The Effect of Suitable Organizational Culture on Implementing Strategy (Case Study: Telecommunication Company of Hamedan)

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Abstract: "Culture" and "strategy" due to the important role that organizations play in the success in recent decades, researchers noted the organization and management issues are located. This study assessed the organizational culture and its effect on implementing strategy in Telecommunication Company of Hamedan has been done. Information in two ways: library-documents and a survey using questionnaires have been collected. Statistical community including all telecommunication centers in Hamadan staff numbers 290 people and sample volume based on the selected tables and Morgan stratified random sampling is 165 people. Assess organizational culture based on the model of denison and questionnaire was conducted (based on the model of the relationship between culture, environment and strategy of four types of organizational culture comes into existence). For evaluating success in implementing strategies of performance evaluation scores telecommunication centers in eight provinces and jobs to areas implemented strategies towards the year 2010 has been used. Based on findings, Hamedan telecommunication centers have relatively strong corporate culture more involvement type of culture and consistency culture (with emphasis on strategic internal focus) and the capability of change are flexible. Hypotheses evaluated using the Pearson correlation test shows that between organizational culture and implement strategies Hamedan Telecommunication significant relationship (positive correlation) exists, between two types of culture, mission culture and adabtability culture with the implementation strategies of the company's significant relationship (positive correlation) exists.

Key words: Organizational culture, implementing strategy, denison's model, Telecommunication Company of Hamedan, adabtablity

INTRODUCTION

The ever-increasing speed of developments, intense competition and the advances in science and technology has faced the today organizations with the new challenges. So that the complexity of the issues within or out of the organization leads the managers to the use of effective approaches in the short-term and long-term success. Strategic management can be an appropriate response to the challenges facing organizations in the 21st century.

Strategy is a pattern or plan which combines goals, politics and the operational chain of an organization in the form of an interlocking shape with one another (James *et al.*, 1974).

Strategic management provide the chance of success in the competitive environment in three stages of by compilation, performance and assessment of the strategies of the organization. The compilation of strategies was the first issue which is urged companies to exploit of strategic management. While, the fundamental challenge for today's organizations is implementing strategy.

Most implementing strategy is called the practical stage of strategic management and it is thought that in the strategic management this stage is the most difficult stage. The purpose of implementing strategies is that staff and managers is mobilized and bring the developed strategies into practical stage (David, 2000).

Monitor group in the global survey which is done in 2006 wanted the senior managers to say their priorities. The first option was implementing strategy which had great difference with the other options. Multiple opinion pools which is done in the past two decades show that 60-80% of companies do not reach to the inserted quantity goals in their strategic plans (Kaplan and Norton, 2008).

One of the infrastructures which provide necessary bed to guide and align the activities of the organization in order to achieve strategic goals is organizational culture.

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Culture has effect on the problem solving and decision making process, motivation, satisfaction and the morale of people, the creativity and innovation level and in one word, in management can't find something independent of the role of culture (Robbins,1991).

There are a common issues in the organizations which we call them culture and the some other call strategy. Culture is a set of solutions to the problems of external adaptation and internal integration. The same definition also can be applied for the strategy (Schneider and Louis, 2003).

Culture, although from the beginning is considered to strategic as one of the important factors but in recent years is placed as an approach in the process of strategic management. Based on all strategy models, culture counts one of the important elements the necessary condition for implementing strategy. When is developed the strategy of society or organization, to implement is dependent severe to the culture of that society or organization as far as without accompaniment of culture there is not the ability to implement strategy (Hashem, 2006).

Since, culture has a crucial role in the success of the organization, the compilers of strategy should be seeking ways which can be used from the organizational culture efficiently (Wayne *et al.*, 1988).

The Telecommunication Company of Iran after privatization, meanwhile a special emphasis on the efficiency and profitability is faced with the new challenges such log into competitive market, the renewal of organizational structure, outsourcing of activities, quantitative and qualitative development in area and, etc. This issue reveals the need for more attention to the strategic management to maintain a competitive advantage and realization of organizational culture. Therefore, attention to the organizational culture will be effective in the future of management's company as a competitive advantage which has been paid to it less until now.

The main objective of doing research is the assessment of organizational culture and the investigation of its relationship by implementing strategies in the telecommunication centers of Hamedan and is tried is answered to this question which "is there a significant relationship between the organizational culture (and its types based on Denison Model) and implementing strategies of Telecommunication Company of Hamedan"?

A review of previous researches: The organizational culture have been one of the most controversial issues in the organizational behavior from 1980s onwards (Moorhed and Ricky, 2004).

In Iran is a few years which has been studied the organizational culture. In relation to the impact of organizational culture on strategy also is done the researchers which is confirmed the positive correlation between the organizational culture and strategy. The research results of Seyed Hashem Hedayati and Asadollah Kord Neech show that there is an interactive communication between the organizational culture and the strategy compilation models and also between strategy, organizational culture and its environment.

Many studies and researches is done also in the field of organizational culture and its role in the performance and effectiveness of organizations. The researchers of Ktter and Haskett has been done about the relationship between the fitness of organizational culture and performance and researches of Gordon and Ditomaso callins and Porras has been done about the existence of relationship between adaptability organizational culture (flexibility) and performance.

As well as the researches of Denison and Atkinson (2007), Coffey (2003) in Hong Kong, Sharma (2005) in Australia, Jacobus (2005) in the North Africa, Mobley *et al.* (2005) in China and Ghorbani *et al.* (2008) in Iran focus on the availability of significant and positive relationship between the organizational culture model of Denison and various performance indicators and the organizational effectiveness.

These researches are represented this issue which despite cultural differences among different nations, there is a similar pattern of organizational culture and effectiveness among the organizations around the world (Ghorbawi *et al.*, 2008).

Research theoretical pattern: Since, organizational culture contains a set of complex factors with mutual, comprehensive and vague relationships, the consideration of all relevant factors in a model and conceptual framework is essential. Denison Model is the latest and most complete survey patterns of organizational culture.

Daniel Denison the professor of organizational behavior of University of Michigan, at first is offered a model which shows on one hand the relationship between the environmental needs and the strategic focus of the organization and on the other hand type of compatible organizational culture (Table 1).

Denison while extensive and long-term researches at the completion of his model for each of the 4 types of organizational culture is proposed 3 management activity index as follows:

Table 1: Types of organizational culture in Denison Model

Strategic emphasis	Environmental needs	
	Flexibility	Stability
External	Adaptability culture	Mission culture
Internal	Involvment culture	Consistency culture

Involvement organizational culture (get involved in work): This type of culture will be measured with three indicators of teamorienting, empowerment and capability development. Effective organizations empower their members make the organization based on team works and develop human resource capabilities at all levels.

Consistency organizational culture (integration): Will be measured with three indexes of corevalues, agreement and coordination and integration. The effectiveness organizations is stable and integrated and staff behavior is originated from the fundamental values. The organizations with these features have strong and distinct culture and influence on staff behavior.

Adaptability organizational culture (compatibility): Will be measured with the creating change, customer focus and organizational learning. The organizations with this type of culture have the high adaptability. These organizations have capacity and experience to make a difference, accept risk, are guided by customers and to take counsel from their mistakes.

Mission organizational culture: Will be measured with three indexes of intension and strategic direction, goals and objectives and vision. In this type of culture, there is a clear understanding of the goals and strategic direction, so that is defines the organizational goals and strategic goals and draw the organization vision clearly.

In fact, Denison is proposed the management activities in the form of four features of culture means: involvement, adaptability, integration and mission and knows measurable these features using 12 indicators. The organizational culture mode is shown in Fig. 1, according to Denison Model (Ghorbani *et al.*, 2008).

The strategies of Telecommunication Company of Hamedan: Perhaps can with an emphasis on the organizational culture showed the relationships between the functional units of organization in the best possible way. The organizational culture is contained subtle forces and partly unconscious which shape the work place. Culture can be became as a strength or weakness point for the company (David, 2000).
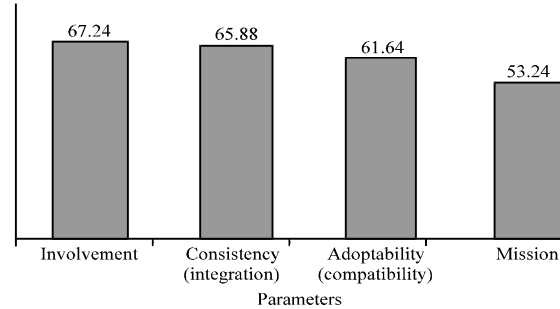

Fig. 1: Denison's organizational culture model

The main strategies of company after privatization are included the strategies of: customer orientation, qualitative and quantitative development of services, increased profitability, outsourcing activities, organizational restructuring and reduction in costs. Since, the telecommunication centers of region are considered the main area of operation to implement company strategies. Therefore, in this research is considered the investigation of relationship between the organizational culture and the success in implementing strategies in the telecommunication centers of region.

To realize the goals and the successful implementation of the company's core strategies, the functional strategies of the telecommunication centers is considered in 8 independent functional unit as follows:

- Strategies of bill affairs: the establishment of the financial optimum connection with subscribers, on time issuing and collection of bills and reduction of irrecoverable
- The strategies of subscribers' affairs: customer orientation, accelerating in the presentation of services, the resolution of subscribers' problems and the increasing of the number of subscribers
- The strategies of administrative affairs: decentralization, the reduction of bureaucracy, the removing of paper files and doing affairs in the form of network
- The strategies of public phones affairs: exploitation, the desirable and optimal repair and maintenance from systems and the equipment of public phones
- The strategies of MDF unit: announcement and fixing broken of phone lines in the shortest possible time
- The strategies of power supply unit: desirable exploitation, optimal service and maintenance of power supply equipment (battery and powers) in the call centers
- The strategies of cable affair: service development, reconstruction and modernization of cable network to reduce the time set and on time resolution of phone broken

- The strategies of switch affair: the optimization of switch performance in the establishment of communication and offering a desirable service

MATERIALS AND METHODS

This research is practical in terms of target and used research methodology is descriptive-survey which is done in Telecommunication Company of Hamedan in 2010. The statistical society of research was employed staff in the telecommunication centers of Hamedan (14 centers in 8 cities of Hamedan, Malayer, Razan, Nahavand, Toiserkan, Bahar, Asadabad and KabodarAhang) to 290. Sampling is done by the classified random and the sample size was by using Morgan table 165 people.

In order to measure the organizational culture is used Denison organizational cultural questionnaire. This questionnaire have been translated in Persian and after confirming from doctor Denison has been published in the organizational culture book based on Denison Model by doctor Abbas Monavarian, Mohammad HosseinGhorbani and Moslem Sharifi in 2008.

To assess the success of the implementation of the strategy also is used the average scores of performance assessment of telecommunication centers in order to implement functional strategies of 2009 (in 8 area: bill, subscribers' affairs, administrative affairs, public phones, MDF, power supply, cable and switch).

The questionnaire is included 2 parts: Demographics information: age, sexuality, academic degree, year of service, job and type of employment; questions related to Denison organizational culture survey: this is included 60 questions which each 15 questions of questionnaire is related to the characteristics of a type of organizational culture (for each index 5 questions).

The determination of validity is done with the content validity method, for this purpose is done consultation with professors and advisors and was obtained necessary confidence with the approval of respected professors toward validity of questionnaire. The investigation of reliability of questionnaire is done also using Cronbach's Alpha Method. Alpha coefficient is obtained 0.930 for the entire questionnaire which is indicated the reliability of questionnaire to the high extent. As well as, alpha coefficient is 0.827, 0.807, 0.785 and 0.765, respectively for the cultures of involvement, consistency, adoptability and mission.

The describing of demographic characteristics and the main indicators of research (including 12 indicators) and the comparing of acquired scores of types of organizational culture are done by descriptive statistics.

To study the relationship between the organizational culture with two options nominal variables (sexuality and type of employment) was used independent t-test and for multiple choice nominal variables (type of job) was used variance analysis test F-search for correlation between the distance variables (age and work experience) and the organizational culture and also and the investigation of research hypotheses (the relationship between types of organizational culture and implementing strategy) also was used Pearson Correlation test.

RESULTS AND DISCUSSION

Given that the Denison Model which has been used in this research is one of the newest and most complete available functional models in the field of assessment of organizational culture, the organizational culture survey based on this model can be offered a comprehensive information toward the organizational culture in the telecommunication centers of Hamedan.

Among the 165 respondents 144 of them are composed of men (87.3%) and 21 of them are composed of women (12.7%). Men have worked more in the technical sections and women have worked in the subscribers' affairs section. The age distribution of respondents was in this way that 49 (29.7%) of he studied sample were under 30, 54 (32.7%) were between 30-40 and 62 (37.6%) were >41 years old.

In terms of education, 89 (53.9%) have diploma and less, 47 (28.5%) have junior college, 27 (16.4%) have bachelor's degree and 2 (1.2%) of studied sample have master of arts and above. The people who have had diploma degree less more are activated in the private sector. In terms of work experience, the largest number of respondents with 5-10 years (34.5%) which were more of the personnel of the private sector and 21-25 years (28.5%) also were official staff.

Among the respondents 9 (5.5%) are head of center, 12 (7.3%) are attendant expert, 22 (13.3%) are expert and 122 (73.9%) are expert. Therefore, most people have been expert in terms of career post. As well as, in terms of type of employment, 81 (49.1%) of studied sampleare formed official staff and 84 (50.9%) are firmed private sector staff which is indicated the partly equal distribution of respondents in terms of type of employment.

The results of describing of main indicators showed that the organizational culture ruling on telecommunication centers of Hamedanis more of involvement culture (67.24%) and after that is consistency culture (65.88%) and is adoptability culture (61.64%). The lowest score also is related to the mission organizational culture (53.24%).
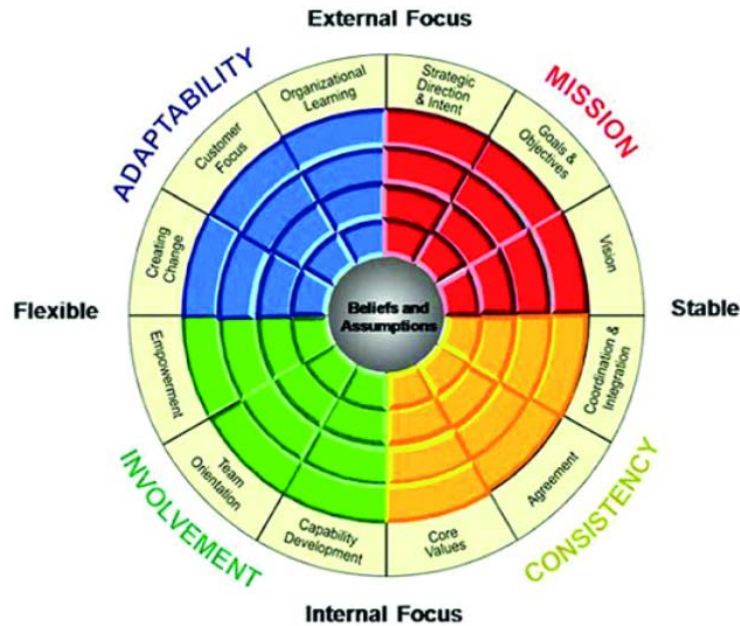
Fig. 2: The compare of average scores of types of organizational culture

Table 2: The statistics of score distribution

Cultures	No. of items	Least	The most	Average	SD
Involvement	15	23	90	67.24	11.96
Consistency (integration)	15	18	92	65.88	11.15
Adaptability (compatibility)	15	18	95	61.64	12.13
Mission	15	28	93	53.24	10.17
Total	60	-	-	62	-

About the presence of strong or weak organizational culture, given that the average of total scores of organizational culture is 62 (62%), it can be said that the telecommunication centers have relatively strong organizational culture. In terms of strategic emphasis on the internal and external environment, the telecommunication centers have more internal focusing (66.5%) than external focusing (57.5%) and in terms of flexibility against the changes or stability (follow the instructions) centers more flexible (64.5%) than stability (59.5%).

The strongest indicator among the 12 indicators of organizational culture is empowerment indicator (related to involvement organizational culture) with score of 81 and the weakest is vision indicator (related to mission organizational culture) with score of 48. Also, type of culture related to these indicators have also the highest and lowest scores (Table 2 and Fig. 2).

Therefore, the telecommunication centers of Hamedan with relatively strong organizational culture are more of involvement culture with strategic emphasis on the internal focusing and in terms of ability for flexibility and change are flexible.

The results of the investigation of relationship between the demographic variables and types of organizational culture show that there is not significant relationship between sexuality, year of service, type of job and education of respondents with types of organizational culture (Fig. 3). But, between the age of respondents with adaptability organizational culture is dominated a significant relationship. So that by reducing the age of the respondents, the score of adoptability organizational culture become more.

Also between the type of employment with the adoptability organizational culture is dominated a significant relationship and among private sector employees the score of adoptability organizational culture is more than its score among the official staff. It should be noted that the private sector staff have less age than official staff which this issue represents the more willingness of private sector staff to the adoptability organizational culture (Table 3). The results of hypotheses test is as follows:

- There is a significant relationship (positive correlation) between the organizational culture and implementing strategies of Telecommunication Company of Hamedan
- There is not a significant relationship between two types of organizational culture of involvement and consistencyand implementing strategies of Telecommunication Company of Hamedan
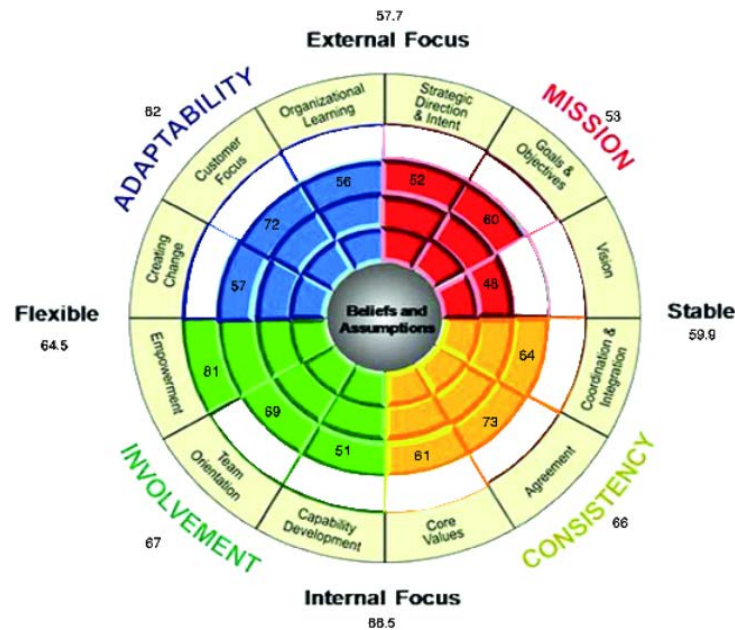
Fig. 3: General scheme of the organizational culture in the telecommunication centers of Hamedan

Table 3: The results of correlation test to investigate research hypotheses (relationship between culture and implementation of strategy)

Culture	Number	coefficientr	Significant level	Results
Organizational culture and the implementation of the strategy	14	0.657	0.011	The existing of relationship
Involvement culture and the implementation of the strategy	14	0.417	0.138	Lack of relationship
Consistency culture and the implementation of the strategy	14	0.362	0.203	Lack of relationship
Adaptability culture and the implementation of the strateg	14	0.645	0.013	The existing of relationship
Mission culture and the implementation of the strateg	14	0.758	0.002	The existing of relationship

- There is a significant relationship (positive correlation) between two types of organizational culture of adaptability and mission and implementing strategies of Telecommunication Company of Hamedan

Given that in the implementing strategy cooperation and coordination between the senior managers, operational managers and executive staff is very important, therefore, organizational culture due to the influence on the behavior and performance of the organization members plays a main role in this area. The culture which support running strategy of the organization is considered a positive factor in the strategic management.

Having a relatively strong organizational culture is a special privilege for the telecommunication centers of region. Strong culture in different perspectives is defined as adhesion and relationship, agreement, homogeneous, stability and intensity, agreement and proportion, influential and rigid factor and internal controller (Hassan, 1993).

About the most power indicator (empowerment with a score of 81) can be said most staff are active and involve in their works a lot decisions usually is taken in the level which is available most information, information are available for all widely, each person believes that can has a positive effects, planning is continual work and everyone is engaged in this process partially.

About the weakest indicator (vision) should be said according to earn score of 48 in this indicator, individuals on average have a common vision of the future of organization, leaders have not quite long-term viewpoint and organization's vision is in moderate. Without vision and guidance strategy, one company can't be had benefiting expectation from the sustainable success only from its operational improvement (Kaplan and Norton, 2008).

The score above two of type of involvement organizational culture (get involve in work) and compatibility (adoptability) is expressed flexibility of organization. This feature represents the ability of organization for flexibility and change.

The basic premise in the flexible organizations is on that can't be known easily or be controlled, therefore, the organization should be flexible and ready which can be

shown a suitable react against unforeseen environmental events. The implementation of the strategy has total dependent on the development of internal capabilities, awareness, merits and learning and in this way increase continued reform power or in other words compatibility (Schneider and Louis, 2003).

The flexible feature for the Telecommunication Company which require attention to customer orientation, respond to changes, environmental diversity by entering into the competition world has very high importance. Denison based on his researches claims that the active organizations will act better in the rapid changing environment, if are distinguished value for flexibility and change (Hatch, 2007).

Internal focusing feature is related to score of above two of type of involvement culture and consistency culture. Internal focusing is indicative of the internal dynamic of an organization but is not indicative of mutual relationships with its external environment. Internal focusing represents the power of culture but if does not support the environmental conformity is considered weakness somehow and can be a barrier in the implementation of strategy.

In involvement culture, the score of empowerment (81) is higher than the capabilities development (51), this issue show that perhaps decisions is taken by the people who have not necessary skill and capability. In compatibility culture, the score of customer orientation (72) is higher than the creation of change (57) and organizational learning (56) which represents the reactive prospect toward the customer orientation and lack of preparation for the future needs of customers. In mission culture, goals and objectives (60) is higher than strategic intension and direction (52) and overlook (48) which is indicated that the organization in terms of implementation is good, but without having feeling of the long-term goal and direction and suitable vision.

Research hypotheses test showed that there is a significant relationship between the organizational culture and implementing strategies of Telecommunication Company of Hamedan. Also, there is a significant relationship between the adoptability organizational culture (compatibility) and mission with implementing strategies of Telecommunication Company of Hamedan.

Therefore, two types of mission organizational culture and adaptability organizational culture (strategic emphasis on external focusing) are appropriate for implementing strategies of company in telecommunication centers (while the telecommunication centers of region have least scores in these two types of cultures).

The research results is confirmed carried out researches by Katter and Heskett (1992) about the relationship between the proportion of organizational culture with the organization performance. These researchers found that culture has an important effect on the organization performance. The results of their studies was indicated the positive relationship between the performance indicators and the power of organizational culture. But, when culture does not support the environmental conformity, the cultural strength is prevented performance. Because the attacked culture can be resisted against the implementation of new strategies (Hatch, 2007).

This research also is confirmed the research results of Denison and Atkinson (2007), Coffey (2003) in Hong Kong, Sharma in Australia, Jacobus in North Africa, Mobley and, etc. in China and Ghorbani *et al.* (2008) in the Physical Education Organization of Islamic Republic of Iran in the field of the availability of a significant and positive relationship between the Denison organizational culture model and various performance indicators and effectiveness.

About the availability of a significant relationship between the adoptability culture (compatibility) and implementing strategy, the research results are confirmed the researches of Gordon and Ditomaso, these two researchers using distributed organizational culture questionnaire between 850 managers with level of over 11 of the insurance company concluded that, the organizational culture which has adoptability feature is a good estimate for short-term performance. As well as Callins and Porras in a 6 year research plan with investigation of 18 successful and top companies in compare with the 18 other companies which are not successful so, concluded that the top organizations in addition to have ideal and specific values also have the ability to change, foresight and compatibility with environment.

About the availability of significant relationship between the mission culture and the performance of telecommunication centers in implementing strategy is confirmed research results of Denison and Atkinson (2007). Denison and Atkinson by doing a research about the management teams of 674 organizations of different industries in the United States concluded that the organizational mission has a determinant role to improve the effectiveness of measures including quality, staff satisfaction, invention, services development and overall performance.

CONCLUSION

Culture is the basis to earn superiority in the competitive world, therefore, the promotion of organizational culture indicators (according to the results of this research) can be effective for implementing strategies in the telecommunication companies.

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