Identifying the Elements Affecting Organizational Culture Change at the Organizational Level

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Abstract: The present study aims to identify the elements affecting organizational culture change at the organizational level using descriptive-survey method. Due to the high level effect of organizational culture change, the study population consists of all mangers, deputies and senior consultants of cultural departments and organizations of Isfahan and then 120 of them were selected as the sample using available random sampling method. The research tool is a researcher-made questionnaire and cultural changes at the organizational level were studied based on three layers of Schein's Model of organizational culture. In order to develop the indicators of questionnaire, semi-structured interviews were carried out with 10 experts. After validation by the experts, 18 indicators were categorized in three groups of behaviors, values and basic assumptions. The research analysis was made using LISREL Software and through factor analysis (CFA). Among the indicators of culture change, change in the way of policy-making, increase in rational decision-making power and organizational structure have the greatest value. The fitting coefficients of the model represent high validity of the fitting.

Key words: Organizational culture, change, behaviors, values, basic assumptions, cultural organizations

INTRODUCTION

In today's world, social circumstances and the conditions of organizations are rapidly changing along with other global changes and have made them be highly changeable. Accordingly, it is essential to put the content of the organization as "organizational culture" in the priority of changeability. Numerous studies have shown that organizations are required to accept organizational changes while maintaining the current situation and forecasting the correct future direction because one of the main reasons for the failure is the neglect of organizational culture (Cameron, 1997). Changes in organizational culture require strong management to implement and institutionalize cultural dimensions provided to employees by managers (Pakdil and Leonard, 2015). It is undeniable that organization's readiness for change is the most important thing to change the organizational culture (Haffar *el al.*, 2014). Hence, the present study has paid attention the organizational dimension of organizational culture change. This study seeks to show what factors are worthy of attention for organizational culture change in cultural organizations. This article has defined the problem and its theoretical framework to clarify the issue

and also provided the model of organizational culture change components using Schein's Model of organizational culture.

Definition of the research subject: Organizational culture is a set of corporate assumptions to be jointly accepted by the group and specifies the perceptions, thoughts and reactions to multiple environmental conditions and positions (Schoen, 2000). Organizational culture as the model of collective behavior requires assumptions that affect the perceptions, thinking and feeling of individuals and groups interacting with the audience and stakeholders (Schrodt, 2002). Schein (1992), Deal and Kennedy (2000) state that most organizations have different cultures which distinguished by the influence of advanced subcultures. But all cultures despite differences act the same in changeability features. As Schein (1992) stated, the most difficult feature of organizational culture is its changeability. The reason for difficult variability of organization culture is that values, processes, skills and assumptions forming an organizational culture are inherently coherent and develop an interactive system changing one of them requires changing the other. It is therefore very difficult to change it (Grant, 2013). But it is

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an effective factor to change other organizational aspects and it seems inevitable for the survival of an organization (Burman and Evans, 2008). Accordingly, identifying the constituent elements of culture in an organization arises as a strategic issue.

Changing organizational culture, besides the importance for all the organizations, manifests itself as a more prominently for cultural organizations. Because the intervention area of cultural organizations is the culture of society andthus organizational culture becomes double important in cultural organizations. Analysis of the effect of organization culture change is also carried out more accurately and appropriately in such organizations. In this study, cultural organizations are considered as the population and the organizational elements affecting the culture have been recognized (Ismaili, 2008).

Theoretical framework: Tendency to change organizational culture for the maintenance, health and growth of organization is rooted in a belief that an organization's culture is related to its performance and also affects the performance and efficacy of organization (Cameron and Quinn, 2011). Organizational culture creates the values, behaviors and social and psychological environment of an individual or organization that represents the collective values, beliefs and principles agreed by the organization's members and influenced by the factors such as history, product, market, technology and strategy, type of staff, management style and national culture (Needle, 2010). As Ravasi and Schultz (2006) argued, organizational culture is a set of common assumptions that guide people in the organization to define appropriate behavior for different situations. Culture represents the common definitions of objectives and tasks of an organization and understanding the organization's mission which allows people design their behavior on the basis of a desired future that organization wishes to achieve (Fey and Denison, 2003). In this regard, one of the notable definitions given of culture is the functional definition of Schein (1992). Schein defines organizational culture as a model of assumptions invented or discovered and developed by a certain group, so that adaptation with external environment and internal integration teach them behavioral norms. Schein's model is one of the outstanding models in describing the elements of organizational culture in the layers related and influenced by each other. Since in the organizational culture, behavior is formed based on values and fundamental assumptions, it is critical to consider organizational values and its dimensions (Yin *et al.*, 2014). Each of the layers has components that form the main structure of organizational culture (Bryson, 2008; Ghaferi, 2014).

The cultural change process management links the new organizational culture initiatives by exploring the understanding level of an organization's members about the new expected culture (Lau *et al.*, 2003). In this case, organizational culture change means enjoying different perspectives in national cultures to shape a new construction of organizational reality, interpretation, subculture of competition and processes (Connolly *et al.*, 2011).

In many organizations, cultural change is made by changing the thinking and attitudes of organization's people (Wines and Hamilton, 2009). Thus, changing individual dimensions is known as a strategic leverage point in changing organizational culture. Different levels of organization can be involved in a change. According to Schein (1992), culture is a structural concept based on fundamental assumptions and these assumptions constitute the main content of culture. Accordingly, changing this layer can facilitate changes in other layers. As Cummings and Worley (2005) argued, developing a clear strategy and vision, senior management's commitment to change, changing cultural patterns at the highest levels of organization, definition of new values and behaviors are the stages of organizational culture change. Reforming the organization to support organizational changes is the next step. As Cummings and Worley (2005) argued, the most important strategic point of organizational culture change is the organization's people especially managers (Schraeder *el al.*, 2005). Although, the focus is on improving education, achieving personal rewards, organizational growth and creating a new organizational culture to challenge organizational culture, especially in cultural and educational organizations (Thomas and Willcoxson, 1998), attitudes toward organizational culture change required to assess needs, identify and understand the current organizational culture (Abdul *el al.*, 2004). The result is that, organizational dimension of organizational culture change as the most important dimension on one hand andmain structures of organizational culture change on the other hand show that we can study this dimension in Schein's model of organizational culture and accordingly present the model for organizational culture change. This study sought to examine the components of organizational culture change in the organizational dimension and present the model for organizational culture change based on values, behaviors and assumptions mentioned in the following paragraph.

Research questions:
- What are the components of organizational culture change in the organizational dimension?

- To what extent organizational factors play a role in changing the organizational culture?
- How is the pattern of organizational culture change in the organization dimension based on values, behaviors andbasic assumptions?

MATERIALS AND METHODS

The methodology of this study is descriptive-survey. The population of this study consisted of all managers, deputies and senior advisers of cultural departments and organizations, among which Directorate General of Education, Islamic Culture and Guidance, radio and television, cultural heritage and crafts, tourism and cultural and recreational organization of municipalities, Hajj and pilgrimage organization, Directorate General of youth and Sports, Islamic Promotion organization, Directorate General of the public Libraries of Isfahan were selected using simple random sampling method. Of 130 maangers, deputies andexperts of these organizations in Isfahan in 2015, total of 120 people were selected as the sample using available random sampling method. Data collection tool was researcher-made questionnaire in three-layered dimensions of organizational culture and based on Schein's Model. In order to develop Questionnaire Indicators, semi-structured interviews were conducted with 10 experts. Then, the indices summarized for organizational culture changeability were categorized using experts' opinions received in the form of open questionnaire and a validated questionnaire presented 17 indicators of behaviors, values and basic assumptions. In addition, the questionnaire was distributed and collected as the ultimate tool in the study. The present research analysis was performed by LISRE Software through Confirmatory Factor Analysis (CFA).

RESULTS AND DISCUSSION

Descriptive statistics and inferential statistics of organizational indicators: At the end, the factors identified by interviews and literature are as given bellow:

- Changing organizational leadership style
- Changing policy-making model
- Strengthening result-oriented spirit
- Increasing the power of rational decision
- Stress management training
- Change in the way of rewarding
- Enhancing creativity and innovation
- Synchronization of tasks
- Continuous organizational learning
- Changing organizational improvement style

- Change in hiring practices
- Change in status of partners
- Attraction of changeable forces
- Power to compromise with different cultures
- Formation of appropriate organizational structure
- Teaching conflict management styles
- Clarification of organizational goals

During the study, the mean, standard deviation and Friedman test for organizational factors in behavior, values and organizational assumptions were analyzed. The results showed that the impact of proposed dimensions on the organizational culture change is at a good level. The ranking of dimensions also shows that "value" has the highest and "basic assumptions" the lowest rate in organizational culture change. The research question that "Is there a significant difference between the scores of organizational factors in changing the organizational culture?" was confirmed.

Organizational culture change model in the organizational dimension: To achieve organizational culture change model in the organizational dimension, the dimensions of organizational behaviors were considered as a hidden variable and each of the questions measuring this dimension were presented as an explicit variable. In order to consider the measurement error, an error called e was considered for each explicit variable. The model was reformed by the help of reform measures in order to increase the fitting indices, including drawing two parameters among the errors. The final model is presented in Fig. 1 and 2. The standard estimate and its significance level is presented in Table 1. Given the p>0.05, relative Chi-square index has an acceptable amount of 1.53 indicating its good fitting.

GFI is 0.91 that shows there is little difference between the variance and regenerated covariance matrices and also variance and observed covariance matrices indicating the good fit.

The second root mean square residual or RMR for the model is 0.087 which is small amount that represents the slight error and acceptable fitting. The CFI for model is 0.91 indicating a very good fit. The Root Mean Square Error of Approximation or RMSEA, like RMR, has residual based on matrix analysis. The index for model is 0.088 showing a good fit of model.

The results of t-value for the main parameters provided in the model, at organizational dimension based on behaviors, values and assumptions were greater than 2 in all variables. Thus, all the estimates and coefficients are statistically significant (Ping, 2004).
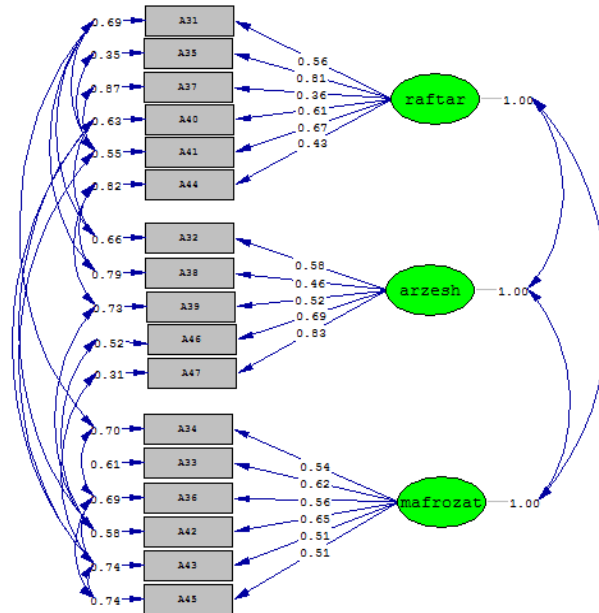
Fig. 1: Determination of the standard value of model fit at organizational dimension (χ^2 = 228.03, df = 119, p = 0.09500, RMSEA = 0.088)
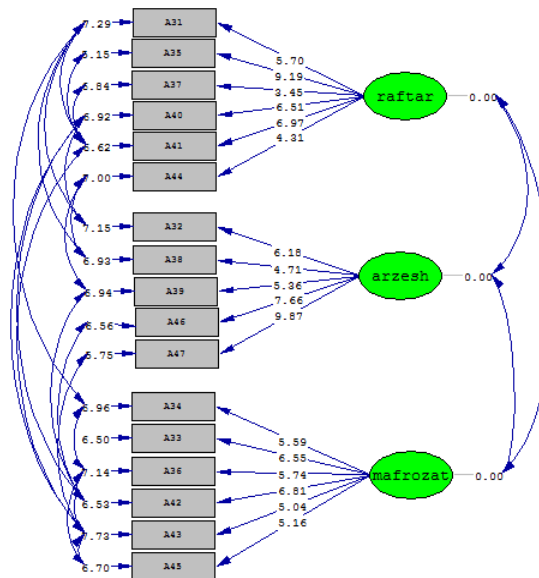

Fig. 2: Determination of the t-value of model fit at organizational dimension (χ^2 = 228.03, df = 119, p = 0.09500, RMSEA = 0.088)

Based on the findings:
- The highest factor coefficient in behavior was related to the question on changing policy-making model and the least factor coefficient for the change in the status of partners. Also, the factor loadings of each sub-component on behavior are all higher than 0.4

- The highest factor coefficient in values was related to increasing the power of decision and the least factor coefficient for strengthening result-oriented spirit. Also, the factor loadings of each sub-component on values are all higher than 0.4

Table 2: Research model fitting indices

Type of indicator	Indices			
	Abbreviation	Persian	Acceptable range	Development model
Cmparative	CFI	Comparative fit index	1-90/0	0/91
Economic	NFI	Normalized fit index	1-90/0	0/94
	CFI	Comparative fit index	1-90/0	0/91
	RMSEA	RMSEA	1/0-0	0/088
Absolute	CMIN/df	Relative Chi-square	<0.5	35/2

- The highest factor coefficient in basic assumptions was related to the formation of appropriate organizational structure and the least factor coefficient for organizational learning and changing the organizational improvement style. Also, the factor loadings of each sub-component on basic assumptions are all higher than 0.5

CONCLUSION

The results show that the context for organizational culture change at organizational level can be created in cultural organizations on the basis of the factors identified. Change in behavior is rooted in changing subjective values and subsequently change in the subjective values is rooted in changing the underlying basic assumptions that is the intangible part of culture. All the factor loadings of behavior, values and basic assumptions associated with organizational dimension were significant and indicate the suitability of the organizational dimension measurement indicates. It indicates the impact of these components on organizational dimension of organizational culture change. The impact of indices on cultural change is not the same and some indicators have more value and power.

Among the elements, rational decision making, continuous organizational learning, increased cultural intelligence of staff andrecruitment of changeable people have got more credibility. Among the indicators of creating a change in the synchronization of tasks, having clear goals and a result-oriented spirit had the lowest loading factor in this dimension.

The present study research grid and Connolly *et al.* (2011), Adewale and Anthonia (2013) also had a hand. Khalili grid and the relationship between corporate culture and corporate social responsibility will have to verify.

The present study is consistent with the researches on Moshabaki and Khalili (2010), Zamini and Hosseini (2009), Taqvaei (2000), Connolly *et al.* (2011), Turdean and Vana (2012). Moshabaki and Khalili have approved the relationship between organizational culture and social responsibility. Zamini proved the relationship between job satisfaction and organizational culture and Taqvaei approved the relationship between organizational culture

and reward and management control and coordination. Kanoni, in the result of his research, claimed for different styles and perspectives and strategies of managers to change organizational culture. Turdean and Vana linked quality modification, design of organizational structure and hiring practices to organizational culture change. Adewale and Anthonia have confirmed the relationship between the development of organization, training staff, leadership style, recruitment process and performance. The results of the above-mentioned researches on the variables and their association with culture and organizational culture change are similar to the indicators presented in this study. Based on the results of this study, it is suggested to consider the increased power of rational decision making, stress and conflict management training, increased strength and innovation, clarification of objectives in the planning system. Formation of appropriate structure and changing the style of organizational improvement, change in leadership style should be considered in organizing practices. In the human resources evaluation system, changes in hiring practices, recruitment of changeable people, continuous training and change in the rewarding method must be considered.

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