

Depicting favorite organizational culture: An empirical case study

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ABSTRACT

The purpose of this study is to develop a model to depict favorite organizational culture. The research population consists of all Mapna's executive managers and the research sample includes 19 managers. In order to depict favorite organizational culture, in the first step, three approaches are applied and then the results of these three approaches are compared. In the first approach, Cameron and Quinn (1999) framework [Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework*. John Wiley & Sons] and success indexes are used to determine favorite organizational culture. In the second approach, benchmarking technique is applied by implementing the Denison organizational culture database. In the third approach, based on competitive value framework (CVF), a questionnaire is developed and distributed among managers and the result is applied to depict favorite organizational culture. In order to analyze data, descriptive statistics are applied and the results indicate that all of these three approaches maintain the same results. Regarding to these approaches, one or all of these approaches are applicable for depicting favorite culture. Finally, the rate of gap between status quo and favorite organizational culture can be assessed and we can develop and implement plans for improving organizational culture.

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1. Introduction

Many researchers have studied organizational culture as a source of competitive advantage and considered it as a key factor to success for contemporary organizations. In studies, there are a lot of definitions for organizational culture (e.g. Pascal & Athos, 1981; Deal & Kennedy, 1982; French & Bell, 1984; Schein, 1988; Mobley, et al., 2005) and they have different views about organizational culture such as dominant value supported by organization, the way things accomplished in

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organization, base assumptions and credo among organization members and a set of values, beliefs, common perceptions and behavioral norms among organization's members. Denison (1996) believes every organization has its own method for performing jobs and this way influences all organizational lifecycle. Thus, organizational culture can be defined as values, beliefs, principles observed as a framework for systems and managerial activities. One of the essential factors on reaching success within organizations is to learn more about organizational culture, to direct and to improve it towards favorite organizational culture. In this research, depicting favorite organizational culture has been extensively studied and three existing approaches are investigated as follows,

In the first approach, Cameron and Quinn's approach was implemented and within their methodology framework, favorite organizational indexes were extracted and they were ranked (Cameron & Quinn, 2011). The second approach is associated with benchmarking technique and Denison organizational database data has been implemented. Finally, in the third approach, by using organizational culture diagnosing model based on competitive value framework (CVF) developed using Denison model.

2. Materials and Methods

2.1 Literature Review

Studying organizational culture goes back to 1920s (Trice et al., 1993) but many studies do not have a comprehensive and integrated theoretical basis and many important factors in organizational studies have not been included. However, published studies have increased the importance of research in organizational culture. However, the first systematic attempt to understand organizational performance from the perspective of culture was initiated in the 1920s by the Hawthorne studies. These findings emphasize the importance of teamwork culture and norms direct influence on productivity and attitudes (Schuster, 1986). Besides, McGregor (1960) for the first time recommended different forms for evaluating organizational culture studies based on the Hawthorne studies. A large number of scientists also provided integrated framework for the study of organizational culture (Allaire & Firsirotu 1984; Hatch, 1993; Martin, 1992; Schein, 1985, 1990) but on a general theory of organizational culture, there is little agreement among them. Since culture is a complex phenomenon in which a range of hidden beliefs and assumptions to obvious structures and activities has been spread, some researchers have questioned whether cultures are practically measureable and comparable (Dennison, 1996; Hatch, 1993; Martin, 1992; Schein 1992).

Peters and Waterman (1982) demonstrated that excellent and superior organizations could have strong and positive culture, because this trait of culture cause higher levels of employee involvement and agreement on strategic points and increasing commitment to organization and alignment between employee goals and organizational goals and this is most important factor for increasing productivity and effectiveness. Ouchi (1981) discovered a similar relationship among organizational cultures and increasing productivity (27) and Gregory et al. (2009) concluded that employee's attitude was as a mediator variable in relationship between culture and effectiveness of the organization. Deal and Kennedy (1982) noted the importance of a strong culture and performance. Also, Kotter and Heskett (1992), Smerek and Denison (2007) and Denison et al. (2007) demonstrated that culture had strong and dramatic effect on organization performance, including economic performance. A significant number of organizational culture models are based on a known framework as competing values framework. These frameworks consist of four trait of culture and focusing on each one will lead to certain outcomes. In this section, models used for depicting favorite culture are discussed (Ranaei, 2009; Ranaei & Ghaffarnia, 2009; Ranaei & Ghorbani, 2007).

A. Cameron and Quinn Model of Diagnosing Organizational Culture

Cameron and Quinn (1999) offered specific methods for understanding and changing organizational culture based on the competitive values framework originally proposed by Quinn and Rohrbaugh (1983). The evolutionary nature of this model has been investigated in several studies. This model

has a typological approach to make a distinction between different traits of organizational culture. Therefore, corresponding four models in the context of competitive values framework, here are four definitions for organizational culture (Cameron & Quinn, 1999) as follows,

1. Clan culture(Ethnic): based on the internal coherence and enhancing employee morale
2. Adhocracy culture: the centrality of dynamism, flexibility, entrepreneurship and innovation
3. Market-based culture: the centrality of competition, efficiency and productivity
4. Hierarchical culture (conservative) focusing on stability and maintaining the existing situation.

In this model development process, based on the results of studies conducted by different researchers, there have been efforts to introduce a different approach to understand the organizational culture while using different typology to provide a model for evaluating and measuring cultural congruence and elements within the organization. Based on this pattern, if all reviewed characteristics are in a single quadrant of the CVF axis, there is a proportion and compatibility within the elements of the existing culture of an organization. Regarding above goals, Cameron and Freeman reviewed the studies in this field and tried to introduce a set of key characteristics that define each culture (Cameron & Freeman, 1991): 1) Dominant Attributes 2) Leader style 3) Organization glue 4) Strategic Emphases. In future studies the number of these variables increased and two were added, that is management of employee and criteria of success. Thus, regarding six mentioned criteria, we can distinguish various organizational cultures shown in Fig 1 (Cameron & Quinn, 1999).

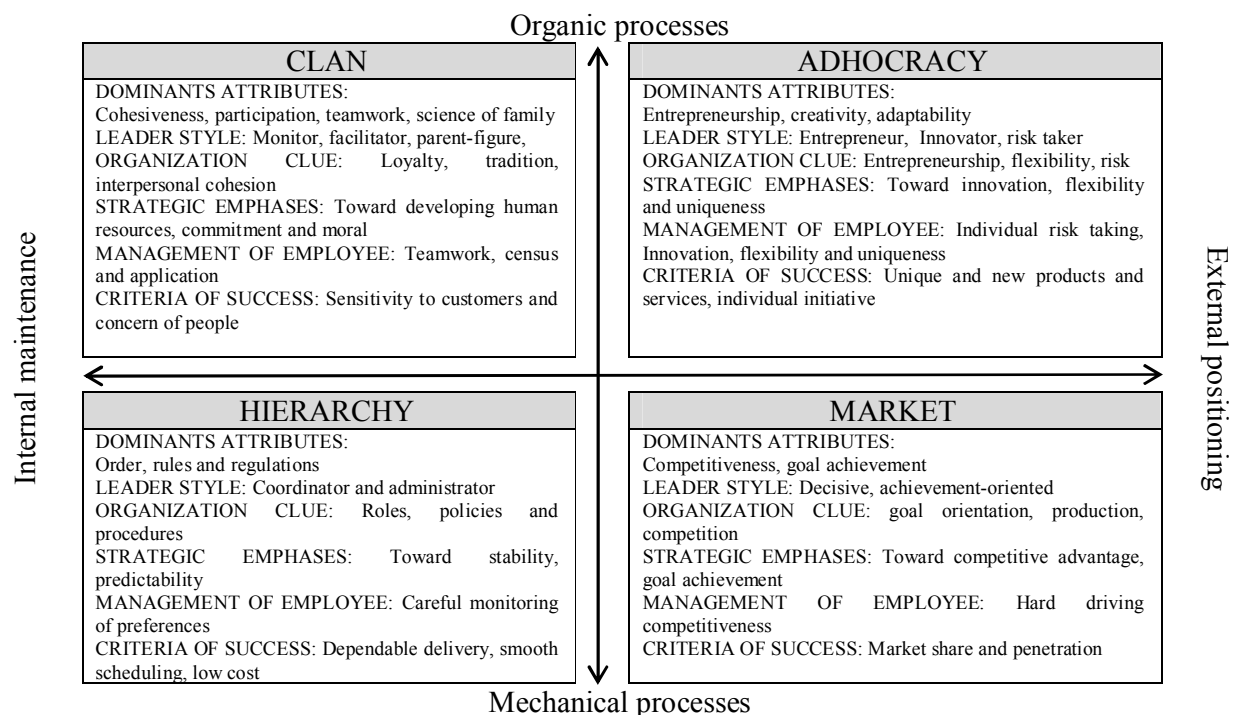


Fig. 1. Different Characteristics of Cultures (Cameron & Quinn, 1999)

In this model, the culture relevance and homogeneity comes out when values or dominant attributes of organization, leader style, and organization glue, strategic emphases, employee management styles and also “Criteria of success” are compatible and congruent and shows a trait of culture.

B. Denison Model of Diagnosing Organizational Culture

Denison model consists of four main trait of organizational culture including involvement, adaptability, consistency and mission (Denison & Fisher 2005; Denison & Mishra 1995, 1998; Schmidt & Jackson, 2005).

These four traits are expressed in terms of management practices. Management practices comprise of clarified performances associated with four organizational culture traits and they are derived from dominant beliefs, values and assumptions and fortified by them in the organization. These management practices are measured by 12 indexes that comprise the model (Mobley et al., 2005, Denison et al., 2005, 2000). On the other hand, each of these traits is measured by three management practices indexes and each of these indexes is measured by five questions, finally for measuring all indexes, a 60 case questionnaire is used. After measuring all the traits and indexes and putting them in each model, the resulting is called “organizational scheme” (Ghorbani et al., 2009; Monavarian et al., 1999). In Fig. 2, Denison organizational culture is shown.

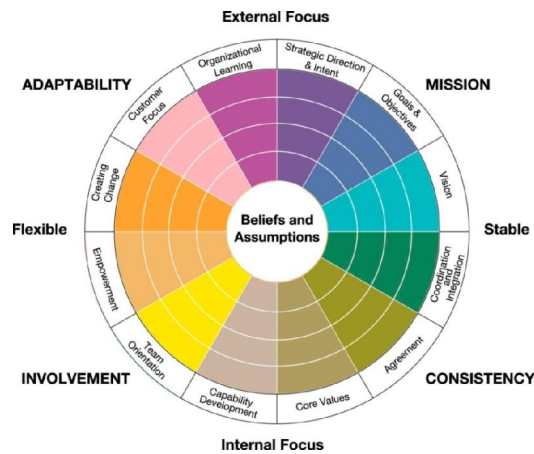


Fig. 2. Denison Model of Diagnosing Organizational Culture

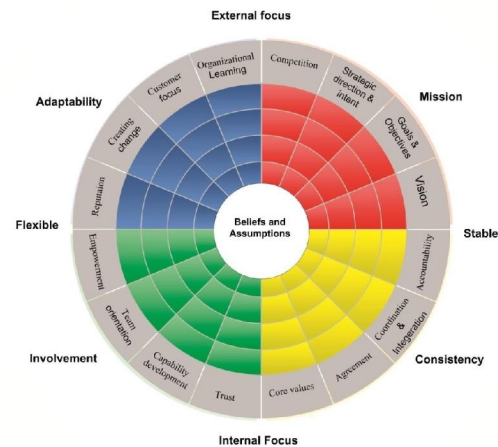


Fig. 3. Mapna's Model of Diagnosing Organizational Culture

C. Mapna Model of Diagnosing Organizational Culture

In Mapna, Denison model has been chosen as a basis and it has been developed. To localize and to adapt to company's values, a procedure has been defined and it has been implemented. Several sessions held with top manager. An index added to each Denison organizational culture traits i.e. (Reputation, trust, accountability and competition) has been added to 12 indexes in the model. Therefore, Mapna's model of diagnosing organizational culture has 4 traits and 16 indexes and a questionnaire with 80 questions measured status quo of Mapna's organizational culture.

2.2 Methodology

The research is applicable, utilizing a descriptive- comparative survey method that has depicted Mapna Company's favorite organizational culture.

2.2.1 Statistical Population and Samples

Regarding this survey goals, population and samples number are equal to 19 and comprise all Mapna and its subsidiaries top managers. The average age, work experiences in Mapna and in total of participants were 52.4, 9.1 and 29.3 years. In addition, 47.4% of the participants hold bachelor degree of science and 52.6% of them hold master degree.

2.2.2 Data Collection Tools

In this study, 3 approaches have been used for data collection. First, using Quinn success indexes, a questionnaire suggested that collected 24 success indexes from the viewpoint of top managers. In this approach, regarding company's successful performances, from the viewpoint of managers, related favorite culture and priorities were depicted. The managers were asked to rank the indexes regarding A) perspective, goals and future strategies B) Status quo and strength and weaknesses. C) Company

experiences. This questionnaire includes 6 questions where each contains 4 success indexes associated with a specific trait of culture. Respondents were asked to assess each index. In the second approach, Denison organizational culture database and benchmarking technique has been used to depict favorite culture. For benchmarking Eightieth percentile of Denison database has been considered as criteria for favorite culture. On the other hand, favorite culture is to get to a point upper than 80% of companies in the database. In the third approach, Denison model as a base, used with a localized model. Four more indexes were added to Denison model provided from recent researches and models. A questionnaire with 80 questions provided based on Likert spectrum, then using questionnaire, Mapna's managers were requested to depict 16 indexes regarding status quo, future perspective in a five year horizon.

2.2.3 Data Analysis

To analysis, classify and to get results, descriptive statistics such as frequency, relative frequency, mean, standard deviation, tables, charts, etc. have been used. All statistical operations were carried out using Excel and SPSS software.

3. Findings

First Approach: Depicting Mapna's Favorite Organizational Culture Using Quinn Success Indexes

As shown in Table 1 to assess each trait, every 6 success indexes was classified to a trait of culture. Thus, average score of each trait was calculated to measure success. Results showed that in Mapna company's higher score is for involvement, then adaptability, mission and consistency.

Table 1
Average Score of Success Indexes of 4 Culture Traits

Items	Indexes	Scores (1-76)	Trait	Average Score (1- 76)	Average Score (From 100)
1	Empowerment & Capability development	65	Involvement	54.5	71.7
2	Team work & development	59			
3	Morale Improvement	58			
4	Experts Absorption	57			
5	Developing employee participations	55			
6	Reducing Complaints	33			
7	Product diversification	61	Adaptability	52.5	69.1
8	New Resources	56			
9	Customer focus and satisfaction	55			
10	Creativity and new products	53			
11	More creativity More return	50			
12	Increasing R&D	40			
13	Increasing productivity	62	Mission	44.2	58.2
14	Company's rank promotion in industry	48			
15	Liquidity and funds	45			
16	Increasing profitability	41			
17	Increasing stock price	37			
18	Decreasing new product/service introduction time	32			
19	Products/Service Quality improvement	51	Consistency	38.3	50.4
20	On time delivery of orders/plans/projects	48			
21	Decreasing defected products/Services	37			
22	Decreasing regulation violations (Errors)	34			
23	Increasing savings and costs reduction	31			
24	Decreasing wasting.	29			

In Fig. 4, the average score of culture trait and its indexes in favorite status is compared. As seen, there are differences between status quo (Red, Blue, Green and Yellow colors) and average scores of favorite organizational culture. Higher gap are for adaptability and involvement.

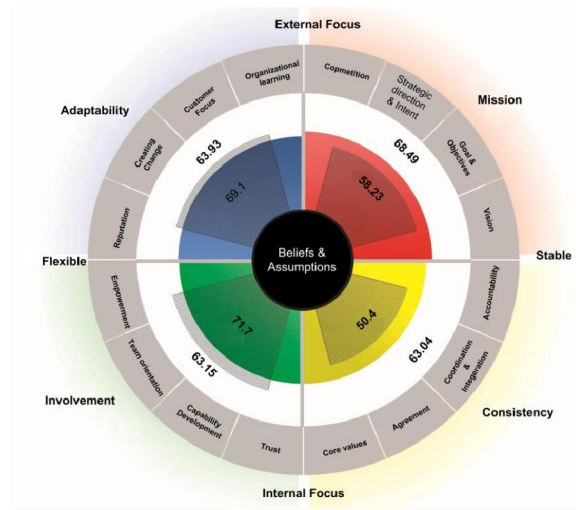


Fig. 4. Comparing Status Quo Trait Scores with Favorite Organizational Culture Using Success Indexes

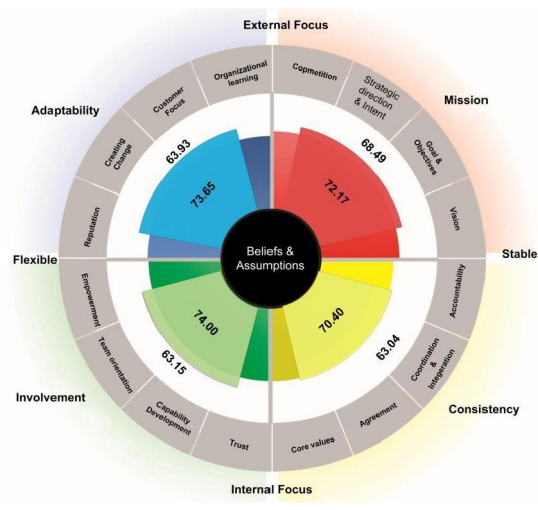


Fig. 5. Comparing Status Quo Trait Scores with Favorite Organizational Culture Using Benchmarking Technique

Second Approach: Depicting Mapna’s Favorite Organizational Culture Using Benchmarking Technique

As mentioned before, for using this technique the eightieth percentile of score of the Denison database is used and this status (scores) is considered as favorite culture. Fig. 5 compares status quo (Red, Blue, green and yellow colors) and favorite culture using this technique. Again as seen higher gap is for involvement and adaptability, then consistency and mission. Regarding relative priority and the gap between status quo and favorite status, company first have to focus on involvement and adaptability.

Third Approach: Depicting Mapna’s Favorite Organizational Culture Using Top Manager’s Viewpoint

As mentioned before, managers have been asked to depict favorite status regarding future perspective and to determine 16 indexes effect on success in a 5-year scope and the results are shown in Fig. 6. There are higher gaps between involvement statuses and lower belongs to mission.

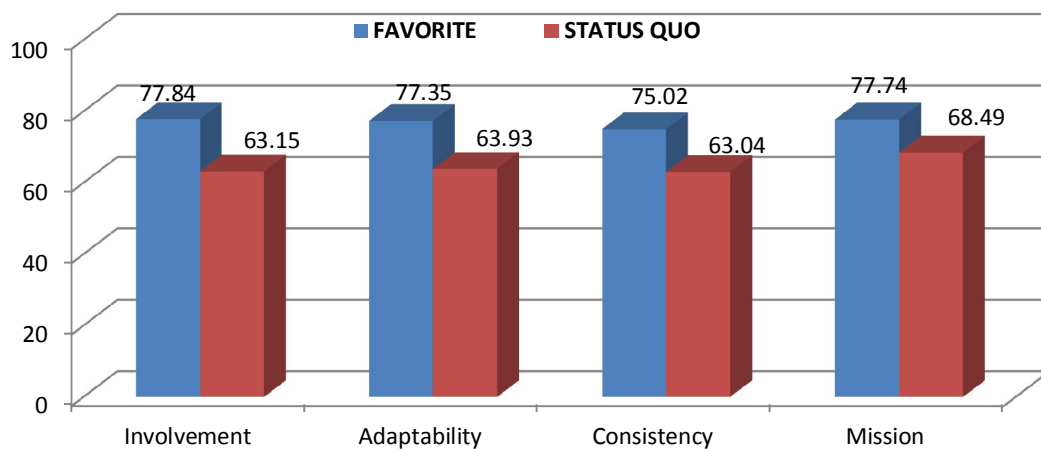


Fig. 6. Comparing Status Quo Trait Scores with Favorite Organizational Culture Using Top Manager’s Viewpoint

4. Discussion and Conclusions

The results of this study are consistent with Peters and Waterman (1982), Ouchi (1981) and Gregory et al. (2009) since it looks from different perspective to the case. However, it implicitly shows that excellent and superior of Mapna have strong and positive culture, because these traits of culture cause higher levels of employee involvement and agreement on strategic points and increase commitment to organization and alignment between employee goals and organizational goals. This is the most important factor for increasing productivity and effectiveness.

First approach results showed higher gap belongs to indexes that is for involvement and then adaptability. In second approach top managers' viewpoint showed that within 4 traits higher gap was for involvement and adaptability. Thus we must pay more attention to these traits. In addition, benchmarking technique showed Mapna averages were lower than 80% of favorite status (Denison Database). Thus to reach a favorite level, 10.85% involvement, 9.72 % Adaptability, 7.36 % consistency and 3.68 % mission traits must be improved. Third approach result is aligned with two other approaches. Involvement is in first place and then adaptability.

In Table 2, each trait in each approach is ranked by the gap between status quo and favorite status. Only difference is that in first approach mission is in the third place while in second and the third approaches mission was in last place.

Table 3
Comparing 3 approaches result

Priority	Approaches		
	Success indexes	Benchmarking Technique	Top managers Viewpoint
1	Involvement	Involvement	Involvement
2	Adaptability	Adaptability	Adaptability
3	Mission	Consistency	Consistency
4	Consistency	Mission	Mission

Regarding results congruence, each approach can be used as favorite organizational culture and hence improvement plans must be provided and implemented. Since using these approaches is time consuming and costly, we suggest companies, regarding their situations choose approach. For example, an international company is suggested to use benchmarking and comparing itself with international companies.

Research Limitation and Future Suggestions

It is suggested to researchers to know the company type as a governmental one; there were some problems in data collection and holding sessions with the managers. In addition, localizing Denison model requires considering local people cultures and interests and we need for a modified model. For further study, it is suggested to focus on priorities of results including further study of involvement and adaptability indexes.

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