity during organizational change, may lead to impairments on his or her performance (Goldthorpe, 2007; Green & Gallie, 2002; Zhou et al., 2017).

As the employee is introduced to the new order, the degree of trust between him/her and the new actors is minimum (Marzucco et al., 2014). Perceptions of fairness with regards to the change are critical during this period, as individuals feel more ascertained if they believe that the change is been executed in a fair manner (Jones & Slinter, 2015). The entities tool to address this need is communication. Information about changes aims to reduce stress towards the application of them (Friedl & Verčič, 2011). It is critical for the employees to be informed on the process that will be executed and to fully grasp the reason those changes are applied (Alas & Vadi, 2006; Bennett & Durkin, 2000; Bellou & Chatzinikou, 2015). Management needs to make the employees see why the change needs to happen and how it will affect their jobs (Wright, Christensen & Isett, 2013). The quality and quantity of information and employee participation in the process of change can improve employee’s attitudes towards it (Rafferty & Restubog, 2009; Conway, Edel & Monks 2008). However, the output of that practice is highly depended on the degree of the impact the organizational change imposes on the individual’s work and social identity (Zhou et al., 2017). Targeted human resource practices are applied during change (Kernan & Hanges, 2002). The present literature depicts only efforts on the technical aspects of change. Internal elements of satisfaction do not receive the same direct attention from human resources, as they're not a part of the structure reorganization approach. Despite being equally impacted (Lencioni, 2012). Despite the different viewpoints on the subject from the side of human resource practitioners, most of the literature depicts the organizational change’s effect on the employees’ internal motivators as the most critical one (Zhou et al., 2017). While the exception to that rule is the individual’s job security, its lower intensity in a situation of proactive reorganization further lowers its merits, therefore leading into the hypothesis:
Hypothesis III: Internal factors of work satisfaction will score lower than the external factors in the general satisfaction scale

2.5. Cultural and Regional Differences

Touching upon the effectiveness of high-commitment human resource practices, culture is an element that needs to be taken into account. Taking the social perspective, culture factors referred to beliefs, behaviors and other characteristics that are common to the members of a particular group (Andolsëk & St'ebe, 2004). It is critical for corporations to always keep in mind cultural differences in their internal operations. Organizational values may be standardized and shared among the employees but each culture approaches and prioritizes these values in a different manner (Allen et al., 2003). An example is depicted in a cross-cultural study that analyzed the six high-commitment human resource practices across countries. According to the study, communication, sense of accomplishment and training were perceived in a similar manner across cultures with regards to work satisfaction (Karin et al., 2014). More internal designators to work satisfaction such as the need for work-life balance and recognition, however, differed. Namely, the level of recognition was among the lowest predictors of satisfaction in the USA opposed to Europe, which was the second highest (Karin et al., 2014).

Within global corporations, successful human resource practices are the ones who comply with regional structures. Elements such as the form of internal communication, the expression of the message and the method of training are converted to respond to the cultural standards of the region (Conway, Edel & Monks, 2008). In feminine cultures, such as Europe, it is important for the employee to receive personal recognition in the form of social rewards and praise. Whereas, masculine cultures like the US tend more motivated by the feeling of accomplishment, with the great value given to competition and individual performance (Kooij et al., 2010; Karin et al., 2014).

Within the concept of reorganization, a cross-culture study found some differences in the way the two Europeans, perceived several aspects of change (Petrou, Demerouti, & Xanthopoulou, 2017). Elements such as the reduction in the workload and improvised actions were positively perceived by the Greek employees but negatively by the Dutch. Although the study constitutes these findings as to the result of cultural influences, the type of change might have an influence on the results. As Greek employees were exposed to a cutback reorganization whereas, the Dutch to a proactive one (Petrou et al., 2017). Thus, employees’ expectations and perceptions
were shaped by both contextual and cultural factors. Culture differences have the potential to impact the effectiveness of certain high-commitment human resources practices (Sackmann & Phillips, 2004; Karin et al., 2014). However, the degree of their influence on employee’s perceptions of organizational change remains unclear. This is constituted to the fact that human resource approaches are highly depended on both the company as an entity and the cultural context the company operates (Allen et al., 2003). Thus, a direct link between with respect to how a cultural impacts people's perceptions of proactive organizational change, it is difficult to emerge from cross-cultural studies.

The present study aims to provide insight into the matter. By isolating the contextual element of reorganization and the human resources approaches applied towards it; the authors aim to capture the exact impact that cultural differences have on the subject. Drawing on the findings and limitations of the previous studies the authors formulated the following hypothesis.

_Hypothesis IV: Regional differences have an impact on the satisfaction levels of individual factors._
3. Methodology and Method

This section of the thesis explores the research approach and philosophy chosen for the study. The sample is thoroughly discussed and context on the case company has been given. Furthermore, data collection methods are discussed, both quantitative primary and secondary sources. More details on the question design are given, as well as a description of the procedures that were undertaken to collect the data. Finally, ethical considerations are discussed and the method of analysis is described and rationalized.

3.1. Research Design

The present research is a cross-cultural case study and it is executed upon a mono-method quantitative methodology. Cross-cultural entails a comparative analysis between the two regions that are depicted in the sample (Collis & Hussey, 2014). It is mono-method research as it is entirely quantitative. The quantitative approach of a survey was considered as the most suitable for this study, as it allows for more targeted results to be gathered in a larger spectrum. The reasoning behind this decision is the nature of the subject and the individuals that it concerns. The topic of internal organizational change affects the majority of an organization’s staff. Thus, a utilitarian approach to the issue would be to generalize the sample. On the other hand, there is an argument for a qualitative approach to the thesis. If a smaller sample is used, a more in-depth look may be given to the status of the individuals’ job satisfaction, as well as the detailed contextual factors around their experiences during reorganization (Collis & Hussey, 2014). However, in order for the results of the study to be applicable, the experiences of many individuals need to be generalized and summarized. Going into too much detail in smaller sample size would interfere with the study’s purpose to aid the development of targeted human resources actions on a larger scale.

The authors have adopted the positivist research philosophy. The positivist philosophy is concerned with quantifiable observations that lead to statistical analysis (Collis & Hussey, 2014). It is the most suitable philosophy for this research as the subject concerns an observable social reality and it is analyzed in a completely objective manner. Data collection and interpretation are completely separated from any biases towards the subject. The hypotheses that are being tested are drawn entirely from an academic standpoint. They are based only on
the applied secondary data without the influence of any preliminary assumptions, outside of the theoretical concepts described in the Literature Review.

3.2. Sample

The sample was selected by using the non-probabilistic method of sampling, purposive sampling. The sample was selected with the assistance the case company, based on conditions that need to be fulfilled, in order for the results to be as reliable as possible and avoid biases. These conditions were mainly connected to the previous surveys that the sample has undergone before completing the survey, connected to this research. If any of the questions, connected to this study are similar to questions from ones that individuals have completed in the recent past, they were excluded from the sample, in order to avoid biases. The final sample is composed of 100 employees from Intel Corporation. Intel Corporation was chosen to be the subject of the thesis’ quantitative case study as it stands as a successful global company that has undertaken sufficient organizational changes and holds innovation as its ground value. The sample is set to be consist of an equal number of European and US employees, allowing the study to observe potential differences between regions. All the participants are part of the sales and marketing department, as it is the department that depicts the most organizational changes within the company. The sample was composed of employees who changed position, department or a team the past three months and all the participants held a mid-senior status within the organization.

3.3. The case company

In order to collect the required information for the study, a single global company: Intel Corporation, is chosen as a primary source. Intel Corporation is a multinational corporation and technology company founded in 1968. Since its creation, the corporation has been gone under extreme re-organizational cycles, which deemed it the titles ‘The world’s second largest and highest valued semiconductor chip producer’ and ‘the father of microprocessors’ (Intel, 2019). Reorganizations on smaller scales are happening quarterly, employees are allocated to different projects in different teams, with the average employee having to change up to four managers during their time with the company. Intel’s long history with reorganization (Randewich, 2013; Foremski, 2018; Cutress, 2018) along with with its massive scale of 102,700 global employees and heavily advanced human resources practices (Intel, 2019) make it an ideal subject to a study of this nature.
3.4. Data collection

3.4.1. Primary data
The tool used for the collection of the data is a two-part questionnaire. The first part is composed of a targeted multiple choice question asking the participants to define the type of change. There are six types of changed defined due to the frequency of occurrence within the entity and their potential impact on employee satisfaction. The types of change are set as follows, change in department/team dissolved, merged, other; change in position due to promotion, other and change in manager. This question will allow the authors to make comparisons between the significance of the change and the impact that it has on the overall employee satisfaction rate. The second section is composed of 20 questions, derived from the Short Form of the Minnesota Satisfaction Questionnaire (Appendix I). The tool was designed to measure job satisfaction, based on twenty factors in a 5-point Likert scale response format (Buitendach & Rothmann, 2009). The test measures satisfaction in 20 factors, represented in the form of one question per factor. The instrument has a satisfaction set point of 3.51 out of 5. Suitable for measuring satisfaction by observing whether or not the sample scored above or below the set point. The factors are categorized in internal, external and general satisfaction. They are 12 internal factors and are defined as followed; ability utilization, achievement, activity, advancement, compensation, coworkers, creativity, independence, moral values, social service, social status, and working conditions. The six external factors measures are authority, company policies, recognition, responsibility, security variety. Finally, the general satisfaction is measured by both internal and external factors plus two additional factors that of supervision (Technical) and supervision (Managerial). The questionnaire was formed using the company’s internal survey template, suitable for internal distributions and data collection. A consent form appeared to the participants prior to entering the survey to ensure that the data will only be used for the purpose of the study and that their anonymity will be kept throughout the procedure.

3.4.2. Secondary data
For the purposes of the study secondary data were selected to formulate the literature. The data comes in the form of peer-reviewed journals dated in their majority between 2002 and 2019. The research analyses a rather new phenomenon, thus the literature available was selected to be as recent as possible with the main journals not exceeding 7 years from the current. Older journals were also used for the scientifically based theories mentioned in the paper. All the journals are peer reviewed and were subtracted from the following sources, Jonkoping
University Library, google scholar and Wiley’s Library. The keywords used were business reorganizations, organizational changes, employee satisfaction and they were complemented with their following, effect on employee satisfaction, commitment, and well-being. Both researched in a positive and negative impact in order to achieve the most valid representation of the current literature on the matter. Furthermore, they were researched in both local and global spectrums.

On the last note, three secondary journalistic sources have been used to provide background on Intel Corp’s history with innovation and human resource practices. The sources are recent, specialized in the tech industry and there is no implication of biases from the side of the authors. Due to these reasons, the authors believe they provide enough reliable information to provide context to the study.

3.4.3. Reliability and Validity
The test was selected as it is considered to be one of the best tools for the matter, due to its ability to elicit representative results that remained persistent throughout the years. Namely, the Minnesota satisfaction questionnaire scored high on validity measurements and exhibited a great track of sufficient test-retest reliability (Hirschfeld, 2000). Thus, it was considered as a valid and reliable measuring tool for the purposes of this research. The sample was narrowed to only be consist of employees who were exposed to an organizational change in the past 3 months. This period was chosen in order to obtain a clear insight into the immediate effects of the change, an element that is critical for the validity of the results. In addition, interns, seniors, and contract employees were also excluded from the sample. The deduction was essential for interference attached to the employee’s status to be avoided. The authors targeted an equal number of participants between the EMEA and North American regions, in an effort to aid the accuracy of the comparisons.

3.5. Ethical considerations

3.5.1. Data Protection
The participant’s anonymity was kept in all the steps of the procedure. This was achieved via the submission of privacy and a security agreement. The purpose of the agreements was for the company to make sure that the questionnaire process and analysis compromise with Intel’s data and privacy protection policies. The questionnaire questions were reviewed and modified by Intel’s legal comity, to assure that they did not touch upon sensitive manners and that they were not of suggestive nature. Upon obtaining the agreements needed the authors consulted with the
human resources department and upon several meetings, the profile of the participants was formed. The data were subtracted from the system in the form of an identity code that represented each participant. The codes were only sent to the authors and not to internal actors. The questionnaire was formulated via Intel’s technical support and a link was created to grant access. It must be noted that any element that assessed participants’ identity was deactivated by the system.

3.5.2. Trustworthiness
The participants were contacted via an internal email, which included the link to the survey, a brief description of the research topic the purpose and a privacy disclaimer. The content of the message was reviewed and approved by the sales and marketing communications team, to ensure that content trustworthiness and process transparency were kept. The full information regarding the study and the survey was disclosed to the participants in the email. Participants were informed about what will be in the survey, the estimated amount of time that it takes to complete it and who is going to have access to the data gathered. The content was presented in a clear and forward manner.

3.6. Procedure
The authors paired with Intel’s People, Culture and Communication (PCC) department for the purposes of the study. The department is responsible for the Sales and Marketing employee’s education, training and overall support globally. The research topic was presented and discussed with the managers and a plan for action was formulated. Upon obtaining the privacy and security approvals, the actors consulted with the human department to formulate the profile of the sample. In order to obtain the target goal of the results of 100 participants, 300 participants were targeted with an expected completion rate of 30%. The authors submitted a set of 25 questions, in which due to survey time restrictions policies were reduced to 21 questions. The questions were then forwarded to the technical support team, who generated the link to the survey. Concurrently, the authors formulated the content of the message within a collaboration with HR. Participants were contacted with an email within Intel's internal emailing system. They were two points of contact, one for EMEA and one for North America. Both emails were sent at 9:00 am local time. The survey remained open for 2 weeks. The raw data was retrieved at the end of the 2nd week. The raw data were retrieved in an Excel file and analyzed in the SPSS platform.
4. Results and Empirical Findings

In this section, the raw data from the study is presented. This includes the general job satisfaction of all samples, distributions between regions and types of change that the sample has experienced. Additionally, individual statistics of each factor from the job satisfaction questionnaire have been presented.

In order to receive an accurate representation of the data, the authors have compiled the across-the-board comprehensive collection of all the entries, on a global scale. In Figure 1, one can observe a histogram of the general job satisfaction of employees after a recent instance of proactive reorganization. The variable is a score, constructed of a summation of all twenty questions regarding an individual’s job satisfaction. Its lowest possible value is 25, and its highest one is 100. All one hundred entries are valid and there is no missing data present in the sample. Furthermore, Table 1 displays the basic frequency statistics of the variable: the mean of 76.83, standard deviation of 15.074 and variance of 227.233.

**Fig 1. A histogram on the general level of satisfaction after proactive reorganization on a global scale**

**Table 1. Frequency statistics of the general satisfaction on a global scale.**
Firstly, the region-specific data is divided as follows: 45% of the respondents come from the EMEA region, while the other 55% comes from the United States region. This represents a relatively equal representation from both sides, leading to a more credible result on a global scale. Moreover, the observed individuals are divided on the basis of the type of change that they have undergone. Of those surveyed, 15% represents a sample that was exposed to a change in their department or team as a result of a merge. 17% have experienced the same, however, it is a result of the dismissal of their previous team or department. An additional 19% of the sample have also changed teams or departments, however, they have stated other reasons for their organizational change. In total, 51% of the sample have experienced a change of team or department. Moreover, of the entire sample, only 4% have stated that they have changed position entirely as a result of a promotion, while another 16% have changed position due to other reasons, totaling 20% of the sample. The last 29% have not changed position or team, however, they have had their superiors changed in recent weeks, leading to the survey.

The rest of the twenty questions are each assigned to a specific factor of the Minnesota Job Satisfaction questionnaire. The results of the survey on the level of individual factors can be observed in Appendix II.

Lastly, as mentioned earlier, the factors used by the Minnesota Satisfaction questionnaire are categorized as intrinsic and extrinsic. In order to organize the data more easily and present it in a more readable manner, the authors have given each of the factors a coefficient, based on the mean of each factor (as seen on Appendix II), multiplied by two. Following that, the factors were separated based on category and an Average external, and Average Internal variables were created, using the mean of those coefficients for each category. The results are displayed in Table 2 with an average internal coefficient of 7.83 and an average external one of 7.17.

<table>
<thead>
<tr>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>100</td>
<td>76.83</td>
<td>15.074</td>
<td>227.233</td>
</tr>
</tbody>
</table>

Table 2. Satisfaction coefficients based on the type of factor
5. Analysis

In the Analysis section, the raw data presented prior to it will be explored further, mainly through One-Sample t-tests, Independent-Sample t-tests and ANOVA analyses. The overall purpose of the chapter is to reach satisfying and reliable conclusions on the four previously presented hypotheses and lay the foundation of the discussion that follows.

5.1. Overall Level of General Satisfaction

From the previous chapter, one can observe a generally high mean of general job satisfaction throughout the entire sample. However, in order to clearly determine whether they are satisfied or not, a threshold must be made. Going back to the Minnesota Job Satisfaction questionnaire, in order for an individual to be considered satisfied, they must have a mean score of at least 3.51 out of 5. or 70.2 out of 100, in the case of the general satisfaction variable. Therefore, a One Sample t-test has been conducted with a test value of 70.2 on the variable in question. The results are displayed in Table 3.

Table 3. One-Sample Test on the sample’s general satisfaction.
From the results, one can observe a t-value of 4.524 with degrees of freedom of 99. Furthermore, the significance level, also known as p-value, is equal to zero. This leads to the fact that was already implied by the available data: the sample’s satisfaction levels are significantly different from the set threshold for satisfaction. With a mean difference of 6.630, **Hypothesis I is rejected**: The general satisfaction of individuals in Intel Corp. after an instance of internal reorganization is not considered low. Further discussion on the implications of this data will be analyzed in the thesis’ discussion section.

### 5.2. Satisfaction levels based on type of change experienced

In order to determine whether or not there is a significant difference in job satisfaction based on the type of organizational change experienced, the authors used a one-sample t-test analysis, similar to the procedure used to reject Hypothesis I. However, in this case, the raw data was separated ahead of time on the basis of the type of change experienced. The test value used was the global mean of General job satisfaction for each type in order to determine the degree of deviation from the calculated global average. The results are present in **Table 4**.
As previously mentioned, the first three types of change belong to the group of individuals that have experienced a change in their department or team. The reasoning behind this change serves as a further divider of that large group of individuals. According to the results of the analysis, the change in the department as a result of the merge has a significant factor of .972, the ones that are a result of a merge tend to deviate more from the mean with a factor of .339 and lastly, the ones that arise from other reasons have .097. Correspondingly, none of them, regardless of reason, have a significant factor that is lower than 0.05, therefore they are too close to the global mean to have an impact on the results. The same statement applies to the ‘Change of Manager’ type of organizational change. With a mean difference of -4.554 and a p-value of .111, it does not bring a significant change to the level of satisfaction, compared to the population.

On the other hand, there is an observable difference in the levels of satisfaction from individuals that have experienced instances of a change in Position entirely. The section of the sample that has been promoted is much more satisfied, compared to their colleagues with a positive mean difference of 15.920 and a significance level of 0.003. Furthermore, individuals that changed their position due to other reasons, including demotions and transfers, score higher than average as well. A positive mean difference of 8.670 and a p-value of 0.007 show a factual dependence of the individual’s job satisfaction on whether they changed their position or not.

However, that is not enough evidence to conclude the rejection or acceptance of the hypothesis. While two of the types of change result in a significant difference, the other four do not.
Therefore, in order to reach a final conclusion, a One-way ANOVA analysis has been conducted on the General satisfaction variable as a dependent and the type of organizational change as a factor. The results, shown in Table 5, show a significance coefficient of 0.005, leading to a conclusion that there is a significant change in the means among the different groups, therefore, **Hypothesis II can be safely accepted.** The type of organizational change experienced in Intel Corp is a significant contributing factor to the level of job satisfaction of the individual after the change occurs.

<table>
<thead>
<tr>
<th>Table 5. ANOVA test of the general satisfaction between groups, depending on type of change experienced.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ANOVA</strong></td>
</tr>
<tr>
<td>General_JS</td>
</tr>
<tr>
<td>Sum of Squares</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Between Groups</td>
</tr>
<tr>
<td>Within Groups</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

**5.3. Effects on individual factor of employees’ job satisfaction, based on type**

**5.3.1. Correlation Matrix**

In order to observe the nature of the changes that occur in the level of satisfaction after an event of an internal proactive reorganization, one must look at the changes in individual factors that lead to them. Firstly, a correlation matrix has been assembled by the authors through factor analysis, in order to determine the level of importance and applicability that a factor has towards the general job satisfaction variable on a global scale. The results of this analysis are displayed in **Table 6**, with all factors being assigned a tag, which distinguishes them as either internal or external. It is important to note that the Supervision (Technical) and Supervision (Managerial) factors have been excluded from this analysis, as they do not belong to any of the categories (Hirschfeld, R., 2000).

Additionally, the analysis has been done using six different analyses, each containing three factors: one extrinsic and two intrinsic. This has been done in order to avoid homogeneity in
the results and place the emphasis on the question whether or not there is a difference between types, rather than look for the most and least correlated factors. In the table, every two intrinsic factors are followed by the extrinsic factor that they were paired with during the analysis process. The choice of pairings is random, in order to avoid biased results.

Looking at the outcome of the analysis, there is no noticeable pattern in the correlations. On one hand, the first and third triples of factors point towards a possibility that intrinsic factors are less correlated to the general. Both Ability Utilization and Achievement show a lower coefficient than Authority, their extrinsic counterpart. A more drastic version of this state of events is present with Compensation, Co-Workers, and Recognition, implying that recognition as an extrinsic factor holds much more weight over an individual’s job satisfaction. On the other hand, the fifth and sixth triples imply the exact opposite: Moral Values and Social Service as intrinsic factors hold more weight on the individual’s general satisfaction than Security, as well as Social Status and Working Conditions, do over Variety. Lastly, the second and fourth triples display no pattern at all.
6. Correlation matrix of all internal and external factors to the General satisfaction variable

<table>
<thead>
<tr>
<th></th>
<th>Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General_JS</strong></td>
<td></td>
</tr>
<tr>
<td>Ability Utilization <em>(int)</em></td>
<td>.679</td>
</tr>
<tr>
<td>Achievement <em>(int)</em></td>
<td>.594</td>
</tr>
<tr>
<td>Authority <em>(ex)</em></td>
<td>.763</td>
</tr>
<tr>
<td>Activity <em>(int)</em></td>
<td>.576</td>
</tr>
<tr>
<td>Advancement <em>(int)</em></td>
<td>.732</td>
</tr>
<tr>
<td>Company Policies and Practices <em>(ex)</em></td>
<td>.634</td>
</tr>
<tr>
<td>Compensation <em>(int)</em></td>
<td>.563</td>
</tr>
<tr>
<td>Co-Workers <em>(int)</em></td>
<td>.393</td>
</tr>
<tr>
<td>Recognition <em>(ex)</em></td>
<td>.696</td>
</tr>
<tr>
<td>Creativity <em>(int)</em></td>
<td>.693</td>
</tr>
<tr>
<td>Independence <em>(int)</em></td>
<td>.742</td>
</tr>
<tr>
<td>Responsibility <em>(ex)</em></td>
<td>.731</td>
</tr>
<tr>
<td>Moral Values <em>(int)</em></td>
<td>.691</td>
</tr>
<tr>
<td>Social Service <em>(int)</em></td>
<td>.667</td>
</tr>
<tr>
<td>Security <em>(ex)</em></td>
<td>.595</td>
</tr>
<tr>
<td>Social Status <em>(int)</em></td>
<td>.667</td>
</tr>
<tr>
<td>Working Conditions <em>(int)</em></td>
<td>.681</td>
</tr>
<tr>
<td>Variety <em>(ex)</em></td>
<td>.576</td>
</tr>
</tbody>
</table>
This method of analysis has proven itself unable to provide results that are clear enough to accept or reject Hypothesis III, therefore, a one-sample t-test was used in order to cement the findings and reach a definite conclusion. In order to scale the average internal and external satisfaction to the scale of the general satisfaction variable, both were multiplied by ten. Afterwards, they were used as a test variable in two separate one-sample t-tests to observe the difference between the mean of the corresponding type and the mean of the general job satisfaction. The results of the test can be observed on Tables 7 and 8.

**Table 7. Mean of External job satisfaction, compared to mean of General job satisfaction**

<table>
<thead>
<tr>
<th>One-Sample Test</th>
<th>Test Value = 71.7</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>t</td>
</tr>
<tr>
<td>General_JS</td>
<td>3.403</td>
</tr>
</tbody>
</table>

**Table 8. Mean of Internal job satisfaction, compared to mean of General job satisfaction**

<table>
<thead>
<tr>
<th>One-Sample Test</th>
<th>Test Value = 78.3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>t</td>
</tr>
<tr>
<td>General_JS</td>
<td>-0.975</td>
</tr>
</tbody>
</table>

The results show no significant difference between the general satisfaction of the sample versus the internal factors, however, there is a stark contrast between it and the external ones. With a p-value of .001 and a mean difference of 5.130, the data shows statistically lower levels of job satisfaction, related to the individuals’ external factors, after an instance of internal reorganization. Therefore, Hypothesis III is rejected, with the analysis clearly stating the opposite: external factors were the ones to lessen, while internal ones remained consistently high.
5.4. Regional and cultural influence on job satisfaction after proactive reorganization

The last aspect of the analysis is to look at the cultural context of the study. As mentioned before, the questionnaire has been completed by individuals in both the EMEA (Europe, Middle East, and Africa) and the US regions with a ratio of 9:11 correspondingly. With a relatively equal sample size from both sides, an independent samples t-test, done for each factor, with the region used as a grouping variable, is an ideal way to analyze the findings and identify the presence or the lack thereof a difference within regions. It is important to note that during analysis, each factor has undergone Levene’s test for equality of variances, due to the fact that an independent samples t-test delivers different outcomes, depending on whether equal variances are assumed or not. The full analysis can be viewed in Appendix III.

Along with Levene’s test, there are two other outputs that are relevant in the evaluation of each factor. The most relevant one by far is the p-value of the equality of means test. If the coefficient is equal or lower than 0.05, it explicitly states that there is a significant difference between the two groups with a 95% confidence and they cannot be treated as equal. Moreover, the mean difference, is another very important fragment of information, as it displays which region has the higher mean, and therefore, is more satisfied with that aspect of their work environment after an instance of internal proactive reorganization. In the case of this analysis, a positive mean difference signals that the European sample is statistically more satisfied with this factor than the US one. Subsequently, a negative mean difference is a semaphore of a situation where the US sample feels fulfilled more than the European one.

Starting off with Activity scored a 0.042 coefficient on Levene’s test, therefore there is an indication that the variances are, in fact, not equal, leading to the conclusion that the significance for the equality of means between the two regions equals exactly 0.050 (t(97.646) = 1.986, p = 0.050), with a mean difference of 0.438 between the two normally distributed samples. It has been found that the European sample is generally and significantly more satisfied with the changes in their workload after reorganization, leading to implications that the US sample experiences a period of inactivity that negatively affects the employees’ work satisfaction. Similarly to Activity, Working conditions have seen a considerable difference between the two groups. After running Levene’s test, it has shown that the variances among samples are, once again, not equal to a coefficient of Sig. = 0.024. Furthermore, the t-test for equality of means shows a p-value of 0.035 and a mean difference of 0.459 (t(98) = 2.135, p =
0.035) with a 95% confidence interval. The positive difference implies that the US sample perceives a dip in resource availability and overall tension once they enter their new working environment while their European counterparts either do not experience such a dip on such a scale, or they perceive it as a threat to their job satisfaction.

Moving on to Authority and Recognition. These two factors stand out because they do not pass the t-test for the equality of means with a 95% confidence interval, however, in a situation where the confidence interval is 90%, they would be considered significantly different between the two groups. Due to the fact that all other factors seem to have no significant difference at all with very high p-values, these two factors caught the author’s attention. Firstly, Authority scored low on Levene’s test (Sig. = 0.019), meaning that the variances cannot be assumed to be equal between the two samples. Regarding the test for equality of means, Authority has received a p-value of 0.065 with 90% confidence (t(97.189) = 1.868, p = 0.065). The mean difference between the two samples is 0.424, in favour of the European sample. Moving on to Recognition, in this case equal variances are assumed with a coefficient of 0.149 after Levene’s test. It results in a p-value of 0.061 and a mean difference of 0.471, again, in favor of the European Region (t(98) = 1.894, p = 0.061). While the implications of these results are not as reliable as for the two previously mentioned ones, they still hold a reasonable amount of weight and are to be considered.

As seen on Appendix III, the rest of the factors have displayed relatively high p-values, rendering their differences between regions insignificant. However, it is interesting to note that there is a pattern in the difference between the regional means: with the exception of Co-workers, Responsibility and Moral Values, all results on the employees’ work satisfaction after reorganization show that the European sample is more satisfied than their American counterparts on all factors. While the difference is not significant on most of them, the pattern exists and it is worth noting for future studies. In conclusion, since some factors’ average level of satisfaction had a definite connection to the region of the sample, **Hypothesis IV is accepted.**
6. Discussion

6.1. General Job Satisfaction
The first goal of the study was to determine whether the sample of Intel Corp. employees could maintain a generally high level of job satisfaction in an environment of constant organizational changes. The main hypothesis of the study has been that there are stress-related factors arising from internal proactive reorganization and that those factors result in an overall non-positive workplace satisfaction among the affected employees (Petrou, Demerouti, & Xanthopoulou, 2017; Schmidt, Roesler, Kusserow & Rau, 2012; Howard & Frink, 1996). The general consensus on that theory is that reorganization itself does not pose a threat to Intel’s employee job satisfaction. While this heavily contradicts with Petrou et. al.’s research, it does not entirely discredit it, as both contexts were different and therefore, that has heavily impacted the results in both studies. More on the individual contextual factors will be discussed when discussing the third hypothesis.

Going back to the topic of general satisfaction, implications arise that reorganization may have a positive impact on the sample. As discovered by the analysis, the subjects of the study have been found to be positively satisfied after reorganization, which does align with a number of studies that look at similar situations (Chen, Wu, Chang & Lin, 2013; Bennett & Durkin, 2000). In both cases, the reorganization process has made sure to involve the employees as much as possible, by giving them a voice and communicating the benefits to them. Similarly, Intel Corp. provides the employees with a ‘job exchange’ program that allows employees to volunteer to be moved to another team that requires assistance (Intel, 2019). This is equivalent to the case studied in Chen et. al.’s (2013) research, which was also proven to build loyalty towards the management as well as maintain job satisfaction by providing the employees with variety in the workplace. Lastly, Petrou et. al.’s (2017) findings note that resource and opportunity availability may favor employee satisfaction. Looking at Intel as a global company, employees are often being presented with opportunities for personal and career growth (Intel, 2019), and comparing theory to practice, this method is a strong contender to being the reason for the company’s high job satisfaction rates.

6.2. Job Satisfaction Dependency on Type of Organizational Change
The variable that looks at the type of organizational change manages to recognize a pattern of difference in behavior in individuals. Overall, it has shown a significant alignment with Longhi
& Brynin (2010) and Zhou et. al.’s (2017) claims that the type of change experienced brings a weight to the individual’s job satisfaction after the fact. Despite the fact that their researches were focused on downsizing and occupation change, rather than a proactive organization, the perspective is very similar. Furthermore, there are a number of implications that come with these results.

Firstly, the Promotion type of change has, naturally, shown to provide a powerful boost to those individuals’ job satisfaction. While this finding seems redundant and self-evident, it does reinforce the connection between the individual’s job satisfaction and the amount of personal Achievement and Advancement that they perceive they can accomplish in their new position. (Isett, Glied, Sparer & Brown, 2013; Gutierrez, Candela & Carver, 2012; Kelman, 2005). Additionally, it aligns with the high correlation score that ‘Advancement’ received, referring back to Table 6. The implication to this result is that in non-promotion types of change, the presence of opportunities for growth should be clearly communicated to the affected employees.

Moving on to Change in position (other), this variable covers any non-promotion changes in occupation (same manager, different responsibilities). This type of change targets the gap in Zhou et. al.’s (2017) study. They looked at satisfaction effects on change of occupation and manager, as well as only managers while maintaining the same occupation. This variable sets that constant to be the manager, while the occupation is changed for the employee. The result shows a very positive change from general work satisfaction means, leading to a number of managerial implications regarding the organizational change. Similar findings were uncovered in Chen et. al.’s (2013) research on the benefits of a ‘job exchange’ program. While in Intel’s case, employee control over the change is not specified, the variety factor is a constant in both cases - a factor that has a strong connection with the prevention of burnout, stress and building loyalty to the management.

Lastly, despite being not significant enough to pass the One-Sample T-test with a 95% confidence interval, Change in the department (other) does result in a noticeable dip in general job satisfaction, compared to the overall mean (-6.093). Change in department brings a number of changes to the employee’s work environment. These changes include co-workers, managers, access to resources and a fair amount of uncertainty (Schmidt, et. al., 2012; Allen et. al., 2007; Petrrou, Demerouti & Xanthopoulou, 2017). These findings bring to light the need for human resources to develop custom-made practices, dependant on the type of organizational change.
Furthermore, these models should focus on alleviating these symptoms and limit the damage to the affected employees by specifically targeting them.

6.3. Effects on Individual Factors

The evaluation of the independent factors has shown that the intrinsic factors scored the highest on satisfaction. This rejects our hypothesis that proactive reorganization has a negative effect on the intrinsic factors of job satisfaction compared to the external factors. Results yield the contrary, extrinsic factors exhibited lower satisfaction scores with an average of 7.17, as opposed to 7.83 who was the mean average of intrinsic factors, referring back to Table 2. This indicates that opposed to the downsizing forms of reorganization, employees who have been subjects of proactive reorganization do not exhibit signs of impairment in either internal or external factors of their satisfaction, as in both cases the scores were above the positive satisfaction threshold (Petrov, Demerouti, & Xanthopoulou, 2017). Furthermore, one of the domains that individuals were most satisfied with, was the element of supervision they received from the human resources department and their managers. This entails that the high commitment human resources management model or more specifically the execution of the model within Intel remains effective during periods of organizational change (Allen et al., 2003). The present human resources model even if standardized its ability to encounter and minimize employees’ negative emotions, remains solid. Its effectiveness is not solely relied on the functionality of the model itself but also on the actors involved.

Employees scored on average the highest on the elements of responsibility, independence, social service, and moral values. Those results are exhibited in the correlation matrix to be the domains that influence employees to work satisfaction the most. This shows that employees work satisfaction is highly influenced by the degree of independence, advancement and responsibility they harvest from their working position, core components of the job characteristics theory (Sashkin, 1982). Thus, proactive reorganization doesn’t influence the areas that employees view as most important. Intel employees hold themselves responsible for their own working circumstances and how they operate within them. It must be noted that taking responsibility is one of Intel core values which is successfully transmitted and shared by the entity’s employees globally (Intel, 2019). Moral values had the second highest score on the satisfaction scale, which further indicates that there is a strong correlation between individual values and company values. A strong correlation between these elements has been repeatedly shown to strengthen person-organization fit and aid to the overall work satisfaction of the
employees (Gutierrez, Candela & Carver, 2012; Yahyagil, 2015). Furthermore, it has also shown to influence the sense of achievement within the individual (Gutierrez, Candela & Carver, 2012). This influence may stand true to the sample in which achievement and advancement were placed close to the mean average of both domains.

Proactive reorganization had limited influence on these domains. This is addressed by the element of the structure that exists within proactive reorganization. Opposed to downsizing reorganizations that usually occur in periods when the company is under financial distress and the concept of personal advancement is shattered in the light the entity’s survival (Kiefer, Hartley, Conway, & Briner, 2014). Proactive reorganizations offer an alternative more organized structure that doesn’t go beyond to the ‘business as usual one’ (Bellou & Chatzinikou, 2015; Isett, Glied, Sparer & Brown, 2013). This assumption has been proven right in this research. The fact that the new structures provided has limited influence on the career progression path of the individuals. Under a proactive reorganization, employees are called to work on new tasks and new positions that might involve the use of skills that are outside of someone field of expertise. This has the potential to harm employee’s overall job satisfaction as seeking resources have been proven to cause distress both during downsizing and proactive organizational changes (Petrou, Demerouti, & Xanthopoulou, 2017; Conway, & Briner, 2014).

This has been proven wrong by the present data. The activity and creativity scores were that of the highest average within the sample. Thus, in this situation, the organizational change is been seen to aid the employee’s empowerment and engagement rather than impair it. These results are supported by job crafting and job swap literature, which exhibit a positive correlation between an employee’s involvement in new tasks and overall work performance (Chen, Wu, Chang & Lin, 2013; Lencioni, 2012). It must be noted that on the prior literature the studies analyzed situations where the employees were in control of the change (Zhou, Zou, Williams & Tabvuma, 2017). Taking a step further, the present study has shown that those positive results remain persistent even during periods of a proactive organizational change, in a situation that an individual has limited to no control of.

An admirable finding was the influence of proactive reorganization on an employee’s social identity. The results have shown an impressive 9.18 score on employees satisfaction towards their coworkers and social work environment (Table 2). In contrast to the present literature on reorganization, our findings exhibited that there is no impairment in an employee’s social environment in the case of a proactive reorganization. It must be noted that the previous literature was mainly composed by studies that analyzed downsizing reorganization or changes...
in both position and employer (Zhou, Zou, Williams & Tabvuma, 2017; Goldthorpe, 2007; Weeden, 2002). Our study supports that changes in position under the same employer have no impact on employees work satisfaction that is derived from their social environment. The elements of socioeconomic status, occupational prestige and sense of belongingness, fundamental components of an employee’s occupational identity, remain constant (Berman et al., 2002). However, this does not prove that employees are unaffected by the change. As in the correlation matrix between coworker and general work satisfaction, coworkers had the lowest score (Table 6). This means that the sample’s work satisfaction was the least affected by their social environment. Thus, changes in this environment will not cause any significant impairment in employee work satisfaction. Revisiting the job characteristics theory, that stresses the importance of core job characteristics on employee’s motivation and job satisfaction (Sashkin, 1982). The social elements of the theory appear to be the least important designators of job satisfaction under proactive organizational change.

The lowest satisfaction scores were bestowed upon job security and company policies at 6.46 and 6.02, respectively (Table 2). Those factors scored lower than the samples’ average and thus, they were the ones who were impacted the most. This supports the theory that organizational changes despite the type, downgrading or proactive, have a negative impact of an employee’s security within the company and trust towards the company’s policies (Schmidt, Roesler, Kusserow & Rau, 2012; Petrou, Demerouti, & Xanthopoulou, 2017). Taken into consideration that the sample was composed by employees of a mid-senior level, who have years of experience within the company and thus be affected by prior organizational changes; further stresses the need for the company to take action upon those domains.

The standard human resources model that Intel uses it is, in its majority, effective in sustaining a generally high level of employee satisfaction during periods of organizational change. However, the model fails to address issues with job security and trust towards the company’s policies. This goes beyond the spectrum that previous researches covered, which presented low job security as the result of downgrading reorganization that among others includes a decrease in employee’s income (Petrou, Demerouti, & Xanthopoulou, 2017; Kernan & Hanges, 2002). Although, employees were fairly satisfied on the compensation they received from the company and the social status it came with working for a global brand leader; they claimed that they were not fully secured within their position in the company (Mafini & Dlodlo, 2014). The core purpose of human resource management is to keep a sustainable pool of human capital within the entity (Lemiux, 2006).
However, the present model fails to address the decrease in job security and trust towards the company’s policies, issues that arise with the frequent proactive reorganizations that Intel engages in. The main reason is that companies are simply unaware of them. Proactive reorganization as it is a relatively new phenomenon is highly under-researched. The majority of the literature is viewing the concept with the perspective of the company rather than the employee (Suparjo, & Darmanto, 2015; Kooij et al., 2010; Bresnahan et al., 2002). Thus, implications that may arise from the exposure of the employee under these circumstances are usually disregarded. Our study showed that changes in position under the same employer do not have a significant impact on employees overall work satisfaction to the point that falls below the satisfaction set point as it was the case in the prior studies (Zhou et al., 2017). However, the results from the factor analysis have shown that proactive reorganizations do have a negative impact on employee security more so than other factors, as the factor scored way below the mean average of general satisfaction. Not low enough to indicate dissatisfaction but apparent enough to need further consideration. An element that is essential for the entity to sustain a strong talent pool within its premises. The present results exhibit that proactive reorganizations need to be taken into consideration by human resources departments. The human resources model of Intel Corporation is a bright example of an efficient and effective model. Yet, the model was the weakest in addressing security issues that may arise during the reorganization. This raises further considerations on what is the actual impact of reorganization on employees of smaller or medium size.

6.4. Regional and Cultural Differences

The results of regional correlations exhibit a significant difference in the factors that influence job satisfaction. Participants from North America tend to correlate extrinsic factors to job satisfaction, more so than the intrinsic ones. On the same note, in participants from the EMEA region, the intrinsic factors are more correlated to individuals’ general job satisfaction than the extrinsic ones. This is depicted in the literature as the result of the cultural characteristics that each region holds. Revisiting Hofstede’s, (1980) theory, the US falls under the masculine dimension whereas, Europe under the feminine one. According to the theory, masculine cultures view success in terms of material and financial rewards, whereas feminine cultures view success as in terms of the value they get from their personal relationships. The theory becomes apparent in the correlation matrix results, as the USA participants lowest correlation is the one between general job satisfaction and social environment/ coworkers, at .251 out of 1. This shows that North Americans are the least about receiving emotional gratification from
their social environment including praise from coworkers and managers compare to other factors such as, authority which was the predominant factor in both regions. EMEA participants tend to value more reinforcements from their surroundings. These results are supported by cross-cultural studies on job satisfaction under regular settings. The fact that the effects of the masculine and feminine characteristics of a region remain persistent in the occasion of a proactive organizational change, highlights their significance. Interestingly, in the measurement of general job satisfaction, it appeared that the factor that displayed the greatest variation between the two regions is the level of authority. US participants scored lower on authority as opposed to EMEA participants on a mean of 3.71 and 4.13, correspondingly. A lot of people in the US are dissatisfied by the loss of authority they have after reorganization. Although, the difference between the regions is not significant. The fact that the US was less satisfied with the domain of authority than EMEA. Despite being the dominant determinant of job satisfaction in both regions. Finding that indicates that cultural differences need more attention from the human resources department (Kooij et al., 2010; Karin et al., 2014).

The rest of the measurements on satisfaction did not indicate any significant differences between the regions in terms of feminine characteristics, as they score similarly in the factors of coworkers, recognition, and social service. On the same note, similar results between the two regions were shown on the rest of masculine traits such as advancement, independence, and achievement. This comes in contrast with the previous literature, a fact that might be contributed to the difference in the elements of the study. As prior researchers analyzed the effectiveness of human resources practices using a sample of different companies across regions that were engaged in similar human resources practices. The present study tested the effectiveness of the same human resources practices in two different regions that have been under reorganization. Overall, the elements that exhibited the closest to a significant difference where working conditions and authority. Interestingly, both of these factors are extrinsic. The fact that comes in contrast to our hypothesis that regional difference has an impact on employee satisfaction. It must be noted that these differences although apparent, there are not strong enough to be considered significant so they will be classified as observations. Another observation is that both regions were the least satisfied in the domain of company policies and practices. This stresses the impact of an organizational change on employee satisfaction. Thus, consideration must be taken to the matter, as according to the data reorganization appears to overshadow the cultural differences that could influence employee satisfaction under regular operational circumstances. This statement appears to stand true within this research, as tendencies towards
cultural differences are present but not in the degree of significance. It must be noted that this is the finding of the present data and literature that the authors identified on the matter, as similar research could not be found to make comparisons.

7. Conclusion

The present thesis was conducted in an effort to expand the literature on internal reorganization within businesses, with a focus on proactive reorganization. The literature views proactive reorganizations as the company’s effort to increase the efficiency of its internal functions. However, on an employee’s perspective reorganization results in changes in positions, managers, and department. This type of reorganization differs from the downsizing reorganization due to its structural elements. It is carefully planned and implemented by entities in a strategic manner in a collaboration with the human resource department. In an effort to close the gaps between an employee skill set and position specific skills that may arise with the change. However, the implication of such change was sought to go further than that, with comparative studies between downsizing and proactive reorganization finding similar ground in the internal factors that negatively impact employee satisfaction. The present study revealed that employees who have been recently subjected to proactive reorganization had scored above the set satisfaction average. Thus, they did not exhibit signs that there work satisfaction was significantly impacted by the change. However, the factor analysis revealed that elements like employee security and trust towards company policies were actively negatively impacted by the change, as their scores were below the mean sample’s average.

Although the system has been proven to be efficient even due to periods of organizational change to sustain high levels of employee satisfaction, its influence appears the weakest in the elements that are the most critical for employee retention. The functionality of the model remains content through regions and not be significantly affected by cultural differences. Despite that, the difference was observed with EMEA participants being more satisfied than North Americans. The main elements which they differ are that for Europeans is more important the element of social support and reinforcements than the Americans. Overall, the current human resources model is proven to be effective due to the period of organizational change. The present findings gave an insight into the model’s weaknesses. Although, there are not significant enough to support the creation of a more target approach. An approach that specifically addresses the implications of proactive reorganization. It has provided the specific elements that the model needs to reassess, in order to better improve its functionality during
periods of reorganization, the ones of security and company policies. Furthermore, the study suggests that the model needs to focus on a more interpersonal approach within the EMEA region and more intrapersonal in the North American region, with the use of more intrinsic and extrinsic rewards, correspondingly. Proactive reorganization and its effects on employee satisfaction is a topic highly under-researched due to it’s carefully monitored nature. However, it had proven to negatively impact employee security and trust towards the company’s policies more so that any other factor. Moreover, the nature of the change has proven to affect employee satisfaction on a different matter.

Taking it all in, the authors propose that the standardized human resources model that companies use needs to be readjusted. The readjustment needs to be executed from HR in order to address any potential impairments in employees job satisfaction that might arise with their constant exposure to organizational changes. Businesses who engaged in proactive organizational changes in order to respond to the realities of the market, need to also consider the implications of the change from the employee’s behalf.

7.1. Limitations

The main limitation of the study is that it does not have data of the sample’s satisfaction prior to the reorganization. Obtaining this data was not applicable as reorganizations are rather unpredictable but it would have allowed for more accurate comparisons to be drawn. Another limitation is that although the sample was purposive, targeted through Intel’s employee system, the system targeted people who changed position, manager or department. The type of change was not written in the system, thus cases of voluntary transfer or promotion might also be included in the sample. To control this element we asked the participants to identify the type of change they went through which, allowed us to determine what changes were voluntary. Fortunately, the number of participants who changed position due promotion was so small that did not have a significant impact on the overall results. Finally, as the present thesis is a case study of Intel Corporation employees, the generalization of the results is limited. Intel is a billion dollar corporation who has been the market leader since its creation 50 years ago. The entity depicts an excellent example of how corporations operate globally act. The entity holds a really strong human resources approach that constantly aims towards employee growth and satisfaction (Intel, 2019). The majority of the business, however, does not have the same resources that Intel has in terms of capital, size, and magnitude of operations. Thus, the manner that reorganizations are managed in entities of smaller size might differ. The paper gives
valuable insight into the effects of reorganization on employee’s satisfaction within Intel. Under this note, the generalization of the results is limited to the companies who have similar characteristics to Intel, in terms of size, capital, and human resource investment.

7.2. Future Studies

The present thesis took the risk to observe a corporate practice that is usually associated with growth, resource efficiency and increase functionality, from an alternative perspective; that of an employee. The study results provide an inside on the state of employee’s satisfaction after the change. However, the present data display the results of a case study. Future studies on the matter should focus on the effects of proactive reorganization on employee satisfaction within a larger pool of companies. By doing so, a more accurate state of an employee’s satisfaction after reorganization could be obtained and correlations could be made. This will narrow the path towards uncovering the actual effects of proactive reorganization on employee’s satisfaction, as is an area that allows little to no room for before and after comparisons to be made. At the time being, actions towards resolving any potential negative implications of such change are still on the presumption level.
References


Appendix

Appendix I: Questionnaire Questions

Part I: Specify the change

1. Please select the type of your most recent organizational change
   - Change in department/team (merge)
   - Change in department/team (dissolved)
   - Change in department/team (other)
   - Change in Position (promoted)
   - Change in Position (other)
   - Change Manager

Part II: (MSCQ) Minnesota Satisfaction Questionnaire (Short Scale)

Please rate from (1-5) How much do you agree with the following sentences.

1. I have access to the resources and knowledge I need to execute my tasks
2. Sometimes, I feel that my time could be allocated into more urgent projects
3. There is an opportunity for individual career growth and development within Intel
4. My ideas are heard and valued by my team members and superiors
5. I believe that I have received enough training to positively respond to my current position’s requirements
6. I receive a fair compensation for my work
7. I get along with the people within my department.
8. I have freedom to choose the means of which I will execute a tasks as long as it is in line with Intel’s rules and policies
9. I have opportunities to work on my own.
10. I never felt that tasks I have been given did not match my personal values
11. I feel that my opinions are heard and valued by my manager
12. I am free to set my own deadlines and select my own methods of approach.
13. Working at Intel provides me with sufficient job security
14. I feel a sense of pride within my current occupation in Intel
15. I am aware how my work aligns with the goals of my department
16. I often receive constructive feedback from my manager(s)
17. My manager trust me to fulfill the tasks I am assigned to
18. I have opportunities to change projects and do different tasks
19. I think feel the organization has fair policies for promotion for all employees
20. I see myself still working at Intel in two years’ time.
## Appendix II: Frequency statistics of each individual factor on a global scale

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<th>Variance</th>
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## Appendix III: Independent samples t-test of all factors, based on region

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